

INDEPENDENT REVIEW BOARD
c/o INTERNATIONAL BROTHERHOOD OF TEAMSTERS
25 Louisiana Ave., NW
Washington, DC 20001
(202) 624-8136
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January 12, 1993

Executive Board Members
Joint Council 16
265 West 14th Street
Room 1201
New York, New York

Re: Independent Review Board
Report of Officers of Local 918

Dear Sirs:

Enclosed is the report of the Independent Review Board (IRB) concerning allegations of violations of the IBT constitution by officers of Local 918. Under Section G, paragraphs d and e of the March 14, 1989 Consent Order entered in the United States v. I.B.T., this report and accompanying exhibits are being forwarded to you for appropriate action. If a hearing is scheduled, it should be held no later than sixty days from the receipt of this material. Please respond within thirty days from receipt hereof and inform the IRB of the steps you have taken or plan to take. You must keep the IRB informed of the status of this matter at thirty day intervals until the Joint Council's action is final; and in this respect, our Chief Investigator, Mr. Carberry, may contact you. Thank you for your cooperation in this matter.

Very truly yours,

Members of the Independent
Review Board

cc: General President Ronald Carey, w/o Exhibits
Members of the General Executive Board, w/o Exhibits
Judith A. Scott, Esq., w/Exhibits
Administrator, Ethical Practices Committee, w/o Exhibits

To: Executive Board of Joint Council 16
From: Members of the Independent Review Board
Re: Members of the Executive Board of Local 918
Date: January 12, 1993

Local Union Trustees are required to examine the books and records of their Local each month and, if the documents are found to be correct, to sign the Trustee Certificates of the Statement of Assets and Reconciliation of Bank Statement ("Trustee Certificates") and Trustees Reports, which are both IBT forms. During a review of the books and records at the offices of Local 918 on September 29, 1992, two blank Trustee Certificates which were signed by trustee John Meekins ("Meekins") were found in the 1992 monthly disbursements journals. (Exhibit 1) Further investigation revealed that since at least January 1990,¹ Meekins was the only trustee who signed these forms. (Exhibit 2) During this period, Local 918 Trustees Georgianna Jefferys ("Jefferys") and Morris Jerome ("Jerome"), did not sign any Trustees Certificates. (Exhibit 2) Furthermore, Jerome and Jefferys did not sign Trustee Reports on a regular basis. (Exhibit 3) In weighing the seriousness of this offense, the history of Local 918 and organized crime involvement in that local are relevant. That history is discussed below.

¹ Trustee Certificates from January 1990 through August 1992 were signed only by Meekins. These certificates were not witnessed and only the certificates for February and April 1990 were dated. (Exhibit 2)

Members of the IBT are required to cooperate with the Independent Review Board ("IRB") and the Chief Investigator. Local 918 Vice President Charles Mauro ("Mauro") failed to appear for his duly noticed sworn examination before the Chief Investigator on November 24, 1992. Mauro also failed to appear on the rescheduled date, November 30, 1992.

By signing blank Trustee Certificates, Meekins failed to perform his duties as Trustee, breached his fiduciary duties and brought reproach upon the IBT in violation of Article II, Section 2(a),² Article X, Section 8(b)³ and Article XIX, Section 7(b)(1) and (2)⁴ of the IBT Constitution, and violated Article VIII,

² The relevant portion of the IBT membership oath states:
Each person upon becoming a member thereby pledges his honor: to faithfully observe the Constitution and laws of the International Brotherhood of Teamsters and the Bylaws and laws of his Local Union...to faithfully perform all duties assigned to him...to conduct himself or herself at all times in such a manner as not to bring reproach upon the Union;...
Article II, Section 2(a) of the IBT Constitution.

³ The relevant portion of Article X, Section 8 (b) of the IBT Constitution states:

The Trustees must sign the books of the Local Union if the Trustees have found them correct and the bank balances verified.

⁴ Article XIX, Section 7 (b) (1) and (2) of the IBT Constitution provides in pertinent part:

The basis for charges against members, officers, elected Business Agents, Local Unions, Joint Councils or other subordinate bodies for which he or it shall stand trial shall consist of but not be limited to, the following:...

(1) Violation of any specific provision of the Constitution, Local Union Bylaws or rules of order, or failure to perform any of the duties specified thereunder.

(continued...)

Section 8.05,⁵ of the Constitution and Bylaws of Local 918 ("Bylaws").

