



*United States Attorney
District of New Jersey*

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**ADMINISTRATOR OF LOCAL 68's EDUCATION FUND PLEADS GUILTY TO USING
HIS POSITION FOR PERSONAL GAIN AND EMBEZZLEMENT**

NEWARK, N.J. – Dennis J. Giblin, the former Administrator of the Local 68 Education Fund, pleaded guilty to using his position to receive free and discounted audio visual equipment and free labor from a service provider to the Fund and to embezzling furniture from the Fund, United States Attorney Paul J. Fishman announced.

Giblin, 37, Jersey City, New Jersey, pleaded guilty before District Judge Dennis M. Cavanaugh to an Information that charged him with receiving kickbacks to influence an employee benefit plan (Count One) and embezzlement from an employee benefit plan (Count Two).

According to documents filed in this case and statements made in Newark federal court:

Beginning in October 2004, Giblin was employed as the Administrator of the Local 68 Education Fund, an employee benefit plan sponsored by Local 68 of the International Union of Operating Engineers, a labor union located in West Caldwell, New Jersey. The Education Fund provides occupational training and educational opportunities to Local 68's members. The Education Fund is governed by the Employee Retirement and Security Act of 1974 ("ERISA"), a federal law that regulates these types of funds.

As Administrator to the Education Fund, Giblin was a fiduciary and required under ERISA to act solely in the interests of the participants of the Education Fund; to avoid acting in his own personal self-interest; and to avoid acting on behalf of any party whose interests were adverse to the interests of the fund. In or about November 2004, Giblin, on behalf of the Education Fund, hired an audio-visual company to design and install electronic audio and visual systems at Education Fund's premises. For its services, Giblin caused the Education Fund to pay the audio-visual company in excess of \$315,000.

Giblin also received free and discounted audio-visual materials and components in August 2005. These items were installed in his Jersey City condominium by the audio-visual company free of charge because of the work the company had received from the Education Fund in the past. In total, Giblin received an improper gratuity in excess of \$10,000 in free and discounted items, and free labor.

Giblin also embezzled a couch, costing approximately \$1,329, from the Education Fund. Giblin removed the couch from the Education Fund office and placed it in his condominium for his own use and benefit.

Under federal law, it is a crime for an employee of an ERISA-covered fund to receive or solicit any fee, kickback, commission, gift, loan, money, or thing of value because of any of the individual's actions, decisions, or other duties relating to such fund.

Giblin faces a maximum term of imprisonment of three years' imprisonment and a \$250,000 fine on Count One and five years' imprisonment and a \$250,000 fine on Count Two. Giblin is scheduled to be sentenced on November 29, 2010.

In determining an actual sentence, Judge Cavanaugh is required to consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendants' criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

U.S. Attorney Fishman credited Special Agents from the U.S. Department of Labor-Office of Labor Racketeering and Fraud Investigations, under the direction of Special Agent in Charge Marjorie Franzman; Postal Inspectors with the Newark Division of the U.S. Postal Inspection Service, under the direction of Inspector in Charge David Collins; and the United States Department of Labor-Employee Benefits Security Administration, under the direction of Regional Director Jonathan Kay, with the investigation leading to today's plea.

The Government is represented by Assistant United States Attorney Anthony Moscato of the U.S. Attorney's Office Organized Crime/Gangs Unit in Newark.

Defense Counsel: Cathy Fleming, Esq., New York, New York

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