

OFFICE OF THE ELECTION OFFICER  
% INTERNATIONAL BROTHERHOOD OF TEAMSTERS  
25 Louisiana Avenue, NW  
Washington, DC 20001

Michael H. Holland  
Election Officer

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1-800-828-6496  
Fax (202) 624-8792

August 14, 1991

**VIA UPS OVERNIGHT**

Mark Serafinn  
50 North St.  
Sauneman, IL 61769

Gerald F. Reilly  
President  
Teamsters Local 722  
344 N. 30th Road  
LaSalle, IL 61301

Darrell R. Walker  
1913 Shooting Park Rd.  
Peru, IL 61354

Daniel Hanners  
6641 Pershing Ave.  
Rockford, IL 61109

Frank L. Booth  
736 Wright  
LaSalle, IL 61301

**Re: Election Office Case No. P-837-LU722-SCE**

Gentlemen:

A protest was filed pursuant to the *Rules for the IBT International Union Delegate and Officer Election*, revised August 1, 1990 ("*Rules*") on behalf of Mark Serafinn, Darrell R. Walker, Frank L. Booth and Daniel Hanners, the elected delegates and alternate delegate to the 1991 IBT International Union Convention from Local Union 722. The protest contends that Local Union 722 has violated the *Rules* by failing to make health and welfare benefit payments to the Central State's Health and Welfare Fund on behalf of Messrs. Serafinn, Walker, Hanners and Booth or to reimburse Messrs. Serafinn, Walker, Booth and Hanners for health and welfare payments made by them to the Central State's Health and Welfare Fund.

Messrs. Serafinn, Walker, Booth and Hanners are all employed by Consolidated Freightways at its Peru, Illinois facility. Pursuant to the Collective Bargaining Agreement between Consolidated and IBT, Consolidated makes health and welfare payments on their behalf to the Central State's Health and Welfare Fund. Pursuant to the terms of the Collective Bargaining Agreement, Consolidated has no obligation to make such payments for weeks in which IBT members are not at work and receive no pay from the company.

Messrs. Serafinn, Walker, Booth and Hanners did not perform any work for Consolidated Freightways during the week of the 1991 IBT International Union Convention; they attended the Convention in Orlando, Florida. Thus, Consolidated made no health and welfare payments on their behalf. They each subsequently received from the Central States Health and Welfare Fund a notice of their right to make self payments, i.e., to personally pay to the fund the amounts that would have been paid on their behalf by Consolidated if they had worked and had earnings from Consolidated during the Convention week.

Messrs. Serafinn, Walker, Booth and Hanners contend that these health and welfare payments should be made on their behalf by Local 722. They contend that such payments are a portion of the Local's obligation under the *Rules* to provide their delegates and, if applicable, their alternate delegates with the salary or wages. They properly state that payment or reimbursement of salary or wages is a part of the Local's obligation to reimburse delegates and alternate delegates for reasonable expenses associated with attending the 1991 IBT International Union Convention.

The *Rules* require all IBT Locals to pay the expenses of their delegates and, if so provided in their approved Local Union Election Plan, their alternate delegates, to attend the 1991 IBT International Union Convention. As set forth in the Advisory Regarding Convention Expenses, issued April 19, 1991 ("Advisory"), the obligation to pay reasonable expenses includes the obligation to pay the delegates' and, if applicable, the alternate delegates' salary or wages. However, the Advisory specifically defines the salary or wages for which the Local is responsible as the regular weekly salary for one week, for delegates and alternates paid on a weekly basis, or forty hours straight-time hourly wages, for delegates and alternate delegates paid on an hourly basis. By the terms of the Advisory, a Local Union's responsibility for reasonable expenses does not include salary or wage items other than the regular weekly salary for one week or straight-time hourly wages for 40 hours; indeed, the Advisory explicitly excludes fringe benefits from the definition of salary or wages for which the Local Union is responsible.

The Advisory does, however, require a Local Union to treat all its delegates and alternates equally. Thus, to the extent that a Local Union makes health and welfare benefit payments on behalf of any delegate or alternate, it must do so for all its delegates and alternates. The obligation to treat all delegates and alternates equally is an obligation with respect to the reasonable expenses associated with the 1991 IBT International Union Convention.

