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JACK SHREVE
PUBLIC COUNSEL

STATE OF FLORIDA
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400
904-488-9330

February 18, 1991

Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0850

Re: Docket No.

910163-TL

Dear Mr. Tribble:

Enclosed for filing in the above-captioned proceeding on behalf of the Citizens of the State of Florida are the original and 12 copies of Citizens' Petition to Initiate Investigation.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Darlene Driscoll

Enclosure

DOCUMENT RECEIVED

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the)
Integrity of Southern Bell's)
Repair Service Activities and)
Reports)
_____)

Docket No.
Filed: February 18, 1991

PETITION TO INITIATE INVESTIGATION

The Citizens of Florida ("Citizens"), by and through Jack Shreve, Public Counsel, petition the Florida Public Service Commission ("Commission") to initiate a formal investigation into Southern Bell's repair service activities and reports. In support of this petition the Citizens state the following:

1. Section 350.0611, Florida Statutes (1989) provides the Public Counsel the authority to recommend to the Commission, by petition, the commencement of any proceeding or action in the name of the state or its citizens.

2. Florida Public Service Commission Rule 25-4.070(2) states the following:

"(2) Each telephone utility shall conduct its operations in such manner to insure that, in each exchange, 95% of all interruptions in telephone service occurring in any calendar month shall be cleared and service restored within 24 hours (Sundays and holidays exempted) after the trouble is reported to the company, except where such interruptions are caused by emergency situations, unavoidable causalities and acts of God affecting large

groups of subscribers or due to subscriber owned equipment."

3. Additionally, Commission Rule 25-4.110(2) states:

"Each company shall make appropriate adjustments or refunds where the subscriber's service is interrupted by other than the subscriber's negligent or willful act, and remains out-of-order in excess of 24 hours after the subscriber notifies the company of the interruption. The refund to the subscriber shall be the pro rata part of the month's charge for the period of days and that portion of the service and facilities rendered useless or inoperative; except that the refund shall not be applicable for the time that the company stands ready to repair the service and the subscriber does not provide access to the company for such restoration work. The refund may be accomplished by a credit on a subsequent bill for telephone service."

4. Three different persons indicate that Southern Bell systematically falsified information submitted to the Public Service Commission concerning Southern Bell's compliance with Commission Rule 25-4.070. Falsification of such repair service records would deny customers refunds required by Commission Rule 25-4.110(2) for service interruptions in excess of 24 hours.

5. Collectively, the statements of these three persons indicate that such falsification of repair service records and reports occurred for years in a variety of geographic locations served by Southern Bell.

6. The affidavit of Mr. Frank M. Falsetti, Jr. (attachment 1) indicates that he and others were told to alter the computer

entries reflecting the time of repair to customer lines. He indicates that such instructions were given at a number of Southern Bell maintenance centers in or around the Miami area during the 1980s. The sworn statement of Ms. Nancy D'Alessio (attachment 2) indicates that such practices were prevalent at the North Dade maintenance center during the years 1986 through 1990. Finally, an interview of Mr. Don Babair conducted by the Commission staff in January, 1991 (attachment 3) indicates that Southern Bell repair technicians in Orlando routinely entered repair times in their records earlier than actual repair times.

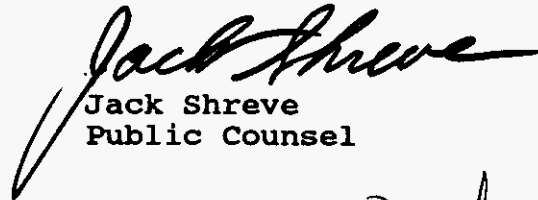
7. Not only do these persons indicate that Southern Bell falsified reports of repair completion times, but they also indicate a variety of other falsifications used to give the appearance of meeting the Commission's rule. They indicate, for example, that some reports of "out-of-service" would be recorded by the company as merely "affecting service," thereby avoiding application of the Commission's rule. They would report that an extension of the repair time was given by the customer when the customer was not even contacted about an extension. Company reports were falsified to indicate that access to the customer's premise was denied when no such access was denied, and in some instances the company would use fictitious service technician codes indicating that the fictitious technician was denied access to a customer's premise. In other instances, customer reports of service trouble which tested satisfactorily were placed in the

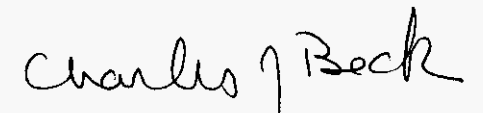
"out-of-service" category in order to inflate the percentage of out-of-service reports meeting the Commission's standards.

8. While none of the three people providing this information still work for Southern Bell, the variety of times and geographic locations covered by their statements, along with a pattern of falsification collectively demonstrated by their statements, clearly warrant an investigation by this Commission to determine the extent to which the Commission may have received false reports from Southern Bell concerning repair activities and the extent to which customers may have been denied refunds because of such falsifications. The investigation should conclude with an evidentiary proceeding to determine the extent to which such activities may have taken place, determine the response of the Commission to such activities, and include provisions for refunds or credits to all customers who may have been denied refunds on account of false service repair records and reports.

WHEREFORE, the Citizens respectfully request the Commission to open an investigation into Southern Bell's repair activities and reports.

Respectfully submitted,


Jack Shreve
Public Counsel


Charles J. Beck
Assistant Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

(904) 488-9330

Attorneys for the Citizens
of the State of Florida


**CERTIFICATE OF SERVICE
DOCKET NO.**

I HEREBY CERTIFY that a correct copy of the foregoing has been furnished by U.S. Mail or hand-delivery to the following parties on this 18th day of February, 1991.

Marshall Criser, III
Southern Bell Telephone and
Telegraph Company
150 S. Monroe St., Suite 400
Tallahassee, FL 32301

Tracy Hatch
Division of Legal Services
Fla. Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301

Robert Vandiver
Division of Legal Services
Fla. Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301


Charles J. Beck
Assistant Public Counsel

ATTACHMENT 1

AFFIDAVIT

I, Frank M. Falsetti, Jr., upon being duly sworn, state the following:

1. I was hired by Southern Bell Telephone and Telegraph Company ("Southern Bell") on September 17, 1973 as an installer repairman. After about two years, I was transferred from the installation department to the repair department. After experiencing continuing back problems, I was loaned for a time beginning in 1978 and continuing until 1980 to the South Miami Maintenance Center located at 6100 South West 57th Avenue, where I helped in testing and analyzing customer trouble reports and dispatching repair personnel. A customer trouble report is a report of a telephone service problem by the customer.

2. During my stay at the South Miami Maintenance Center, I was trained to test customer trouble reports on a manual testboard by a test deskman named Jona Bradley. The manual testboards were used to identify whether the trouble was in the central office, in the telephone lines between the customer and central office, or on the customer's premises. As part of my training, I was instructed by Mr. Bradley to list all customer trouble reports as being tested five minutes after the customer reported the trouble, regardless of the time the customer's telephone line was actually tested.

3. In approximately June of 1980, I was transferred to the Metro Maintenance Center at 1351 North West 20th Street in Miami and given the title of test desk technician. As a test desk technician, I tested and analyzed customer trouble reports and dispatched and provided field assistance to all outside installers and repair technicians using the manual testboard. By this time, Southern Bell was beginning to convert to a computerized system of handling customer trouble reports.

4. While I was assigned to the Metro Maintenance Center, I was instructed by the testboard foreman, Richard Bird, to alter the computer entry reflecting the time that a customer trouble report was cleared (i.e., resolved) if the actual time cleared would result in a missed commitment. The commitment time is the time limit for repairs given to the customer by the repair service attendant when the customer calls in the service problem. Although the Commitment time might vary depending on the workload and other factors, the commitment time initially given to the customer would always be within twenty-four hours of the customer's call unless the customer requested a later time.

