

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Denver District Office
1999 Broadway, Suite 2435
Denver, CO 80202-5712
(720) 264-3232 Fax:(720) 264-3230



March 4, 2009

Mr. Michael McDonald, Secretary Treasurer
BCTC Utah
2261 South Redwood Road, Suite E
Salt Lake City, UT 84119

LM File Number: 016-383
Case Number: [REDACTED]

Dear Mr. McDonald:

This office has recently completed an audit of Building and Construction Trades Council (BCTC) Utah 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 February 26, 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.

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-3 filed by BCTC Utah for fiscal year ending December 31, 2008, was deficient in the following areas:

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. BCTC Utah amended its constitution and bylaws in 2006, but did not file a copy with its LM report for that year.

BCTC Utah has now filed a copy of its constitution and bylaws.

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.

BCTC Utah's officers and employees are currently bonded for \$15,000, but they must be bonded for at least \$26,713. BCTC Utah 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 March 31, 2009.

I want to extend my personal appreciation to BCTC Utah 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

cc: Mr. Larry Facer, President