



December 17, 2012

Mr. William V. Sherer, Business Manager  
Ironworkers Local Union 550  
618 High Avenue, NW  
Canton, OH 44703

Case Number: [REDACTED]  
LM Number: 032576

Dear Mr. Sherer:

This office has recently completed an audit of Ironworkers Local Union 550 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with you and President Rick Moss on August 17, 2012, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

#### Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report Form LM-2 had not been filed by Local 550 for the fiscal year ended June 30, 2012, therefore, the following was deficient prior to the submission of the report:

##### Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 550 amended its constitution and bylaws in 2010, but did not file a copy with its LM report for that year.

On August 6, 2012, Local Union 550 has provided a copy of its constitution and bylaws.

#### Recommendation

##### Credit Card Statements

During the audit, a cursory review of some of the records outside of the audit period was also conducted, including a review of some of the credit card statements. A brief analysis of these records showed that some of the credit card charges made by some of the officers were not correctly reported on the LM-2 report for that year in Schedule 11. Rather, the

disbursements were included in Schedule 18 instead. I have enclosed a copy of the instructions for completion of the form LM-2 for your reference and to clarify the reporting of credit card expenditures.

I suggested that the receipts attached to the credit card statements have a notation as to the vendor and the amount because some of the receipts were not legible. You also agreed to make these entries in QuickBooks next to each credit card charge.

I want to extend my personal appreciation to Ironworkers Local Union 550 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,

A solid black rectangular redaction box covering the signature of the investigator.

Investigator

cc: Mr. Rick Moss, President