

**REPORT TO ALL MEMBERS
OF THE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS**

FROM: The Independent Disciplinary Officers

Hon. Barbara S. Jones
Robert D. Luskin, Esq.

DATED: July 26, 2021

I. INTRODUCTION

The following is Magazine Report 2 of the Independent Disciplinary Officers ("IDO") for 2021 regarding activities from April 2, 2021 through July 26, 2021, conducted pursuant to the Final Agreement and Order of February 17, 2015.

II. STATUS OF OPERATIONS

The IDO wish to assure the membership that despite the ongoing COVID-19 Pandemic, the officers continue to operate to effectuate the purposes of the Final Order. The IIO office remains open under alternative staffing procedures designed to protect the IIO staff as well as the community at large, consistent with applicable government regulations and health department recommendations. Investigators continue to receive referrals from members throughout the country, and are pursuing those allegations both vigorously and safely. Unfortunately, it is the experience of the IIO and his staff of career Investigators that times of unusual

crisis are often times of unusual opportunity for those inclined toward waste, fraud, and abuse. The IIO is particularly vigilant during this time and will seek all appropriate disciplinary measures against those who would exploit the current situation for improper personal gain.

III. PROGRESS OF EXISTING MATTERS

A. Former Local 282 Member Michael Hintze

On December 18, 2020, the IIO issued a report to the General Executive Board of Local 282 recommending that a charge be filed against Local 282 member Michael Hintze ("Hintze") for violating the IBT Constitution, Article II and Article XIX, §§ 7(b)(1), (2) and (9) for being an associate of Organized Crime and associated with other members of Organized Crime.

Local 282 is located in Lake Success, N.Y. As of its most recently filed LM-2, dated March, 23, 2020, it had 3,778 members employed at various construction companies in the New York City area. In the past 16 months, the IDOs have caused two other Local 282 members to be expelled and permanently barred on charges related to their association with Organized Crime.

According to Local 282 records, Hintze became a Local 282 member on March 15, 2007. Hintze's last dues payment was on February 7, 2020, and his dues were paid through December of 2020.

On March 23, 2017, a Grand Jury in the Eastern District of New York returned a 37-count indictment against Hintze and 9 other

codefendants with racketeering conspiracy, including predicate acts of conspiracy to commit murder, attempted murder, extortion, illegal gambling, as well as robbery conspiracy, arson, narcotics distribution and obstruction of justice conspiracies. Among Hintze's codefendants was his brother-in-law, Ronald "Ronnie G." Giallanzo, then an acting Bonanno Crime Family captain.

The indictment alleged that Giallanzo "conducted a lucrative loansharking operation in which he provided money to, among others . . . Hintze . . . to extend extortionate loans to, and collect from, numerous individuals." For instance, according to the Government's sentencing memorandum, "[w]hile Giallanzo was in prison, [Hintze] collected approximately \$2,000 a week from [John Doe #14] (which did not reduce the principal of the loan). After Giallanzo was released from prison in April 2013, this victim could no longer make the weekly payments, and Giallanzo and another Bonanno associate ("Associate-1") ultimately assaulted John Doe #14." When John Doe #14 admitted to Giallanzo that he had used some of the money owed to him to make payments on his house, Giallanzo "smacked John Doe #14 to the ground. [Giallanzo] and Associate-1 then dragged John Doe #14 to Associate-1's vehicle and viciously beat John Doe #14 until he soiled himself, with the defendant screaming, "Where's the f***ing money?"

According to the Government's sentencing memorandum, Giallanzo "took advantage of the support given by his actual

family, specifically, his brother-in-law, co-defendant Michael Hintze, and had him watch over the loansharking operation on the street. * * * And Hintze kept [Giallanzo] apprised of the progress of the illicit business through prison visits, call and emails."

Hintze pleaded guilty to one count of racketeering on February 6, 2018. In so doing, the Court specifically read the portion of the indictment to which Hintze pleaded guilty, in which he is described having conspired with "persons employed by and associated with the Bonanno family," and Hintze admitted to understanding that portion of the charge. Later, Hintze allocuted to the Court:

From approximately 2007 to 2012, in Queens, New York, and elsewhere, I associated with members of a criminal organization. We used force or threats, physical harm to collect money owed to them. During that same period of time, in Queens and elsewhere, I agreed with those members to assist in the collection of money owed from John Does 4 and 14 I was aware at the time that using threats or force to collect debt was unlawful and that my actions were illegal.