5. Mr. Bird also instructed me not to status reports "out of service." A telephone line is "out of service" when a call cannot be completed or received on that line. The purpose and effect of these instructions were to evade the regulations of the Florida Public Service Commission (hereinafter "PSC") requiring Southern

Bell to provide refunds or credits to customers whose telephone lines are "out of service" for more than 24 hours.

6. Managers at the Metro Maintenance Center would routinely announce to all the test desk technicians, including myself, that we were not to status any customer trouble report as "out of service," that we were to back up the time cleared or repaired on the trouble report so as not to reflect missed commitments for any reports that were statused "out of service," and that all trouble reports containing any pending service order activity must be excluded or closed out so as not to appear as potential or real missed commitments on the jeopardy reports. A jeopardy report was a daily computer-generated report listing commitments that would not be met or were in jeopardy of not being met.

7. On August 2, 1982, I was informed by Juan Soto, a Southern Bell manager, that the company and the union had signed an agreement to merge the three existing job titles in the maintenance center, including test desk technician, into one title, maintenance administrator. For a test desk technician such as myself, this represented a demotion. The reason given by Mr. Soto for this change was that the mechanized loop tester (hereinafter "MLT") portion of the computer was testing 90% of all trouble reports, rendering the manual testing function of the test deskman obsolete. In fact, this was not the case, but for years management had instructed us to show that the MLT was testing the trouble reports

even though we were still testing them on the manual testboard. I realized falsification of company records caused my demotion from test desk technician to maintenance administrator. From that day forward, I no longer accepted management's recordkeeping instructions uncritically, and I refused to participate in procedures that would result in the alteration or falsification of records.

8. I was officially demoted to maintenance administrator on October 17, 1982, and instructed to use the MLT to test and analyze trouble reports and dispatch repairmen to the trouble site. With the implementation of the new computerized testing and field assistance procedures, we were not able to provide the same quality of service to the customer and the field personnel as we had using the manual testboards. As a result, repairmen were increasingly unable to repair service problems by the commitment times.

9. In response to this problem, on January 14, 1983, Richard Bird instructed the entire office that no one was allowed to close out a customer trouble report without first showing it to a manager. Southern Bell instituted this policy to enable the managers to routinely falsify and alter records themselves and instruct employees to do so. The manager falsified and altered these records using nonexistent employee codes, codes for the employees actually working on the trouble, or codes for employees who were not at work on a particular day. If a trouble report

reflected that the commitment time had not been met, the managers would change the computer entry for the time service was restored to a time prior to the commitment time, or change the commitment to a time after the actual time the problem was repaired. Only if the trouble report showed that the original commitment had been met were the maintenance administrators allowed to close out the report. As to my own work, I personally verified this falsification process by keeping a log of all trouble reports I handled. The next day I would review the trouble history for the telephone numbers I had worked on the previous day. The correct times I had entered on the trouble reports were backed up and altered to disguise missed commitments and present the appearance that the commitments had been met.

10. The falsification procedures described above were also followed when the customer's telephone was out of service for more than 24 hours, thereby denying customers the rebates to which they were entitled. In the circumstance where a missed commitment would result in the customer's telephone being out of service for over 24 hours, the managers also changed the commitment time to the following day or beyond by falsely recording that the customer requested the commitment change, even though no attempt to contact the customer had been made. These commitment changes were made on a customer exclude (CX) report. According to Southern Bell, if the customer had actually requested a commitment change past the 24 hour period, he would not be entitled to a refund. Therefore, the

fraudulent alteration of commitments on CX reports denied customers the rebates to which they were entitled.

11. To my personal knowledge, the falsification and alteration of Southern Bell customer trouble reports described above were common practice throughout all classes of service, including residential, business, and federal and state government customers. In addition, this includes all types of service, including voice lines, data lines, pay telephone, etc.

12. As time went on, I continued to observe widespread falsification and alteration of company documents at the Metro Maintenance Center. On March 31, 1983, Richard Bird again instructed all employees in my maintenance office not to close out any trouble reports in the computer, but to give all trouble reports to Mike McHale, another Southern Bell manager. This was done because too many commitments were still being recorded as missed, despite the company's instructions and falsifications. I personally observed Mike McHale routinely change the correct times on the trouble reports to avoid reflecting missed commitments and also saw Doris Duranza, a maintenance administrator, type in on the computer the falsified clearing times provided by the managers. Ms. Duranza's only job function as an MA was to close out customer trouble reports. I also verified these falsification practices by pulling up on the computer the trouble history reports I had worked

on. I noticed that the cleared times I had entered on the trouble reports had been altered to disguise missed commitments.

13. On April 4, 1983, I attended a meeting with Peter Hamilton and Gene Wells, Southern Bell representatives, regarding a grievance I had filed about my demotion from test desk technician to MA. At this meeting, I informed Wells and Hamilton that Southern Bell managers routinely falsified company records and instructed their employees to falsify company records of trouble reports. At the mention of this subject, Mr. Hamilton became angered and abruptly adjourned the meeting. Not long after this meeting, Ray Crossno, a Southern Bell manager, who has since passed away, told me it had been a serious mistake to mention the falsification of records if I wanted my grievance resolved.

14. On April 7, 1983, I questioned Mike McHale about the falsification of customer trouble reports by Southern Bell managers using employee numbers to close out the reports in the computers. Mr. McHale told me that if I didn't like it, why don't I just quit, and that I was lucky I still had a job. He also told me that I didn't get a vote on the matter.

15. On May 19, 1983, Dennis Wilson, another Southern Bell manager, told me that I would not be allowed to screen customer trouble reports any longer, but would be confined to dispatching out repairmen to the trouble sites. This change was made because

I refused to status customer trouble reports falsely. To my knowledge, I was the only maintenance administrator who statused customer trouble reports as out of service at the screening position if the customer reported no dial tone or an inability to originate or receive calls, or if the original test indicated any out of service condition. To my knowledge, all other maintenance administrators followed management's instruction to status all trouble reports as non-out of service or affecting service at the screening position regardless of the customer's complaint or the test result.

16. In May of 1984, the Metro Maintenance Center closed down and I was transferred to the Coral Gables Maintenance Center. On or about May 21, 1984, I learned that falsification of records also occurred at this office. On that date, Jimmy Mills, an assistant manager, instructed me to falsify customer trouble reports on special circuits such as WATS lines, data lines, burglar alarms and the like. Mills explains that we should record time screened, time pending test, time tested, time dispatched and time cleared all within one minute of each other. Under this procedure, the recorded elapsed time from time received to time cleared on special circuits would only be about five minutes, a physical and mechanical impossibility. We were instructed to follow this procedure even if a call came in at midnight when no employees were working. The report was still to be shown at one minute after midnight even though it was actually screened the next morning at

9 a.m. This falsification procedure disguised missed commitments and cheated customers out of refunds.

17. Also in or about May, 1984, Mr. Mills further explained to me that in a meeting of the general staff managers and lower level managers, a general staff manager said that we should virtually never miss a commitment on any customer trouble report because the data Southern Bell presents to the Public Service Commission is based on a self-reporting system and the company records only reflect what Southern Bell employees type into the computers. When I questioned Mills about the ethics of these procedures, Mills basically said that he was not concerned with the customers but only with making money for Southern Bell. I indicated again that I would not participate in the falsification of company records and asked him if such a practice was a requirement for maintaining employment with Southern Bell. He said that it was. I asked if I could speak to his boss, Bob Brown, about these practices because I did not want to participate. He said he would get back to me on this request, but never did.

