

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

FROM: The Independent Disciplinary Officers

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

DATED: March 17, 2022

**I. INTRODUCTION**

The following is Magazine Report 1 of the Independent Disciplinary Officers ("IDO") for 2022 regarding activities from September 22, 2021 through March 17, 2022, conducted pursuant to the Final Agreement and Order of February 17, 2015.

**II. STATUS OF OPERATIONS**

The IIO's office in Arlington, Virginia has resumed normal operating status. The IIO continues to closely monitor the state of the COVID-19 pandemic and is conducting its operations in other parts of the country in accordance with applicable regulations, guided by local conditions and the recommendations of relevant public health authorities.

**III. PROGRESS OF EXISTING MATTERS**

**A. International Vice President Rome Aloise**

As previously reported, the IIO issued a report to the IBT General Executive Board recommending that charges 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).<sup>1</sup>

On October 7, 2021, following a *de novo* hearing on the charges, the IRO issued a decision finding that Mr. Aloise brought reproach upon the union and violated his membership oath by threatening a charitable organization devoted to workers' rights with financial harm, retaliating against a member for exercising his rights under the IBT Constitution, and knowingly harming a fellow member, in violation of Article II, Section 2(a), Article XIX, Sections 7(b)(2) and (10).

In addition, the IRO found that while a suspended officer, Mr. Aloise continued to direct, instruct, and attempt to influence

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<sup>1</sup> The procedural history of this matter is described in detail in prior Teamster Magazine Reports.

Teamster officers and members on union matters, and presented himself as a figure of authority within the Teamsters. Based on this conduct, the IRO found that Mr. Aloise violated the terms of his suspension, brought reproach upon the union, violated his membership oath, and interfered with the union's performance of its legal obligations, in violation of the IBT Constitution, Article II, Section 2(a), Article XIX, Sections 7(b)(2) and (5).

Finally, the IRO found that Mr. Aloise brought reproach upon the union, violated his membership oath, and threatened to retaliate against a fellow Teamster for exercising her rights under the IBT Constitution in violation of IBT Constitution Article II, Section 2(a), Article XIX, Sections 7(b)(2) and (10). Additionally, Mr. Aloise brought reproach upon the union by calling a former IBT member who cooperated with the IIO's investigation a "rat" in violation of IBT Constitution, Article II, Section 2(a), and Article XIX, Section 7(b)(2).

The IRO dismissed the remaining allegations in the Charge Report and ordered the parties to file submissions regarding the appropriate sanction. Written briefs for both parties were filed November 19, 2021. Oral argument with respect to the sanction was held on December 3, 2021, in New York City, which was open to members in good standing. During the hearing, Aloise was afforded

an opportunity to be heard personally concerning the IRO's findings and the appropriate sanction.

On December 10, 2021, based on the misconduct committed by Mr. Aloise and his demonstrated inability to comply with the IBT's rules and with orders from the Independent Disciplinary Officers, the IRO issued a decision permanently barring him from the Teamsters and permanently enjoining him from participating in union affairs in accordance with the Final Order.

Accordingly, pursuant to the Final Order, 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 Rome Aloise, with certain qualifications. Furthermore, all members are prohibited from knowingly permitting him to exercise any control or influence, directly or indirectly, in any way or degree, in the affairs of the IBT or any of its constituent entities. These injunctions are subject to the following qualifications as defined by the IRO:

Teamsters, including family members, may have contact with Mr. Aloise in social settings, however, they are prohibited from discussing any of the affairs or business of the Teamsters with Mr. Aloise. This prohibition includes, but is not limited to, seeking Mr. Aloise's advice or consultation regarding Teamster business, affairs or activities; soliciting or engaging Mr. Aloise in connection with any type of Teamster business, affairs or activities; allowing Mr. Aloise to participate in any Teamster sponsored events; and/or

allowing Mr. Aloise to participate in local union or International officer elections in any way. To be clear, no Teamster shall discuss or conduct any Teamster business with Mr. Aloise. Teamsters are also prohibited from permitting Mr. Aloise to exercise any control or influence, directly or indirectly, in any way or degree, in the affairs of the IBT or any of its constituent entities. Teamsters who violate this order shall be subject to disciplinary action by the Independent Disciplinary Officers.

Teamsters, including retired members, requiring information about compliance with this or any other disciplinary decision or order issued by the Disciplinary Officers are encouraged to contact the office of the IIO, the office of the IRO, and/or the General Counsel of the IBT.

**B. 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 paused her review of the disposition until all charges could be considered together.

On August 28, 2020, the IIO issued a second 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. 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).

On September 1, 2020, General President Hoffa adopted and filed the charges. On January 20, 2021, an IBT Panel conducted a remote hearing on the charges via Zoom. Mendez appeared and participated in the hearing.

On March 18, 2021, the IBT adopted the Panel's Recommendation ("IBT Decision"), which 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. 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.

The hearing was conducted Friday, October 22, and Saturday, October 23, 2021, at the Grand Hyatt Hotel located at One Market Place, San Diego, CA, 92101. In accordance with paragraph G of the Rules, the hearing was open to members in good standing. Mendez appeared in person and participated in the hearing. The IIO submitted its post-hearing brief on November 15, 2021; Mendez

replied December 6, and the IIO replied December 10. The matter is currently before the IRO for adjudication.

