U.S. Department of Labor

Office of Labor-Management Standards Seattle District Office 1111 Third Avenue, Suite 605 Seattle, WA 98101 (206) 398-8099 Fax: (206) 398-8090



Case Number: | | | | | | | | |

LM Number: 043733

September 16, 2011

Ms. Barbara Crawford, Business Representative Painters LU 427 2500 Kennewick Ave STE E Kennewick, WA 99336

Dear Ms. Crawford:

This office has recently completed an audit of Painters LU 427 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 Office Secretary Tammy Casey on July 28, 2011, the following problem was disclosed during the CAP. The matter listed below is not exhaustive of all possible problem areas since the audit conducted was limited in scope.

Violation

Inadequate Bonding

The audit revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers and employees be bonded for no less than 10 percent of the total funds those individuals or their predecessors handled during the preceding fiscal year.

Local 427's officers and employees are currently bonded for \$22,500, but they must be bonded for at least \$24,190. Local 427 should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than September 2, 2011.

I want to extend my personal appreciation to Painters LU 427 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

cc: Mr. Mike Fitzsimmons, President

Mr. Allen Anderson, Financial Secretary