

FD-211
FD-288

JOINT COUNCIL No. 16

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AFL-CIO

265 WEST 14TH STREET - SUITE 1201

NEW YORK, NEW YORK 10011

(212) 924-0002

FAX (212) 691-7074

July 16, 1993

FAKED & FIRST CLASS MAIL

Independent Review Board
444 North Capitol St., N.W.
Suite 528
Washington, D.C. 20001

RE: JOINT COUNCIL 16 DECISION REGARDING LOCAL
854 OFFICERS, RUANE, MARSIGLIANO AND IGNERI

Gentlemen:

Pursuant to our letter of July 13, 1993 enclosed is the response of Joint Council 16 to the Independent Review Board notice asserting deficiencies in action of Joint Council 16 involving certain officers of Local 854.

Thank you for your cooperation in this matter.

Fraternally yours,

Johnnie Brown
International Trustee
Joint Council 16

JB:td
Enclosure

P.S. The original copies will be forthcoming.

RESPONSE OF JOINT COUNCIL 16 TO INDEPENDENT REVIEW
BOARD NOTICE ASSERTING DEFICIENCIES IN ACTION OF
JOINT COUNCIL 16 INVOLVING CERTAIN OFFICERS OF
LOCAL 854

By letter dated June 11, 1993, the Independent Review Board advised Joint Council 16 that it considered our action to be deficient in several respects. As to the Joint Council action involving former Local 854 officers Frank Marsigliano and Anthony Igneri, the Independent Review Board considered the resolution of the Joint Council inadequate because the representations made by Marsigliano and Igneri were non-binding. In response, the Joint Council prepared a written agreement for signature by each of them, wherein they accepted the permanent ban proposed by the IRB. Those executed agreements were recently returned to the Joint Council and forwarded to the Independent Review Board. That action should satisfactorily resolve the Notice as to Marsigliano and Igneri.

A copy of the IRB Notice was forwarded to Michael Sussman, counsel to Maureen Ruane, and Roy Barnes, counsel to Local 854. Each of them provided written responses, setting forth factual matters and legal arguments in opposition to the IRB Notice. As a result of those submissions, the Joint Council requested that the Chief Investigator provide the Joint Council with a copy of the transcript of the hearing before Judge Lacey on the charges against Anthony Zappi, the former Secretary-Treasurer of Local 854. The Chief Investigator provided the transcript of the October 29, 1990 hearing, but, as reflected in Judge



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July 13, 1993

Independent Review Board
444 North Capitol Street, N.W.
Suite 528
Washington, D.C. 20001

**RE: Joint Council 16 Decision Regarding Local 854
Officers, Ruane, Marsigliano and Igneri**

Gentlemen:

Consistent with my declaration of June 25, 1993, enclosed please find documents confirming that Frank Marsigliano and Anthony Igneri accept a permanent ban on holding any officer positions with Local 854, any other IBT entity and all positions with any health & welfare fund and pension fund, including any consultant positions.

As I stated today in a letter to Mr. Carberry, a copy of which is enclosed, the Joint Council 16 Executive Board, through counsel, advised me today that a decision on the remaining issue pertaining to Maureen Ruane will be made and sent to you by the end of this week.

Thank you for your cooperation in this matter.

Fraternally yours,

Johnnie Brown
International Trustee
Joint Council 16

JB: tod
Enclosure

BEFORE THE INDEPENDENT REVIEW BOARD

AFFIDAVIT AND AGREEMENT

FRANK MARSIGLIANO, being duly sworn, deposes and says:

1. The Independent Review Board issued a Report dated January 12, 1993 concerning allegations of violations of the International Brotherhood of Teamsters' Constitution by the undersigned and other officers of Teamsters Local 854. This Report referred these allegations to Joint Council No. 16, which conducted a hearing on April 5, 1993. The undersigned did not attend or otherwise participate in that hearing.

