

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
San Francisco District Office
90 7th Street
Suite 18-100
San Francisco, CA 94103
(415) 625-2661 Fax:(415) 625-2662



September 9, 2009

Mr. Barry Luboviski, Secretary/Treasurer
Alameda County Building Construction Trades Council
8400 Enterprise Way, #205
Oakland, CA 94621

LM File Number: 030-767
Case Number: [REDACTED]

Dear Mr. Luboviski:

This office has recently completed an audit of Alameda County Building Construction Trades Council 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 Office Manager Helen Moore and attorney William A. Sokol on September 3, 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 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 the Alameda County BCTC for fiscal year ending June 30, 2008, was deficient in the following area:

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. The Alameda County BCTC amended its constitution and bylaws in 2007, but did not file a copy with its LM report for that year. The Alameda County BCTC has now filed a copy of its constitution and bylaws.

Other Violations

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.

At the time of the audit, the Alameda County BCTC had a bond for \$100,000 with a \$5,000 deductible. The amount of the bond is sufficient, but a bond may not have a deductible since that is a form of self insurance which fails to meet the bonding requirements of the LMRDA. At the time of the exit interview, your attorney provided a new endorsement of the original policy. The policy amount of \$100,000 is adequate, but the endorsement also includes an item for \$5,000 for claim expense which also appears to be a deductible. This endorsement is currently being reviewed to see if it meets the bonding requirements. Once the review is complete, we will notify you if the bond is acceptable or if you will need to obtain a new endorsement.

I want to extend my personal appreciation to Alameda County Building Construction Trades Council 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. Robert Stoker, President

Ms. Helen Moore, Office Manager

Mr. William A. Sokol