

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
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December 22, 2009

Ms. Janice Loux, President  
Hotel Empl, Restaurant Empl AFL-CIO  
Local 26  
33 Harrison Ave, 4th Floor  
Boston, MA 02111

LM File Number 506-653  
Case Number: [REDACTED]

Dear Ms. Loux:

This office has recently completed an audit of Hotel and Restaurant Employees (HERE Local 26 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 Henry Green, Michael Ross, and yourself on October 23, 2009, the following problem was disclosed during the CAP. The matter listed below is not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Other Violations

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. Your bond does not appear to meet this requirement as a rider to the bond reduces coverage of certain persons to below the minimum amount required. Since the bond is maintained by your international, our national office is reviewing

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your bond and will make a determination regarding it. If needed, they will contact your international directly to make any changes required. You will be notified when this issue is resolved.

I want to extend my personal appreciation to HERE Local 26 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,



Senior Investigator

cc: Henry Green, Treasurer