2. I ceased to be the Secretary-Treasurer of Teamsters Local 854, effective at the end of my term on December 31, 1992.

3. Joint Council 16 reported my resignation to the Independent Review Board. By letter dated June 11, 1993, the Independent Review Board advised Joint Council No. 16 that this was inadequate. They directed that in order to resolve these allegations, I must sign a document agreeing to be permanently barred from holding any officer position with Local 854 and any other IBT entity, including all positions with any IBT health & welfare fund, pension fund and any consultant positions.

4. In order to resolve this matter to the satisfaction of the Independent Review Board, I hereby agree to be permanently barred from holding any elected or

appointed officer position of any kind, paid or unpaid, in the IBT or any of its affiliated entities, including Local 854, or with any pension, health & welfare or other benefit funds or other such entities affiliated with the IBT. This permanent bar shall include any consultant arrangements with any of the entities listed above.

Frank Marsigliano
FRANK MARSIGLIANO

Sworn to before me this
28th day of June, 1993.

Donna Pandolfo
Notary Public

My commission expires:

DONNA PANDOLFO
Notary Public, State of New York
No. 43-4895635
Qualified in Richmond County
Commission Expires May 26, 1995

BEFORE THE INDEPENDENT REVIEW BOARD

AFFIDAVIT AND AGREEMENT

ANTHONY IGNERI, being duly sworn, deposes and says:

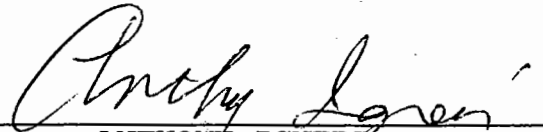
1. The Independent Review Board issued a Report dated January 12, 1993 concerning allegations of violations of the International Brotherhood of Teamsters' Constitution by the undersigned and other officers of Teamsters Local 854. This Report referred these allegations to Joint Council No. 16, which conducted a hearing on April 5, 1993. The undersigned did not attend or otherwise participate in that hearing.

2. I ceased to be the Vice President of Teamsters Local 854, effective at the end of my term on December 31, 1992.

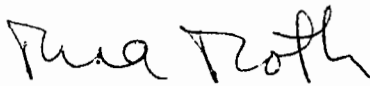
3. Joint Council 16 reported my resignation to the Independent Review Board. By letter dated June 11, 1993, the Independent Review Board advised Joint Council No. 16 that this was inadequate. They directed that in order to resolve these allegations, I must sign a document agreeing to be permanently barred from holding any officer position with Local 854 and any other IBT entity, including all positions with any IBT health & welfare fund, pension fund and any consultant positions.

4. In order to resolve this matter to the satisfaction of the Independent Review Board, I hereby agree to be permanently barred from holding any elected or

appointed officer position of any kind, paid or unpaid, in the IBT or any of its affiliated entities, including Local 854, or with any pension, health & welfare or other benefit funds or other such entities affiliated with the IBT. This permanent bar shall include any consultant arrangements with any of the entities listed above.


ANTHONY IGNERY

Sworn to before me this
23 day of June, 1993.



Notary Public

My commission expires:

RINA ROTH
Notary Public, State of New York
No. 24-4812354
Qualified in Kings County *gr*
Commission expires June 30, 19*94*.



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NEW YORK, NEW YORK 10011
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Fax (212) 691-7074

May 5, 1993

Charles M. Carberry, Esq.
Chief Investigator
17 Battery Place, Suite 331
New York, New York 10004

RE: IRB REPORT CONCERNING LOCAL 854

Dear Mr. Carberry:

Enclosed is a copy of the action of Joint Council 16 in connection with the referral from the Independent Review Board.

Also enclosed is a copy of the transcript of the hearing conducted by the Joint Council in this matter.

You will note that the hearing in this case occurred prior to the inception of the Trusteeship of Joint Council 16. Further, the Joint Council 16 Executive Board made a decision in this case prior to my undertaking my duties as Trustee. Accordingly, I had no substantive role in the enclosed decision.

Very truly yours,

A handwritten signature in cursive script that reads "Johnnie Brown".

