

**U.S. Department of Labor**

Employment Standards Administration  
Office of Labor-Management Standards  
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April 17, 2008

Mr. Tracy D. Adams, Secretary & Treasurer  
Transportation Union Local 1316  
355 Calmes Road  
Irvine, KY 40336

LM File Number: 036-067

Case Number: [REDACTED]

Dear Mr. Adams:

This office has recently completed an audit of Transportation Union Local 1316 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 Investigator [REDACTED] discussed during the exit interview with you on March 27, 2008, the following problem was disclosed during the CAP. The audit was limited in scope, so this letter does not contain an exhaustive list of all possible problem areas.

Reporting Violation

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 Local 1316 for fiscal year ending December 31, 2007, was deficient in that disbursements to officers were not properly reported.

Local 1316 did not accurately report the amount of gross salary and expenses you received as secretary and treasurer during 2007. You told OLMS that in addition to your officer position, you are also employed by the union as a local chairman.

A union should list its officers in Item 24 of the LM-3 and report all gross salary and allowances next to each officer's name. A union should report net salary and allowances to employees in Item 46 of the LM-3. An individual simultaneously serving as a union officer and an employee must have all compensation received for both positions reported

next to their name in Item 24 of the LM-3.

I am not requiring that Local 1316 file an amended LM report for 2007 to correct the deficient item, but Local 1316 has agreed to properly report the deficient item on all future reports it files with OLMS.

I want to extend my personal appreciation to Transportation Union Local 1316 for the cooperation and courtesy extended to Investigator Sims 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,

Lesta A. Chandler  
District Director

cc: William R. Owens, President