

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
New York District Office  
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New York, NY 10014  
(646)264-3190 Fax: (646)264-3191



January 9, 2009

Mr. Robert Borch, Financial Secretary  
Stage & Picture Operators, AFL-CIO  
Local 4  
2917 Glenwood Road  
Brooklyn, NY 11210

Re: Case Number: [REDACTED]

Dear Mr. Borch:

This office has recently completed an audit of IATSE Local 4 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 Robert Borch, Terence Ryan, Peter Fitzpatrick, and Lewis Resnick on December 15, 2008, 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 Violations**

The CAP disclosed the following other violation(s):

**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 handled by those individuals or their predecessors during the preceding fiscal year. Local 4's officers and employees although currently bonded for \$1,000,000 the bond issued to Local 4 contains a deductible of \$5,000 which is not allowable. The union must obtain a bond which does not include any deductible.

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Local 4 should obtain adequate bonding coverage excluding any deductible 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 January 30, 2009.

I want to extend my personal appreciation to IATSE Local 4 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