



January 24, 2023

Mr. Stephan R. Davis, Business Manager  
International Brotherhood of Electrical Workers  
Local 40  
5643 Vineland Ave.  
North Hollywood, CA 91601-2096

Case Number: 520-6025319( )  
LM Number: 047357

Dear Mr. Davis:

This office has recently completed an audit of International Brotherhood of Electrical Workers Local 40 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 Office Manager Robyn Capili on January 24, 2023, 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 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 40's officers and employees were not bonded for the minimum amount required at the time of the audit. However, Local 40 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 International Brotherhood of Electrical Workers Local 40 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. Jesus Barron, President