

BEFORE A HEARING PANEL
APPOINTED BY LOCAL 813, INTERNATIONAL BROTHERHOOD OF
TEAMSTERS

SYLVESTER NEEDHAM,
Charging Member,

v.

LOU ROMEO,
Charged Member.

I. The Charge

This matter arises out of the internal union charge filed, on April 10, 2007, by Sylvester Needham, President of Local 813, against Lou Romeo, a former Business Agent of Local 813 and a Trustee of that Local Union.¹ That charge was filed with the Secretary – Treasurer of Local 813. In short, the charge alleges that Brother Romeo brought reproach against the Local Union and breached his fiduciary duty by committing acts of embezzlement and/or conversion of the Local Union's funds. Specifically the charge points to three situations: 1) Brother Romeo's union-paid trip to Seattle, Washington on March 31 and April 1, 2006; 2) Brother Romeo's request for unused vacation pay arising out of an NLRB hearing in December 2005; and 3) requests made for reimbursement for meals with Jeff Gaeta, an employer, in June 2006.

II. The Hearing Panel

The Hearing Panel in this case consisted of the following individuals: Sean T. Campbell, Vice President of Local 813 and Chair of the Panel; Thomas Lynaugh, Trustee of Local 813; Pedro Nieves, Trustee of Local 813; Anthony Cassisi, Shop

¹ The charge filed by Brother Needham is attached hereto and marked as "Exhibit 1."

Steward from Allied; Roger Malespin, Shop Steward from Waste Management; Clifford Lewis, Shop Steward from Jem Sanitation; and John Shehas, Shop Steward from Cinelli Sanitation.²

III. The Hearings

The hearing was originally scheduled to take place on May 15, 2007 at the Local Union 813 offices. The hearing commenced at 11:21 AM. Some preliminary matters were discussed, and Brother Romeo gave Brother Campbell a written statement requesting among other things the recusal of certain members of the Panel and an adjournment of the hearing so that he could understand the charges against him and properly prepare his defense.³ After some discussion, the request for the adjournment was granted and the hearing was rescheduled for May 23, 2007 at 11:00 AM also at the Local 813 offices.

On May 23, 2007 the parties reconvened at 11:00 AM for the rescheduled hearing. All concerned parties were present and given the opportunity to fully participate and call, examine and cross examine witnesses. The remaining preliminary matters were handled. Rulings were made concerning the remaining recusal questions and on the requests by Brother Romeo for documentary

² Brother Needham, the President of Local 813, was recused from the Hearing Panel because he filed the instant charges. Brother Romeo, a Trustee of the Local was recused from the Hearing Panel because he is the charged party herein. Brother Richard J. Merola, the Secretary-Treasurer of Local 813 was recused from the Hearing Panel because he was designated by Brother Needham as a witness. In addition, Brother Romeo requested the recusal of Brother James Troy. The request was considered and granted. Therefore, Brother Troy was recused from the Panel and was replaced by Brother Cliff Lewis. Brother Romeo also requested the recusal of Brother Anthony Marino. That request was considered and granted. Therefore, Brother Marino was recused from the Hearing Panel and was replaced by Brother Shehas. Finally, Brother Romeo requested the recusal of Brother Pedro Nieves and Brother Roger Malespin. Those requests were considered and denied by the Hearing Panel.

³ The "Written Statement For the 5/15/07 Hearing" is attached hereto and marked as "Exhibit 2."

information.⁴ At the outset of both hearing dates Brother Campbell read the charges into the record. In addition, Brother Campbell read a letter referring the charges to Brother Needham by John Skala, the Investigations Officer from the Independent Review Board. That letter is attached to this Report and marked as "Exhibit 3."⁵

Following the resolution of the preliminary matters the Hearing Panel began taking evidence and testimony on the merits of the charges. We will discuss the facts of each of the allegations individually below.

THE TRIP TO SEATTLE

As noted above, on March 31 and April 1, 2006, Brother Romeo took a Union sponsored and paid for trip to Seattle, Washington. Brother Merola, and Jacqueline Bourgeois, the Office Manager of Local 813, each testified as to this allegation. They stated that the Union had made arrangements to pay for the airfare and hotel accommodations for that trip. In fact, Ms. Bourgeois testified that she had arranged for the hotel rooms for all Local 813 representatives to be charged to the Local Union's Master Card account. Each of the travelers received an itinerary and was told that the hotel was already paid for.

