

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,	:	
	:	
v.	:	
	:	CRIMINAL No. 17-CR-215-CRC
RODERICK BENNETT,	:	
	:	
Defendant.	:	
	:	

DEFENDANT’S SUPPLEMENTAL HEARING BRIEF

Pursuant to the Court’s statement at the January 31, 2019 evidentiary hearing, Defendant Roderick Bennett, by and through counsel, Glenn F. Ivey, respectfully submits this Supplemental Hearing Brief to assist the Court at the upcoming March 4, 2019 hearing.

I. LIUNA Officials Credit Card Charges Support Mr. Bennett’s Position

Prior to the January 31, 2019 hearing, Mr. Bennett provided for the Court a copy of LIUNA’s American Express credit card charges for all officers. Rather than permit testimony regarding these credit card charges or admit the six binders of credit card records into evidence, the Court permitted Mr. Bennett to submit a written summary regarding the credit card charges, their relevance to the Court’s determination about LIUNA’s de facto policies regarding credit card usage for personal expenditures or the relevance of these expenditures to Mr. Bennett’s sentencing. The entire collection of credit card charges ranges from January of 2014 to December of 2016, which are contained in six binders.

Because it would be burdensome for the Court to review all the expenditures, Mr. Bennett has also provided a summary of various purchases for the purposes of giving the Court a better understanding of the credit card culture at LIUNA. The LIUNA credit card expenditures listed below were attributed to William Bergfeld, Executive Assistant to the GP; Armand Sabitoni,

LIUNA's General Secretary and Treasurer (who also had oversight regarding the LIUNA Accounting Department which managed the American Express credit cards); and Sandra Khoury, Director.

Specifically, Mr. Bennett points to the following expenditures:¹

1. William Bergfeld's June 20, 2014 Home Depot purchase of \$983.59 in Falls Church, VA (*See Exhibit 8*);
2. William Bergfeld's October 25, 2014 Vienna Hardwoods purchase of \$795.00 in Vienna, VA (*See Exhibit 11*);
3. William Bergfeld's January 3, 2015 Lowe's of Millsboro (Delaware) purchase of \$212.70 (*See Exhibit 12*);
4. William Bergfeld's June 16, 2015 "Blinds.com" purchase \$1,241.42 (*See Exhibit 13*);
5. William Bergfeld's January 9, 2016 "Central Vacuum" purchases for \$1,754.70 made in Clearwater, Florida (*See Exhibit 2*);
6. William Bergfeld's January 9, 2016 "Central Vacuum" purchase for \$2,540.80, made in Clearwater, Florida (*See Exhibit 2*);
7. William Bergfeld's February 5, 2016 "The Home Depot" purchase for \$1,115.39, in Falls Church, VA (*See Exhibit 3*);
8. William Bergfeld's February 14, 2016 Bed, Bath and Beyond purchase of \$238.29 in Vienna, VA (*See Exhibit 3*);
9. William Bergfeld's March 8, 2016, Kohler Service purchase of \$992.19 (*See Exhibit 14*);

¹ During the hearing, Mr. Bennett submitted a list of specific expenditures that was marked for identification as Defense Exhibit 1. That document is attached to the Memorandum at Exhibit 1.

10. William Bergfeld's March 11, 2016 Kohler Service purchase of \$342.26 (*See Exhibit 14*);
11. William Bergfeld's April 9, 2016, Joe's Stone Crab purchase of \$4,491.48 in the District of Columbia (*See Exhibit 4*);
12. William Bergfeld's April 13, 2016 "Best Buy" purchase of \$3,815.98 in Vienna, VA (*See Exhibit 4*);
13. William Bergfeld's April 28, 2016 Signature Hardware purchase of \$799.80 (*See Exhibit 5*);
14. William Bergfeld's May 5, 2016 "Best Buy" purchase for \$2,925.56 (*See Exhibit 5*);
15. William Bergfeld's May 5, 2016 "Best Buy" purchase for \$4,769.97 (*See Exhibit 5*);
16. William Bergfeld's September 19, 2016 Dick's Sporting Goods purchase of \$297.19 (*See Exhibit 15*);
17. William Bergfeld's October 14, 2016 Bray and Scarf purchase of \$1,250.95 in Arlington, VA (*See Exhibit 16*);
18. William Bergfeld's August 28, 2016 REI purchase of \$994.35 in McLean, VA (*See Exhibit 15*);
19. Armand Sabitoni's February 12, 2015 purchase of three airline tickets to Florida costing a total of \$2,636.00 (*See Exhibit 6*);
20. Armand Sabitoni's February 18, 2015 purchases of Hilton Hotel services totaling \$3,456.91 (*See Exhibit 6*);

