

U.S. Department of Labor

Employment Standards Administration  
Office of Labor-Management Standards  
Buffalo District Office  
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Buffalo, NY 14202  
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July 25, 2005

Roger Mesler, President  
USWA, Local 04-5429S  
1116 East State Street  
Olean, NY 14760

Re: 2

Dear Roger:

This office has recently completed an audit of Steelworkers AFL-CIO, Local 04 5429S under the Compliance Audit Program (CAP) to determine compliance with provisions of the Labor-Management Reporting and Disclosure Act of 1959, (LMRDA). As discussed during the exit interview with Phil, Leo, Jim, and you on July 15, 2005 the following matters were disclosed during the CAP. The matters listed below are minor in nature and not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

We discussed, and resolved the proof of bonding issue as well as providing me a copy of your current fixed asset inventory. Also, the purchase of fixed assets during the year was properly reported on the LM report for FYE 12/31/2004, Item 52, however, during the exit interview I may have been unclear as to when and why one would check Item 13 *Yes or No*. To make clear; because you did purchase new equipment (computer(s), printer, etc...) you would not have checked *Yes* under Item 13. Your latest LM report is the correct way to record any future purchases.

Additionally we discussed "netting" in regards to any future 50/50 raffles you may hold and how to properly record the receipt and disbursement of the raffle proceeds. I talked about the importance of all signatures, or the required signatures on monthly financial reports. And there were only two of the four quarterly trustee audit reports included in your 2004 records.

I want to extend my personal appreciation to you and all your officers, for your cooperation, courtesy, and plant tour during my visit. If I can be of any assistance in the future, please do not hesitate to call.

Sincerely,

*FCC*

*FCC*

Investigator

Cc: James Johnson, Vice President  
Phillip Linn Jr, Financial Secretary  
Leo Reynolds Jr, Treasurer  
Richard Hansen, International Auditor