

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
Dallas District Office  
525 Griffin Street  
Room 300  
Dallas, TX 75202  
(972)850-2500 Fax: (972)850-2501



June 25, 2008

Mr. Walter Williams, Financial Secretary  
Steel Workers AFL-CIO  
Local 13-1157-L  
11810 FM 3271  
Tyler, Texas 75712

Re: Case Number: [REDACTED]

Dear Mr. Williams:

This office has recently completed an audit of Steel Workers Local 13-1157-L 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 Willie Pinke, Jr., Walter Williams, Roy Montgomery on April 22, 2008, 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.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records for at least five years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it

providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 1157's 2007 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 1157 did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by President Willie Pinke, Jr. in excess of \$220 dollars and Financial Secretary Walter Williams in excess of \$350 dollars. Most of these disbursements were for gas charges and restaurant expenses.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

2. Lost Wages

Local 1157 did not retain adequate documentation for lost wage reimbursement payments to union officers. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that Local 1157 had not recorded the purpose of lost time accurately on the vouchers or maintained employer records to verify if time was actually lost.

I want to extend my personal appreciation to Steel Workers Local 13-1157-L 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,



Investigator

cc: Willie Pinke, Jr., President