

NEWS

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Union President Dennis Giblin Arrested on Charges of Taking Kickbacks and Embezzlement

(More)

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NEWARK – Dennis J. Giblin, the administrator of an education fund for a labor union based in West Caldwell, was arrested today on a criminal Complaint charging him with receiving kickbacks and embezzling from the education fund, Acting U.S. Attorney Ralph J. Marra, Jr., announced.

Giblin, 36, of Jersey City, the president of Local 68 of the International Union of Operating Engineers, voluntarily surrendered to federal agents this morning. He appeared before U.S. Magistrate Judge Mark Falk, who allowed Giblin released on a \$25,000 unsecured bond.

Giblin is accused in the criminal Complaint of taking kickbacks from a contractor doing work at the Education Fund building and with embezzling from the union by ordering and keeping in his own home a \$1,329 couch he paid for from the union checking account.

Giblin is charged with one count each of soliciting and receiving an illegal kickback, conspiracy to embezzle and embezzlement. The kickback charge carries a maximum statutory penalty of three years in prison; the other two counts both carry a maximum statutory penalty of five years in prison. All of the counts carry maximum fines of \$250,000.

According to the criminal Complaint, Giblin was the Administrator of the Education Fund for Local 68. The union local represents operating engineers who work for private and public sector employers in New Jersey. The union headquarters and its Education Fund are located across the street from one another in West Caldwell. The Education Fund, which provides occupational training and educational opportunities for union members, is located inside the John J. Giblin Building and Training Center.

According to the Complaint, between about January and August 2005, Giblin approved \$315,000 in payments to an Essex County audio visual company for the purchase and installation of AV equipment in the Education Fund office. In return for the promise of additional contracts to the company, Giblin allegedly solicited steeply discounted AV equipment and free labor for installation of electronics in his condo in Jersey City. Giblin also instructed an employee of the company (Co-conspirator One in the Complaint) to charge the Education Fund for any labor costs associated with the work performed at his condo, according to the Complaint.

In August and September 2005, the company installed the components in Giblin's condo: receivers, DVD players, speakers and more at an approximate equipment discount of \$5,100, and other free installation parts (cable, wires, etc.) valued at \$1,000, according to the Complaint. Giblin also received the labor costs – about 56 hours of installation time with a value of approximately \$6,200 – for free.

In documents obtained from the company dated Sept. 14, 2005, the company submitted two installation estimates for the new work at the Education Fund offices. One estimate listed 22 hours of labor, parts and installation at a cost of \$7,100; the second listed 44 hours of labor, parts and installation at a cost of \$12,300. Both were for the same work.

Attached to the second estimate, according to the Complaint, was a Post It note with the words: "Fake to include house work."

During an interview with federal agents, Co-conspirator One admitted that he created both estimates and inflated the second to include the costs of equipment and free labor at Giblin's condo.

The Complaint also alleges that in or about October 2004, Giblin approved the purchase of an upholstered couch in the approximate amount of \$1,329 and had it installed in his condo. The couch was purchased by the Education Fund through a company owned by a relative of Giblin.

A criminal Complaint is merely an accusation, and all defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt.

The case is being prosecuted by Assistant U.S. Attorney Anthony Moscato of the U.S. Attorney's Office Strike Force unit in Newark.

Marra credited Special Agents of the U.S. Department of Labor Office of Inspector General, under the direction of Inspector General Gordon S. Heddell; and Postal Inspectors with the U.S. Postal Inspector in Charge, under the direction of Postal Inspector in Charge David L. Collins, and investigators from the Employee Benefits Security Administration, under the direction of Regional Director Jonathan Kay, with the investigation leading to today's charges.

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Defense Counsel: Cathy Fleming, Esq., New York