

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Chicago District Office
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August 14, 2006

Mr. Robert Townsend, President
Machinist AFL-CIO
Local Lodge 2069
658 N. Broadway
Peru, IN 46970

Re: Case Number: ██████████

Dear Mr. Townsend:

This office has recently completed an audit of Local Lodge 2069 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 Robert Townsend, Anthony Wickersham and Robert Hamilton on August 4, 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.

Violations

The audit disclosed the following violations:

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 Lodge 2069 amended its constitution and bylaws in 2004, but a copy of the constitution and bylaws was not filed with Local Lodge 2069's LM-2 report for that year. Two copies of Local Lodge 2069's constitution and bylaws have now been filed.

In addition, the CAP disclosed violations of LMRDA Section 201 (b), because the labor organization annual report (form LM-2) filed by Local Lodge 2069 for fiscal years ending 12/31/2003 and 12/31/2004 were deficient. The form LM-2 report filed for fiscal years ending 12/31/2003 and 12/31/2004 were deficient for the following reasons:

Fiscal Year ending 12/31/2003:

1. Item 9 (place records are kept) was answered no. However, the address where the union's records are kept was not provided in item 75 (additional information).
2. Item 22 (change in constitution and bylaws) was answered yes. However, two dated copies of your union's revised constitution and bylaws were not attached to the form

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LM-2 reports you sent to OLMS or other required information as explained in the instructions for item 22.

3. Item 76 (president's signature) must have the original signature of your union's president (or corresponding principal officer) as explained in the instructions for item 76.
4. The Local Lodge financial secretary was the only officer to sign the fiscal year ending December 31, 2003 LM report.

Fiscal Year Ending 12/31/2004:

1. Item 25 (A) -32(A), (assets items-start of the reporting period) must be the same as the entries in items 25(B) through 32(B) (asset items-end of the reporting period) on your union's prior year form LM-2 or an adequate explanation of any differences must be provided in item 75 (additional information).
2. Item 38 (C) (net assets-start of reporting period) must be the same as the entry in item 38 (D) (net assets-end of reporting period) on your union's prior year form LM-2 or an adequate explanation must be provided in item 75 (additional information).

Local Lodge 2069 amended the reporting violations prior to the conclusion of the onsite portion of the audit. Therefore, no further enforcement action is required or planned at this time.

I want to extend my personal appreciation to Local Lodge 2069 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: Robert Hamilton, International Grand Lodge Auditor and Anthony Wickersham Secretary-Treasurer