U.S. Department of Labor

Office of Labor-Management Standards
Dallas-New Orleans District Office
600 S. Maestri Place, Suite 604
New Orleans, LA 70130
(504) 589-6174 Fax: (504) 589-7174

December 4, 2024

Mr. Bienvenido Banchs, Secretary Treasurer
LIUNA
380 Autumn Wind Lane
Mandeville, LA 70471

Case Number: 420-6030089(77)
LM Number: 544423

Dear Mr. Banchs:

This letter will confirm the arrangements made during our telephone conversation today concerning the conduct of an audit by this agency to determine your union's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). You were advised of our statutory authority to conduct such audits as well as the scope and objectives of the audit scheduled for your union. Additional information is on the enclosed CAP Profile. If you have further questions about any aspect of the compliance audit, please contact me.

I plan to audit the financial operations of your union for its fiscal year ended December 31, 2023. As we agreed, the audit will begin with an interview of you at 380 Autumn Wind Lane Mandeville, Louisiana 70471 on December 13, 2024, at 12:00 PM.

In this opening interview, I will need to obtain certain information in order to become familiar with the type of financial records, bookkeeping system, and internal controls used by your union for the period covered by the audit. To help expedite the interview, please complete the eight items on the enclosed CAP Financial Questionnaire before my visit.

Certain other information will also be needed at the opening interview including:

- The names of all officers and key employees for the year being audited

- Salaries of all officers and employees and any benefits accorded them such as pension or welfare benefits, vacation pay, use of union automobiles, allowances, deferred compensation, etc.

- Full information concerning any loans made to officers, employees, members, and others including amount, security, repayment provisions, and present status

I will need to examine many of the records maintained by your union including, but not limited to:

- Receipt records including duplicate receipts, receipt journals, and individual membership records (member ledger cards)

- Bank account records including bank statements, duplicate deposit tickets, debit/credit memos, and bank reconciliations

- Disbursement records including canceled checks, check stubs, disbursement journals, payroll ledgers, vouchers, and bills and other supporting documents

- Audit reports, if any, for the audit period prepared by union auditors or accountants retained by your union

- Minutes of executive board and membership meetings

Please refer to the enclosed Document Checklist for a more complete list of the records I may need.

I will provide a receipt for the records I will be taking to complete the audit.As explained in the enclosed CAP Profile, OLMS tries to complete compliance audits as expeditiously as possible. Your cooperation in making union records readily accessible and having a union officer or employee available as necessary to answer any questions about the records will help to expedite the audit.

I am also requesting that you voluntarily provide a copy of each of your current collective bargaining agreements. As a result of Secretary's Order 4–2007, issued in May 2007, the authority for maintaining the Department of Labor's collective bargaining agreements (CBA) public file was transferred to OLMS from the Bureau of Labor Statistics (BLS). The CBA public file, which has been maintained since 1947 and resides at the U.S. Department of Labor in Washington, D.C., contains collective bargaining agreements that have been submitted by signatories on a voluntary basis. Any agreements you provide during this compliance audit will be placed in this CBA public file. Collective bargaining agreements are made available for public disclosure at www.unionreports.gov. If you would like to provide us with a copy of any agreements that you prefer remain confidential, we will place those agreements in confidential files and not publish them. You can also submit any additional agreements following the compliance audit electronically to OLMS-CBA@dol.gov or mail hard copies to the following address:

U.S. Department of Labor
Office of Labor-Management Standards
ATTN: Jomica Becknell
200 Constitution Ave. NW, Rm N-5616
Washington, D.C. 20210

I look forward to working with you to help ensure your organization's compliance with the LMRDA. If you should have any questions, you may contact me at (504) 589-6174.

Sincerely,

Gabrielle A. Connally
Investigator

Enclosures: CAP Financial Questionnaire
CAP Profile
Document Checklist

CAP FINANCIAL QUESTIONNAIRE

FISCAL YEAR: _____

UNION: _____

ADDRESS: _____

1. Bank Accounts

Bank: _____ Account No.: _____

Name of Account: _____

Purpose of Account: _____ Checking ☐ Savings ☐

Names of Signatories (1) _____ (2) _____

(3) _____ Number of Required Signatures: _____

Is Internet banking used for this account? YES ☐ NO ☐
Are canceled checks maintained? YES ☐ NO ☐
If no, please contact the OLMS investigator.