Hintze was sentenced to 36 months in prison on July 24, 2018. The IIO was advised that Hintze was held without bond or on high bond during the pendency of the charges, i.e., from March 28, 2017 until his July 24, 2018 sentencing, and received credit for that time. Based on Bureau of Prisons calculations, he was apparently released from BOP custody on October 17, 2019.

In the expert opinion of the FBI, Hintze is a long-time associate of the Bonanno La Cosa Nostra ("LCN") Organized Crime

Family. An FBI Special Agent declared under penalty of perjury: "Based upon information developed during organized crime investigations and other reliable and credible sources of information regularly relied upon by the FBI, it is the opinion of the FBI that MICHAEL HINTZE . . . was an associate of the Bonanno LCN Family (BCF).") He further added, "The Bonanno LCN Family is an organized criminal group headquartered in New York City. Throughout its history, the Bonanno LCN Family has furthered its criminal enterprise activities through murder, violence, extortion, labor union corruption, loansharking, gambling, white collar crime and narcotics trafficking."

Finally, the FBI Special Agent explained in his declaration:

In my position as a Special Agent, I became aware through conversations with the case Agents for the case in which HINTZE was arrested and source reporting that HINTZE was an associate of BCF member RONALD GIALLANZO. According to the case Agents, and/or source reporting, HINTZE is RONALD GIALLANZO's brother-in-law. While GIALLANZO was incarcerated, HINTZE would transmit messages of criminal nature from GIALLANZO to other organized crime members and associates. Furthermore, HINTZE was responsible for collecting at least some of GIALLANZO's loan shark proceeds from GIALLANZO's victims. On February 6, 2018, HINTZE pled guilty to one count of RICO Conspiracy, in violation of 18 U.S.C. 1962.

On December 18, 2020, the IIO delivered to the General Executive Board of Local 282 a Report outlining the foregoing allegations, supported by 14 exhibits, the majority of which were federal court filings.

On January 8, 2021, the Executive Board of Local 282 adopted and filed the charges against Hintze. In accordance with long-standing practice for charges of alleged association with Organized Crime, the Executive Board referred the charges to the IRO for adjudication in the first instance, without first conducting its own internal hearing.

By notice dated March 22, 2021, the IRO set a hearing on the charges for April 28, 2021 at 10:30 a.m. at the law offices of Bracewell LLP, located at 1251 Avenue of the Americas, New York, New York 10020. The hearing was rescheduled to May 12, 2201 due to a conflict with an unrelated disciplinary hearing.

On May 12, Mr. Hintze appeared in person, but requested an adjournment of the hearing to obtain representation, as he had not retained counsel. The IRO granted the request on the record, rescheduling the matter for June 30, 2021 and ordering Hintze to appear on that date. In addition to her ruling on the record, the IRO issued a new written Notice of Hearing the next day, May 13.

On June 30, 2021, the hearing was convened. Hintze failed to appear. Neither Hintze nor his representative communicated a request to reschedule or otherwise adjourn the hearing to the IRO. Based on the record that Hinze was properly notified of the proceedings, and as permitted by the Rules Governing the Authorities of Independent Disciplinary Officers and the Conduct

of Hearings ("Rules"), the IRO conducted the hearing in Hintze's absence.

On July 8, 2021, the IRO issued her Order finding that, based on the evidence presented by the IIO outlined above, the charge against Hintze was supported by a preponderance of the reliable evidence and that Hintze was a member of Organized crime while also a member of Local 282 in violation of the IBT Constitution.

Pursuant to that Order, Hintze is permanently expelled from membership in Local 282, the IBT, and any affiliate of the IBT (collectively, "IBT entities"), and is forever barred from holding any membership, employment, office, consulting position, or other similar relationship, whether paid or unpaid with any IBT entity or any affiliated employee benefit plan. Further, Hintze is permanently barred from seeking or accepting money or other compensation from any IBT entity or affiliated employee benefit plan, other than vested benefits to which he may already be lawfully entitled. The IRO also ordered that no IBT entity may make any contributions on Hintze's behalf to any pension, health and welfare, severance or other benefit fund, nor may Hintze receive any gratuities, severance payments, or gifts of any kind from any IBT entity. The IRO further ordered that Hintze be barred from participating in any manner in any of the activities or affairs of any IBT entities, including but not limited to meetings,

discussions, consultations, negotiations, votes, or any other business of any IBT entity.

