

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
New York District Office  
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February 25, 2009

Mr. William Murray  
, Treasurer  
Carpenters IND  
Local 1006  
44 North Main Street  
Milltown, NJ 08850

Re: Case Number: [REDACTED]

Dear Mr. Murray

:

This office has recently completed an audit of Carpenters LU 1006 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 Business Manager Bill Schlueter and you on February 23, 2009, 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 the following:

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-2 filed by Local 1006 for fiscal year ending June 30, 2008 was deficient in the following areas:

1. Certificates of Deposit

Local 1006 failed to include the total amount of interest earned on three certificates of deposit. The audit showed that interest earned on certificates of deposit totaled \$9,845. The local should obtain interest earned from bank statements for each certificate of deposit when calculating the interest amount in Item 40.

## 2. Dispose of Property

Item 15 [LM-2] (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 t-shirts and sweatshirts with union logo totaling more than \$11,700 during the audit period. Local 1006 must identify the type and value of any property given away in the additional information section of the LM-2 report Item 69 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.

The union incorrectly listed the above mentioned amount for the purchase of shirts in LM-2 Item 59 Supplies for Resale. The union must remove the amount from Item 59 and include disbursement in Item 54 Schedule 19 Union Administration.

## 3. Per Capita Tax Payments

The union entered an incorrect amount in Item 56 Per Capita Tax. The audit findings reflected \$102,898 disbursed in per capita tax payments. The LM-2 showed \$103,198.

Local 1006 must file an amended Form LM-2 for fiscal year ending June 30, 2008, to correct the deficient items discussed above. I explained to you the filing procedures and the availability of filing software on the OLMS website ([www.olms.dol.gov](http://www.olms.dol.gov)). The amended Form LM-2 must be electronically filed as soon as possible, but not later than March 13, 2009. Before filing, review the report thoroughly to be sure it is complete and accurate, and properly signed with electronic signatures.

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I want to extend my personal appreciation to Carpenters LU 1006 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: Phillip Liantonio, President and Bill Schlueter, Business Manager