

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
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February 29, 2008

Ms. Cheryl Lazzerini, Treasurer
NALC Branch 1707
34301 Southland Drive, Suite 422
Hayward, CA 94545-1542

LM File Number: 081-244
Case Number: [REDACTED]

Dear Ms. Lazzerini:

This office has recently completed an audit of NALC Branch 1707 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 President Noe Herrera, Secretary Erik Nielsen, and you on February 28, 2008, 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-3 filed by Branch 1707 for fiscal year ending December 31, 2006, was deficient in that \$10,000 was erroneously reported in Item 20 when union records indicated that Branch 1707's fidelity bond covered a maximum loss of \$25,000. In addition, the report was deficient in that the address reported in Item 9, a P.O. Box, was not the location where the union's records were kept. The union's records were kept in the union office at 34301 Southland Drive, Suite 422, Hayward, CA 94545. That address should be listed in Item 56.

I am not requiring that Branch 1707 file an amended LM report for 2006 to correct the deficient items, but Branch 1707 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to NALC Branch 1707 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator