

**U.S. Department of Labor
Office of Labor-Management Standards**

San Francisco – Seattle District Office

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October 28, 2013

Mr. Johnny Moreno, Business Agent & Secretary Treasurer
IATSE Local 18-B
965 Mission Street
Suite #509
San Francisco, CA 94103

Case Number: 530-10534 ()
LM Number: 043-664

Dear Mr. Moreno:

This office has recently completed an audit of IATSE Local 18-B 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 and President Wynne Aldana on October 28, 2013, 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-3) filed by Local 18-B for the fiscal year ended December 31, 2012, 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. Local 18-B amended its constitution and bylaws in 2007, but did not file a copy with its LM report for that year.

Local 18-B has now filed a copy of its constitution and bylaws.

Other Violation

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.

The audit revealed that Local 18-B's officers were not bonded for the minimum amount required at the time of the audit. However, Local 18-B obtained adequate bonding coverage and provided evidence of this to OLMS during the audit. As a result, OLMS will take no further enforcement action regarding this issue.

I want to extend my personal appreciation to IATSE Local 18-B 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: Ms. Wynne Aldana, President