By failing to sign Trustee Certificates and Trustees Reports, Local 918 Trustees Jefferys and Jerome brought reproach upon the IBT and failed to perform their required duties in violation of Article II, Section 2(a), Article X, Section 8 (b) and Article XIX, Section 7(b) (1) and (2) of the IBT Constitution, and have violated Article VIII, Section 8.05 of the Bylaws of Local 918.

By failing to appear for his sworn examination before the Chief Investigator, Local 918 Vice President Mauro violated Article XIX, Section 7 (b)(1), Section 14 (b)(2) and (3) of the IBT Constitution.⁶

⁴(...continued)

(2) Violation of oath of office or of the oath of loyalty to the Local Union and the International Union.

⁵ Article VIII, Section 8.05 of the Local 918 Constitution and By-Laws provides - Duties of the Trustees:

The Trustees shall examine the financial books and records of this local union monthly. If found correct and the bank balances verified they shall sign the book(s).

⁶ Article XIX, Section 14 (b)(2) and (3) of the IBT Constitution in pertinent part states:

The Independent Review Board:

(2) Shall investigate any allegations of corruption...and any failure to cooperate fully with the Independent Review Board in any investigation of the foregoing.

(3) Shall have the authority to exercise any investigative authority vested in the General President or General Secretary-Treasurer by the 1986 Constitution and/or this Constitution, as well as any and all applicable provisions of law.

INVESTIGATION'S FINDINGS

A. BACKGROUND

The history of Local 918 is replete with instances of financial wrongdoing and La Cosa Nostra ("LCN") influence. After his perjury conviction and release from prison in the late 1970's, George Lombardozzi, a cousin of the current Local President, Daniel Lombardozzi, was hired as a Local 918 Business Agent. (Exhibit 4) In 1987, George Lombardozzi, who is considered by the FBI to be a member of the Gambino organized crime family, became the Local 918 Secretary-Treasurer. (Exhibits 5 and 6) On May 29, 1990, George Lombardozzi, was charged by the Investigations Officer with knowingly associating with members and associates of LCN and with frequenting locations where LCN business was conducted. (Exhibit 7) On May 16, 1991, the Independent Administrator found that the Investigations Officer's charges against George Lombardozzi had been proved. (Exhibit 8) As a result, the Independent Administrator permanently barred George Lombardozzi from the IBT⁷ and ordered that he not draw any compensation from any IBT affiliate, receive further contributions on his behalf from any IBT affiliate to his pension and welfare plans, or receive any severance pay. (Exhibit 8) George Lombardozzi was also required to pay his own legal fees.

⁷ Investigations Officer v. George Lombardozzi, May 16, 1991 Decision of the Independent Administrator, p. 11. (Exhibit 8)

(Exhibit 8)⁸ On July 18, 1991, the Independent Administrator's decision was affirmed by District Judge Edelstein. (Exhibit 9)⁹ At the first Executive Board meeting following Judge Edelstein's order, on August 6, 1991, Immerglick was named the unpaid Secretary-Treasurer and Daniel Lombardozzi's weekly salary was increased by \$500.00. (Exhibit 11)

In 1983, the Department of Labor ("DOL") filed a civil action against the Local 918 Secretary-Treasurer, Mitchell Goldblatt ("Goldblatt"), and Joseph Barresi,¹⁰ then the Local 918 President and plan administrator, who each also served as trustees of the Local 918 Pension and Welfare Funds. (Exhibit 12) In this lawsuit, the DOL alleged that Goldblatt and Joseph Barresi violated their fiduciary duties when purchasing insurance and deposit administration contracts for Local 918 pension and welfare plans. (Exhibit 12)¹¹ On October 11, 1983 a consent

⁸ Investigations Officer v. George Lombardozzi, May 16, 1991 Decision of the Independent Administrator, pp. 11-13. (Exhibit 8) Videotapes were introduced at the hearing which showed George Lombardozzi in intimate and frequent contact with high-ranking members of the Gambino LCN family.

⁹ See, United States v. IBT, Slip Opinion (S.D.N.Y. July 18, 1991), aff'd in part rev'd in part, United States v. IBT, Docket Nos. 91-6198, 91-6200, Mem. Order (2d Cir. January 31, 1992). A non pertinent portion of the Independent Administrator's decision was reversed by the Court of Appeals; however, this determination did not affect the charges discussed in this memorandum or the sanctions imposed upon George Lombardozzi. (Exhibit 10)

¹⁰ Joseph Barresi is the father of Frank Barresi, the current Recording Secretary of Local 918.

