

U.S. Department of Labor

Office of Labor-Management Standards
Atlanta District Office
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March 28, 2011

Mr. Richard Dukes, President
Stage & Picture Operators, AFL-CIO
500 Bishop Street, Suite F-1
Atlanta, GA 30318

Case Number: [REDACTED]
LM Number: 529215

Dear Mr. Dukes:

This office has recently completed an audit of the Stage & Picture Operators, AFL-CIO, Local 834, 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 Financial Secretary/Treasurer Michael Pavaglio on March 25, 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. The audit disclosed the following violation:

1. 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 handled by those individuals or their predecessors handled during the preceding fiscal year. The CAP disclosed that the total funds handled during the 2009 year were \$720,336. Ten percent of this amount is \$72,033 or \$75,000. IATSI Local 834 officers and employees are currently bonded for \$65,000. The union should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as adequate coverage has been obtained.

I want to extend my personal appreciation to the Stage & Picture Operators, AFL-CIO 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,

[REDACTED]
Investigator

cc: Mr. Michael Pavaglio, Financial Secretary/Treasurer