

HOUSE OF REPRESENTATIVES
COMMITTEE TO INVESTIGATE THE ADMINISTRATION OF JUSTICE
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania

MEMORANDUM

By Truman Burke

Date July 5, 1973

FILE: Fraternal Order of Police
cc: Operation "Fun"

Fraternal Order of Police - Fort Pitt Lodge No. 1

On June 29, 1973, Mr. Thomas Kalyvas, Vice President, U. S. Utilities Services, Inc., John Hancock Building, Second Floor, Monroeville Mall, Monroeville, Pennsylvania, telephone No. 412:373-1370, furnished the following information.

His company is involved in handling engineering work for many of the public utility companies in Pennsylvania.

In 1972, his company was solicited by numerous law enforcement agencies in Pennsylvania for contributions.

His records show that on May 8, 1972, his company issued check No. 2591 for \$100.00, payable to Fraternal Order of Police. His company carried this check as an advertising expense. He made available a photocopy of the voucher, as well as a photocopy of the actual check which showed it to have been deposited in the Union National Bank, Account No. 19-10915-1. This account belongs to the Fraternal Order of Police, Fort Pitt Lodge No. 1.

Mr. Kalyvas advised that his records also show that check No. 2899, payable to the Fraternal Order of Police, Lodge No. 1, was drawn on June 28, 1972 for \$60.00. This check was for 1/6th of a page ad (publication for ad not listed).

Mr. Kalyvas advised that his records show that on April 4, 1973, his company issued check No. 3824, in the amount of \$25.00, to the Fraternal Order of Police, Fort Pitt Lodge No. 1, 558 William Penn Hotel, Pittsburgh, Pennsylvania. The voucher showed this check was in payment for a magazine subscription.

Mr. Kalyvas advised he does not recall any specific individual soliciting his company.

Fraternal Order of Police
July 5, 1973
Page 2

It should be noted that the Fraternal Order of Police, Fort Pitt Lodge No. 1, is located in Room 558 of the William Penn Hotel, Pittsburgh, Pennsylvania, telephone No. 412:261-0616. The officers are as follows:

President.....	John R. O'Keefe Sergeant Pittsburgh Police Department
Secretary.....	Albert Yobbi Sergeant Pittsburgh Police Department
Treasurer.....	Leo V. Marchetti Detective Youth and Sex Division Pittsburgh Police Department

Fort Pitt Lodge No. 1 has 11 members of the Board. All of the officers and Board members are active police officers with the City of Pittsburgh. The Fort Pitt Lodge and its membership consist solely of the City of Pittsburgh Police Department. There is one full-time employee who acts as secretary for the Lodge.

*Check date
7/10/71*

Agnes

FRATERNAL ORDER OF POLICE
LODGE NO. 1
AND
HAL-FRAN ASSOCIATES, INC.

*Agnes
70-71
71-73*

A G R E E M E N T

THIS AGREEMENT, dated the 1st day of September

1950, between the FRATERNAL ORDER OF POLICE, LODGE #1, party of the First Part, hereinafter referred to as the "Association,"

A

N

D

Frank Adrety
~~WAL-FIRM ASSOCIATES, INC.~~ trading and doing business as ~~WAL-FIRM ASSOCIATES~~ *Frank Adrety*

INC. party of the Second Part, hereinafter referred to as the "Agent."

W I T N E S S E T H:

WHEREAS, the Association desires to sponsor a ~~Quarterly Annual~~ *Monthly* Publication; and

WHEREAS the Agent has had experience in and is engaged in the business of promotion and advertising sales.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

I The Agent agrees to perform the following:

- A. To bear the expense of printing a suitable publication to reflect the high standard of the ~~Association~~ *Association*
- B. To assume and bear all of the expenses relating directly to the solicitation of ads in the publication, including, but not limited to, the cost of any necessary stationery, printing, telephone, postage, and post office box expenses.

~~_____~~
~~_____~~

- C* To submit to the Association, not less than every fifteen (15) days, a statement reporting the gross amount of the monies raised through sale of advertising, and to submit with said reports all of the monies collected through the sale of advertising. Said reports shall indicate whether payment has been made by cash or check and the name of the subscribing advertiser. This statement will be submitted, in duplicate, to the Association.

One (1) copy shall be returned to the Agent, along with his commission check.

- D. To conduct the Advertising Sales in such manner as to reflect the highest standards of the Fraternal Order of Police, Lodge #1.
- E. To bring any complaint before a designated committee of the Association for discussion.
- F. In the event a complaint is made to the State Lodge of the Fraternal Order of Police against FOP Lodge #1 for violation of the geographical area restriction of this Agreement by the Agent, FOP Lodge #1 will notify the Agent of said Complaint, and FOP Lodge #1 will by every means possible attempt to have said complaint settled or disposed of, but, if unsuccessful, then the Agent agrees to pay the fine that is assessed against FOP Lodge #1 by the State Lodge as a result of said Complaint.

II. The Association agrees to perform the following:

- A. It will design and prepare the necessary wording for the publication, including all editorial material, as provided for in paragraph I, A, above. This design and wording shall be submitted to the Agent not less than six (6) weeks prior to the printing of each publication in order to enable the Agent to meet the guarantees as above provided.
- B. To agree that during each publication year, no other Advertising Sales can be conducted by the Association for a Publication.
- C. During any publication year to pay the Agent an amount equal to Seventy (70) per cent of the total gross monies collected through Advertising Sales Campaign to the gross amount of Forty Thousand Dollars and thereafter 65% on any amount exceeding 40 Thousand Dollars.
- D. To establish a Bank Account solely for the purpose of handling the funds received through Advertising Sales and agree further to pay to the Agent the commission due him within seven (7) days of the receipt of the report and funds from the Agent. To reasonably cooperate to further advertising campaigns.

E. It is mutually understood and agreed by both parties that the Fraternal Order of Police FORT PITT LODGE #1, is wholly responsible for any charges arising from the postage and mailing of the Fraternal Order of Police quarterly magazine to the membership during the length and terms of this contract.

III. The following items are mutually agreed and understood between the parties:

A. That the term of this contract shall be effective ^{August} September 1, 1977 until August 31, 1978 and shall automatically renewable for a period of ~~two~~ ^{five} years, i. e. September 1, 1978 August 31, 1980

B. That the Agent shall be responsible for ~~the~~ ^{the} publications in any contractual year, ^{consisting of at least four pages}

C. There shall be no limitations on the number of ads sold in any one (1) solicitation period.

D. The prices for the said ad spaces shall be as follows:

- 1. Full Page- - - - - \$300.00
- 2. One-half Page- - - - - 160.00
- 3. One-Fourth Page- - - - - 80.00
- 4. One-Sixth Page - - - - - 50.00
- 5. One-Eighth Page- - - - - 35.00
- 6. One-Tenth Page - - - - - 25.00
- 7. Patron - - - - - 20.00
- 8. Booster- - - - - 15.00
- 9. Name Listing - - - - - 10.00 or 5.00

The Agent shall be permitted to use the name of the officers of the Association in conjunction with the solicitation but shall make no representation that the Agent is an officer of the Association.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto set their hands and seals the day and year first above written.

Each year shall be published between the 1st and 15th of each month. The Agent reserves the right to use the printing of his choice during the term of this contract.

ATTEST:

FRATERNAL ORDER OF POLICE LODGE #1

William J. Cavanaugh (SEAL)

WITNESS:

HAL-FRAN ASSOCIATES, INC.

BY Arthur W. Franz (SEAL)
ARTHUR W. FRANZ, PRESIDENT

BY Herbert Halsband (SEAL)
HERBERT HALSBAND, SECRETARY