



December 21, 2020

Kevin Tabarus, President
Mail Handlers Local 300
20 West 33rd Street, Suite 8A
New York, NY 10001-3305

Case Number: 130-6015143
LM Number: 504780

Dear Kevin Tabarus:

This office has recently completed an audit of Mail Handlers Local 300 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 Treasurer Wilfredo Delgado, Vice President Yvette Johnson, Recording Secretary Ray Bermudez, Executive Board Members Lucy Lombardo and Don Utz, Attorney Dana Lossia, CPA Howard Tanz, and you on December 15, 2020, 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. The Labor Organization Annual Report Form LM-2 filed by Local 300 for the fiscal year ended December 31, 2018, was deficient in that Local 300 reported the gross Employer Checkoff of \$3,054,450 that was forwarded by the employer United States Postal Service to the International Union. Local 300 should have properly reported only the net Dues receipts that the International Union remitted to the local union. Local 300 incorrectly reported on Line 56 (Per Capita Tax) an amount of \$915,957 disbursed to the International Union. The International Union had previously deducted its Per Capita Tax prior to forwarding the local dues to Local 300. Local 300's practice of overstating both Line 36 (Dues and Agency Fees) and Line 56 (Per Capita Tax) was repeated on the Form LM-2 for fiscal year ended December 31, 2019. In addition, the Form LM-2 for fiscal year ended December 31, 2018, was deficient in that Local 300 did not report on Schedule 5- Investments the amount of \$1,050,625 in marketable securities.

Local 300 must file an amended Form LM-2 for both fiscal year ended December 31, 2018 and December 31, 2019, to correct the deficient items discussed above. The reports must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. The amended Form LM-2s must be filed no later than January 31, 2021. Before filing, review the reports thoroughly to be sure they are complete and accurate.

I want to extend my personal appreciation to Mail Handlers Local 300 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: Wilfredo Delgado, Treasurer