



June 30, 2017

Mr. Andres Lloret, President  
Food and Commercial Workers  
Local 481  
San Juan, PR 00922

Case Number: 130-6010247 [REDACTED]  
LM Number: 517279

Dear Mr. Lloret:

This office has recently completed an audit of Food and Commercial Workers 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 Secretary Treasurer Francisco Pizarro, Minutes Secretary Irba Batista, Accounting Clerk Victoria Argueda, and you on June 21, 2017, 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 Local 481 for the fiscal year ended June 30, 2016, was deficient in that it erroneously lists a \$15,000 loan disbursement. As per our conversations, this entry should have only been listed under loans obtained by the union.

Local 481 must file an amended Form LM-2 for the fiscal year ended June 30, 2016, 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](http://www.olms.dol.gov). The amended Form LM-2 must be filed no later than July 31, 2017. Before filing, review the report thoroughly to be sure it is complete and accurate.

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 481 has never filed a copy of the Local bylaws.

As agreed, Local 481 will file a copy of its current constitution and bylaws with OLMS when they file the LM report for fiscal year ended June 30, 2017.

I want to extend my personal appreciation to Food and Commercial Workers for the cooperation

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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 redacting the signature of the sender.

Senior Investigator