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FORMER UNION OFFICIAL, RODERICK BENNETT, ADMITS THAT A 'CULTURE OF MISMANAGEMENT' INFLUENCED HIM, AND OTHERS, TO USE ORGANIZATION'S CREDIT CARD FOR PERSONAL GAIN

Washington, DC (March 12, 2019) -- As reported in the December 5, 2017 *LABORPAINS* blog, on November 9, 2017, Roderick Bennett, a former chief-of-staff for the Laborers' International Union of North America (LIUNA) was charged with embezzlement through use of the union's American Express credit card. Mr. Bennett pled guilty and will be sentenced sometime in the near future.

Mr. Bennett served as the chief-of-staff at LIUNA headquarters in Washington, D.C. for approximately four years, ending 2016. According to the indictment, from December 2013 to October 2016, Mr. Bennett made numerous unauthorized personal charges on his LIUNA-issued AMEX card totaling up to \$170,000, which the government stated was contrary to LIUNA-stated "protocol" governing use of the union's AMEX card. The union alleged that the unauthorized charges by Mr. Bennett included such items as personal trips, hotel and restaurant charges, personal electronics and furniture.

Mr. Bennett reimbursed the union for all personal expenses made in 2014 and 2015, but was unable to reimburse the 2016 expenses because he was terminated from employment and the union never requested a reimbursement from him. As stated in a supplemental hearing brief submitted to the court, *"Mr. Bennett regularly repaid the union for personal expenses and he did not dispute the amounts at the end of each calendar year."* Further, *"...every charge within three months of his termination Mr. Bennett did not have the requisite intent to commit these alleged crimes."*

Although Mr. Bennett has fully admitted his role in making unauthorized personal expenditures with the union's credit card, he strongly believes that his actions were unduly influenced and encouraged by the extremely loose and lax "fiduciary management environment" that has long-existed within the union's leadership team. This environment allowed employees of the management team to make extensive personal purchases at the expense of the Laborers' union and its members. To fully clear his conscience, Mr. Bennett wants to make the court, the government and the public fully aware of this lax environment. Mr. Bennett wishes to "go public" with what he knows to be inappropriate behavior on the part of his former union colleagues with regard to the use of the LIUNA-issued credit card.

As part of the supplemental hearing brief submitted to the court, Mr. Bennett also included a sampling of the personal charges made by the other employees at LIUNA indicating that within the management team, union *“credit cards were routinely used for personal expenses...Employees within the union used this (American Express) card for both personal and business purchases to accrue membership rewards points with AMEX. There was no (union) policy relating to who owned the AMEX points. So, these would regularly be used for personal purchases.”*

The supplemental hearing brief submitted to the court on February 28, 2019 accompanies this press release and includes many of the non-union, personal expenditures made by other union employees. These personal expenses are purchases from such retail entities as Home Depot, Vienna Hardwoods, Lowe's Blinds.com, Central Vacuum, Home Depot, Bed, Bath and Beyond, Best Buy, Signature Hardware, Bray and Scarf and Dick's Sporting Goods. To date, the Department of Labor has not investigated any of these other employees, appearing to turn a blind eye to the practice which has been deemed criminal.

Mr. Bennett states, *“I am not disputing that what I did was wrong. I just want to set the record straight that I was not the only employee making personal purchases. Others were doing the same thing and were not investigated. I believe that the federal government should be looking at the entire culture of mismanagement that was occurring at LIUNA. When the Department of Labor and the Department of Justice investigated me, I informed them about what the practice for purchases was at LIUNA, however, they did not investigate any further. I hope that the union has corrected its processes as a result of this publicity.”*

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