18. In 1985, I was transferred to Southern Bell's South Miami Maintenance Center. Upon arrival, I was instructed by managers, including Marci Soto and Tim Schofield, verbally and in written memos, to falsify company records. I repeated my unwillingness to participate in these practices. Bill Morrison and other managers

dealt with me by simply giving the documents they wished to be falsified to employees willing to participate in the falsification.

19. In a meeting at the South Miami Maintenance Center regarding penalizing employees for making "mistakes" in statusing customer trouble reports, I stood up and asked a manager, Jose Rugama, how the company could justify penalizing employees for making a legitimate human error while the managers routinely lied, cheated and falsified and order the falsification of company documents. Mr. Rugama ignored ~~by~~^{my} question and proceeded with the meeting as if I had not spoken.

20. The South Miami Maintenance Center closed down in 1987. I was then transferred to the Public Telephone Installation and Maintenance Center (hereinafter "PTIMC"), which strictly handled pay telephone services, at 9090 Northwest 41th Street in Miami. On my first day there, I met with my second level manager, Fred Moribito, who indicated that he hoped I would be a productive employee despite my bad reputation. I told him the only problem we would have was that I would not falsify or alter documents. He said that such frauds did not occur at the PTIMC. I soon found out that the alteration and falsification of customer trouble reports also occurred at the PTIMC in the same manner as they had at the other maintenance centers.

21. On January 31, 1989, I met with Harry Van Gordon of the Security Department in the presence of Marci Soto, a Southern Bell manager. We discussed the falsification of company records. Although Mr. Van Gordon admitted my accusations were true, he asked for all documents in my possession that contained such falsifications. I refused to give up these documents at this time. I had a second meeting with Mr. Van Gordon on February 27, 1989 in the presence of Marci Soto, but again nothing was done.

22. During my sixteen years with Southern Bell, I had direct knowledge that the following managers instructed employees to falsify customer trouble reports, have falsified these documents themselves, have discussed this practice with me and/or have direct knowledge of such falsification practices: Mike McHale, Richard Bird, Ray Kummer, Jimmy Mills, Bill Morrison, Roy Whitsett, Jim Febus, Jose Rugama, Tim Schofield, Prudence Taylor, Walt Janke, Dennis Wilson, Alex Moir, Pete Saglio, Nicole Maxfield, Bob Brown, Tony Moser, Harry Van Gordon, Linda Isenhour, Fred Moribito and Ron Gilliam.

23. Throughout most of my sixteen years with Southern Bell, I have talked with numerous Southern Bell employees and managers who have worked for Southern Bell in Florida and other states regarding the falsification of company records. As a result of these discussions, I know that the falsification of documents is not confined to Miami or Florida but occurs wherever Southern Bell

conducts its business. Additionally, I have spoken to numerous people who have worked for other Bell companies in other parts of the country. These people have stated that the same frauds occur in other areas of the country and have been ongoing since prior to the AT&T breakup.

24. Since 1982, I have repeatedly protested the company's practice of routine falsification of records, and have repeatedly informed numerous management personnel that I will not participate in those practices. Because I have continually voiced my opposition to these falsification practices, Southern Bell has engaged in a variety of retaliatory acts against me, notwithstanding my consistently positive job evaluations. The company's retaliatory acts have included among other things, discrimination in promotions, transfers, and work assignments, failure by the company to pay the compensation it had agreed to pay, and frequent and intense harassment.

Frank M. Falsetti, Jr.
Frank M. Falsetti, Jr.

SWORN TO AND SUBSCRIBED
before me this 21 day
of January, 1991.

David B. Yajic
David B. Yajic
Notary Public
State of Florida at Large

My Commission expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAR 31, 1991
BONDED THRU GENERAL INS. UND.

ATTACHMENT 2

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STATEMENT

OF

NANCY D'ALESSIO

TAKEN IN THE PRESENCE OF CHARLES J. BECK,
ASSISTANT PUBLIC COUNSEL, AND NANCY S.
WILLIAMSON, NOTARY PUBLIC IN AND FOR THE
STATE OF FLORIDA AT LARGE, AT 5410
SOUTHWEST 166TH AVENUE, DAVIE, BROWARD
COUNTY, FLORIDA, ON JANUARY 16TH, 1991,
COMMENCING AT 2:10 O'CLOCK P.M.

- - - - -

Thereupon:

NANCY D'ALESSIO

being by me first duly sworn to tell the truth, the
whole truth and nothing but the truth in her answers to
the questions to be to her propounded, testified on her
oath as follows:

EXAMINATION

Q (By Mr. Beck) Would you please state your
name? .

A Nancy D'Alessio.

Q Have you been employed by Southern Bell
Telephone and Telegraph Company?

A Yes.

Q And how long did you work for Southern
Bell?

A 24 years.

Q Could you tell me when that started and
when you stopped working for Southern Bell?

1 A I started in 1966, July of 1966, and I was
2 terminated November 2nd, 1990.

3 Q Could you just generally describe some of
4 the positions you've held with Southern Bell?

5 A I started out as an operator, and then I
6 went to what was called the assignment office, and I
7 was an assignment clerk. I was a service order typist.

8 And in 1970, I was promoted to management
9 in the assignment office, and I worked in the
10 assignment office up until approximately four years
11 ago.

12 Q And approximately four years ago, what job
13 did you have with Southern Bell?

14 A In the assignment office I was an
15 assistant manager, and I relieved as a second level for
16 approximately a year. And then I went to the
17 maintenance center as a first level manager in the
18 maintenance center.

19 Q And is that the job you held until you
20 were terminated on November 2nd, 1990?

21 A Yes, it was.

22 Q A first level manager in the maintenance
23 center?

24 A Right.

25 Q Which maintenance center?

1 A North Dade Maintenance Center.

2 Q How many maintenance centers are there in
3 Southern Florida?

4 A In South Florida there are three, and
5 there's actually one more, but it's very small, and I
6 think it's going to consolidate with one of them.

7 Q How many people work in the North Dade
8 Maintenance Center?

9 A Approximately 36 craft people, and that's
10 approximate.

11 Q And then is the next level from that, a
12 first level --

13 A Right.

14 Q -- manager? And that was the position you
15 held?

16 A Right.

17 Q Were there other first level managers at
18 the North Dade Maintenance Center?

19 A Yes.

20 Q How many others?

21 A Seven, I think.

22 Q So there were about eight first level
23 managers altogether?

24 A Right.

25 Q Are there second level managers also?

1 A Right. There was 2-A.

2 Q How many of them?

3 A One.

4 Q And is there a 2-B also?

5 A Right.

6 Q Is that higher than a 2-A?

7 A Yes, it is.

8 Q And how many 2-B managers are there at the
9 maintenance center?

10 A One inside the maintenance center.

11 Q Is that the highest level in the
12 maintenance center?

13 A In the maintenance center, right.

14 Q When you terminated employment with
15 Southern Bell in November of 1990, who was the level
16 2-B manager?

17 A Joe Lesko.

18 Q And who was the level 2-A manager?

19 A Clyde Bourne.

20 Q How do you spell his last name?

21 A B o u r n e.

22 Q How long had Joe Lesko been at his
23 position as a 2-B level manager there?

24 A Approximately 15 months.

25 Q Who was his predecessor?

1 A Manny Carreno.

2 (Discussion off the record.)

