



December 18, 2023

Mr. Timothy O'Daniel, President
USW Local 1014-L
333 S. Main Street
Suite 310
Akron, OH 44308-1225

Case Number: 350-6027329()
LM Number: 507394

Dear Mr. O'Daniel:

This office has recently completed an audit of USW Local 1014-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 you and Vice President Beth Templeton on December 14, 2023, 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

1. General Reimbursed and Credit Card Expenses

Local 1014-L did not retain adequate documentation for reimbursed expenses and credit card expenses incurred by you and the local in general, totaling at least \$11,000. For example, no records are maintained for \$800 monthly rent payments.

As 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. Sample vouchers were provided to you.

2. Meal Expenses

Local 1014-L did not require officers and employees to submit itemized receipts for meal expenses totaling at least \$130. The union must maintain itemized receipts provided by restaurants to officers and employees. These itemized receipts are necessary to determine if such disbursements are for union business purposes and to sufficiently fulfill the recordkeeping requirement of LMRDA Section 206.

Local 1014-L's records of meal expenses did not always include written explanations of the union business conducted or the names and titles of the persons incurring the restaurant charges. For example, receipts kept for reimbursed meals charged to your

credit card did not include information about who incurred the expenses, even though many receipts had more than one meal. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

3. Lost Wages

Local 1014-L did not retain adequate documentation for lost wage reimbursement payments to union officers and employees totaling at least \$410. 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 1014-L officers usually listed a purpose for lost time in a union record, but did not maintain documentation for authorization, number of hours, specific dates, or hourly rates.

During the exit interview, I provided a compliance tip sheet, Union Lost Time Payments, that contained a sample of an expense voucher Local 1014-L may use to satisfy this requirement. The sample identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

4. Lack of Salary Authorization

Local 1014-L did not maintain records to verify that the salaries reported in Item 24 (All Officers and Disbursements to Officers) of the LM-3 were the authorized amount and therefore were 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 assurance that Local 1014-L will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

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-3) filed by Local 1014-L for the fiscal year ended December 31, 2022, was deficient in that:

1. Acquire/Dispose of Property

Item 13 (During the reporting period did your organization acquire or dispose of any assets in any manner other than by purchase or sale?) should have been answered, "Yes," because the union gave away shirts totaling more than \$370 during the year. The union must identify the type and value of any property received or given away in the additional

information section of the LM report along with the identity of the recipient(s) or donor(s) of such property. The union does not have to itemize every recipient of such giveaways by name. The union can describe the recipients by broad categories if appropriate such as “members” or “new retirees.” In addition, the union must report the cost, book value, and trade-in allowance for assets that it traded in.

I am not requiring that Local 1014-L file an amended LM report for 2022 to correct the deficient items, but Local 1014-L has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to USW Local 1014-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: Ms. Beth Templeton, Vice President