



May 6, 2005

Ms. Catherine Bunk, Treasurer
Machinists Local Lodge 1885

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Re: 2

Dear Ms. Bunk:

This office has recently completed an audit of Machinists Local Lodge 1885 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, as Amended (LMRDA). As discussed during the exit interview with you on April 29, 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.

Reporting Violations

The CAP disclosed violations of LMRDA section 201(b), as the Labor Organization Annual Report (Form LM-3) filed by Machinists Local Lodge 1885 for fiscal year ending December 31, 2004 was deficient in the following areas.

1. The names of some officers who held office during the year were not reported in item 24 with the total amount of payments to or for them. The names of all persons who held office during the year must be reported in item 24 regardless of whether or not they received any payments from the union.

Specific instances discussed –

- A. LLG 1885 erroneously did not list the newly elected officers President David Kotz, Recording Secretary Pat Czerwionka, and Secretary/Treasurer Catherine Bunk on the LM-3 form. The officers should be listed as current officers with the code "C" next to their names.
- B. LLG 1885 erroneously listed former officers President John Wrenn, Recording Secretary Gay Lincoln and Secretary/Treasurer Don Marsh as current officers. They should be listed as past officers with the code "P" next to their names.

2. Some payments to officers were not properly reported. All direct disbursements to your union's officers must be included in the amounts reported in item 24. A "direct disbursement" to an officer is a payment

made by your organization to an officer in the form of cash, property, goods, services, or other things of value.

Specific instances discussed –

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- A. LLG 1885 erroneously listed former President John Wrenn's salary as \$0. However, Local Lodge 1885's Quicken report shows Wrenn received approximately \$756.00.
 - B. LLG 1885 erroneously listed former Recording Secretary Gay Lincoln's salary as \$1,299.00. However, LLG 1885's Quicken report shows Lincoln received approximately \$1,434.94.
 - C. LLG 1885 erroneously listed former Secretary/Treasurer Don Marsh's salary as \$1,782.00. However, LLG 1885's Quicken report shows Marsh received \$1,689.87.
 - D. LLG 1885 erroneously listed Conductor/Sentinel Steve Thompson salary as \$0. However LLG 1885's Quicken report shows Thompson received approximately \$1,186.00 and an allowance of \$850.00.
 - E. LLG 1885 erroneously listed Trustee Chris Higgins' salary as \$0. However, LLG 1885's Quicken report shows Higgins received approximately \$939.32 and an allowance of \$850.00.

3. Failure to File Bylaws

The CAP disclosed a violation of LMRDA section 201(a) which requires that unions submit a copy of their current constitution and bylaws with its LM report when bylaw changes are made. Local 1885 amended its constitution and bylaws in 2002. However, a copy of the constitution and bylaws was not filed with Local 1885's LM-3 report for that year. Two copies of Local 1885's constitution and bylaws have now been filed.

4. Failure to Maintain Records

The CAP also disclosed a failure to keep union records in that the local does not keep an actual checkbook and without printing the appropriate Quickbooks report there is no actual "book" record. The appropriate report was not printed for the financial year ending December 31, 2004.

As agreed, provided that LLG 1885 files an amended report, no additional enforcement action will be taken regarding these violations. I want to extend my personal appreciation for your cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to contact me or any other representative of our office.

Sincerely,



Michael Duvall
District Director