



Department of Justice

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FORMER MANAGER OF INTERNATIONAL LABOR UNION PLEADS GUILTY TO DEFRAUDING AND STEALING FROM UNION

WASHINGTON – A former facilities and real estate manager for a large, international labor union pleaded guilty today to defrauding and stealing from his employer, announced Assistant Attorney General Brian A. Benzckowski of the Justice Department’s Criminal Division, U.S. Attorney G. Zachary Terwilliger of the Eastern District of Virginia, Inspector General Scott S. Dahl of the U.S. Department of Labor and Director Arthur F. Rosenfeld of the U.S. Department of Labor’s Office of Labor-Management Standards made the announcement.

Michael J. Carney, 63, of Ashburn, Virginia, pleaded guilty to one count of conspiracy to commit honest services wire fraud and theft and embezzlement of labor union funds before U.S. District Judge Liam O’Grady of the Eastern District of Virginia. Sentencing is scheduled for Oct. 18, 2019.

According to court documents, Carney is a former facilities and real estate manager for a large, international union located in Herndon, Virginia. Between in or about May 2012 and at least in or about mid-2015, Carney received tens of thousands of dollars in kickbacks from a heating, ventilation, and air conditioning (“HVAC”) company located in Maryland, in exchange for the awarding of the union’s HVAC service agreements and maintenance contracts. The benefits included high-end outdoor kitchen and free HVAC and plumbing services for Carney and a relative over a multi-year period. With Carney’s knowledge, the president and majority owner of the HVAC company, Howard W. Janoske, and his subordinates submitted inflated and fraudulent invoices to the union to recoup expenses for these personal benefits. Janoske pleaded guilty to a similar charge on March 1, 2019, and is awaiting sentencing.

The Department of Labor’s Office of Inspector General and the Office of Labor Management Standards investigated the case. Trial Attorney Edward P. Sullivan of the Criminal Division’s Public Integrity Section is prosecuting the case.

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