U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Denver District Office
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June 30, 2006

Mr. John Forkan, Business Manager
United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, AFL-CIO
Local 41
P.O. Box 3172
Butte, Montana 59702

Re: Case Number: [redacted]

Dear Mr. Forkan:

This office has recently completed an audit of Plumbers Local 41 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 29, 2006, 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.

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 during the preceding fiscal year. Local 41's officers and employees are currently bonded for $45,000, but they must be bonded for at least $85,000. Local 41 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, but not later than July 14, 2006.

I want to extend my personal appreciation to Plumbers Local 41 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], Senior Investigator