⁴ In the Written Statement provided to Brother Campbell on May 15, 2007, Brother Romeo requested that the instant charges be referred to the US Department of Labor for investigation. That request was denied by Brother Campbell because under the Local 813 Constitution and By-Laws and the IBT Constitution the Local has the right and responsibility to conduct the instant hearing. The Charged Party also requested copies of the expense reports of all officers and business agents for the last seven years as well as all time off requests, credit card statements, and back up, and the union and fund trip itineraries for the last seven years. Those requests were denied because the Panel believed them to be irrelevant to the issues before it. The Panel also considered, and granted Brother Romeo's request for copies of his "cell phone records for the month of 12/05." The Local Union's records were provided to him.

⁵ Mr. Skala was initially sent to Local 813 by the U.S. District Court for the Eastern District of New York as a Court appointed Trustee to investigate and correct corruption at the Union. Following that, he became the Investigations Officer for the Independent Review Board to continue the investigation into, and correction of, alleged improprieties at the Local Union.

Brother Merola introduced documents⁶ that purport to show that Brother Romeo requested, and accepted, reimbursement for incidental charges (food, ground transportation, etc.), as well as four hotel rooms that had been charged to the Local 813 Master Card.⁷ Those documents were made part of the record of this hearing and attached to the official transcript. They were designated as Exhibits 1A and 1B by Brother Merola. Those documents include confirmations of the reservations made by Ms. Bourgeois, copies of the hotel receipts showing charges to "Account No. MC*5408", and the Statement for the Union's Master Card showing charges for the four hotel rooms. In addition, the documents include the Expense Report and attachments thereto. The attachments show that a request was made by Romeo for reimbursement for the hotel room charges.

In his defense, Brother Romeo stated that when he arrived at the hotel in Seattle he was told by the desk personnel that the rooms were not prepaid. He claimed that he had to give them his American Express card in order to get access to the rooms and that he just assumed that his card was charged. Fiore Vacchio, who was on the trip to Seattle, testified that he went to the hotel counter with Brother Romeo. He said that there were no rooms for them and that Romeo had to give the clerk his American Express card. Brother Vacchio was not at the counter with Romeo when he checked out. Therefore, he does not know what occurred or was said at that time about the charges or credit cards.

⁶ The documents introduced consisted of papers that intended to give the Hearing Panel information and evidence concerning the allegations against Brother Romeo. The entire packet of those documents is attached hereto and marked as "Exhibit 4." That packet is divided into the following exhibits: Exhibit 1A; Exhibit 1B; Exhibit 2A; Exhibit C; Exhibit 3A; and Exhibit 3B;

⁷ These are the rooms occupied by Brother Romeo, Brother James Troy, Brother Fiorentino Vacchio, and Brother Frank Morse.

Brother Romeo now admits that his American Express card was never billed for the hotel rooms. It was only charged for the incidentals that he did charge (food, etc. totaling approximately \$369.00)⁸. Based on his expense report and request for reimbursement, he was reimbursed \$1,082.27, which included the charges for four rooms at the hotel.

Brother Romeo also stated that just a month earlier, on a union sponsored trip to Michigan the same thing happened and that he had to use his credit card to pay for two hotel rooms even though the Union had prepaid them.⁹

Finally, Brother Romeo admits that despite the assurances he had received that the Union had already paid for the rooms, all he did is let the Union know that there was a mix-up with the rooms but that "he was taking care of it."

THE VACATION PAY ISSUE

On March 17, 2006, Brother Romeo submitted a Check Request for two days' vacation pay "not used during the Guma Hearings at the NLRB. Worked during vacation."¹⁰ He had already submitted claims for reimbursement for parking and food that he paid for on December 28, 2005. The Guma hearing was held at the NLRB office in Brooklyn on December 28, 29 and 30, 2005. Brother Romeo was scheduled for vacation during that week.

