



May 20, 2016

Mr. David F. Box, Financial Secretary
United Steelworkers
Local 1533
P.O. Box 277
Arkansas City, Arkansas 71630-0277

Case Number: 420-6007009
LM Number: 511426

Dear Mr. Box:

This office has recently completed an audit of Steelworkers Local 1533 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 Mr. David Humphries on May 20, 2016, the following problem was disclosed during the CAP. The matter listed below is not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Recordkeeping Violation

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 1533's 2015 records revealed the following recordkeeping violation:

Lack of Salary Authorization

Local 1533 did not maintain records to verify that the salaries reported in Item 24 (All Officer and Disbursements to Officers) of the LM-3 was the authorized amount and

therefore was correctly reported. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

Based on your recent submission of the monthly membership meeting minutes, revealing that the membership met on May 11, 2016 and approved officer's quarterly salaries and allowances, and your assurance that Steelworkers Local 1533 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Steelworkers Local 1533 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: Mr. David Humphries, Vice President