

At first, it seemed like a straightforward matter. Jim McLaughlin, who had led the operating engineers' union local in Southern California for 17 years, was reviewing some expense accounts and grew convinced that his local's apprenticeship coordinator had charged more than \$2,000 in improper expenses to the apprenticeship program.

So Mr. McLaughlin called in auditors and had the program's chairman demand that the coordinator repay the money, some of which went for first-class airline tickets, DVDs and alcohol.

But what seemed like a minor matter has erupted into a huge battle that has shaken the 10,000-member local, based in Los Angeles, and pitted the parent union's president against Mr. McLaughlin.

Now Mr. McLaughlin, the apprenticeship program's chairman and the local's former financial secretary face expulsion from the union on charges that they misappropriated

money.

The three men say the parent union's president, Vincent J. Giblin, concocted the charges against them because they accused a friend of his — the apprenticeship coordinator, Dennis Lundy — of wrongly taking \$2,350. Mr. McLaughlin said Mr. Giblin became so angry about their accusations that he pressured Mr. McLaughlin, 65, into retiring by threatening to dismantle his local and ordered the firing of his top aides, the financial secretary and the apprenticeship program's chairman.

Mr. Giblin has accused Mr. McLaughlin of failing to justify all his meal expenses and taking too large a payout for accrued vacation when he retired.

“He's a schoolyard bully,” Mr. McLaughlin said of Mr. Giblin, president of the 280,000-member International Union of Operating Engineers. “We exposed Lundy, and I think Giblin thought I slapped him in the face doing

it.”

Mr. Giblin declined to be interviewed. His spokesman, Joseph Brady, cited Mr. McLaughlin’s resignation letter to say he had retired voluntarily and was not forced out. Mr. Brady said the parent union had brought formal charges against Mr. McLaughlin and his two aides after an audit found “varying degrees of irregularities in the finances and operation of the local.”

Mr. Lundy’s lawyer, Kevin Thelen, said his client “maintains that he had no wrongdoing in this event,” although Mr. Lundy paid an agreed-upon part of the \$2,350.

Mr. McLaughlin and officials from the local said investigators from the racketeering office at the Labor Department had interviewed them about wrongdoing in the union, which represents crane, bulldozer and boiler operators.

An outside watchdog group has voiced concern about Mr. Giblin’s effort to expel the

three men. “These guys raised some issues about someone who is O.K. with Giblin, and now he’s out to crucify them,” said Herman Benson, founder of the Association for Union Democracy, an anticorruption group.

The dispute began in July 2007, shortly after Mr. Giblin promoted Mr. Lundy from apprenticeship coordinator to Western regional director for the national union. That was when Mr. McLaughlin reviewed Mr. Lundy’s spending records and concluded that he had charged many expenses improperly. Soon after, Dan Himmelberg, the apprentice program’s chairman, sent Mr. Lundy a certified letter, demanding he repay \$2,350. Mr. Giblin was quick to respond.

“One Sunday morning in August, I got a phone call from Giblin,” Mr. McLaughlin said. “He’s screaming at me, he’s going off. ‘What are you doing? You make this investigation into Dennis Lundy go away right now.’ It was never the same after that. It seemed no

matter what I did, it was wrong.”

As for Mr. Himmelberg, Mr. McLaughlin recalled Mr. Giblin saying, “You tell him for me that nobody sends a certified letter to one of my employees, and that I will punch his ticket for him.”

When Mr. Himmelberg learned of Mr. Giblin’s threats, he started worrying about getting fired.

Mr. Himmelberg said: “Why did I deserve this? I was just doing my job.” When Mr. McLaughlin told Mr. Himmelberg and his other top aide, Finn Pette, the local’s financial secretary, to accompany him to Chicago for the parent union’s executive board meeting in 2008 to help him develop negotiating strategy, Mr. McLaughlin was surprised by Mr. Giblin’s reaction. According to Mr. McLaughlin, Mr. Giblin ordered him not to bring the aides anywhere near the meeting.

That trip is central to the charges brought against the three men. The charges accuse

Mr. Himmelberg and Mr. Pette of going to Chicago on personal business and misusing about \$1,000 each in union money.

Mr. Himmelberg and Mr. Pette reject the charges, saying they went to Chicago at the request of their boss, Mr. McLaughlin, not on personal business.

Mr. Pette is also charged with misappropriating \$300 in union money for flying first class to study at the Harvard Trade Union Program. Mr. Pette said he could not have misappropriated that money because Local 501's board had approved and bought the first-class ticket to assure him a direct flight to Boston.

Mr. Pette said Mr. Giblin wanted to expel him because he is a well-liked political opponent with ambitions for higher union office.

The main accusation against Mr. McLaughlin is that he retired with a \$106,000 payout for 38 weeks of accrued vacation. He cashed those weeks out at his final pay rate, but the

charges say he should have cashed them out at his lower pay rate of the earlier years when he accrued those vacation weeks. Mr. McLaughlin says the parent union's proposed way of calculating the payout violates California law.

Local 501 is boiling with conflict over the charges against Mr. McLaughlin. Mr. Giblin's allies criticize Mr. McLaughlin's years of heading the local, pointing out that one woman had filed a sex-discrimination lawsuit against the local and that an aide in the local's Las Vegas office had embezzled more than \$200,000.

Mr. McLaughlin called the sex-discrimination claim unfounded and said he had helped uncover the embezzlement. Mr. Himmelberg and Mr. Pette are scheduled for trial in April before several of the parent union's board members. Mr. McLaughlin's trial will be later this year.