

NEWS

United States Department of Justice
U.S. Attorney, District of New Jersey
970 Broad Street, Seventh Floor
Newark, New Jersey 07102



Ralph J. Marra, Jr., Acting U.S. Attorney

More Information? Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

News on the Internet: News Releases, related documents and advisories are posted short-term at our website, along with links to our archived releases at the Department of Justice in Washington, D.C. **Go to:** <http://www.usdoj.gov/usao/nj/press/>

Assistant U.S. Attorney
JONATHAN W. ROMANKOW
973-645-2884

font0610.rel
FOR IMMEDIATE RELEASE
June 10, 2009

Former President of Health Professionals and Allied Employees
Local 5030 Admits Illegally Receiving Loans from Union

(More)

Public Affairs Office
<http://www.njusao.org>
Michael Drewniak, PAO

973-645-2888

Breaking News (NJ) <http://www.usdoj.gov/usao/nj/press/index.html>

NEWARK – The former president of a health professionals labor union pleaded guilty today for her scheme to illegally borrow more than \$14,000 from the union, Acting U.S. Attorney Ralph J. Marra, Jr. announced.

Kathleen Fonti, 55, of Rochelle Park, pleaded guilty before U.S. Magistrate Michael A. Shipp, to a one-count Information charging her with improperly receiving loans from a labor organization. Judge Shipp released the defendant on a \$50,000 bond pending sentencing, which is scheduled for Sept. 17.

At her plea hearing, Fonti admitted that she illegally borrowed more than \$14,500 from the Health Professionals and Allied Employees (“HPAE”) Local 5030 through use of the local’s American Express credit card. Fonti admitted using the credit card to charge more than \$14,000. The charges were for hotel bills and other expenses related to her son’s August 2007 wedding in New York City.

HPAE Local 5030 has approximately 800 members and represents employees of Palisades Medical Center in North Bergen, including nurses, social workers, dietary, housekeeping, and technical workers.

Fonti admitted that she violated her fiduciary duty by granting herself a \$14,500 loan without the authorization or knowledge of Local 5030’s members. (Fonti repaid the loan over the course of about one year after the personal nature of the charges was discovered by the union.)

The charge, a misdemeanor, carries a maximum sentence of one year in prison and a fine of \$5,000.

In determining an actual sentence, Judge Shipp will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant’s criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Marra credited Investigators from the U.S. Department of Labor Office of Labor Management Standards, under the direction of Ralph Gerchak, District Director of the New York District Office, with the investigation leading to the guilty plea.

The case was presented by Assistant U.S. Attorney Jonathan W. Romankow.

– end –

Defense Attorney: Brian J. Neary, Esq. Hackensack