

**U.S. Department of Labor**

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September 27, 2007

Mr. Steven Aldrich, Treasurer  
Graphic Communications, IBT LU 767 M  
19309 West Valley Highway  
Suite, R-112  
Kent, WA 98032

LM File Number: 516-763  
Case Number: [REDACTED]

Dear Mr. Aldrich:

This office has recently completed an audit of Graphic Communications, IBT LU 767 M 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 September 24, 2007, 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

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.

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 767 M amended its constitution and bylaws in 2000, but did not file a copy with its LM report for that year. Local 767 M has now filed a copy of its constitution and bylaws.

Other Issues

During the audit, President Brian Earl, advised that it is Local 767 M's practice for either the president or the treasurer to sign all the union checks and to stamp the signature of the other union officer on the checks if both officers are not available. President Earl indicated that no one but himself reviews the checks before they are issued. Article 3 of Local 767 M's bylaws requires that checks be signed by the president and treasurer. The two signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a complete document already signed. However, the use of a signature stamp for the second signature does not attest to the authenticity of the completed check, and negates the purpose of the two signature requirement. OLMS recommends that Local 767 M review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to Graphic Communications, IBT LU 767 M 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,

  
Supervisory Investigator

cc: Mr. Brian Earl, President