By operation of paragraphs 2(C), 4, and 5 of the Final Order, Hintze is permanently enjoined from knowingly associating with any member or employee of the IBT or any of its constituent entities, and all current and future members, officers, agents, representatives, employees, and persons holding positions of trust in the IBT and any of its constituent entities are permanently enjoined from knowingly associating with Hintze.

The IRO's Decision and Order was delivered to Local 282 and the IBT on July 8, 2021, and the matter is now closed.

B. Former Local 282 Member Angelo Leto

On March 22, 2021, the IIO issued a report to the General Executive Board of Local 282 recommending that a charge be filed against Local 282 member Angelo Leto ("Leto") for 1) violating the IBT Constitution, Article II and Article XIX, §§ 7(b)(1), (2) and (9) by being an inducted member of Organized Crime; and 2) violating Article XIX, Section 7(b)(1), (2) and 14(a) of the IBT Constitution by unreasonably failing to cooperate with the IIO when he willfully and without justification refused to appear for a Sworn Examination arranged pursuant to the Final Order.

Local 282 is located in Lake Success, N.Y. As of its most recently filed LM-2, dated March, 23, 2020, it had 3,778 members employed at various construction companies in the New York City

area. In the past 16 months, the IDOs have caused two other Local 282 members to be expelled and permanently barred on charges related to their association with Organized Crime.

According to Local 282 records, Leto became a Local 282 member on July 17, 2011. Leto's last dues payment was on December 15, 2020, and his dues were paid through December of 2021.

In the expert opinion of the FBI, Leto is an inducted member of the Colombo La Cosa Nostra ("LCN") Organized Crime Family. The Colombo LCN Family is an organized criminal group headquartered in New York City. Throughout its history, the Colombo LCN Family has furthered its criminal enterprise activities through murder, violence, extortion, labor union corruption, loansharking, gambling, white collar crime and narcotics trafficking.

An FBI Special Agent with experience investigating Organized Crime declared under penalty of perjury as follows:

In my position as a Special Agent, I became aware through multiple source reports that LETO has been an inducted Member of the Colombo La Cosa Nostra Family since at least the 1990's. According to source reporting from that time period, ANGELO LETO was ranked as a soldier in the Colombo Family assigned to Frank Melia's crew. LETO was later reassigned to other crews including that of Paul Bevacqua, Ralph Lombardo and Vic Orena Jr. Although he was never charged, LETO was rumored and/or suspected to be involved in a wide variety of criminal activity during the late 1980's and continuing into the 1990's.

The Special Agent further declared under penalty of perjury:

According to source reporting from 2010, the Acting Boss of the Colombo Family, Andrew Russo, expressed an interest in having LETO "come in" in part because LETO resided close to Russo and could drive Russo around. The confidential source providing the information believed that LETO may not want anything to do with the Colombo Family because LETO felt that Vic Orena never did anything for him. No additional information was provided on the topic; however, the reporting in and of itself indicates that; as recent as 2010, LETO was in good standing with the Colombo Family.

On January 15, 2021, the IIO sent Leto a notice of sworn examination for January 29, 2021. The notice was delivered to Leto's residence in Glen Cove, NY on January 18, 2021 at 8:20 am. The notice informed Leto that he had the option to appear either in person or via remote videoconference. The notice advised that if he elected to appear remotely, he was required to inform the IIO of that decision no later than January 26, 2021. Leto never responded. IIO staff made multiple attempts to reach Leto at the phone number listed on his dues records and at which in the recent past he had been successfully contacted the Local. IIO staff left messages on January 26, and 27, 2021. The staff left both office and cell phone numbers as return points of contact; Leto never replied.

On Friday January 29 at 10 a.m. (the date and time identified on the Notification of Sworn Examination) IIO Senior Counsel and an IIO Investigator were present at Bracewell, LLP; 1251 Ave. of the Americas, 49th Floor, New York, NY (the location identified on the Notification of Sworn Examination). Counsel for the IIO waited

for over one hour. Leto failed to appear. He also failed to make any contact—either personally or through a representative—with the IIO or his staff to request a rescheduling of the Sworn Examination. Notwithstanding Leto's failure to appear, the Examination was convened, and Leto's absence was noted on the record.