As noted above, Brother Romeo only requested reimbursement for parking and food on December 28, 2005. When asked about that at the hearing he stipulated that he was only at the hearing on one day, December 28. Brother

⁸ Brother Romeo admitted that he has no American Express or credit card receipts showing that he was charged for the rooms.

⁹ Brother Romeo was able to show the Hearing Panel a copy of an American Express charge for the Michigan trip.

¹⁰ See Exhibit 2A to Exhibit 4 of this Report.

Romeo explained his request for two days' vacation pay by stating that he spent one day at the NLRB, spent a lot of time on the telephone conducting business and spent a day in Pennsylvania helping Local 108. He did not state whether he was assigned to make that trip to Pennsylvania or if he made the trip on his own.

Brother Romeo initially received and accepted the payment for the two days' vacation pay.

THE CLAIMS FOR MEAL REIMBURSEMENT

On June 21, 2006 Brother Romeo submitted an Expense Reimbursement Request totaling \$93.88, for meal expenses from June 8 to June 17, 2006. He wrote on the Reimbursement Request that the expenses were provided for Jeff Gaeta (an employer), Anthony (a shop steward at Gaeta's business), and himself. In fact, on two of the three attached receipts¹¹ he notes that Anthony was in attendance. While investigating this matter, Brother Richard Merola, Secretary-Treasurer of Local 813, spoke with Anthony Pucciarella, the steward in question. Pucciarella told Merola that he never had a meal with either Brother Romeo or Jeffrey Gaeta.

Brother Romeo's explanation for this was that he actually did not have meals with Anthony, rather he had gone to a Diner and bought doughnuts, buns and coffee for two Union meetings (June 10 and 17) and that no members had shown up. Therefore, to establish that it was a Union expense, he added Anthony's name. He stated that the receipts do not say that he actually had a meal with Pucciarella.

¹¹ The receipts in question are dated June 10 and June 17, 2006.

DISCUSSION OF THE CHARGE

On Saturday June 2, 2007 the Hearing Panel met and had a full and frank discussion of the evidence in this matter. The panel evaluated the evidence on each of the three allegations separately and reached the same conclusion on each claim. We decided that Brother Romeo is indeed guilty of the charges leveled against him. Therefore, we have decided to uphold the charges in their entirety.

First, we note that the allegations against Brother Romeo were initially brought to Brother Needham's attention by John Skala the Investigations Officer assigned to Local 813 by the Independent Review Board. Mr. Skala informed Brother Needham that, in his view, the Local 813 Executive Board had a "fiduciary obligation and responsibility to take further action on this matter..." We take that to mean that Mr. Skala believed that these were serious allegations of wrongdoing and believed the Local should take a serious look at the situation. That is exactly what we did. After the transcript was received, the members of the Hearing Panel were called together and each of us voiced his opinions on the evidence before us.

We found much of Brother Romeo's testimony to be unbelievable. We believe that much of his testimony to the Panel was fabricated and, therefore, not trustworthy. At the conclusion of the hearing, Brother Romeo had no credibility with the Panel.

As to the allegation about the hotel bill in Seattle, Washington we simply did not believe Brother Romeo's explanation. We can not believe that he did not know until recently that he was not charged for the hotel rooms on his American

Express Card. Also, we did not believe that, faced with the confusion that he claims existed at the hotel check-in, he didn't look into the matter more closely to make sure that he and the Local Union were not both charged for the rooms. He was unable to produce an American Express bill charging his card for the rooms. However, he was able to produce evidence that he was charged a month earlier for the trip to Michigan. His ability to produce one credit card statement (the one not in question in this hearing) while not being able to produce the one in question raises additional doubts as to his credibility.

His explanation simply did not ring true. In our opinion, it is much more likely that he had to present his credit card upon arrival in Seattle because the arrangements were made for him to pay for the incidentals. The credit card authorization form (Exhibit 4 – 1B) clearly shows that the Union's Master Card was only to be charged for the room and tax. Thus, the hotel would need a card upon which to charge the incidentals. We can not believe that Brother Romeo took that interaction to mean that he was paying for the hotel rooms of the four travelers and that he deserved to be reimbursed. We believe Brother Romeo requested, and accepted, money from the Local Union that he was not entitled to. Therefore, we find him guilty of the allegations concerning the trip to Seattle.

