



October 31, 2019

Mr. Paul Doell, President
American Maritime Officers, SIUNA
601 S Federal Highway
Dania Beach, FL 33004

Case Number: 410-6015299
LM Number: 055008

Dear Mr. Doell:

This office has recently completed an audit of American Maritime Officers, SIUNA (AMO) 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 Comptroller Thomas Heaton, Accountant Michael Kowler, and Attorney Howard Susskind on October 24, 2019, 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 AMO for the fiscal year ended March 31, 2019 was deficient in that AMO reported "Legal Fees" and "Consulting fees" as the purpose for disbursements in Column (C) in several of the itemization pages in support of Schedules 15 through 19. These descriptions are not sufficient to identify the purpose of the disbursements. More detailed descriptions in Column (C) are required. The LM-2 instructions require the description be specific enough to disclose the type of services provided. Examples of adequate descriptions include the following: contract negotiation, grievance arbitration, litigation regarding the interpretation of a collective bargaining agreement, preparing organizing campaign pamphlets, staffing a help desk, opposition research, litigation regarding representation issues, litigation regarding a refusal to bargain, etc. Neither the name of the employer nor the specific bargaining unit that is the subject of the organizing activity need be identified.

AMO must file an amended Form LM-2 for the fiscal year ended March 31, 2019 to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. The amended Form LM-2 must be filed no later than November 29, 2019. Before filing, review the report thoroughly to be sure it is complete and accurate.

Bonding Violations

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.

The audit revealed that the amount of AMO's bond is sufficient. However, the bond includes a \$250.00 retention fee, which is a form of self-insurance that fails to meet the bonding requirements of the LMRDA. AMO should obtain a bond without a deductible or a retention fee. Please provide proof of bonding coverage without a deductible to this office as soon as possible, but not later than November 29, 2019.

I want to extend my personal appreciation to American Maritime Officers, SIUNA 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,

[REDACTED]

[REDACTED]

Investigator

cc: Mr. Thom Heaton, Comptroller