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ELECTION SUPERVISOR'S SUMMARY REPORT NO. 1 TO THE IBT
2020-2021 IBT INTERNATIONAL UNION OFFICER AND DELEGATE ELECTION

The October 11, 2019 Election Agreement Between the International Brotherhood of Teamsters and the Office of the Election Supervisor (“2021 Election Agreement”) provides that “The 2021 Election Supervisor shall submit reports to the IBT which, in turn, has the obligation to share these reports with the IBT membership.” 2021 Election Agreement, ¶ 4. Each month during the election cycle, the Office of the Election Supervisor (“OES”) provides to the IBT an accountant’s compilation of the OES financial statements, including a chart that shows OES actual and budgeted expense. This report provides additional narrative context for the monthly financial compilations and summarizes activities conducted from the commencement of operations through October 19, 2020.

I Election Agreement

The Final Agreement and Order entered on February 17, 2015 by the United States District Court for the Southern District of New York Court (“Final Order”) in *United States v. International Brotherhood of Teamsters*, 88 Civ. 4486 (LAP), sets out the broad framework for conducting the 2021 IBT International Officer Election. To carry out the election, the IBT entered into the 2021 Election Agreement with OES. That document provides that the 2021 International Officer Election shall be conducted “pursuant to rules and procedures designed to ensure a fair, free, and democratic election,” and be supervised by individuals selected by the IBT but meeting qualifications spelled out in the Final Order.

The Election Agreement memorializes the IBT's appointment of Richard Mark as Election Officer, noting his service in that position in three previous IBT election cycles, his familiarity with the original Consent Decree, and other relevant government service. The Election Agreement also memorializes the IBT's appointment of the Barbara S. Jones as Election Appeals Master, noting her distinguished 17-year service as a United States District Judge for the Southern District of New York, her previous appointment as Independent Review Officer for the IBT under the Final Order, and other relevant government service.

The Election Agreement carries forward precedents and practices from the previous IBT International Officer Elections, and essentially provides for OES to supervise the election as it has done previously. OES proposed a budget for the 2021 Election supervision; the IBT has accepted, and is funding, that budget.

II. Preparation of the Rules for the 2020-2021 IBT International Union Delegate and Officer Election (the "2021 Election Rules")

The Final Agreement provides that "the GEB shall promulgate Election Rules . . . which are substantially the same as those which governed the previous IBT elections but may make non-material changes as necessary to tailor the rules to a new election cycle." Final Agreement, ¶ 20. The *2021 Election Rules* were issued following that framework. On February 11, 2020, OES announced a set of proposed election rules for general comment. Notice of the proposed rules, and an invitation to submit comments was published on the OES website and the IBT's website, and was mailed to every member via the February 2021 *Teamster* magazine and a supplemental Canadian publication. The proposed rules and a memorandum summarizing proposed changes to the rules for the current election cycle were available for viewing and download at the OES website.

Teamsters Canada submitted comments in response to the proposed rules. The principal issue Teamsters Canada raised was whether the rules should be modified to eliminate the required use of Social Insurance Numbers (whole or partial) for members to identify themselves when asking to verify their status as eligible to participate in various phases of the election. After consideration of the comment, and consultation with Canadian counsel, OES modified the *2021 Election Rules* to limit the use of SSN-4 and SIN-4 numbers. Individuals requesting OES to verify their own eligibility must still supply their SSN-4 or SIN-4 with the request, but the required submission of that data was eliminated from other rules. A member may be asked, and may voluntarily agree, however, to provide their SSN-4 or SIN-4 for use as identification (for example, in connection with verification of campaign donations).

OES published its response to the comments on May 4, 2020, and the *2021 Election Rules* were deemed effective as of that date.

III. Office Organization and Staff

The 2021 Election Agreement incorporates the Final Order's requirement that the IBT "pay all costs and expenses of, and provide suitable office space outside the premises of the IBT" for OES. 2021 Election Agreement ¶ 8. OES has opened its headquarters office at 1990 M Street, NW, Suite 650, Washington, D.C. 20036.

The COVID-19 pandemic has affected OES's operations in 2020, and likely will continue to do so for much of the election cycle. The headquarters office has been staffed since mid-summer, when the Washington D.C. business district began reopening, and the senior staff has generally carried over from the 2016 Election Cycle. Senior Project Supervisors William Broberg and Paul Dever regularly operate from the headquarters office, with the assistance of a junior staff member. While in the office, personnel wear masks as

necessary and practice social distancing. Mr. Broberg and Mr. Dever have held senior positions in OES for several International Officer election cycles and have also conducted elections for other unions and government authorities. A third Senior Supervisor Dennis Sarsany, who has participated in the IBT Officer Election process since 1991, has performed his role remotely. Teresa Flick serves as OES Project Accountant and regularly works from the headquarters office. She handles the same general areas for which she had responsibility in the 2016 Election Cycle, which include managing the OES budget and accounts payable, and overseeing the filing of Campaign Contribution and Expenditure Reports. Before serving as the OES Project Accountant, Ms. Flick served for several election cycles as the independent reviewer and compiler of OES financial reports provided to the IBT and the government. Jeffrey Ellison, an attorney based in Michigan, has returned to the project as Chief of Election Protests and Investigations (the same responsibilities he fulfilled in three previous elections).

