



April 5, 2011

Mr. Sergio Medina, Business Agent/Secretary Treasurer
Stage & Picture Operators AFL-CIO, LU 857
13245 Riverside Drive, Ste 350
Sherman Oaks, CA 91423-5625

Case Number: [REDACTED]
LM Number: 010-093

Dear Mr. Median:

This office has recently completed an audit of Stage & Picture Operators AFL-CIO, LU 857 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 April 04, 2011, 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 Violation

The audit 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 857 for fiscal year ending June 30, 2010, was deficient in the following area:

Failure to File Bylaws

The audit 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 it makes changes to its constitution or bylaws. Local 857 amended its constitution and bylaws on April 14, 2003, but did not file a copy with its LM report for that year.

Local 857 have now filed a copy of its constitution and bylaws.

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 preceding fiscal year. Local

857's officers and employees are currently bonded for \$50,000, but they must be bonded for at least \$54,000.

Adequate bonding coverage was obtained and documentation provided during the audit. No further enforcement action will be taken.

I want to extend my personal appreciation to Stage & Picture Operators AFL-CIO, LU 857 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