3 Q And how long did Mr. Carreno hold that
4 position approximately?

5 A I would say approximately three years. I
6 don't know for sure because he was the 2-B when I came
7 into the maintenance center.

8 Q And when was that?

9 A That was, I believe, four years ago in
10 July. It was right at the time that - not the last
11 time for the strike, but the time before that, so that
12 would make it --

13 Q July of '86?

14 A Yes. I think that would make it about
15 four years. I'm not even sure.

16 Q Was it 1986, though, July of '86 when you
17 went to the maintenance center?

18 A I think so. I don't know for sure.

19 Q Now, you mentioned earlier that Clyde
20 Bourne was the 2-A manager when you left Southern Bell?

21 A Right.

22 Q How long had he been there, if you know?

23 A Let's just stop for a minute so I can
24 explain this to you.

25 He was in the district office.

1 Q Go ahead. Explain it.

2 A He was in the district office, and then he
3 came into our office as the 2-A, so it was in that time
4 frame that I was there, but I can't remember exactly -
5 exactly when, but it was in that four-year time frame
6 that I was there.

7 Q When you left employment with Southern
8 Bell, could you give me the names of the other seven
9 first level managers and just very briefly what their
10 positions were?

11 A Sure. Okay. Pam Cannon.

12 Q What was her job?

13 A She's a first level, and she handled
14 Systac, what we call Systac, the specials side of the
15 house.

16 And there was Dasset Freeman, first
17 level. And she was a floor manager, and we shared
18 duties.

19 Q Was that the same duties you had as a
20 floor manager?

21 A Right.

22 Q Who else?

23 A Diane Edwards. She was a first level and
24 she was - worked in the control office. Now, this was
25 when I left. We all had different positions when I

1 first got there because they rotated.

2 Q Right. I'm just trying to get a snapshot.

3 A And we all relieve for those positions.

4 Q So every one of the first level manager
5 could have taken any one of the other --

6 A Right.

7 Q -- positions there?

8 A Right. On the weekends we relieved for
9 the control office.

10 Q Okay.

11 A You know, they very rarely came out to do
12 the floor, but they were capable of doing it if they
13 had to.

14 Q Please go on with who the other managers
15 were. So far you've named Pam Cannon, Dasset Freeman
16 and Diane Edwards.

17 A Okay. Alex Moyer.

18 Q What was his position?

19 A Okay. He's first level, and he did - now,
20 let me think a minute - analyzation. He was our
21 analyzation foreman.

22 Q Okay. Who else?

23 A Florida Greene.

24 Q Just very briefly, what was her position?

25 A She had LMOS, what we called LMOS.

1 Q E l m o s?

2 A L M O S.

3 Q L M O S?

4 A Right.

5 Q Who else?

6 A I have to stop and think now of everybody
7 that was there.

8 Carl Kingcade.

9 Q His position?

10 A He was a first level manager, and he ran
11 cable control. Diane Edwards had station control, and
12 Carl had cable control.

13 Wanda Brent.

14 Q What was her job?

15 A Training facilitator.

16 And Earl Mergesberg was there, but he
17 was promoted in July.

18 Q In July of '90?

19 A In July of 1990.

20 Q And where did he go once he was promoted?

21 A He went to the -- The maintenance center
22 is called the IMC, so we can refer to it as that. He
23 went to the IMC staff, local staff.

24 Q What was his position as personnel
25 manager?

1 A He was a control foreman - a station
2 control foreman also. He shared the position with
3 Diane Edwards. Now let's just stop a minute and see if
4 I've got everybody. Okay.

5 Yes.

6 Q Could you just very generally describe
7 what the functions are of an IMC? That's where the
8 maintenance center is; is it not?

9 A Right.

10 Q Just very broadly, what does an IMC do at
11 Southern Bell?

12 A Okay. Trouble reports are sent to us via
13 the CRSAB.

14 Q Let me step back.

15 A All right.

16 Q Trouble reports are those reports of like
17 lines being out?

18 A Right. Troubles that are received,
19 customer trouble reports. We handle customer trouble
20 reports for telephone service.

21 Q So if a customer calls up and says my line
22 doesn't have a dial tone, would that report wind up at
23 IMC?

24 A Right, or if my jack doesn't work or any
25 type of telephone trouble that they may have.

1 Q Does the IMC coordinate the repair of that
2 service?

3 A Right. The trouble is sent to the IMC,
4 and we analyze the trouble to determine how it can be
5 fixed for the customer.

6 Q Okay. Could you very briefly in a broad
7 sense try to take me through what happens once a
8 trouble report is received and what you do with it and
9 how it's finally taken care of?

10 A Okay. The trouble report is received and
11 we have a process which we call screening. And the
12 maintenance administrator screens the trouble report
13 and determines - tries to determine where the
14 customer's problem is. Okay.

15 If we can determine that it's a possible
16 set trouble, we contact the customer and advise them
17 that there's a set problem.

18 Q By set you mean it's in their telephone
19 set in their house?

20 A Right, and we don't handle that anymore,
21 or we determine if it's an inside problem within our
22 central office, we send it to the appropriate
23 department in that case, or it can be a trouble that
24 needs to be dispatched to the field, and that is sent
25 to that particular pool to be dispatched to the field

1 according to its commitment.

2 Q Now, when the customer calls up reporting
3 a trouble, is the customer given a commitment date or
4 time by which the problem they're reporting will be
5 fixed?

6 A Yes.

7 Q What is that called?

8 A Just a commitment time.

9 Q And is there a certain time frame where
10 the company strives to have the problem fixed by?

11 A The commitments are according to our
12 lights or according to affecting service. We have two
13 different types of commitments, affecting service and
14 out-of-service commitments, and determining upon the
15 load, those lights could be changed, and maybe we're
16 on a one-day appointment, we could be on a two-day
17 appointment, we could be on a three-day appointment,
18 but out of services are always given a 24-hour
19 commitment.

20 Q Why is that?

21 A Because I believe that's how we're
22 regulated by the Public Service Commission to provide
23 the customer that has an out-of-service problem with a
24 24-hour commitment.

25 Q Is there some level of performance

1 Southern Bell is expected to provide in repairing
2 out-of-service reports?

3 A Right. We are to maintain a 95-percent
4 index.

5 Q And what is the source of that?

6 First of all, when you say 95-percent
7 index, what does that mean?

8 A That we have to meet 95 percent of the
9 out-of-service troubles within a month's time frame.

10 Q Now, the troubles have to be repaired,
11 though, within 24 hours?

12 A Right. And we have to maintain a
13 95-percent index doing that.

14 Q And is it your understanding that's
15 pursuant to a rule of the Florida Public Service
16 Commission?

17 A Yes, as far as I know it is.

18 Q Now, is that only for an out-of-service
19 type report?

20 A As far as I know, yes.

21 Q You mentioned is the other type of report
22 a service that's affecting service?

23 A Affecting service does not have a 24-hour
24 commitment. I guess it could, but it doesn't normally.

25 Q Okay.

1 A We could fix it within a 24-hour period,
2 but I don't think we're bound by the Public Service
3 Commission to do that.

4 Q How does a trouble report get categorized
5 as either out of service or affecting service?

6 A According to how the trouble report tests.
7 And we have certain what we call VER codes set up in
8 the mechanized testing that we have, and it's
9 determined through the mechanized testing.

10 Q Could you give me example of each type of
11 service report?

12 A A static would be an affecting service.

13 Q So the phone works but the person has
14 static on the line?

15 A Static on the line.

16 Q Are there any others that are generally --

17 A They may just have trouble on one phone, a
18 feature may not work, maybe a particular feature that
19 they bought like call forwarding or repeat dialing or
20 that type of a feature may not be working.