¹¹ See Complaint in Raymond J. Donovan, Secretary of the United States Department of Labor v. Joseph Barresi, Mitchell (continued...)

order was entered whereby Barresi, Goldblatt and other Trustees agreed to pay more than \$160,000 to the plans to settle the suit. (Exhibit 13)¹² On December 23, 1985 Daniel Lombardozzi was named Local 918 President due to the resignation of Joseph Barresi.

(Exhibit 14)¹³

In 1985, Goldblatt, who continued as the Local 918 Secretary-Treasurer after the DOL lawsuit, was indicted for conspiring to defraud the Union's benefit funds, embezzlement, obstruction of justice and accepting kickbacks. (Exhibit 15)¹⁴ In June 1987 Goldblatt was convicted and as a condition of release on bail pending sentencing, he was barred from employment or retention by Local 918. (Exhibit 16) On June 11, 1987, upon Goldblatt's resignation, George Lombardozzi became Secretary-Treasurer and Frank Barresi became Recording Secretary. (Exhibit 5)¹⁵

¹¹(...continued)
Goldblatt, Jerome Brownfeld, Phillip Gershenoff, the Teamsters' Local 918 Pension Fund and the Teamsters Local 918 Welfare Fund, Civil Action No. 83-4497, (EDNY). (Exhibit 12)

¹²Raymond J. Donovan, Secretary of the United States Department of Labor v. Joseph Barresi, Mitchell Goldblatt, Jerome Brownfeld, Phillip Gershenoff, the Teamsters' Local 918 Pension Fund and the Teamsters Local 918 Welfare Fund, Civil Action No. 83-4497, (EDNY) Consent Order, Amended Consent Order, Joint Application of All Parties For Entry of Amended Consent Order, Approval of Investment Manager's Contract and Order. (Exhibit 13)

¹³ Executive Board meeting minutes, December 23, 1985.
(Exhibit 14)

¹⁴United States v. Mitchell Goldblatt, Docket No. 85-755(S) (EDNY). (Exhibit 15)

¹⁵ Emergency Executive Board meeting minutes, June 11, 1987. (Exhibit 5)

B. CURRENT SITUATION

According to the Secretary-Treasurers Manual, "...it is the fiduciary responsibility of the Local Union Officers to exercise control over the handling, recording and safeguarding of all Local Union property..."¹⁶ Local Union Trustees have specific monthly responsibilities related to the proper reporting of the Local Unions' receipts and disbursements. After reviewing the Local's books and records and determining that the documents are accurate, the Trustees are each required to sign a Trustee Certificate in the Cash Disbursements Journal¹⁷ which is maintained by the Local Union. Trustees are also required to review and sign monthly Local Union Trustees Reports¹⁸, which are sent to the International.

Despite the requirement in the IBT Constitution that Local Union Trustees sign the books and records of the Local Union

¹⁶ Manual for Local Union Secretary-Treasurers, Protective Procedures.

¹⁷ Section 6.2 "Trustees Certificate" of the Manual for Local Union Secretary-Treasurers in pertinent part states:

After preparation of the Trustees Report, the final act is that of completing the Trustees Certificate (at the bottom of the reverse side of the report form). Both copies of this report are to be dated and signed by three Trustees of the Local Union, attesting to the correctness of the report. Their signatures should be witnessed.

¹⁸Section 6.2 of the Manual for Local Union Secretary-Treasurers in pertinent part states:

The purpose of the Trustees Report is to provide evidence that the Trustees have completed their examination and certified as to the financial transactions and condition of the Local Union, as prescribed by the International Constitution.

monthly,¹⁹ Meekins is the only trustee who signed the Trustees Certificates between January 1990 and August 1992. (Exhibit 2) Furthermore, a review of the Local 918 Cash Disbursements Journal from 1989 through 1992 revealed that Meekins signed two blank Trustee Certificates. (Exhibit 1) In addition, Meekins' signature is generally not witnessed nor is there a date indicating when he signed. (Exhibit 2) Neither Jerome nor Jefferys' signatures appear on any Trustee Certificate from January 1990 through August 1992. (Exhibit 2)

Trustees Reports are required to be verified and signed monthly and sent to the International.²⁰ Jefferys only signed six Trustees Reports in 1991, nine in 1990 and eight during January through September 1992. (Exhibit 3) Jerome's signature appears on eleven Trustees Reports in 1990, six in 1991 and two during January through September 1992. (Exhibit 3)

Meekins became a Local 918 Trustee in about 1987, Jefferys became a Local 918 Trustee in 1989 and Jerome was appointed as a trustee in about 1988. (Exhibits 17, 18, 19) According to Section 4.64 of the Manual for Local Union Secretary-Treasurers:

After the trustees have completed their monthly examination of the Local Union records and satisfied

¹⁹Article X, Section 8(b) of the IBT Constitution in pertinent part states:

The Trustees must sign the books of the Local Union if the Trustees have found them correct and the bank balances verified. In the event that a Trustee declines to sign the books, the Trustee must state in writing to the Local Union Secretary-Treasurer his reasons for declining to do so.