Bank: _____ Account No.: _____

Name of Account: _____

Purpose of Account: _____ Checking ☐ Savings ☐

Names of Signatories: (1) _____ (2) _____

(3) _____ Number of Required Signatures: _____

Is Internet banking used for this account? YES ☐ NO ☐
Are canceled checks maintained? YES ☐ NO ☐
If no, please contact the OLMS investigator.

Bank: _____ Account No.: _____

Name of Account: _____

Purpose of Account: _____ Checking ☐ Savings ☐

Names of Signatories: (1) _____ (2) _____

(3) _____ Number of Required Signatures: _____

Is Internet banking used for this account? YES ☐ NO ☐
Are canceled checks maintained? YES ☐ NO ☐
If no, please contact the OLMS investigator.

2. Certificates of Deposit

Name of Bank	CD #	Amount	Date Purchased/Sold
		/	/
			/
			/
			/

3. Investments (stocks, bonds, mutual funds, etc.)

4. Salaries

List the salary/compensation level for each full-time and part-time officer and employee, including allowances:

Name	Position	P/T or F/T	Salary	Allowance

5. Credit and Debit Cards

Name of Company	Account #	Authorized Person(s)

6. Union's Attorney and Accountant

Attorney: _____

Address: _____

Telephone: _____

Accountant: _____

Address: _____

Telephone: _____

7. Bonding (Include information for latest completed fiscal year.)

Name of Company: _____

Bond Number: _____ Amount: _____

8. Computer Information (Complete the following questions if the union owns computers)

a) How many computers does the union own?

b) Are all the computers maintained at one physical location? YES ☐ NO ☐

If no, where are the other computers maintained? _____

_____

c) Identify the accounting software and other programs used by the union to record its assets, receipts, and disbursements:

Software Name	Purpose

d) Identify the officers and/or employees responsible for the oversight and the officers and/or employees who make entries in the bookkeeping and accounting software:

Name	Title	Role/Duties

c) Identify the membership software and other programs used to record membership information:

Software Name	Vendor Name	Purpose

d) Identify the officers and/or employees responsible for the oversight and the officers and/or employees who make entries in the membership software?

Name	Title	Role/Duties

If additional space is required to complete any of the above questions, include the information on a separate sheet and attach it to this questionnaire.

If your union uses a custom/proprietary software bookkeeping program, please provide a copy of the manual, name of the software vendor, and a contact name and phone number for the vendor.

Completed By: _____ Date: _____

Title: _____

U.S. Department of Labor
Office of Labor-Management Standards

CAP PROFILE

The Office of Labor-Management Standards (OLMS) has the primary responsibility for administering and enforcing most provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). The LMRDA was enacted by Congress to ensure basic standards of democracy and fiscal responsibility in unions representing employees in the private sector. OLMS also administers and enforces the Standards of Conduct provisions of the Civil Service Reform Act of 1978 (CSRA) and related regulations, comparable to LMRDA requirements, for federal sector unions. In addition to other responsibilities, OLMS conducts compliance audits and investigations to determine if unions are complying with the law.

CAP OBJECTIVES

The principal objectives of the Compliance Audit Program (CAP) are to:

- determine compliance with the criminal and civil provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) or the Civil Service Reform Act of 1978 (CSRA); and
- provide assistance directly to union officials to help them comply with the LMRDA (or CSRA).

SELECTING UNIONS FOR CAP

Unions are selected for CAP for any one of a number of reasons, including failure to file required annual financial reports with OLMS on a timely basis, discrepancies on financial reports filed, and complaints received by OLMS from members or others about the union's finances. A number of unions are also selected for CAP on a random basis each year.

PRELIMINARY STEPS

An OLMS investigator notifies a union official, usually by telephone, when a union has been selected for CAP and briefly describes the nature and scope of the planned compliance audit, identifies union financial records which will be needed, and arranges a mutually convenient meeting time and place to start the audit. A letter confirming these details is sent to the union along with a three-page CAP Financial Questionnaire which can be completed by union officials before the audit to help expedite on-site activities.

OPENING INTERVIEW

As a first step, the OLMS investigator conducts an opening interview of union officials to:

- seek their cooperation and answer any questions about the scope and conduct of the compliance audit; and
- obtain detailed information about the union and its financial records, bookkeeping practices, and internal controls, including information on the CAP Financial Questionnaire.