The Local's prior practices with respect to the 1986 IBT International Union Convention, or earlier Conventions, does not govern. The Local Union is obligated to provide the expenses as set forth in the *Rules* and the Advisory to all its delegates regardless of whether or not all such items were reimbursed for prior Conventions and regardless of the rate for which such items were reimbursed for prior Conventions. Similarly, the Local Union is not obligated to provide as reasonable Convention-related expenses items or amounts other than as set forth in the *Rules* and the Advisory

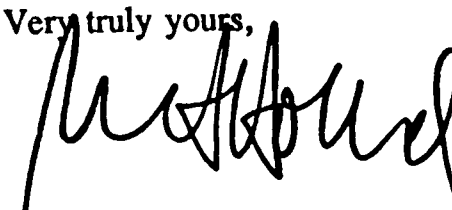
Mr. Mark Serafinn  
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regardless of what the Local has done in prior years.

In accordance with the foregoing, the instant protest is DENIED.<sup>1</sup>

If any interested party is not satisfied with this determination, they may request a hearing before the Independent Administrator within twenty-four (24) hours of their receipt of this letter. The parties are reminded that, absent extraordinary circumstances, no party may rely upon evidence that was not presented to the Office of the Election Officer in any such appeal. Requests for a hearing shall be made in writing, and shall be served on Independent Administrator Frederick B. Lacey at LeBoeuf, Lamb, Leiby & MacRae, One Gateway Center, Newark, New Jersey 07102-5311, Facsimile (201) 622-6693. Copies of the request for hearing must be served on the parties listed above, as well as upon the Election Officer, IBT, 25 Louisiana Avenue, N.W., Washington, D.C. 20001, Facsimile (202) 624-8792. A copy of the protest must accompany the request for a hearing.

Very truly yours,



Michael H. Holland

MHH/mjv

cc: Frederick B. Lacey, Independent Administrator  
Peggy A. Hillman, Regional Coordinator

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<sup>1</sup>The Election Officer's letter of July 25, 1991 to Richard J. Heck, Secretary-Treasurer of IBT Local Union 638, does not dictate a contrary conclusion. That letter concerned the obligation, if any, of a Local Union to reimburse for salary or wages when the delegate was not employed during the week of the 1991 IBT International Union Convention. The Election Officer stated that there was no such obligation but pointed out the Local would be obligated to reimburse the delegate for wage replacement monies he would have received by reason of being unemployed but which the delegate did not receive because of his Convention attendance. The reference in the letter to "other out of work benefits," which immediately followed a reference to unemployment compensation benefits, must be read in the full context of the letter; the reference was to out of work benefits in the nature of unemployment compensation benefits, not health and welfare benefit payments.

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IN RE:

MARK SERAFINN  
FRANK L. BOOTH  
DARRELL R. WALKER  
DANIEL HANNERS

and

LOCAL UNION NO. 722

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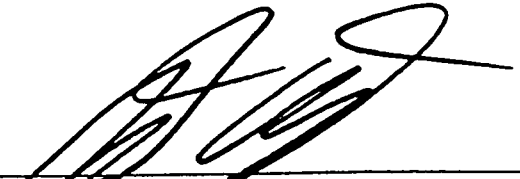
DECISION OF THE  
INDEPENDENT  
ADMINISTRATOR

This matter arises out of an appeal from a decision of the Election Officer in Case No. P-837-LU722-SCE. A hearing was held before me by way of telephone conference at which the following persons were heard: one of the four complainants, Daniel Hanners; Susan Jennik, on behalf of Mr. Hanners; John J. Sullivan and Barbara Hillman, on behalf of the Election Officer; and Gerald Reilly, the President of Local 722.

The complainants herein, Messrs. Serafinn, Booth, Walker and Hanners, all served as delegates or alternate delegates to the 1991 IBT Convention on behalf of Local 722. They all contend that Local 722 is obligated to make health and welfare benefit payments on their behalf for the week that they attended the 1991 IBT Convention.

At the hearing, Mr. Reilly confirmed that as a guest to the Convention on behalf of Local 722, the Local made health and welfare benefit payments on his behalf during the week that he

attended the Convention. It is clear that the Local cannot treat guests to the Convention more generously than its own delegates and alternate delegates. Accordingly, Local 722 is obligated to reimburse the complainants herein for the cost of their health and welfare benefits for the period of their attendance at the Convention.<sup>1</sup>



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Frederick B. Lacey  
Independent Administrator  
By: Stuart Alderoty, Designee

Dated: September 6, 1991

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<sup>1</sup> At the hearing, Mr. Reilly indicated that if the complainants had simply approached him on this, he would have seen to it that the Local paid their benefits. Mr. Hanners refuted this. Given Mr. Reilly's statement during the hearing that he would be willing to pay the benefits, it is not necessary to resolve this factual dispute.