**C. Former Local 651 Principal Officer Michael Philbeck and former Local 651 Business Agent Ron Merrifield field**

On August 12, 2021, the IIO issued a report to the IBT General President recommending charges be filed against former Local 651 Principal Officer Michael Philbeck and former Local 651 Business Agent Ron Merrifield, alleging violations of 29 U.S.C. § 501(c), the IBT Constitution, and the permanent injunction in *United States v. Teamsters*.

Local 651 is located in Lexington, Kentucky and had 3,058 members as of its most recently filed LM-2. Its members are predominantly UPS workers, production plant workers, and freight drivers. The IIO alleged that Philbeck improperly paid himself over \$17,000 in unused vacation pay, sick leave and salary. In addition, it was alleged Philbeck purchased a laptop from the Local at a price below the fair market value.

It was also alleged that Philbeck breached his fiduciary duties by: (i) improperly paying two business agents over \$16,000 for unused vacation pay; (ii) causing the local to pay for a Christmas Breakfast that was not authorized; (iii) failing to meet with or designate a qualified representative to meet with the incoming officers after his election loss; (iv) failing to transfer signature authority over Local 651's bank account; (v) failing to



return control of the Local's social media accounts and using the accounts to publish his own statements without the authorization of Local 651's duly elected officers.

Further, the IIO alleged that Philbeck and Merrifield improperly redeemed credit card points belonging to Local 651 for valuable merchandise, which they converted to their personal use.

The General President adopted and filed the IIO's recommended charges on August 16, 2021. An IBT Panel held a hearing on December 16, 2021, at the Hilton Lexington Downtown, 369 West Vine Street, Lexington, KY. Philbeck and Merrifield appeared at, and participated in, the hearing.

On January 24, 2022, the Panel issued a Report concluding that a preponderance of the evidence supported the allegations that Philbeck improperly caused the Local to pay himself \$1,346.00 for unused sick time contrary to the Local's policies, improperly caused the Local to pay himself \$12,057.67 for vacation time contrary to the Local's policies, improperly caused the Local to pay himself \$3,605.77 in additional salary payments and improperly caused the Local to sell him a laptop at \$529.00 below its fair market value. It further concluded the evidence supported that Philbeck improperly caused the Local to pay two business agents a combined \$16,786.07 for vacation time contrary to the Local's policies. The Panel found the other allegations in the charge

report to be unsupported by a preponderance of the reliable evidence.

The Panel recommended that Philbeck should be suspended from membership and prohibited from holding union office or employment "unless or until he agrees to a reasonable repayment schedule to reimburse the Local" for the combined \$17,352.37 for the improper payments he made to himself.<sup>2</sup> The Panel did not recommend that Philbeck be required to reimburse or agree to reimburse the Local for the improper payments to the two business agents.

On January 25, 2022, the General President adopted the Panel's Report and Recommendation.

On February 9, 2022, with leave of the IRO, the IIO filed a memorandum in support of its position that portions of the Panel's findings and recommendations, including the sanction, were "inadequate" within the meaning of the Final Order. Counsel for the IBT replied on February 14. Respondents were served with copies of both pleadings.

On February 21, 2022, the IRO issued a determination that the Panel's factual findings were adequate with respect to the improper leave and salary payments and below-market sale of the laptop to Philbeck, with a total loss to the Local of \$17,538.44. The IRO

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<sup>2</sup> The Panel also recommended that Philbeck be required to either return the laptop or reimburse the Local for the difference between the price paid and its fair market value.

also determined that the Panel properly concluded that Philbeck breached his fiduciary duty by improperly causing the Local to issue payments totaling \$16,786.07 to the two business agents. The IRO further determined that the Panel correctly concluded that the remaining allegations in the IIO's referral were unsupported by a preponderance of the reliable evidence.

However, the IRO determined that the penalties recommended by the Panel and adopted by the General President were inadequate. Specifically, the Panel did not adequately consider the total harm caused by Philbeck – financial and otherwise – to the Local. Additionally, the Panel did not adequately consider prior IBT disciplinary precedent where officers were found to have improperly paid both themselves and their business agents.

On February 23, 2022, after reviewing the IRO's determinations, the General President amended the penalty as follows:

Brother Philbeck shall be immediately barred from holding any office or employment with Local 651 or any other affiliate of the IBT, including benefit funds and any employment by the Local or other affiliates as a contractor or consultant, for a period of five years or until the restitution set forth below has been paid in full, whichever occurs later. Effective immediately, Brother Philbeck shall be liable to Local 651 for \$33,795.51, which comprises the amounts he improperly caused the Local to pay to himself and to two business agents. This amount shall be reduced in the event and to the extent that the two business agents repay the Local for the payments they improperly received. In addition, and also effective immediately, neither Local 651, the

IBT nor any other IBT affiliates may pay Philbeck, nor may he accept, any salary, gratuities, gifts, severance payments, allowances, consulting fees, benefit payments or contributions or other compensation of any kind, directly or indirectly, except that he may receive fully vested or accrued pension or other benefits he has already earned under any existing benefit plans or programs maintained or sponsored by Local 651, the IBT or any affiliates of the IBT. In addition, Brother Philbeck shall be immediately suspended from membership in Local 651 and the IBT for a period of three years or until the restitution set forth above has been paid in full, whichever occurs later.

On February 28, 2022, the IRO found the General President's amended decision to be not inadequate within the meaning of the Final Order, and the matter is now closed.

#### **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 51 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. 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).

## **VI. 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 at:

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