



March 14, 2024

Mr. Ray Bael, Treasurer  
National Association of Letter Carriers, Branch 213  
4801 E. Fremont Street  
Stockton, CA 95125

Case Number: 530-6028018( )  
LM Number: 080445

Dear Mr. Bael:

This office has recently completed an audit of National Association of Letter Carriers Branch 213 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, President Greg Fuson, Financial Secretary Ruben Figueroa, and Executive Vice President James Giece on March 8, 2024, 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 Violations

Pursuant to 29 C.F.R., Section 458.3, the reporting requirement under 29 C.F.R. Section 403.2 (see Section 201(b) of the Labor-Management Reporting and Disclosure Act (LMRDA)) is made applicable to labor organizations subject to the requirements of the CSRA. This provision requires labor organizations to file annual financial reports that accurately disclose their financial condition and operations. This audit disclosed a violation of this requirement. The Labor Organization Annual Report (Form LM-3) filed by Branch 2013 for the fiscal year ended December 31, 2022, was deficient in the following areas:

##### 1. Disbursements to Officers

The union must report most direct disbursements to Branch 213 officers and some indirect disbursements made on behalf of its officers in Item 24. A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. See the instructions for Item 24 for a discussion of certain direct disbursements to officers that do not have to be reported in Item 24. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 48 (Office and Administrative Expense).

The union combined officer salaries and other disbursements in Item 24 – All Officers and Disbursements to Officers, Column D – Gross Salary. The union should have separated salaries and other compensation and other disbursements paid to officers to conduct union events or purchase supplies. Other disbursements should have been reported in Column E – Allowances and other Disbursements.

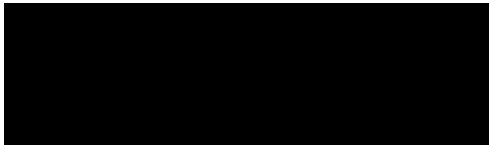
2. Investment not Reported

The union owns its building, and it was not reported in Statement A-Assets and Liabilities, Item 28 Investments.

Branch 213 must file an amended Form LM-2 or LM-3 report for the fiscal year ended December 31, 2022, to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at [www.olms.dol.gov](http://www.olms.dol.gov). The amended report must be filed no later than March 15, 2024. Before filing, review the report thoroughly to be sure it is complete and accurate.

I want to extend my personal appreciation to National Association of Letter Carriers Branch 213 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator