

**U.S. Department of Labor**

Office of Labor-Management Standards  
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March 30, 2021

ELECTRONICALLY MAILED

Mr. Ruben Padilla, President  
Union Independiente de Abogados de la  
Sociedad de Asistencia Legal  
PO Box 22292  
San Juan, PR 00931

Case Number: 130-6017859  
LM Number: 516908

Dear Mr. Padilla:

This office has recently completed an audit of Union Independiente de Abogados de la Sociedad de Asistencia Legal (UIASAL) 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, Treasurer Carmen M. Luna, Vice President Wilbert Olmo, Trustee Vilmarie Rivera and CPA José Baretta on March 18, 2021, 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.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records for at least five years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of UIASAL's 2019 records revealed the following recordkeeping violations:

## 1. General Expenses

UIASAL did not retain adequate documentation for general expenses totaling approximately \$66,000. For example, the union failed to keep copies of the monthly bills for services provided by the accountant, lawyers, and other advisors totaling at least \$44,168. In addition, the union paid \$4,491 in expenses related to the 2019 Christmas party, \$7,174 for the rental of audio equipment (“tumba coco”), \$1,080 for advertising (newspaper), and \$239 for parking but failed to retain documentation to support these payments.

As noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union’s LM report, are responsible for properly maintaining union records.

## 2. Meal Receipts

UIASAL required officers to submit receipts for meal expenses but failed to properly preserve them. The original receipts kept by the union have faded out and were unreadable. It is the union’s responsibility to properly preserve the records for at least five years as required by the LMRDA. In addition, the receipts need to contain a written explanation of the union business conducted and the names and titles of the persons incurring the restaurant charges. For example, when the union holds a meeting at a restaurant the receipt needs to include a written explanation of the union business conducted and the full names and titles of all persons who incurred the restaurant charges.

### Other Violations

The audit disclosed the following other violation(s):

#### 1. Inadequate Bonding

The audit revealed that the amount of UIASAL’s bond is sufficient. However, the bond includes a deductible, which is a form of self-insurance that fails to meet the bonding requirements of the LMRDA. UIASAL should obtain a bond without a deductible. Please provide proof of bonding coverage without a deductible to this office as soon as possible, but not later than April 16, 2021.

#### 2. Failed to File Bylaws (Reglamento)

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. A copy of the union’s the amended bylaws (1994) was obtained during the audit.

I want to extend my personal appreciation to UIASAL 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 a signature.

Investigator

cc: Carmen Luna, Treasurer  
Wilbert Olmo, Vice President  
Vilmarie Rivera, Trustee  
Jose Barletta, CPA