Nine Regional Directors carry out OES work throughout the United States of America and Canada. The Regional Director for Canada and six of the Regional Directors for the United States of America have previously worked for OES in the same capacity, and thus have extensive experience with the election rules and procedures used, and with supervising the delegate nominations and election tasks in IBT local unions in their respective geographic regions. The other two Regional Directors have previously served as Adjunct Regional Directors, so they, too, fully understand the election procedures. Contact information for OES and each of the Regional Directors was published in the Summer 2020 issue of *Teamster* magazine, and is also posted on www.ibtvote.org.

Overall, the in-person headquarters staff is smaller than has been typical of past election cycles, and because travel is limited, staff meetings and communications have been conducted using on-line video conferencing services (such as Zoom). The volume of work for OES in coordinating local union delegate elections and dealing with campaigns, however, has been comparable to prior elections. With the smaller staff, some work that had been performed at headquarters was redistributed to, and supervised, at field locations.

IV. OES Information Technology

A. CCERS

OES has required on-line electronic filing for candidate financial reporting (the Campaign Contribution and Expense Reporting System or “CCERS”) since the 2006 International Officer Election. For the 2021 Election Cycle, OES worked with its software contractor to implement significant upgrades and improvements to CCERS. The changes to the software most visible to the campaign-users simplified the data entry process generally and created a new tool to allow bulk entry of data, saving campaigns significant time and effort in their compliance reporting work. Other aspects of the software, not visible to users, were also improved. OES undertook this project with its software developer after searching for an “off the shelf” product that could perform the functions and learning that customization of available products would cost many times more than upgrading the existing system, and discussing options with the IBT.

B. LUEP

Local union delegate elections are the first step in the IBT Officer Election cycle, and the *2021 Rules* require each local to create a Local Union Election Plan (“LUEP”) for conducting nominations and any contested election. The LUEP for each local union

identifies: i) the steps to conduct the election and the schedule for each step to occur; ii) the persons responsible for conducting the election; iii) the ballot security procedures to be used; and iv) the procedures to obtain maximum member enfranchisement.

A software program was created in 2011 for local unions to create and submit the election plan using an on-line template. Once the plan is proposed, an OES Regional Director reviews the plan and consults with the local to make any modifications as appropriate or necessary to comply with the *2021 Election Rules*. The Election Supervisor reviews, and gives final approval to, each plan. For the current election cycle, the LUEP submission program was significantly updated and re-styled by OES's software developer to improve the organization and readability of the local election plans. The upgraded LUEP preparation tool has been well-received by the local unions.

OES has received LUEPs from all 440 entities responsible for electing delegates to the International Convention. As of October 19, 2020, OES has approved 235 of the submitted plans. We expect to complete the approval process within the following month.

C. CARS

At the start of the election cycle, candidates collect petition signatures from members to become "accredited candidates," a status that gives them access to membership lists for campaign mailing and space for publishing campaign literature in *Teamster* magazine. Because of the COVID-19 pandemic, OES worked with its software developer to create an online Candidate Accreditation Reporting System ("CARS") to allow candidates to record signature support electronically. The system is programmed to allow collection and analysis of signatures in compliance with the *2021 Rules* (a member can sign for any national candidate, or a regional candidate from member's region, but a signature for any candidate

may be counted only once). It also requires verification of support by the signer via a return text or email from the signer. System tests conducted before launch showed that the software controls effectively implement the *2021 Election Rules*—for example if a member submits multiple signatures in support of a candidate (even from different electronic devices or different domains) all submissions are recorded, but the signature is counted only once towards accreditation—and that performance has continued after launch.

Most signature support for the September 2020 candidate accreditation was submitted via paper petitions, although the accreditation process continues and CARS could see additional use through the end of the accreditation period in December 2020. The CARS system also allowed OES to conduct its review of submitted signatures, and the accreditation analysis, much more efficiently than in past election cycles.

D. WWW.IBTVOTE.ORG

The OES website, initiated in 2001, remains the hub for information about the election. The website was refreshed in 2016, and no significant changes have been made to the style or operation of the site from the previous election cycle. OES completed a project to scan available protest decisions from pre-internet election cycles, and to make those materials text-searchable. Those materials, which go back to the 1991 Election Cycle, are now available.