As to the request for two days' vacation pay, we also find that Brother Romeo asked for, and accepted money that he was not entitled to. This amounts to one day's pay. He attended the Guma hearting on December 28, and therefore is entitled to be reimbursed for that day. He did not attend any other day of the hearing. Therefore, in our view, he should not have been reimbursed for another

day of vacation. His attempted explanation that he never claimed that he was at the Guma hearing for two days did not ring true to us. His check request clearly says "Two days vacation pay not used during the Guma hearing at the NLRB." We take that as a claim that he was at the hearing on more than one day. Even if his claim was true, and we did believe him, we do not feel that he was entitled to be reimbursed for the second day of vacation. As even Brother Romeo stated at the hearing the job of a union representative is not an hourly job. Union representatives are paid a salary and are expected to work when necessary. Union representatives often work while on vacation. Often they are expected to conduct Union business on the telephone while away. It appears now to be Brother Romeo's claim that he was entitled to vacation pay since he spent a great deal of time on the telephone while he was on vacation and that he was somehow helping Local 108. We do not agree with that claim.

We believe that Brother Romeo in fact claimed reimbursement for two days at the hearing even though he was there only one day. We believe that this was a deliberate attempt to collect money from the Union that he was not entitled to. Therefore, we uphold the allegations concerning the vacation pay issue.

Finally, we turn to the allegations concerning meal reimbursements. Again, we find Brother Romeo's explanation to be incredible. The two receipts in question clearly state that Anthony was present. As noted above, Brother Romeo now admits that he was not there. He claims that the two receipts were not for meals, but were instead for doughnuts, buns and coffee for Union meetings.

However, the second of the two receipts (June 17) looks like a receipt for a meal, complete with a notation for a tip.

Brother Romeo admits claiming that Anthony Pucciarella was at meetings that he was not at. He would have us believe that he was told to put down a name of a steward or member to legitimize a Union expense. If, as he claims, the charges were for doughnuts for a union meeting, he should have put that explanation on the receipt. He should not have made up an explanation.

For those reasons, we believe that the claims concerning the meal reimbursement requests have been proven. We therefore find that Brother Romeo is guilty of those charges and uphold the allegations.

RECOMMENDED PENALTY

As a result of our findings that Brother Romeo committed the violations with which he is charged, the Hearing Panel must recommend a penalty. We do not believe that the amount of money involved in this matter should affect our decision. We believe that Brother Romeo knowingly took money from the Local Union that was not entitled to. In his position as a Trustee of the Local Union he must be held to a high standard.

Therefore, we hereby unanimously recommend that Lou Romeo be expelled from membership in the Union; be permanently barred from participating in the affairs of the Union; be permanently barred from holding union office; be permanently barred from contracting with, seeking or holding office or employment with Local 813, the IBT or any other IBT affiliate or its sponsored affiliated benefit plan; be permanently barred from seeking or accepting money or other compensation for any goods and services from Local 813, the IBT, or any other IBT affiliate or IBT sponsored benefit plan other than receipt of vested benefits to which he may otherwise lawfully be entitled by reason of prior participation in an IBT sponsored benefit plan or plans.

Sean Campbell 6/13/07 John Shehas 6/14/07
Sean Campbell - Date John Shehas - Date

Clifford Lewis 6/14/07 _____
Clifford Lewis - Date Pedro Nieves - Date

Thomas Lynaugh - Date Roger Malespin - Date

Anthony Cassisi 6/14/07
Anthony Cassisi - Date

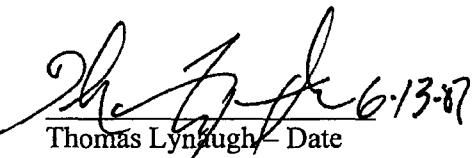
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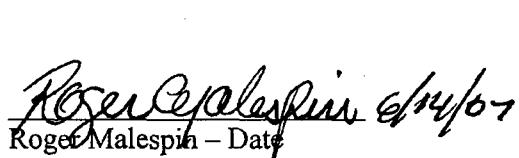
Sean Campbell - Date

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Thomas Lynaugh – Date
6-13-07


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6/13/07

Anthony Cassisi - Date