



May 31, 2013

Mr. Harrison Burd, Jr., Financial Secretary-Treasurer
Plumbers Local 855
261 East Main Street
Somerville, NJ 08876

Case Number: 130-15372()
LM Number: 511432

Dear Mr. Burd, Jr.:

This office has recently completed an audit of Plumbers Local 855 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 CPA James Davenport and you on May 21, 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

Under Statement B, receipts must be recorded when money is actually received by the labor organization and disbursements must be recorded when money is actually paid out by the labor organization. The purpose of Statement B is to report the flow of cash in and out of your organization during the reporting period. The audit revealed that at least \$69,000 in dues receipts were deposited in the union's general fund account on August 7, 2012, but was included as cash receipts on the union's July 31, 2012 fiscal year end LM-2 report. The amount should have been classified as accounts receivable on the FY2012 LM-2 report. An amended FY2012 LM-2 report is required to be filed.

I want to extend my personal appreciation to Plumbers Local 855 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. Cornelius Wojeichowski, President
Mr. Floyd Bligh, Finance Committee member