21 Q Okay. Now could you give me an example of
22 an out-of-service type of call?

23 A An out of service would be where the
24 customer has reported to us that they have no telephone
25 service, that they have no dial tone.

These were figures quoted by Mr. Babair but we have different ones in data (received from Southern Bell).

A. What was the reason for these changes?

1. Why were the percentages changed?

a. Southern Bell analysis as to change.

II. CIRCUMVENTION OF TROUBLE REPORTS

A. Upon customer visit, repair people would give customers a card with a telephone number to call if further trouble developed. Upon calling, the customer got a recording to leave name, address, etc. and trouble. Employees then make up Employee Trouble Report which does not appear on various internal indexes of trouble reported.

B. Cuts way down on customer reported complaints.

C. Done in virtually all cases of installing or fixing phones.

D. August 27, 1990 PSC letter to Marshall Criser on this problem.

1. Early September memo of T.C. Taylor to Operations Managers Florida on this issue. (Wayne Tubaugh copied)

III. FALSIFICATION OF TROUBLE REPORTS

A. PSC rule requires 95% of all trouble reports to be cleared within 24 hours.

B. Trouble reports indicate receipt time, dispatch time and clear time.

C. When it was clear Southern Bell could not meet the deadlines; routinely repair folks would enter clear time as earlier than actually cleared.

D. This can be demonstrated by pulling all trouble reports for 60 day period (especially in times of wet weather) and comparing receipt, dispatch, and clear time - in many cases it will be obvious that the repair person could not drive to location in time indicated, much less fix the problem.

IV. MISCELLANEOUS ITEMS

A. Mid-1970s Bell had a similar problem with sales fraud in Miami.

B. One South Florida General Manager in the late 1970s would put

1 Q Does the IMC have any discretion in how
2 you would you classify a report as either affecting
3 service or out of service?

4 A Right. It comes in in the manner that the
5 computer sends it to us, but we have the option to
6 change it to whatever it needs to be changed to after
7 further analyzation.

8 Q And you mentioned earlier there's a date
9 given for repairs, a commitment date. Who actually
10 assigns the commitment date?

11 A We have it set up in the computer. The
12 control foreman will put it in the computer to advise
13 the repair bureau what commitments we're on, and then
14 they see that, I guess, down where they work and that's
15 what they offer the customer.

16 Q Now, is a time put in the report for the
17 completion of any repairs?

18 A We'll give a commitment like 12 noon
19 tomorrow, 5:00 o'clock tomorrow, 5:00 o'clock two days
20 from now.

21 Q Okay.

22 A And it is on the trouble report. The
23 commitment date is on the trouble report so that we
24 know what the commitment - you know, what commitment
25 has been given to the customer.

1 Q Do you then tell certain repair people to
2 go out and repair the problem, or how does that work?

3 A Right. Depending on what the problem is,
4 whether it's inside or out, we direct that trouble
5 report to where it needs to go to be repaired.

6 Q And then those people go out and repair
7 it?

8 A Right.

9 Q And there's a report sent back to the IMC
10 after the repair is made?

11 A Depending if it goes to the field and the
12 installer has his cap terminal, then he closes the
13 trouble. If for some reason he can't close the
14 trouble, he would call a maintenance administrator, and
15 she would assist him in closing the trouble.

16 Q That's at the IMC, the maintenance
17 administrator at the IMC would do that?

18 A Right.

19 Q When you say close the trouble, what does
20 that mean?

21 A That means actually close it out and close
22 it out to codes showing that the trouble has been
23 repaired.

24 Q And would it show a time for the --

25 A It would show the time that it was

1 cleared, the time that it was closed, what the
2 installer did, and it would match the code with what
3 the trouble was reported or what he fixed. And then
4 the trouble reports that are inside that we don't have
5 to dispatch out on are closed by the maintenance
6 administrators.

7 Q Are there such things as exclusion codes
8 that are sometimes put on these reports, the repairs?

9 A Yes. There are excludable codes.

10 Q What does that mean?

11 A That you could exclude the trouble report.
12 One example of that would be you would exclude a
13 trouble report if you had a pending service order.

14 Q Why would that be an exclusion code event?

15 A Well, because the customer has called in a
16 trouble report but they have a pending service order
17 that has not been worked yet.

18 Q They've ordered --

19 A They've ordered maybe new service or a
20 change in service, and it hasn't been worked yet.

21 Q What are some other types of exclusion
22 codes?

23 A Sometimes trouble reports are excluded so
24 that the commitment is not missed and then reissued.

25 Q Why would that be done?

1 A So as not to miss the commitment.

2 Q Are there other -- Like a catastrophe or
3 something, would that be an exclusion code? I'm trying
4 to determine what other types of events would be
5 excluded.

6 A No.

7 (Whereupon, there was a brief interruption.)

8 Q Are there other types of exclusion codes
9 other than a pending service order or any other
10 examples you can think of?

11 A There's excludable codes on trouble
12 reports also.

13 Q Okay. What would they be?

14 A Well, you can exclude a trouble -- Let's
15 stop a minute so that I can gather my thoughts here.

16 Q Go ahead.

17 (Discussion off the record.)

18 Q Are there other types of exclusion codes?

19 A There are, but I would have to have my
20 list in front of me to know exactly what they are.

21 Q When a repair is being performed by
22 somebody at Southern Bell and if the customer is not
23 home and they needed to get inside the home to do a
24 repair, is there some kind of code that's used to show
25 that?

1 A Yes. It would be no accessed.

2 Q What is the effect of that on meeting the
3 Public Service Commission rule that 95 percent of all
4 out of service reports have to be repaired within 24
5 hours?

6 A Well, when you no access a trouble, you
7 stop the clock on it.

8 Q And is the same true with an exclusion
9 code, that if a repair has an appropriate exclusion
10 code it doesn't count toward meeting the 95-percent --

11 A Right.

12 Q -- test?

13 A Because you exclude the trouble.

14 Q And in meeting that 95-percent test, that
15 95 percent of the repairs have to be completed within
16 24 hours, is that sometimes known as the index?

17 A Yes.

18 Q Are you familiar with a category known as
19 test okay or T okay?

20 A Yes.

21 Q What does that mean?

22 A That is a file that we have when a trouble
23 report comes in and the customer has reported something
24 wrong with their phone and as it goes through our
25 process, it comes into our office, and when the

1 maintenance administrator receives the trouble, the
2 test that's given to her is a test okay, so it appears
3 to be that what the problem the customer had is cleared
4 up.

5 Q Is that kept on file for a certain length
6 of time at the IMC?

7 A Yes. In our district we kept it on file,
8 which it was a recent change in the practice, in the
9 local practice, for approximately three full days.

10 Q Then what would happen to it?

11 A Then after the third day if we did not
12 receive an additional call or report from the customer,
13 a subsequent report, we would close the trouble report.

14 Q You mentioned earlier that you were
15 terminated from Southern Bell on November 2nd, 1990; is
16 that correct?

17 A Right.

18 Q What were the events that led up to that?

19 A The events that led up to that, we had --
20 It involved the test-okay file. And there were -- The
21 office was extremely busy due to the 5 ES cut that we
22 had.

23 Q What time period was this that you're
24 referring to now?

25 A It was in August.

1 Q Of 1990?

2 A Right.

3 Q Please go on.

4 A Okay. And the office was under, you know,
5 extreme busy conditions, not normal for the office, due
6 to the cut that was going on in the Hialeah office.

