

Fitzsimmons' Testimony Answers Senate Subcommittee

Frank Fitzsimmons voluntarily appeared before the Senate Permanent Subcommittee on Investigations Nov. 2 as Senators Charles Percy (R-Ill.) and Sam Nunn (D-Ga.) questioned him. Nunn, in particular, tried to dredge up Fitzsimmons's alleged connections to the Mafia figure and former investment consultant to the Teamsters Central States Pension Funds Alan Dorfmann to substantiate charges of misuse of funds. Excerpts from the questioning appear below.

Nunn: Did you know that Dorfmann was convicted of a criminal act? Why did you not sever Dorfmann's ties from Central States Health and Welfare when he was convicted regarding the pension fund? Does Alan Dorfmann have to be satisfied? Does Dorfmann dictate terms to the Health and Welfare Fund?

Fitzsimmons: We removed Dorfmann from his consulting job with the pension fund but not from his claims processing contract with Health and Welfare. Why? Because I don't think he's guilty, he was convicted by a paid government professional witness. It was a trumped up charge and I don't think he is guilty. Nonetheless I had to remove him from the pension fund.

Nunn: So, Mr. Fitzsimmons, you're saying that if a child molester abuses one of your children, it's O.K. to let him take your other child out, as long as he stays away from the first one?

Fitzsimmons: I'm saying that if a horse bites one person, that doesn't mean he will bite every person he comes across.

Nunn: Mr. Fitzsimmons, Mr. Shannon, and Mr. Herren (Shannon's assistant), were here two days ago and said that "we have been subservient to the activities of Mr. Dorfmann." What do you say to that?

Fitzsimmons: I don't know what they are talking about.

Nunn: For example, Mr. Kliendienst tells Mr. Hauser that he had better go visit Mr. Dorfmann and cut him in on the claims processing part of the contract, if Hauser wants the business.

Fitzsimmons: I don't care if he sent Jesus Christ to see Dorfmann.

Nunn: I don't think that happened.

Fitzsimmons: I want to make it perfectly clear, no one has authority or power over Central States Health and Welfare except the Teamsters.

Nunn: I'm glad to hear you say that, because that's the way it should be, but I am disturbed nonetheless. Until today, testimony presented has been replete with testimony that Mr. Dorfmann holds the key to the Central States Health and Welfare Fund. The power of Mr. Dorfmann

has been documented for many years. I am going to read from the hearings of the labor rackets committee in 1959 and I am going to quote from staff counsel Robert Kennedy: "There is a strange and peculiar relationship between Alan Dorfmann and Jimmy Hoffa. Dorfmann must be satisfied, if any company is to keep Central States' business."

Not much has changed since Kennedy made that statement in 1959. Twenty years ago Mr. Dorfmann was up here taking the Fifth Amendment. Yesterday Mr. Dorfmann was up here taking the Fifth. Only an alert aggressive membership in labor unions will be able to safeguard the safety of their pension fund and health and welfare funds. Hasn't Mr. Shannon presented to you 18 reasons why he thinks you should get rid of Dorfmann?

Fitzsimmons: No, never in a board meeting to the trustees.

Nunn: Hasn't Mr. Shannon told you that he has tried to get records from Mr. Dorfmann to validate claims, which Mr. Dorfmann has refused to give him?

Fitzsimmons: No he has not. If he had I would have insured that the trustees did what was necessary to get the documents. And let me say this, if Dan Shannon has evidence of false claims being filed against our fund and has not done anything about it, then he shouldn't be director of the fund.

Nunn: Aren't you saying that if Shannon can't catch Dorfmann, he should be fired? Even if he knows that Dorfmann is cheating you? But just can't catch him.

Fitzsimmons: No, I'm saying if he has evidence, and hasn't done anything about it, then he shouldn't be director of the fund.

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The following is a portion of the testimony of Dan Shannon, Director of the Central States Pension Fund, under questioning from Sam Nunn. Shannon's testimony gave rise to Nunn's accusation that the Central States Pension Fund was controlled by Alan Dorfmann:

Nunn: Why did the trustees like Dorfmann? Why did they extend the contract?

Shannon: I don't know because we went into executive session and I was asked to leave the meeting.

Nunn: I have here a copy of a letter signed by Mr. Presser and Mr. Sheets (a pension fund trustee), telling Mr. Dorfmann that "pursuant to the resolution adopted by the trustees," your contract has been extended for 10 years. Was a resolution adopted and did Mr. Presser and Mr. Sheets have the authority to unilaterally extend the contract?

Shannon: No to both.