

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
New York District Office
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September 20, 2005

Mr. Frank Marino,
Executive Secretary Treasurer
Carpenters New York City Industrial Council
87-80 153rd Street
Jamaica, NY 11432

Dear Mr. Marino,

This Office has recently completed an audit of Carpenters New York City Industrial Council under the Compliance Audit Program (CAP) to determine compliance with provisions of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA). As discussed during the exit interview with Executive Secretary Treasurer Frank Marino held today, 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.

The CAP disclosed a violation of LMRDA section 201(b), because the Labor Organization Annual Report (Form LM-) filed by Carpenters New York City Industrial Council for fiscal year ending June 30, 2004 failed to meet the standards of acceptability.

The following deficient items were identified:

All direct disbursements to your union's officers and some indirect disbursements made by your organization on behalf of its officers must be included in the amounts reported in item 24. A "direct disbursement" to an officer is a payment made by your organization to an officer in the form of cash, property, goods, services, or other things of value. An "indirect disbursement" to an officer is a payment made by your organization to another party (including credit card companies) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in item 48 (Office and Administrative Expenses).

Receipts of \$2400 were not reported in Item 43 Other Receipts. The LM-3 instructions for Item 43 Other Receipts stated LM-3 filers must "enter all receipts of your organization other than those reported in Items 38 through 42, including proceeds from the sale of supplies, loans obtained, repayments of loans made, rents, and **funds collected for transmittal to third parties**" in this section.

In addition, disbursements of \$2350.00 were not reported in Item 54 Other Disbursements. As discussed in the LM instructions under Item 54 Other Disbursements, LM-3 filers must "Enter all disbursements not reported in Items 45 through 53, including fees, fines, assessments, supplies for resale, repayments of loans obtained, **transmittals of funds collected for third parties**, educational and publicity expenses, withholding taxes, and payments for the account of affiliates and other third parties" in this section.

It will be necessary for Carpenters New York City Industrial Council to file an amended LM-3 reports for 2004 to correct the deficient items discussed above. The necessary reporting forms and instructions are enclosed for your use. You may also use the new electronic forms software available from OLMS to complete the amended reports. One copy of each amended report should be submitted to this office at the above address as soon as possible, but no later than 09/30/05. Before mailing, review the reports thoroughly to be sure they are complete, accurate, and signed properly with original signatures.

I strongly recommend that you make sure that this letter and the compliance assistance materials that were provided to you are passed on to yours and Ms. Matias' successors at whatever time you may leave office.

I want to thank you for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to contact me or any other representative of our office.

Sincerely,



Investigator

cc: President