



NOTICE OF HEARING ON WHETHER A TRUSTEE SHOULD BE APPOINTED AT SEIU UNITED HEALTHCARE WORKERS-WEST UNDER ARTICLE VIII, SECTION 7 OF THE SEIU CONSTITUTION

To: All Officers and Members of SEIU United Healthcare Workers – West, Service Employees International Union, CTW, CLC

Pursuant to Article VIII, Section 7(a) and (f) of the SEIU Constitution and Bylaws, and the Labor Management Reporting and Disclosure Act (LMRDA), 29 U.S.C. § 462, I am hereby convening a hearing for the purpose of determining whether a Trustee should be appointed to take charge and control of the affairs of SEIU United Healthcare Workers-West (“UHW-W”) and a trusteeship imposed over UHW-W. The hearing will occur at a time and place as set forth below, before a hearing officer appointed pursuant to the provisions of the SEIU Constitution.

As a result of an investigation which has been underway since March 2008, including an audit and the review of UHW-W’s book and records, along with thousands of pages of documents, the following serious matters have come to light, and have caused me to take this action. The matters which will be addressed at the hearing include: **Whether the leaders of UHW-W have engaged in financial malpractice and a pattern of misrepresentations to its members and the International Union and otherwise failed to carry out the legitimate objects of the International Union. The specific allegations are more fully described below.**

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The leaders of UHW-W appear to have engaged in financial malpractice and a series of misrepresentations to their members and to the International Union involving the expenditures of millions of dollars of union treasury monies as well as other money and property of UHW-W and of the International Union. This hearing notice also takes place against a backdrop of a pattern and practice of misconduct by this group of leaders, evidenced by the March 2008 UHW-W convention delegate election, in which these individuals attempted to secure a chosen group of supporters to promote their Convention strategy by imposing delegate eligibility rules that excluded over 95% of the local members from running for delegate. After initially defending the propriety of that election in a written denial of a protest filed by a rank-and-file

- ANDREW L. STERN
International President
- ANNA BURGER
International Secretary-Treasurer
- ANNELLE GRAJEDA
Executive Vice President
- MARY KAY HENRY
Executive Vice President
- GERRY HUDSON
Executive Vice President
- ELISEO MEDINA
Executive Vice President
- DAVE REGAN
Executive Vice President
- TOM WOODRUFF
Executive Vice President

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member, UHW-W changed its position and reran the election only after the International Union exposed the defect in the election.

The specific issues that give rise to this Notice of Hearing include the following:

1. The Leadership of UHW-W Attempted To Move \$6 Million of Members' Dues Monies Off The UHW-W Books For Their Own Purposes And Misrepresented To The Members The Real Purposes For Which The Monies Were Transferred

Article 21 of the UHW-W Constitution and Bylaws provides that "The title to all property, funds, and other assets of this Union except for real property, which may be held by a corporation created pursuant to Internal Revenue Code Section 501(c)(2), shall at all times be vested in the Executive Board for the joint use of the membership of this Union."

In an apparent attempt to circumvent this provision, a self-selected group of ten elected leaders of UHW-W,¹ including UHW-W President Sal Rosselli and Secretary Treasurer Joan Emslie, instituted a plan on May 18-19, 2007 to divert up to \$6 million into an outside fund termed the "United Healthcare Workers and Patients Education Fund" ("PEF") – a purported non-profit entity under the legal guise of a 501(c)(3). The stated purpose of PEF was "to provide education to healthcare workers and patients concerning issues related to the healthcare crisis, as well as other issues of importance to healthcare workers and their patients."

However, the real purpose of this scheme was to funnel substantial local union assets into a fund controlled by a select group of UHW-W's leadership, subverting the kind of transparency and accountability required under the SEIU Constitution and Bylaws and under federal law. The leadership of UHW-W appears so intent on maintaining their own power base at all costs that they have embarked on a path of financial malpractice, fraudulent misrepresentations and, it appears, schemes to retaliate against members who oppose them.