21. Armand Sabitoni's March 11, 2015 purchase of three airline tickets to Florida costing a total of \$1,410.80 (*See Exhibit 17*);
22. Armand Sabitoni's May 21, 2015 purchase of four airline tickets to Rhode Island costing a total of \$1,972.20 (*See Exhibit 7*);
23. Sandra Khoury's November 11, 2014 Bobby Van's Steakhouse" purchase for \$11,515.52 (*See Exhibit 10*);
24. Sandra Khoury, July 13, 2014 reimbursement of American Express points for travel purchase in the amount of \$3,770.98 (*See Exhibit 9*);
25. Sandra Khoury, July 14, 2014, purchase of an airline ticket to Germany (for someone named Sylvia Khoury whom we believe was not a LIUNA employee) for \$1,874.50 (*See Exhibit 9*);
26. Sandra Khoury, July 14, 2014 purchase of a second airline ticket to Germany (for someone we believe was not a LIUNA employee) for \$1,874.50 (*See Exhibit 9*).

Mr. Bennett readily admits that he also placed personal expenses on his union issued credit card. However, this was consistent with the union's practice; Mr. Bennett regularly repaid the union for personal expenses and he did not dispute the amounts at the end of each calendar year.² Consistent with past practice, if Mr. Bennett had the opportunity to repay his balance prior to his termination, he would have done so, and had the ability to do so.³ It was customary that Mr. Bennett would "zero out" his balance every three months; every charge within three months of his termination Mr. Bennett did not have the requisite intent to commit these alleged crimes.

² All union employees were required to zero out their balances by the end of the year so that the union did not have to report it in an LM-2 form. A failure to report a debt of more than \$2,000 on the LM-2 would constitute a violation of 29 U.S.C. § 503(a).

³ Rather than approach Mr. Bennett subsequent to his termination to pay off his balance, LIUNA sent the bill to the bonding company Zurich, which pursued repayment of his final balance. But, Mr. Bennett could have paid the outstanding amount, in part because Mr. Bennett's 401(k) at the time was more than sufficient to cover his balance.

The use of LIUNA credit cards was governed in part by Mr. O’Sullivan’s March 23, 2011 Memorandum (“the O’Sullivan Memo” or “the Memo”). In the section entitled “Personal Charges,” the Memo outlined a procedure for repaying the union for personal charges: “union-issued credit cards should not be used for personal charges; however, if any of your charges (either the complete charge or a portion of the charge) are discovered to be personal, please note the personal amount on the receipt.” The Memo then discussed the formal process for submitting vouchers and repayment to LIUNA for personal expenses.

It is Defense’s understanding that these credit cards were routinely used for personal expenses, with the Accounting Department working with the official and his or her assistant to collect the appropriate receipts and make appropriate reimbursement payments prior to the end of each calendar year. Mr. Bennett generally followed this practice. The Government’s claim that this reimbursement policy was somehow “surreptitious” is clearly belied by the Government’s exhibits for this proceeding. Employees within the union used this card for both personal and business purchases to accrue membership rewards points with AMEX. There was no policy relating to who owned the AMEX points. *See* GX Exhibit 5. So, these would regularly be used for personal purchases.

II. The Government’s CBCI Testimony is Directly Contradicted by CBCI Documents

Despite Mr. Bennett raising no opposition to the claims regarding the CBCI, the Government presented at the January 31, 2019, hearing two witnesses, Art Collins and Janice Griffin, who testified that they were intimately involved in the activities of the Congressional Black Caucus Institute (“CBCI”). They also testified that they did not know Mr. Bennett and were not aware of him working or associating with the CBCI.

But the attached CBCI materials directly contradict their testimony. Mr. Bennett was an executive committee member at the same time Mr. Collins was the CBCI's vice president and Ms. Griffin was the CBCI's secretary.⁴ Specifically, **both Mr. Collins and Mr. Bennett were members of the CBCI's Executive Committee, with Mr. Collins serving as the Chairman of the CBCI's 21st Century Council and Mr. Bennett as a Vice Chair.**⁵ Ironically, Mr. Collins and Ms. Griffin are listed on the same page, suggesting that they knew Mr. Bennett.

It is also clear that LIUNA made sizeable contributions to CBCI as early as 2008, at or about the same time that Mr. Bennett was selected to be a CBCI board member.⁶ Also, in 2008, Mr. Bennett submitted an ad for LIUNA to CBCI's Presidential Debate program brochure, further indicating involvement with the institute.⁷

Respectfully Submitted,

_____/s/
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⁴ See Roster of CBCI Board Members, attached as Exhibit 18.

⁵ See CBCI Executive Committee list, attached as Exhibit 19.

⁶ See LIUNA LM-2 reports, attached as Exhibit 20.

⁷ See LIUNA internal email to Mr. Bennett dated January 2, 2008, attached as Exhibit 21.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 27th day of February, 2019, the foregoing Defense Hearing Brief was served via the Court's ECF system, serving:

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