²⁰Article X, Section 8 (a) of the IBT Constitution.

themselves as to the accuracy of such records they should date and sign this certificate attesting to the correctness of the statements. Each signature must be witnessed. A witness may be any competent person.

During his sworn testimony before the Chief Investigator on November 24, 1992, Meekins identified his signature on the blank Trustee Certificates. (Exhibit 17, Meekins Sworn Examination dated November 24, 1992, pp. 10-11) He nevertheless claimed that he did not sign blank forms, and he had no idea how his signature appeared on these blank forms. (Exhibit 17, pp. 10-11)²¹

C. MAURO'S FAILURE TO APPEAR

Mauro has been the Local 918 Vice President for many years. This is a unpaid post. On February 19, 1991, a Notice of Sworn Examination was sent to Mauro requiring him to appear before the Investigations Officer on March 8, 1991. (Exhibit 20) This examination was rescheduled for March 11, 1991. On March 11, 1991, Mauro failed to appear for his sworn examination before the Investigations Officer. On November 4, 1992 the Chief Investigator sent a Notice of Sworn Examination requiring Mauro's appearance on November 18, 1992. (Exhibit 21) This sworn

²¹During their respective sworn examinations, each of the three Trustees described a different procedure for how they sign monthly reports: Meekins testified that the clerical secretary, Louise Davis, has him sign documents each month; Jefferys testified that Jasper Cumella, a Local 918 Business Agent, brings the forms to her at work each month for her to sign; and Jerome testified that he signs a piece of paper to allocate money and that each Trustee is asked to sign at Executive Board meetings. (Exhibit 17, pp. 7-11; Exhibit 18, Jerome Sworn Examination dated November 24, 1992, pp. 7-8; Exhibit 19, Jefferys Sworn Examination dated November 24, 1992, pp. 8-9).

examination was rescheduled for November 24, 1992. (Exhibit 22)

Mauro failed to appear on November 24 before the Chief Investigator and his sworn examination was rescheduled for November 30, 1992.²² Mauro failed to appear again November 30, 1992. When asked about Mauro's failure to appear for his sworn examination on November 24, 1992, Daniel Lombardozzi stated that he called Mauro's home and Mauro was ill. (Exhibit 24, Lombardozzi Sworn Examination dated November 24, 1992 p. 3)

During their sworn examinations on November 24, 1992, the other Executive Board members testified that Mauro had not worked on a regular or full time basis for some time.²³ On December 1, 1992, Roy Barnes, the Local 918 attorney, sent a letter to the Chief Investigator, stating that Mauro will resign his position as an officer of Local 918 effective December 31, 1992. (Exhibit 26)²⁴ During sworn testimony on November 24, 1992 before the Chief Investigator, Lombardozzi, a Trustee of the Local 918 Pension Fund, stated that Mauro had not completed a full day of work in some time and did not come to work on a regular basis. (Exhibit 24, pp. 4-5) Nevertheless, Mauro continues to collect

²² Mauro's doctor faxed a note to the Chief Investigator on November 24, 1992, stating that he was not to return to work until November 30, 1992. (Exhibit 23)

²³ Jefferys and Jerome testified that Mauro attended the September and October 1992 Executive Board meetings. Immerglick testified that Mauro did not attend the October meeting. (Exhibit 18, pp. 5-6; Exhibit 19, pp. 5-6; Exhibit 25, Immerglick Sworn Examination dated November 24, 1992, pp. 15-16)

²⁴ In an undated letter provided to the Chief Investigator, Mauro resigned his position as Vice President of Local 918 effective December 31, 1992. (Exhibit 26)

his salary from the Local 918 Pension Fund for being its administrator, have the benefit of a leased car and a credit card for gas. (Exhibit 24, pp. 16-17 and 25-26)

VIOLATIONS

The Local 918 Trustees Meekins, Jefferys and Jerome appear to have each failed to perform their duties and to have violated Article II, Section 2(a), Article X, Section 8 (b) and Article XIX, Section 7(b) (1) and (2) of the IBT Constitution, and have violated Article VIII, Section 8.05 of the Bylaws of Local 918.

Vice President Mauro appears to have violated Article XIX, Section 14 (b)(2) and (3) of the IBT Constitution by failing to cooperate with the Chief Investigator.