Arrangements are also made concerning OLMS access to union records as well as other necessary logistics such as work space, office hours, etc.

CAP PROCEDURES

The compliance audit will usually cover the union's last fiscal year, although the audit may be expanded to other periods as appropriate. Many different types of union records are examined, including cancelled checks, bank statements, membership and dues records, journals, minutes of membership and executive board meetings, and bills and other supporting documents. OLMS also verifies certain financial transactions with outside parties such as banks, credit card companies, and other vendors doing business with the union. If compliance problems are uncovered during the compliance audit, OLMS will conduct additional investigation as necessary.

EXIT INTERVIEW

Unless additional investigation is warranted, the OLMS investigator will meet with union officials at the conclusion of the compliance audit to review results, outline any specific steps the union must take to comply with the law (such as filing an amended financial report to correct reporting deficiencies), and offer compliance assistance and technical guidance about recordkeeping, reporting, bonding, and other LMRDA requirements.

CLOSING LETTER

OLMS sends a closing letter to the union outlining the compliance audit results, any voluntary compliance agreements reached with union officials to correct LMRDA (or CSRA) violations, and other information discussed at the exit interview.

TIME FRAMES

No absolute time frames can be placed on the duration of the compliance audit since much depends on the size of the union, the availability and condition of its records, the extent of cooperation by union officials, and the type of compliance problems found. OLMS is committed to conducting the CAP in a professional, efficient manner resulting in the least possible disruption to normal union operations.

Document Checklist

The documents and information listed below include most of what should be made available for the compliance audit period of 01/01/2023 through 12/31/2023. Your labor organization may not maintain all of the items listed or may describe them by some other name. Note that some items are requested for a longer time period.

Assets:

_____ bank statements, certificates of deposit and savings passbooks for all accounts
_____ investment certificates or other proof of stocks, bonds, U.S. Treasury certificates, etc.
_____ the names of persons authorized to withdraw funds from each account
_____ operational procedures, vouchers, logs, and proof of expenditures for petty cash fund
_____ insurance policies
_____ inventory of fixed assets, depreciation schedules

Receipts:

_____ receipts journals
_____ dues receipts records, checkoff reports, copies of correspondence regarding changes in members' checkoff amounts or additions/deletions to employer checkoff
_____ duplicate receipts books maintained by all who collect income
_____ membership dues records, including records for former members who were active during the period being audited

Disbursements:

_____ disbursements journals
_____ cancelled checks, check stubs, check registers
_____ bank statements, deposit slips, bank debit/credit memos
_____ vendor invoices, bills, receipts and other proof of disbursements
_____ documentary authorization for disbursements such as union vouchers, meeting minutes, bylaws, etc.
_____ per capita lists
_____ lost time claims, vouchers

Note: Bank statements, cancelled checks, deposit slips, lists of outstanding checks and deposits, and bank reconciliation forms should also cover the *three months before and after the audit period*. Should your financial institution not return cancelled checks to your organization, please contact the OLMS investigator immediately for further direction.

Other:

_____ compensation for all officers and employees, including pension or welfare benefits, vacation pay, use of union automobiles, allowances, deferred compensation, etc.

_____ employee contracts and job descriptions

_____ payroll records, employment tax reports

_____ names and account numbers for all union credit cards, identity of persons authorized to make charges to each account, operational procedures for use of union credit cards

_____ bond certificate or other proof of bonding covering the audit period and the present, if different; correspondence with bond company

_____ current constitution and bylaws, plus those in effect during the audit period if different

_____ financial reports, including those prepared by union trustees and contract accountants

_____ workpapers prepared by union officers or contract accountants to support LM report and annual financial report (such workpapers may have to be obtained from the contract accountant)

_____ miscellaneous correspondence pertaining to financial matters

_____ membership applications (both former and current members)

_____ collective bargaining agreements

_____ membership and executive board meeting minutes *for the last five years*

_____ names, addresses and phone numbers of all officers and key employees for the year being audited and the present, if different

_____ contact information for your organization's attorney and accountant, if any

_____ contact information for your organization's International Union representative

_____ full information concerning all loans made to officers, employees, members and others, including amount, security, repayment provisions and present status

_____ identity of any computer bookkeeping software program used