

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
Cleveland District Office  
1240 East Ninth Street  
Room 831  
Cleveland, OH 44199  
(216)357-5455 Fax: (216)357-5425



June 9, 2009

Mr. Steve Yagiello, Business Manager  
Plumbers and Steamfitters  
Local 42  
187 Woodlawn Avenue  
Norwalk, Ohio 44857

LM File Number 038-337

Case Number: [REDACTED]

Dear Mr. Yagiello:

This office has recently completed an audit of Plumbers and Steamfitters Local 42 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 May 5, 2009, 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.

Other Violation

The CAP disclosed 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.

Local 42's officers and employees were bonded for \$100,000, but the CAP showed that they must be bonded for at least \$199,801. On May 12, 2009 Local 42 increased the amount of its bond to \$200,000 and provided proof of bonding coverage to this office. No further action is necessary.

Other Issue

During the audit, you advised that Local 42 requires only one signature on its checks. Requiring two signatures is an effective internal control of union funds. OLMS recommends that Local 42 review this procedure to improve internal control of union funds.

I want to extend my personal appreciation to Plumbers and Steamfitters Local 42 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: Ralph D. Mullins, President