7 Q Did that cut to the Hialeah office result
8 in an unusual number of reports?

9 A An unusual number of trouble reports to
10 handle due to the new switch that was put in.

11 Q Okay. Please go on.

12 How was the maintenance center doing
13 during the month of August in meeting the 95-percent
14 index?

15 A I was -- I did not see a report telling me
16 how they were doing. I didn't -- If it came across my
17 desk, I probably didn't get to even take a look at it
18 yet.

19 Q Okay. Please go ahead, then.

20 A Okay. What directly led to my termination
21 as far as I'm aware of is that my boss called me into
22 the office, told me that he was in jeopardy of missing
23 this index.

24 Q Who is the boss you're referring to?

25 A Joe Lesko. And like I said, I was not

1 totally familiar with the index. I know it existed. I
2 knew -- I didn't know exactly what criteria it entailed
3 to - that made the index up because it was monitored by
4 the control office and then copies sent to us when Joe
5 would decide to send us a copy, but it was definitely
6 maintained in the control office.

7 Q Okay.

8 A And at the time he was in jeopardy -
9 evidently in jeopardy of missing the out-of-service
10 index. So he called me into his office, and we
11 discussed it. And he gave me a direct order to have me
12 go out and have a maintenance administrator close this
13 particular file to restatus these troubles to an out of
14 service.

15 Q What types of troubles were being
16 restatused to out of service?

17 A Some of them were affecting service
18 troubles.

19 Q What was the effect of doing that?

20 A The effect of doing that I learned later
21 on was that it built the base in an effort for him to
22 meet this index.

23 Q I'm not completely clear of exactly what
24 reports. You said restatused. What does that mean
25 when you say restatused?

1 A The customer trouble reports were
2 restated from an affecting service trouble to an
3 out-of-service trouble.

4 Q Were these reports that were meeting the
5 24-hour deadline?

6 A Basically they probably would have met the
7 24-hour deadline because the clock stopped on those
8 right away because they were test okay's.

9 Q And these were restated to out of
10 service criteria?

11 A Uh-huh.

12 Q So was the affect of that to increase the
13 number of out of service reports that were meeting the
14 24-hour deadline?

15 A I would think so, yes.

16 Q So what happened after that happened?

17 A Well, I went and asked the MA if she would
18 do it. This particular MA that did this was familiar
19 with the procedure.

20 Q An MA is a?

21 A A maintenance administrator.

22 Q Who was the MA you talked to?

23 A Bertha Brooks.

24 Q Please go on.

25 A Okay. She was familiar with the

1 procedure. I didn't have to explain it to her because
2 this was not unusual for her to close these troubles
3 this way.

4 Q How do you know that?

5 A Because she gave me a statement stating
6 it, plus the office knew that she had closed trouble
7 reports out like this before.

8 Q Please go on. What happened next?

9 A So I asked her to close the trouble
10 reports out, and she said, okay, no problem. And Joe
11 had asked me to come back and let him know how many she
12 was able to close out in that fashion, and I provided
13 him with that information.

14 Q Then what happened?

15 A Okay. Then -- I didn't know that it was a
16 problem because this was backing up a commitment like
17 that or -- Let me put it this way. That procedure,
18 closing those troubles out the way that Bertha closed
19 them out, had been done that way many times in the
20 office, and Bertha has given me a statement stating
21 that she did it that way all of the time as long as she
22 worked for Earl Mergelesberg. And there were other
23 MA's that did the same thing for Earl on a daily basis
24 also.

25 Q What happened next, or did anything happen

1 that day?

2 A No. Nothing happened. And we just went
3 about our business.

4 And about a week or so later there was an
5 internal review conducted in the IMC with the local
6 staff, and during the week of the review, it became
7 apparent that this was a problem.

8 Q How did it become apparent?

9 A Okay. One of the persons doing the
10 review, Bob Fecht, found it to be --

11 Q Bob who?

12 A Fecht, F e c h t.

13 Q He's one of the reviewers?

14 A Right.

15 A Pulled the test-okay file, and it was
16 apparent to him that these troubles were closed out -
17 were given to one particular MA to close them out to
18 out-of-service troubles.

19 Q Okay. Did he include that in his report?

20 A Yes. He wrote that up in the review.

21 Q And then what happened, I mean,
22 subsequently?

23 (Discussion off the record.)

24 Q So Bob Fecht had put in his report about
25 the restating of testing okay to out of service; is

1 that correct?

2 A Right.

3 Q And then did that lead to some other
4 investigation?

5 A Well, we had the feedback. The feedback
6 was scheduled, and we were all present at the feedback.
7 And as they came across that particular portion of it,
8 the general manager was attending the feedback --

9 Q Who was the general manager?

10 A Linda Isenhour. And she questioned him as
11 far as what was in the write-up, that was he trying to
12 state that someone had - I don't remember her exact
13 words, but basically someone had cheated to meet
14 another index, you know. And that's not her exact
15 words, I'm sure, but it referenced that.

16 Q Okay.

17 A And he more or less agreed to that. And
18 then that's when she decided that, you know, there
19 needed to be some indication - I mean, some
20 investigation as far as that was concerned.

21 Q Okay. And so was there an investigation
22 after that?

23 A After that there was an investigation.

24 Q Okay. And was it that investigation that
25 led to your being terminated?

1 A As far as I know, yes, it was.

2 Q And what was the act of yours that was
3 specifically cited or whatever for your termination?

4 A To the best that the information was given
5 to me is that we have a responsibility booklet that we
6 signed that there's not much emphasis that's put on
7 that's just handed to us to sign, and it states in
8 there that if your boss tells you to do anything
9 illegal or violates - or any violations, illegal
10 violations, that you are to report him to your boss or
11 to the security department.

12 And I was -- I did see the booklet, but I
13 was unaware of that particular portion. It's on the
14 last page of the booklet, and I was - really did not
15 know that I had the option to report my boss and, then
16 again, this being common practice for the office was
17 not really sure that it was illegal because it was
18 merely daily, common practice for the office. And it
19 was done by every craft person and any management
20 person that has worked in that office as long as I've
21 been there.

22 Q The specific act, if you would, was the
23 changing or the restating of the test okay into the
24 out-of-service category?

25 A Right.

1 Q That had the effect of bringing the
2 out-of-service index up --

3 A Right.

4 Q -- to a better level?

5 A Right.

6 Q Now, let me backtrack a little bit. You
7 say that same type of thing of changing these
8 reports --

9 A Right.

10 Q -- from test okay to out of service has
11 been done by everybody in the office?

12 A Yes.

13 Q How do you know that?

14 A Well, because I've seen it done. And I
15 know that that's how the trouble reports -- I've seen
16 it on trouble reports that are closed.

17 Q Had any other first level or 2-A or 2-B
18 managers ever told people --

19 A Joe Lesko told us that there was to be no
20 more missed commitments. He even threatened the people
21 with disciplinary action if we missed anymore.

22 Q Had any other managers told people in the
23 maintenance center to change the status of reports from
24 test okay to out of service?

25 A Yes.

1 Q Who?

2 A Dasset Freeman has done that before.
3 Florida Greene.

4 Q Have you heard them actually do this? I'm
5 trying to understand how you know that they have done
6 this, you know. What's your basis for saying that?

7 A I can just say that it was such common
8 practice in the office. That was our procedure, that
9 we didn't miss any commitments, and that we backed up a
10 24-hour out-of-service commitment. That was how the
11 office ran before I got there, and I just followed suit
12 with what was going on.

