

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Boston District Office
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Boston, MA 02203
(617) 624-6690 / FAX: (617) 624-6606



January 11, 2005

Rui Carrinho, Business Manager
IBEW Local 1274
1329 Jefferson Blvd.
Warwick, RI 02888-2532

Re: _____ 2

Dear Mr. Carrinho:

This office has recently completed an audit of IBEW Local 1274 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, as Amended (LMRDA). As discussed during the exit interview with you and Mr. Huntoon on January 10, 2005, 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 CAP disclosed a violation of LMRDA section 201(b), because the Labor Organization Annual Report (Form LM-3) filed by Local 1274 for fiscal year ending December 31, 2003 was deficient in the following areas:

1. The names of some officers who held office during the year were not reported in Item 24 with the total amount of payments to or for them. The names of all persons who held office during the year must be reported in Item 24 regardless of whether or not they received any payments from the union. "Officer" is defined in section 3(n) of the LMRDA as "any constitutional officer, any person authorized to perform the functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, and any member of its executive board or similar governing body."
2. All direct disbursements to your union's officers and some indirect disbursements made by your organization on behalf of its officers must be included in the amounts reported in Item 24. A "direct disbursement" to an officer is a payment made by your organization to an officer in the form of cash, property, goods, services, or other things of value. An "indirect disbursement" to an officer is a payment made by your organization to another party (including credit card companies) 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 Expenses).

Additionally, as discussed during the exit interview, please note that per capita tax payments to the IBEW and payments to the AFL-CIO should be recorded in Item 47 (Per Capita Tax) and fixed assets may be represented at their depreciated value in Item 29 (Fixed Assets).

I am not requiring that Local 1274 file an amended LM-3 report for 2003 to correct the deficient items, but as agreed, your union will properly report the deficient items on all future reports filed with this agency.

The CAP disclosed a violation of LMRDA section 201(a) which requires that unions submit a copy of their current constitution and bylaws with its LM report when bylaw changes are made. Local 1274 amended its bylaws, but a copy of the bylaws was not filed with the LM-3 report for that year. Two copies of Local 1274's most recently amended bylaws have now been filed.

I strongly recommend that you make sure that this letter and the compliance assistance materials that were provided to you are passed on to your successor at whatever time you may leave office.

I want to thank you and Mr. Huntoon for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,

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Investigator