



December 23, 2013

Mr. Paul T. Alexander, President  
Letter Carriers Branch 99

Case Number: 130-1315356( )  
LM Number: 082475

Dear Mr. Alexander:

This office has recently completed an audit of Letter Carriers Branch 99 (Branch 99) 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 December 23, 2013, 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 99 for the fiscal year ended December 31, 2011, was deficient in that the union listed an incorrect amount of \$55,000 on Line 28(B) – Investments. Branch 99 is required to enter in Columns (A) and (B), respectively, the total book value at the start and end of the reporting period of all investments other than U.S. Treasury securities. The book value of these investments is the lower of cost or market value. Branch 99 listed an incorrect amount of \$55,000 on Line 28(B) – Investments as of December 31, 2011. Branch 99 did not recover this amount through a bonding claim for funds lost through a Ponzi scheme by an outside investment firm.

Branch 99 must file an amended Form LM-3 for the fiscal year ended December 31, 2011, to correct the reporting error discussed above. I encourage Branch 99 to complete, sign, and file its report electronically using the Electronic Forms System (EFS) available at the OLMS website at [www.olms.dol.gov](http://www.olms.dol.gov). Reporting forms and instructions can be downloaded from the website, if you prefer not to file electronically. The amended Form LM-3 should be filed electronically no later than December 31, 2013, or submitted to this office at the above address by the same date. Before filing, review the report thoroughly to be sure it is complete and accurate. Paper reports must be signed with original signatures.

The audit also disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations within 90 days after the end of the fiscal year. The Labor Organization Annual

Report Form LM-3 was not filed for fiscal year end December 31, 2012. Branch 99's report is currently delinquent. Branch 99 must file its Form LM-3 report for fiscal year 2012 by no later than December 31, 2013.

I want to extend my personal appreciation to Letter Carriers Branch 99 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

cc: Mr. Kenneth Keshecki, Treasurer  
Mr. Robert Devlin, Secretary