V. Delegate Elections

The great majority of nominations meetings and delegate elections will take place in the four-month period starting in January 2021. Some nominations, however, have occurred under special rules that allow for Summer or Fall 2020 elections. Specifically, seven local unions representing workers in seasonal agricultural industries and 21 local unions that

opted to pair the delegate election with a regularly scheduled officer election, have scheduled Summer or Fall nominations meetings. As of October 19, 2020, 24 meetings have been conducted resulting in 20 uncontested delegate nominations and four contested elections.

Because of the COVID-19 pandemic, OES has required statements in meeting notices to emphasize that nominations, seconds, and candidate acceptances may be performed in writing and submitted by email, postal mail, or fax, and that in-person attendance is not required. Provision has also been made for local unions to conduct meetings using technology to allow remote participation (such as Zoom video conferencing). Thus far, however, nominations meetings have proceeded in regular order—that is, with in-person meetings and in-person nominations. Although candidates have used the written nomination procedure as a backup, so far only one candidate at one local union was nominated solely by written submission and without being present (other candidates for delegate from that local union were nominated in person at the nominations meeting).

Local unions conducting nominations meetings appear to be following precautions as appropriate to respond to the COVID-19 pandemic. Some local unions have moved the nominations meeting to an outdoor location to facilitate social distancing. Indoor meetings have been conducted in large spaces with enough room to allow social distancing. At meetings where the participating members exceed the socially-distanced capacity of the room, the local unions have provided for overflow space. Members at indoor meetings wear masks during the business portion of the meeting.

The public health response to the pandemic will continue to shape how the IBT Officer election is conducted in the 2021 cycle.

VI. Campaign Finance Reporting and Auditing

The *2021 Election Rules* require candidates for International Office, their slates, and independent committees to file reports disclosing funds received and paid out. These reports, known as Campaign Contribution and Expenditure Reports (“CCERs”), have been part of supervised IBT elections since 1991. OES analyzes the CCERs to see that candidates, slates and independent committees are complying with limitations on funding sources, fund segregation, and expenditures. OES has engaged GRF, CPAs and Advisors (a Bethesda, Maryland accounting firm), to survey the reporting parties’ compliance with the campaign finance rules and report to OES. Teresa Flick, at OES headquarters, will also be involved in monitoring campaign finance reporting compliance. OES aims to have the reporting parties file timely, including having them perform regular and prompt bank reconciliations as the election progresses.

The deadline for the first reporting period was extended for all candidates from June 15 to June 30, 2020 and some campaigns obtained specific extensions into July. The initial filing deadline was extended because of the need to complete work on the initial phase of the CCERS software upgrade and to provide training to system users.

The 48 known candidates for International Office as of the end of the first filing period (June 30, 2020) filed the required reports.

VII. Protests

Any member, local union or other subordinate body of the IBT, or the IBT itself may file protests alleging noncompliance with the *2021 Election Rules*. The protest process is supervised by Jeffrey Ellison, with investigations assigned to Regional Directors and adjuncts in the field or staff at OES headquarters. Protests are resolved with written decisions and any

party aggrieved by the result of a protest may file an appeal with the Election Appeals Master, Barbara S. Jones. Issued decisions and appeals are posted and available at www.ibtvote.org.

To date, OES has received 37 protests and initiated two protest investigations on its own, and disposed of 32 of the protests in 30 written decisions. Three decisions have been appealed to the Election Appeals Master. *2021 Election Rules* violations have been found and remedies ordered in 17 cases; three were resolved; the remaining protests were either denied or withdrawn.

VIII. Budget and Expenses

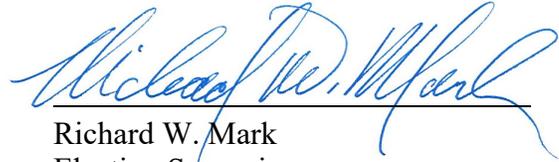
OES proposed to the IBT a budget of \$12,508,250.00, based on certain assumptions about the level of election activity. Actual activity is compared to the budget and reported to the IBT each month. OES has expended \$1,452,051.26 from March 1 through September 30, 2020. Obviously, events that relate to major categories of expense (supervision of delegate elections, nomination of International officers at the International Convention, union-wide balloting with attendant staffing, printing and mailing costs, CCERs auditing, expected protest investigations, among other things) have yet to unfold.

The original budget estimate may be sufficient to cover the complete project but changing circumstances and actual experience during the election cycle may result in modifications to the budget. OES will continue to provide its monthly expense information to

the IBT, and keep the Union informed about the activities necessary to complete this election in a manner that is fair, open, and honest for all members of the IBT.

Dated: October 20, 2020
Washington, D.C.

Respectfully submitted,



Richard W. Mark
Election Supervisor