



February 11, 2014

Mr. Mark Conner, Treasurer
Missouri State Council of Machinists
12365 St. Charles Rock Road
Bridgeton, MO 63044

Case Number: 510-5511733
LM Number: 008426

Dear Mr. Conner:

This office has recently completed an audit of Missouri State Council of Machinists 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 February 6, 2014, 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 (Form LM-3) filed by the Council for fiscal years ended December 31, 2010, December 31, 2011, and December 31, 2012, were deficient in the following areas:

1. Failure to Report Bass Tournament Receipts and Disbursements on 2012 LM-3 Report

In 2012, the Council did not report \$946.71 in receipts and disbursements associated with the annual bass tournament. The Council is required to report all monies received by and disbursed from Council accounts on its annual LM-3 report.

2. Failure to Report Required Information in Item 56 Additional Information

When answering affirmatively to Items 10-18 of the LM-3 report, the Council is required to provide additional information in Item 56. The Council answered "Yes" to Items 12 and 14, but did not provide the required information in Item 56 on its 2010, 2011, and 2012 LM-3 reports. Since the audit began, the Council has completed its 2013 LM report and failed to provide the required additional information for Items 12 and 14.

3. 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. The Council amended its constitution and bylaws in 2011, but did not file a copy with its LM report for that year.

The Council has now filed a copy of its constitution and bylaws.

The Council must file an amended Form LM-3 for fiscal years ended December 31, 2012 and December 31, 2013, to correct the deficient items discussed above. I encourage the Council to complete, sign, and file its report electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. Reporting forms and instructions can be downloaded from the website, if you prefer not to file electronically. The amended Form LM-3 for the above mentioned fiscal years should be filed electronically no later than February 28, 2014 or submitted to this office at the above address by the same date. Before filing, review the report thoroughly to be sure it is complete and accurate. Paper reports must be signed with original signatures.

I want to extend my personal appreciation to Missouri State Council of Machinists 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. Mike Louis, President