Johnnie Brown
International Trustee
On Behalf of Joint Council
16 Executive Board

JB:tod
Enclosures

ACTION OF JOINT COUNCIL 16 IN RESPONSE TO
INDEPENDENT REVIEW BOARD REPORT CONTAINING
ALLEGATIONS OF VIOLATIONS OF THE IBT
CONSTITUTION AND THE LOCAL 854 BY-LAWS BY THE
PRESIDENT AND THE FORMER SECRETARY-TREASURER
AND FORMER VICE PRESIDENT OF LOCAL 854

I. Procedural Background

On January 15, 1993, Joint Council 16 received the Report of the Independent Review Board concerning alleged violations of the International Constitution and Local 854 By-laws committed by President Maureen Ruane, Secretary-Treasurer Frank Marsigliano and Vice President Anthony Igneri. At its regular meeting on February 2, the Joint Council Executive Board reviewed the Report and decided to conduct a hearing where each of the named officers and the Local Union were requested to present any evidence and their positions in response to the alleged violations set forth in the Report. The hearing was scheduled for March 5, but was postponed due to the hospitalization of Maureen Ruane. The hearing was held on April 5, where Maureen Ruane was represented by attorney Michael Sussman. Roy Barnes was present as counsel for Local 854 and he also appeared as a witness. Sister Ruane testified on her own behalf and submitted documentary evidence that was made part of the record. Her counsel was granted the opportunity to present a post-hearing memorandum, which was received on April 12.

Although Secretary-Treasurer Frank Marsigliano and Vice President Anthony Igneri were notified of both hearing dates, neither of them appeared on April 5 and neither of them made any effort to communicate with the Joint Council

concerning their inability to appear or their position concerning the subject matter of this hearing. However, the Joint Council was advised at the April 5 hearing that both of them did not run for office in late 1992 and are, therefore, no longer officers of Local 854. During the time period covered by the Report, neither of them was a full-time employee of the Local Union. The Joint Council was advised at the hearing that Mr. Igneri has retired and advised counsel for Local 854 that he was too ill to participate in these proceedings. Marsigliano had also been ill and had taken a withdrawal card.

Since this was the first referral of the Independent Review Board to this Joint Council and, perhaps, any Joint Council, we were proceeding in uncharted waters with regard to the handling of this matter. The Rules and Procedures for Operation of the Independent Review Board, as approved by Judge David N. Edelstein, specify in Section I(5) that "upon referral, the IBT entity to which a matter is referred shall promptly undertake whatever action is appropriate under the circumstances to resolve the referred matter, as provided by the IBT Constitution, applicable law, and the Rules." In reviewing the January 12 IRB Report, the Joint Council noted that the document did not purport to be a charge, which would have placed the Joint Council in a position of becoming the charging party, with the responsibility to prosecute the charge before a hearing body in accordance with Article XIX of the International

Constitution and Section 101(a)(5) of the Labor-Management Reporting and Disclosure Act. However, in reviewing the September 29, 1992 deposition transcripts taken of all three individuals by the representative of the Investigations Officer, it did not appear that they had been afforded an opportunity to provide an explanation for the events about which they were questioned. Consequently, the Joint Council decided to proceed by first conducting a hearing to afford them the opportunity to provide a response to the incidents cited in the IRB Report.

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II. Allegations Against Maureen Ruane

A. Christmas Bonus Payment to Anthony Zappi

The IRB Report alleges that Maureen Ruane breached her fiduciary duty and brought reproach upon the IBT, and violated the Local Union By-Laws by paying the Christmas bonus without the Executive Board's approval to Anthony Zappi on December 10, 1990. At the May 5, 1993 hearing before the Joint Council, Sister Ruane contended that the Christmas bonus was paid in accordance with the consistent past practice of the Local Union and the resolution of the Executive Board set forth in its November 17, 1987 meeting minutes. That Executive Board action specifically referenced the prior past practice and then modified the formula for the payment of the Christmas bonus to "all employees and officers" for an amount that was directly tied