13 Q Any other managers that you know of that
14 were involved in doing that?

15 A Earl Mergelesberg was.

16 Q What was his involvement?

17 A He instructed Bertha to do it. I have her
18 statement saying that.

19 Q Had you known that yourself other than
20 through Bertha's statement saying that?

21 A Yes. Yes.

22 Q How long did that go on?

23 A As long as I was there.

24 Q Which is four years?

25 A Right. It may have gone on before I got

1 there, but I don't know.

2 Q Let me ask about other changes to customer
3 reports that have been made in the maintenance center
4 while you were there. You mentioned earlier on that
5 customers are given a commitment date or time by which
6 their repair will be made?

7 A Uh-huh.

8 Q Were those dates ever changed on any of
9 the reports to your knowledge?

10 A Actually changing the commitment dates?

11 Q Yes.

12 A There may have been some of that, but
13 not - not a whole lot did they actually go in and
14 actually change a commitment date.

15 Q How about the use of exclusion codes, were
16 exclusion codes ever used to exempt a trouble report
17 from the Public Service Commission requirement?

18 A Yes. Cable troubles. That was -- Cable
19 troubles were excluded, were given excludable codes.

20 Q Were such codes ever put on trouble
21 reports that should not have been given such exclusion
22 codes?

23 A I believe so, yes.

24 Q To what extent, and what's your basis for
25 believing that?

1 A Well, I have reports where the girls had
2 instructions from Carl Kingcade, who was a first level
3 manager, that they were to call him anytime they had an
4 out-of-service commitment, and he would given them the
5 close-out codes.

6 Q All right. Do you know whether he ever
7 gave them codes or codes that would exclude it that
8 shouldn't have been given to specific reports?

9 A I think he did, but I'm not sure.

10 Q Why do you think he did?

11 A Well, that would be the only purpose that
12 we would call him is to -- Otherwise the girl could
13 just take the code from the cable person or from the
14 craft person.

15 Q And how long did Mr. Kingcade have this
16 procedure in effect where -- Was it the MA would have
17 to call him to get the exclusion code?

18 A Him or his clerk, right.

19 Q How long was that procedure in effect?

20 A I would say at least six months to a year.

21 Q And what time frame is that, '90 or '86,
22 or what time period?

23 A Just recently it became more prevalent.

24 Q To your knowledge has a denied access code
25 ever been put on a customer trouble report that should

1 not have been put on the report?

2 A A no-access trouble, yes.

3 Q That would be denied access; wouldn't it?

4 A No. Just a no access.

5 Q No access. To what extent has that ever
6 been done to your knowledge?

7 A That was done by the control foreman, and
8 procedures were given to Dasset Freeman and myself
9 that when we relieved that position we were shown how
10 to do that if we were in jeopardy of meeting an out of
11 service. That was given to us by Alex Moyer.

12 Q Do you recall when that occurred?

13 A It was within the last year or two that I
14 worked there.

15 Q And was it common practice, then, to put
16 no access in on-service orders where it shouldn't have
17 been put in or not?

18 A On trouble reports?

19 Q Yes.

20 A I know that Alex did it. I don't know if
21 any of the other managers did it. I know that Alex did
22 it, and he showed us how to do it when a trouble report
23 was in jeopardy of being missed.

24 Q What would be the purpose of doing that?

25 A To stop the clock.

1 Q What does that mean, stop the clock?

2 A Stop the clock would stop the 24-hour
3 service or it would stop the commitment and be put back
4 in the pool to restart the commitment again.

5 Q If a repair takes over 24 hours, do you
6 know whether that customer would be entitled to a
7 refund for their service charged during that period?

8 A Yes. I believe they are entitled to a
9 refund.

10 Q Is that only in the event it exceeds 24
11 hours?

12 A Yes.

13 Q So if one of these events took place which
14 stopped the clock, would that deny the customer to a
15 refund which they would otherwise have been entitled?

16 A Yes.

17 Q Do you know whether trouble reports have
18 ever been misclassified as out of service or affecting
19 service in order to take it out of the index report?

20 A That may have been done, but I don't think
21 that was done on a massive basis or anything like that.

22 I do want to state, too, that in July
23 Wanda Brent also, in the same time frame that Bertha
24 closed the trouble reports out in August, which I was
25 involved in, she herself is a manager, closed the same

1 files, the same test-okay file out with her employee
2 code number on them.

3 Q And which reports were that?

4 A That was also the test-okay file.

5 Q The same one that you got terminated for?

6 A Right. And I also would like to state
7 that Bertha Brooks signed the same responsibility
8 booklet that I signed, and there was no disciplinary
9 action taken towards her as a result of the events that
10 took place.

11 Q Were fictitious employee numbers ever put
12 in any of the trouble reports for the purpose of
13 meeting the index?

14 A On the no accesses, they would put a
15 fictitious service technician's code on it.

16 Q Could you explain how that would work?

17 A It would just be a number that you would
18 make up as opposed to an installer, one of the regular
19 numbers that we had.

20 Q So the report would show a fictitious
21 installer --

22 A Uh-huh

23 Q -- going out to a premise and being denied
24 access to the premises --

25 A Right.

1 Q -- when, in fact, nothing at all happened?

2 A Exactly.

3 Q Would the effect of that be to stop the
4 clock and the effect would be that the customer
5 wouldn't get a refund on account of that?

6 A Yet.

7 Q And how common was it to use a fictitious
8 employee in that manner?

9 A I just know that when -- And like I said,
10 I can only speak because the only person I ever really
11 saw do that was Alex, and I don't know - I just know
12 when a trouble report would be in jeopardy of being
13 missed it would be done.

14 Q Are there any other types of changes to
15 trouble reports or misclassifications that took place?

16 A We had what we call an OEF file, a central
17 office file. If we had a central office failure where
18 the office would fail, we would status those troubles,
19 and it would become apparent to the office that we
20 would start receiving a lot of troubles, let's say in
21 one particular office, and the customers would be
22 reporting all of the same thing and it would happen in
23 a close time frame, it would become apparent to us as
24 we were receiving these trouble reports that there was
25 some type of a failure because the maintenance

1 administrator may get the same trouble in the same
2 office, several in a row.

3 So then something would be mentioned and
4 asked if anyone else was getting those type of
5 troubles, and then we would check with our switching
6 control center to see if an office failed or tell them
7 that we thought we had some type of a failure.

8 Now just like the test okay's, they could
9 come in as affecting service troubles, and when the
10 trouble would be cleared, which it could be something
11 that was cleared in two minutes, 15 minutes, two days,
12 whatever it would be, depending on what the trouble
13 was, those troubles were also statused to out of
14 service when we closed them. And that would also have
15 the same effect that the test-okay file did. And that
16 was something that was done on an ongoing basis.

17 Q How long did that go on?

18 A As long as I -- When I came to that office
19 all of these procedures were in effect, and this is how
20 I was trained and taught to do what was done in the
21 office.

22 Q When you're saying all these procedures,
23 could you --

24 A I'm talking about the test-okay files,
25 what we call the OEF file which I just described, the

1 backing up of the commitments, this was something that
2 was already common practice when I got there.

3 Q The backing up of the commitments, what is
4 that?

5 A To meet the out of service or to meet the
6 commitment.

7 Q That a commitment --

8 A The time, backing up the commitment --
9 Backing up the time to meet the commitment.

10 Q I'm not sure I still understand that. You
11 mean changing the time report from when the repair was
12 made so it would show that the commitment was met?

13 A Was met, right.

14 Q How prevalent -- Was that going on when
15 you went to the IMC in 1986?

16 A Yes, it was.

17 Q So let me make sure I understand. Say
18 that the commitment was to have been repaired 24 hours
19 after the report came in and the actual repair was made
20 48 hours later or some such time, the report of when
21 the repair was made would be changed so it would fit
22 the commitment?

