

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Seattle District Office
1111 Third Avenue
Room 605
Seattle, WA 98101-3212
(206)398-8099 Fax: (206)398-8090



May 27, 2009

Mr. Cass Prindle, Treasurer
Carpenters LU 1797IND
LU 1797
231 Burnett Avenue North
Renton, WA 98055

LM File Number 005-728
Case Number: [REDACTED]

Dear Mr. Prindle:

This office has recently completed an audit of Carpenters Local 1797 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 yourself and Tim Pearson on May 15, 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.

Reporting Violation

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 1797 for fiscal year ending June 30, 2008, was deficient in that the local failed to file its most recent bylaws.

Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 1797 amended its constitution and bylaws in 2002, but did not file a copy with its LM report for that year. Local 1797 has now provided an updated copy of its constitution and bylaws to OLMS.

Other Violations

The audit disclosed the following other 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 1797's officers and employees are currently bonded for \$150,000, but they must be bonded for at least \$164,936. Local 1797 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 June 5, 2009.

I want to extend my personal appreciation to Carpenters Local 1797 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: Tim Pearson, President