

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
Cleveland District Office  
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August 4, 2009

Mr. Sherman Gould, Financial Secretary  
Machinist AFL-CIO  
Lodge 1347  
10209 Smith Rd.  
Bellevue, OH 44811

LM File Number 033-358  
Case Number: [REDACTED]

Dear Mr. Gould:

This office has recently completed an audit of Machinist Lodge 1347 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 on June 24, 2009, 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 LM-4 filed by Local 1347 for fiscal year ending December 31, 2008 was deficient in that:

1. Under-reported Receipts

According to bank records, receipts of \$727.22 were deposited in the union's checking account in 2008, but not recorded in the union's 2008 records. This

amount increased the total receipts for fiscal year 2008 to \$10,325. Local 1347 filed a Form LM-4 Labor Organization Annual Report for 2008. Unions that have receipts of \$10,000 and less than \$250,000, are required to file a Form LM-3 Labor Organization Annual Report.

Local 1347 must file a LM-3 for fiscal year ending December 31, 2008, to correct the deficiency discussed above. Please see the enclosed blank forms and instructions and be advised that the reporting forms and instructions are available on the OLMS website ([www.olms.dol.gov](http://www.olms.dol.gov)). The Form LM-3 should be submitted to this office at the above address as soon as possible, but not later than August 21, 2009. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

## 2. Failure to File Bylaws

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. Lodge 1347 amended its bylaws in 2007, but did not file a copy with its LM report for that year.

Local 1347 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Machinist Lodge 1347 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: Brian White, President