On March 22, 2021, the IIO delivered to the General Executive Board of Local 282 a Report outlining the foregoing allegations. On April 2, 2021, the Executive Board of Local 282 adopted and filed the charges against Leto. In accordance with long-standing practice for charges of alleged association with Organized Crime, the Executive Board referred the charges to the IRO for adjudication in the first instance, without first conducting its own internal hearing.

On April 26, 2021, the IRO served a Notice of Hearing ("Notice") on Leto to appear for a hearing on May 19, 2021. The Notice was sent to Leto's home address via certified mail, return receipt requested, and also by first class mail, in accordance with the Rules. The return receipt indicated that Leto acknowledged receipt of the Notice on April 28. Leto's counsel also represented to the IRO on May 18, 2021 that Leto had indicated he would appear for the hearing the next day.

On May 19, 2021, the hearing was convened. Leto failed to appear. Neither Leto nor his representative communicated to the

IRO a request to reschedule or otherwise adjourn the hearing. Based on the record that Leto was properly notified of the proceedings, and as permitted by the Rules, the IRO conducted the hearing in Leto's absence.

On July 8, 2021, the IRO issued her Order finding that, based on the evidence presented by the IIO outlined above, the charges against Leto were supported by a preponderance of the reliable evidence; in particular, she found by a preponderance that Leto was a member of Organized crime while also a member of Local 282, and that Leto failed to cooperate with an IIO investigation, both in violation of the IBT Constitution.

Pursuant to the Order, Leto is permanently expelled from membership in Local 282, the IBT, and any affiliate of the IBT (collectively, "IBT entities"), and is forever barred from holding any membership, employment, office, consulting position, or other similar relationship, whether paid or unpaid with any IBT entity or any affiliated employee benefit plan. Further, Leto is permanently barred from seeking or accepting money or other compensation from any IBT entity or affiliated employee benefit plan, other than vested benefits to which he may already be lawfully entitled. The IRO also ordered that no IBT entity may make any contributions on Leto's behalf to any pension, health and welfare, severance or other benefit fund, nor may Leto receive any gratuities, severance payments, or gifts of any kind from any IBT

entity. The IRO further ordered that Leto be barred from participating in any manner in any of the activities or affairs of any IBT entities, including but not limited to meetings, discussions, consultations, negotiations, votes, or any other business of any IBT entity.

By operation of paragraphs 2(C), 4, and 5 of the Final Order, Leto is permanently enjoined from knowingly associating with any member or employee of the IBT or any of its constituent entities, and all current and future members, officers, agents, representatives, employees, and persons holding positions of trust in the IBT and any of its constituent entities are permanently enjoined from knowingly associating with Leto.

The IRO's Decision and Order was delivered to Local 282 and the IBT on July 8, 2021, and the matter is now closed.

C. International Vice President Rome Aloise

On February 14, 2020, the IIO issued a report to the IBT General Executive Board recommending that a charge be filed against Rome Aloise ("Aloise"), International Vice President, President of Joint Council 7, and Secretary Treasurer and principal officer of Local 853 for bringing reproach upon the IBT and violating his membership oath by: knowingly harming a fellow member, interfering with and inducing others to interfere with the performance of the Union's legal obligations, unreasonably failing to cooperate fully with a proceeding of the IRO, retaliating and threatening to

retaliate against members for exercising their rights under the IBT Constitution, and committing an act of racketeering; all in violation of IBT Const., Article II, Section 2 (a); IBT Const., Art. XIX, Sections 7 (b) (2), (5), (10), and (11); IBT Const., Art. XIX, Sec. 14 (a); and 18 U.S.C. §875 (d).

The IIO's Report alleged that Aloise used his purported influence over IBT entities in California to threaten financial harm to a charitable organization, Instituto Laboral de La Raza ("La Raza"), in order to interfere in that organization's internal affairs to the detriment of a fellow member. The IIO further alleged that, notwithstanding the acquiescence of the La Raza board to his demands, Aloise's actions did in fact cause financial harm to La Raza and harmed his fellow member. The IIO further alleged Aloise's actions were in retaliation for the fellow member's good-faith efforts to comply with an Order of the IRO.

The IIO also alleged that Aloise engaged in a pattern of misconduct and contempt designed to circumvent the restrictions placed upon him by the IRO on December 22, 2017, as restated on January 19, 2018 and November 1, 2019. The IIO further alleged that, during the period of his suspension, Aloise threatened and publicly labeled fellow Teamsters as "rats" or "snitches," based upon his belief that they were cooperating with an IIO investigation and/or in retaliation for their good-faith attempts to comply with the IRO's December 22, 2017 Order.

