



June 15, 2011

Mr. Steve Ybarra, President
National Association of Letter Carriers Branch 2207
PO Box 3434
Torrance, CA 90510-3434

Case Number: [REDACTED]
LM Number: 083387

Dear Mr. Ybarra:

This office has recently completed an audit of National Association of Letter Carriers Branch 2207 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 on June 14, 2011, 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 LM-3 filed by Branch 2207 for the fiscal year ended December 31, 2010, was deficient in the following area:

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. Branch 2207 amended its constitution and bylaws in 2004, but did not file a copy with its LM report for that year.

Branch 2207 has now filed a copy of its constitution and bylaws.

Other Violation

The audit disclosed the following other violation(s):

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.

Branch 2207's officers and employees are currently bonded for \$25,000, but they must be bonded for at least \$36,000. Branch 2207 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 July 1, 2011.

I want to extend my personal appreciation to National Association of Letter Carriers Branch 2207 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,

Alan Weiss
District Director

Cc: Daniel Gialombardo, Treasurer