Dear Mr. Meurice:

This office has recently completed an audit of Longshoremen's Asn AFL-CIO Local 2062 (ILA Local 2062) 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 September 22, 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 Local 2062’s 2020 records revealed the following recordkeeping violations.

1. Lack of Salary Authorization
Local 2062 did not maintain records to verify that the salaries reported in Item 24 (All Officer and Disbursements to Officers) of the LM-3 was the authorized amount and therefore was correctly reported. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

During the audit, President Meurice stated that the salary authorizations were made approximately 10 years prior during a membership meeting and probably were contained in meeting minutes. However these minutes were not a part of records submitted to OLMS for review.

The audit confirmed that during the audit period of July 1, 2019 through June 30, 2020 President Meurice only received $43,000 in salary payments, with his last two salary checks not being cashed due to a lack of funds.

Local 2062 is now defunct. OLMS will take no further enforcement action at this time regarding the above violation.

**Reporting Violations**

1. 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. Local 2062 amended its constitution and bylaws in 2020, but did not file a copy with its LM report for that year.

   Local 2062 has now filed a copy of its constitution and bylaws.

**Other Violations**

The audit disclosed the following other violation(s):

1. 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.

   OLMS found no proof of bonding during the audit period. The local listed a bond of $250,000 on its 2020 LM-3 Report but failed to maintain either the policy or the certificate as proof.

   Local 2062 is now defunct and no further investigative action will be taken at this time.

I want to extend my personal appreciation to ILA Local 2062 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]

Investigator