On February 14, 2020, the IIO delivered to the General Executive Board of the IBT his Report outlining the foregoing allegations, supported by 89 exhibits comprising 1,771 pages of documents. On February 25, 2020, the General President adopted and filed the charges. Pursuant to Paragraph 32 of the Final Order, within 90 days of the IIO's referral (or by Thursday, May 14, 2020),¹ the General Executive Board was required to file with the IRO written findings setting forth the specific actions taken and the reason for such actions.

On March 9, 2020, the IBT appointed a Hearing Panel pursuant to IBT Constitution Article XIX. Due to logistical and safety concerns about conducting an in-person hearing during the pandemic, the Panel directed Aloise to present it with written arguments, together with the sworn declarations of any witnesses and any documents or exhibits he might wish to present in his defense. Aloise produced the sworn statements to the Panel on May 26, 2020.

With most of the testimony and evidence submitted in written form, the Panel conducted an in-person hearing on July 20, 2020, in Kansas City, Missouri. Counsel for the IBT participated remotely, and witnesses were not required to put themselves or others at risk by traveling to the hearing site. The hearing was

¹ This deadline was subsequently extended by the IRO, as permitted by Paragraph 32 of the Final Order, upon her finding of "good cause" relating to delays imposed by the pandemic, until October 1, 2020.

completed the same day, July 20. Pursuant to the Panel's order, both Aloise and the IBT submitted their post-hearing briefs on August 26, 2020.

As required by IBT Constitution, Art. XIX, the Panel prepared a full report and recommendation for the consideration of the General Executive Board, dated September 3, 2020. The Panel found that the preponderance of the reliable evidence supported certain aspects of each of the three charges. In particular, the Panel determined that the evidence supported aspects of Charge I in that Aloise contacted a representative of La Raza and made the threatening remarks to him as described in the IIO's report; it further determined that despite his suspension, Aloise violated the IRO's prior order by involving himself in union business on some occasions as alleged in Charge II of the IIO's Report²; and, it further determined that the evidence supported Charge III of the IIO's Report with respect to remarks Aloise made to one member.³

After considering a number of factors, the Panel recommended Mr. Aloise be suspended for 30 days from his positions as International Vice President, President of Joint Council 7, and

² The Panel did not find that Aloise exercised "de facto" leadership control of Local 853 or Joint Council 7 during his suspension as alleged by the IIO.

³ For statements made to the remaining members, the Panel concluded that Mr. Aloise's speech was permissible "trash talk" under the Labor-Management Reporting and Disclosure Act.

Secretary Treasurer and Principal Office of Local 853. It further recommended he be barred for 30 days from holding any position, elected or appointed, paid or unpaid, with the IBT, JC 7, or Local 853, or any other IBT affiliate. It further recommended that for 30 days, no IBT entity pay him, nor shall he accept, any salary, gratuities, gifts, payments, allowances, fees, benefit payments or contributions or any other compensation of any kind, except that he may receive compensation accrued prior to the implementation of the suspension. Aloise would be permitted to retain his membership during the period of his suspension, and to exercise all rights of membership other than holding office or employment with an IBT entity or advising or consulting concerning the business affairs of any IBT affiliate.

On October 1, 2020, pursuant to the IRO's scheduling order, the Panel's Report was presented to the General Executive Board. Rather than take a vote on the Panel's Report, the GEB instead voted by simple majority on a proposed Settlement Agreement under which Aloise would agree to a 30 day suspension on terms broadly similar to those recommended by the Panel. The GEB approved the Settlement Agreement by a vote of 12 to 11.

On October 28, 2020, the IRO determined that the proposed Settlement Agreement did not "fairly or adequately meet the disciplinary goals set out in the Final Order." She ordered the IBT within 20 days, or by November 17, 2020, to produce a

submission detailing any additional actions it might take to correct the deficiencies in its response to the IIO's Charge Report.

On November 13, 2020, the IBT, by counsel, informed the IRO that it had "no pathway at this juncture for obtaining the IBT General Executive Board's approval of additional actions concerning [the Aloise] matter that would be deemed by you to be 'not inadequate'" and requested the IRO to take appropriate action under the Final Order.

