

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Buffalo District Office
111 West Huron Street, Room 1310
Buffalo, New York 14202
(716) 551-4976 / FAX: (716) 551-4978



June 28, 2005

Robert Suttell, President
Machinists AFL-CIO
Local Lodge #2001

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Re: 2

Dear Mr. Suttell:

This office has recently completed an audit of Machinists, Local Lodge #2001 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 and Secretary-Treasurer Doris Rude on May 13, 2005, 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.

Machinists Local Lodge #2001 retained the vast majority of documentation to verify its financial activities. However, the CAP disclosed that certain records did not adequately clarify the union's receipts and disbursements. Specifically, a small number of expense vouchers were not numbered correctly and some vouchers were missing. Vouchers also require additional detail in explaining the nature of expenses involved, such as lost time, mileage, and other reimbursements.

The CAP revealed that the lodge was not bonded for at least 10% of the funds handled in the most recently completed fiscal year as required by LMRDA, Section 502. However, the union provided evidence that it increased its bonding coverage to \$60,000 and is now in compliance with the LMRDA.

The CAP also disclosed that your lodge has not filed amendments made to your constitution and by-laws as required. However, a copy of your most recent bylaws was provided during the CAP. Any future changes to your governing documents should be filed with OLMS along with your LM report.

I want to extend my personal appreciation for the cooperation and courtesy extended by you and Doris Rude during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Cincinnati

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Investigator

CC: Doris Rude, Secretary-Treasurer
Machinists Local Lodge #2001

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