

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
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August 6, 2009

Ms. Janis Lipzin, Treasurer  
Faculty Union at the SF Art Institution (FUSFAI)  
800 Chestnut Street  
San Francisco, CA 94133-2206

LM File Number: 543-910  
Case Number: [REDACTED]

Dear Ms. Lipzin:

This office has recently completed an audit of the Faculty Union at the SF Art Institution (FUSFAI) 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 6, 2009, 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 revealed a violation of LMRDA Section 502 (Bonding), which requires that union officers 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 FUSFAI was not bonded for the minimum amount required at the time of the audit. However, the union 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 FUSFAI for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this

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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

cc: President Sharon Grace