On December 8, 2020, after discussions among the parties and with the IRO, the IRO set a *de novo* hearing for March 1, 2021 and set a pre-hearing schedule for both parties to exchange any additional evidence or testimony. Pursuant to the prehearing schedule, the IIO produced its list of witnesses and exhibits on January 8, 2021. Aloise produced his list of witnesses and exhibits on February 5, 2021.

Over the course of February and early March, 2021, the IRO oversaw discussions between the IIO and Mr. Aloise concerning planning and logistical matters for the *de novo* hearing. Due to travel restrictions and other scheduling concerns, the IRO ordered the hearing to be rescheduled to begin Tuesday, April 6, 2021, at 10:00 a.m. Eastern. The first portion of the hearing, consisting of the testimony of Aloise himself, was conducted in-person at the offices of Bracewell LLP in New York City from April 6 through

April 9, 2021. The remainder of the hearing, including the testimony of all other witnesses, was conducted via video conference beginning April 12, 2021. Due to the ongoing Coronavirus pandemic, nonparticipants in the proceedings were not permitted to physically attend the proceedings; however, in accordance with paragraph G of the Rules, a video feed was transmitted to a remote location where, subject to capacity limitations and other safety restrictions issued by local public health authorities, nonparty IBT members in good standing were able to observe the proceedings.

The hearing concluded on April 28, 2021. Pursuant to the IRO's scheduling order, the IIO submitted its post-hearing brief on May 19, 2021. Aloise responded on June 21, 2021. The IIO replied on June 28, 2021. Aloise's liability on each of the charges is now before the IRO. Pursuant to the IRO's December 8, 2020 Order re Hearing Procedures, should the IRO make a finding of liability on any of the charges, the penalty for any such violation will be addressed separately.

D. Former Local 683 Principal Officer Todd Mendez

On March 6, 2019, the IIO issued a report to the IBT General President recommending that a charge be filed against Todd Mendez ("Mendez"), former principal officer of Local 683 (El Cajon, CA) for bringing reproach upon the IBT in violation of Article II, Section 2 (a) and Article XIX, Sections 7(b) (1) and (2) and Section

(14) (a) of the IBT Constitution, by failing to reasonably cooperate with the IIO by intentionally testifying falsely during his IIO sworn examination on February 2, 2017.

The IIO's Report alleged that Mendez testified falsely during his IIO sworn examination concerning a document he distributed and caused Board members to sign, purportedly subjecting them to financial penalty for disclosing the terms of a settlement agreement related to a lawsuit brought by a former employee against the Local and Mendez alleging sexual harassment and other causes of action.

On March 12, 2019, General President Hoffa adopted and filed the charges. On April 8, 2019, counsel submitted to the IRO a proposed affidavit and settlement disposing of the charges. Upon notice from the IIO that additional charges against Mendez were forthcoming, the IRO continued her review of the disposition until all charges could be considered together.

On August 28, 2020, the IIO issued a report to the IBT General President recommending that additional charges be filed against Mendez for 1) embezzling union funds, violating Federal law, and committing an act of racketeering in violation of 29 U.S.C. § 501(c), the IBT Constitution, Art. XIX, Sec. 7(b) (3) and (11) and Art. XXII, Sec. 4(e), and the permanent injunction in United States v. International Brotherhood of Teamsters; 2) bringing reproach upon the IBT by breaching his fiduciary duties, failing to meet

with the incoming officers, failing to return Union property and records, and destroying Union property and records in violation of 29 U.S.C. § 501(a), IBT Const. Art. XXII, Sec. 2(c), and IBT Const. Art. XIX, Sec. 9(b)(1) and (2); and 3) bringing reproach upon the IBT by violating his membership oath, knowingly harming a fellow Teamster, and retaliating and threatening to retaliate against a fellow Teamster for exercising rights under the IBT Constitution in violation of IBT Const. Art. II, Sec. 2(a), Art. XIX, Sec. 7(b)(2) and (11).

In charge one, the IIO's report alleged that in December 2018, while still in office but after having lost his bid for reelection, Mendez caused the Local to make at least \$110,120 in unauthorized anniversary bonuses, accrued vacation, severance payments, and salary payments to himself and six other former Local employees without a union purpose and without notice to or consent of the incoming officers. In charge two, the IIO's report alleged that Mendez failed in his Constitutional duty to meet with or designate a willing and qualified representative to meet with the incoming officers during the period between the date of election and the end of the term to review pending grievances, open contract negotiations, and the Local's financial records. Charge two further alleged Mendez vandalized and destroyed the Local's records and property. In charge three, IIO's report alleged that Mendez engaged in a pervasive pattern of verbal and physical

harassment of Local 683 officers, employees, members, and their families.

