

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
San Diego Resident Work Station
P.O. Box 2647
Temecula, CA 925932647
(760) 219-5334 Fax:(951) 676-5640



November 10, 2008

Mr. Michael Kasparian, President
United Food and Commercial Workers Local 135
2001 Camino Del Rio South
San Diego, CA 92108-3603

LM File Number: 517-319
Case Number: [REDACTED]

Dear Mr. Kasparian:

This office has recently completed an audit of United Food and Commercial Workers Local 135 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, Brian Kelly and Michael Four on October 16, 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.

Reporting Violations

The CAP 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-2) filed by Local 135 for fiscal year ending December 31, 2006, was deficient in that:

Failure to File Bylaws

The CAP 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 constitution or bylaw changes are made. Local 135 amended its constitution and bylaws in 2000, but a copy was not filed with its LM report for that year. Local 135 has now filed a copy of the revised bylaws.

Other Violations

The audit disclosed the following other violation:

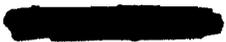
Inadequate Bonding

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 handled by those individuals or their predecessors during the most recently completed fiscal year.

The audit disclosed that the union's employees, including the Comptroller, are currently bonded for \$100,000. The audit further revealed that the Comptroller manages all of the union's financial operations and, therefore, the bonding coverage for that position should be increased to \$500,000, the minimum amount of coverage required in this matter to comply with Section 502. Local 135 should obtain the additional coverage for the Comptroller position immediately and provide proof of adequate bonding coverage to this office not later than November 28, 2008.

I want to extend my personal appreciation to United Food and Commercial Workers Local 135 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,


Senior Investigator

cc: Mr. Michael Four, Attorney