

U.S. Department of labor

**Employment Standards Administration
Office of Labor-Management Standards
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June 5,2008

Mr. Larry Hendrickson, Secretary-Treasurer
Machinists AFL-CIO Lodge 1432
3645 SE 32nd Ave
Portland, OR 97202

LM File Number: 046-165
Case Number: [REDACTED]

Dear Mr. Hendrickson:

This office has recently completed an audit of Machinists AFL-CIO Lodge 1432 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 Bruce Spalding on May 23,2008, 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.

The audit disclosed the following violation:

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.

The audit revealed that Local Lodge 1432's officers and employees were not bonded for the minimum amount required at the time of the audit. However, the union obtained adequate bonding coverage and provided evidence of this to OLMS during the audit. As a result, OLMS will take no further enforcement action regarding this issue.

I want to extend my personal appreciation to Machinists AFL-CIO Lodge 1432 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,



Investigator

cc: Mr. John Wells, President