



September 30, 2013

Mr. Eduardo Pacheco, Vice President
Guards, IND
1305 Knight Street
Richland, WA 99352

Case Number: 540-08756 [REDACTED]
LM Number: 025450

Dear Mr. Pacheco:

This office has recently completed an audit of Guards, IND 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 August 30, 2013, 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

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. Guards, IND, amended its constitution and bylaws in 2007, but did not file a copy with its LM report for that year. Guards, IND has now filed a copy of its constitution and bylaws.

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.

Guards, IND's officers and employees are currently not bonded, but they must be bonded for at least \$2,330.65. Guards, IND should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than November 15, 2013.

I want to extend my personal appreciation to Guards, IND 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,



cc: Mr. Charles Nelson, Treasurer