On September 1, 2020, General President Hoffa adopted and filed the charges. Paragraph 32 of the Final Order required that within 90 days of the IIO's referral (or by November 30, 2020), the General Executive Board must file with the IRO written findings setting forth the specific action taken and the reason for such action.

On September 24, 2020, the General President appointed a Hearing Panel to hear the charges against Mendez. On October 13, 2020, the IBT advised the IRO that the earliest day by which schedules could be coordinated to hold the hearing was December 15, 2020, and requested a 60 day extension of the deadline for action, or until January 29, 2021. The IRO granted the extension and the hearing was scheduled for December 15.

On Friday, December 11, 2020, in response to the IBT's reminder of the upcoming hearing, Mendez informed the Panel that due to an unspecified disability, he would not be able to attend the hearing on December 15. The Panel informed Mendez that, although it was within its rights to proceed in Mendez' absence, the Panel had decided to vacate the December 15 hearing and reschedule for a date after January 1, 2021, at a location and time, and under such conditions, as it deemed appropriate.

On January 20, 2021, the Panel conducted the hearing remotely

via Zoom. Mendez appeared and participated in the hearing.

On March 16, 2021, the Panel issued its Report and Recommendation, which the General President adopted and reissued as his own Decision ("IBT Decision") two days later, March 18. The Decision dismissed all three charges in their entirety.

On April 6, 2021, pursuant to ¶ 33 of the Final Order, the IRO informed the IBT of her determination that the IBT Decision was "inadequate" in part and "not inadequate" in part. In particular, she found that with respect to charge one, the IBT Decision was "inadequate" in its dismissal of the allegations of unauthorized anniversary bonus and vacation payments, but "not inadequate" in its dismissal of the allegations of unauthorized severance and salary payments. With respect to charge two, she found that the IBT Decision was "inadequate" in its dismissal of the charge. With respect to charge three, she found that the IBT's Decision was "inadequate" in its dismissal of the allegations of threats made to one identified member, but "adequate" in its dismissal of the allegations of threats to other individuals.

On Tuesday, April 20, 2021, within the 20 days allowed by ¶ 33 of the Final Order, the IBT informed the IRO that "respectfully, [it] is not willing to take further action against Mr. Mendez at this time." By letter dated May 18, 2021, the IRO informed the IBT that she intended to conduct a *de novo* hearing as to those allegations with respect to which she found the IBT's disciplinary

actions inadequate. Based on the IRO's current caseload, the *de novo* hearing is expected to be scheduled for early Fall 2021.

IV. ONGOING INVESTIGATIONS

The IIO is currently conducting a number of investigations throughout the country. In the time period of this report, the IIO has received and processed approximately 35 hotline calls reporting alleged improprieties.

The IDOs do not comment on ongoing investigations or identify areas or conduct under investigation until a formal recommendation of charges is served upon the IBT pursuant to the Final Order.

V. NEXT IDO REPORT

Due to the need in 2021 to communicate to the membership additional information pertaining to the International's quintennial elections, the IDOs are informed that the IBT plans to produce additional issues of *Teamster* magazine as compared to a typical year. So as to maintain the IDO's reporting schedule, no IDO report will appear in these supplemental issues. The next report will be published concurrent with the final issue of *Teamster* magazine for 2021, currently scheduled to be begin distribution on or about September 27.

VI. TOLL-FREE HOTLINE

Activities which should be reported for investigation include, but are not limited to, association with organized crime,

corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

To ensure that all calls are treated confidentially, the system which records hotline calls is located in a secure area on a dedicated line accessed only by an Investigator. Please continue to use the toll-free hotline to report improprieties that fall within IIO jurisdiction by calling 1-800-CALL-472 (800-225-5472).

VII. CONCLUSION

The task of the IDO is to ensure that the goals of the Final Agreement and Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities through these reports. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline number, or write to the Independent Investigations Officer Robert D. Luskin for all investigations at:

Office of the Independent Investigations Officer
1515 N. Courthouse Rd, Suite 330
Arlington, VA 22201