23 A Not on two days. You know, two days would
24 be quite a long time, but if we were talking about a
25 shorter time frame, yes.

1 Q What type of time frame?

2 A A couple hours.

3 Q Were they ever changed where the period
4 was more than 24 and it was backed up so that it would
5 be within the 24-hour period?

6 A Yes.

7 Q That was prevalent the four years you were
8 there?

9 A Yes.

10 Q Are there any other types of changes to
11 reports or such things you're familiar with, or have we
12 discussed all of them?

13 A I can't think of anything else right at
14 this time. I think we discussed --

15 Q Your personal involvement is with the
16 North Dade IMC for the approximate four-year period; is
17 that right?

18 A Right.

19 Q Do you have any knowledge of whether
20 similar actions were being taken at other IMC's, say,
21 in South Florida or elsewhere in Southern Bell
22 territory?

23 A Well, the only think, and this is just
24 hearsay, that I understand that the same - the staff
25 was in south Dade prior to reviewing us and that the

1 same - they found the same problems there that they
2 found in our office, but it seemed to have been not
3 done in just a short time frame, that it was spread
4 across the month, and they were unable to pinpoint
5 exactly one particular person to so-call accuse of
6 doing it or a manager or craft person, but I understand
7 it was also in the south Dade write-up in the review,
8 but that's just hearsay.

9 Q The staff is the internal review?

10 A The internal review team.

11 Q And that was just before they came to the
12 North Dade one?

13 A Right.

14 Q Now you mentioned spread out as opposed to
15 the short time frame. What was the short time frame in
16 your maintenance center?

17 A I think it was a two-day period.

18 Q So just all of the test okay's were
19 changed to out of service in that two-day period?

20 A Right.

21 Q And you believe that based on --

22 A Just for, I mean, that particular file.

23 Q And it's your understanding based on
24 hearsay that something similar may have happened in
25 south Dade but it was spread out over a longer period?

1 A Yes.

2 Q Do you have any other reason to believe
3 that similar actions were taken in other IMC's, just
4 general conversations or anything, or not?

5 A No. To me it was just a known fact that
6 that was something that we all did, you know. We had a
7 lot of documentation that we received, you know,
8 saying, you will not miss anymore commitments. And our
9 boss was, you know, as far as I'm concerned very
10 demanding and very threatening as far as that goes to
11 the management people and to the craft people as far as
12 meeting those commitments.

13 I think we were under a lot of duress
14 being managed by our boss and there was a lot of fear
15 of what might happen to us on a local level, you know,
16 with him, what he may do to our records and what he may
17 do because of the threats he used to give us.

18 Q Who was that you're referring to?

19 A Joe Lesko.

20 Q Was he also terminated from Southern Bell?

21 A Yes, he was.

22 Q Was anybody else to your knowledge?

23 A No.

24 Q And when I say --

25 A No. This is what I don't understand. If

1 what I did was common practice for the office and the
2 rest of all of the craft people and manager have
3 participated in this and it was just known - a known
4 common practice, I don't understand why I was
5 terminated, why I was singled out and terminated.

6 And if they want to blame it on the
7 responsibility booklet, the craft person signed the
8 responsibility booklet and so did every other employee
9 in the company and knew that if they were doing
10 anything that was so-called illegal that they were to
11 report it regardless if they were given a direct order
12 or not.

13 So everybody was aware of the same
14 responsibility that I was aware of, but evidently
15 nobody felt that it was something that needed to be
16 reported because nobody reported it. And I seem to
17 have been the one selected to be terminated over it.

18 (Discussion off the record.)

19 Q Is there anything else you'd like to add?

20 A No. No.

21 MR. BECK: Thank you.

22 (Whereupon, the statement was concluded.)

23

24

25

CERTIFICATE

I, NANCY S. WILLIAMSON, a Notary Public
 duly commissioned and qualified in and for the State of
 Florida at Large, do hereby certify that the foregoing
 transcript, Pages 1 to and including 40, is a true and
 correct transcription of my stenographic notes of the
 sworn statement given by NANCY D'ALESSIO, AT 5410
 SOUTHWEST 166TH AVENUE, DAVIE, FORT LAUDERDALE, BROWARD
 COUNTY, FLORIDA, on JANUARY 16TH, 1991, commencing at
 2:10 o'clock A.M.

- - - - -

I further certify that I am neither
 attorney nor counsel for, nor related to nor employed
 by, any of the parties to the action in which this
 sworn statement is taken, and further that I am not a
 relative or employee of any attorney or counsel
 employed by the parties hereto, or financially
 interested in the action.

IN WITNESS WHEREOF I have hereunto set my
 hand and affixed my official seal this 1st day of
 February, 1991.

Nancy S. Williamson
 Registered Professional Reporter
 Notary Public, State of Florida at Large

My Commission expires: March 11, 1993.

ATTACHMENT 3

M E M O R A N D U M

January 24, 1991

TO : DIVISION OF COMMUNICATIONS (D'HAESELEER; TUDOR)
FROM: DIVISION OF LEGAL SERVICES (VANDIVER) *R*
RE : INTERVIEW WITH DON BABAIR IN ORLANDO

Attached are my notes in outline form from the meeting Ralph Widell and I had January 23, 1991, in Orlando with Mr. Babair. I wish to emphasize that these are unsupported allegations. We need to formulate discovery which will either support or dismiss these charges.

RDV/jb

Attachment

cc: Jill Butler
Susan Clark
Tracy Hatch
Suzanne Summerlin
Ralph Widell

I. FRAUDULENT SALES

- A. Don Babair, formerly Supervisor, Installation and Maintenance, supervised 17 people. Mr. Babair came to Southern Bell from Illinois Bell in 1970. "Impeccable" record - letters of commendation, Speaker's Bureau, etc.
- B. Former Business Address - 1227 So. Division Street
- C. Mr. Babair states he never authorized fraudulent sales.
 - 1. No one above him at Southern Bell ever explicitly authorized the practice.
- D. Gist of claim appears to be that sales results for certain individuals and offices were so much higher than others that management must have known that something was going on, and an investigation was in order. Note that this casts doubt on his own lack of knowledge.
- E. Mr. Babair fired without explanation after 24 years; he offered to take lie detector test of Southern Bell's choosing.
- F. Of 17 employees, 16 probably did not make 10 sales a year. One employee, "Tony" was the exception. He was moved inside to make sales. Although he was still carried on the books as an installer, he only made cold sales calls. Mr. Babair's productivity indicies were adjusted to reflect 16 rather than 17 employees.
- G. Microfiche records of every Bell customer in Florida in Orlando - "Tony" would call these folks to sell services.
- H. "Tony"'s sales were so far in excess of others that management should have asked about this. Management never questioned the sales. Tony individually as well as sales out of Orlando compared to other cities were out of line and should have prompted questions.
 - 1. Elizabeth Sutton - Sales Coordinator in Jacksonville tracks all sales - Reports (monthly?) issued as to sales by individuals.
 - 2. Sutton letter in Summer of 1989 comparing sales by City.
- I. Change in Commission percentages (late 1990?) Changed Commission to higher level of management - See Chart below.

Old Commission System

New Commission System

10% - Installer	10%
3% - First Line Mgr.	1.5%
2% - Next Level Mgr.	1%
1% - Next Level Mgr.	.5%

call waiting on every line when the central office was switched over.

C. Form 2011 - Customer services Sales Person Report

1. Form 2011-A Also referenced - not clear as to distinction.

D. NSR-86 - Network Sales Referral Form