- On May 21, 2007, the leadership of UHW-W filed Articles of Incorporation for the purported 501(c)(3) that provide: "The specific purposes for which this corporation is organized are to educate the public, patients, and Union members with respect to health care issues." On May 25, 2007, the leadership transferred \$1,000,000 to PEF.

- On September 5, 2007, UHW-W officers filed a "Statement of Information" with the California Secretary of State identifying the UHW-W Secretary Treasurer Joan Emslie's own home address in San Jose as the "principal office" of PEF.

¹ The ten elected leaders are: Sal Rosselli (President); Jorge Rodriguez (Executive Vice President); Joan Emslie, Secretary-Treasurer; and Lori Whyman, David Shapiro, Stanley Lyles, Nancy Evans, Martha Vazquez, Rosie Byers, and Roy Chaffee (all Vice Presidents and members of the Executive Board).

- On November 26, 2007, PEF submitted a request for a tax exemption to the Internal Revenue Service for PEF and stated that PEF will “educate the public, healthcare patients, and healthcare workers . . . concerning the on-going health care crisis in America and how and why to provide high quality affordable healthcare for all people regardless of their means.”

- The California healthcare ballot initiative that UHW-W later claimed was the primary focus of PEF activities died on January 28, 2008 because it depended on a financing mechanism rejected by the California Senate Health Committee.

- On February 5, 2008, the leaders of UHW-W transferred another \$2,000,000 to PEF.

- On March 24, 2008, SEIU informed the President of UHW-W that, “as early as the fall 2007, in clear violation of your fiduciary duties, you executed a plan to transfer significant local union treasury funds to an outside entity to evade the ongoing oversight and expenditure approvals of the UHW-W local/executive board membership as well as to circumvent other internal union governance requirements of the UHW-W and SEIU constitutions and bylaws.”

- On March 30, 2008, the leadership of UHW-W filed an LM-2 report with the United States Department of Labor (“DOL”) stating that it had made an “education contribution” in the amount of \$1,000,000. Other than the May 2007 resolution, this is the only other disclosure to the members about the transfer and the purpose of the transfer. This time the Fund’s address was listed as “560 S. Winchester Boulevard, #100, San Jose, CA”—a fictitious address for the PEF—rather than Emslie’s home address. If members had notice that PEF was actually operating from Emslie’s home address, they would have been more likely to raise questions about PEF.

- On April 3, 2008, in response to the March 24 letter from President Stern, rather than saying that the Fund’s purpose had expired with the healthcare initiative, Brother Rosselli said that PEF was also created both to assist UHW-W in renegotiating collective bargaining as part of UHW-W’s “2008 contract campaign,” and to educate members and “patients” about their “LMRDA” rights.²

- After protracted correspondence between SEIU and the leadership of UHW-W, on April 28, 2008, Rosselli changed his position yet again. This time he informed the International Union that the executive boards of UHW-W and PEF met on April 24, 2008 and voted to close down the Fund and transfer the money back to UHW-W because “the healthcare initiative that was to have appeared on the California ballot this autumn never materialized, and that a primary objective of the Fund was to have educated California healthcare workers and members of the public concerning that initiative and similar issues.”

² Patients do not have rights under the LMRDA.

From the inception and throughout, the leadership of UHW-W, including Rosselli and Emslie, have engaged in a series of shifting and conflicting misrepresentations about the nature and purpose of PEF. If the purpose of the PEF was to educate patients and the public about the healthcare crisis, as represented in UHW-W's application for tax-exempt status, none of the expenditures are consistent with that purpose. If the PEF's purpose was to influence a public ballot initiative as UHW-W President Rosselli represented on April 28, 2008, none of the expenditures were consistent with that purpose. Although the California healthcare ballot initiative had died in late January 2008, the leaders of UHW-W transferred \$2,000,000 to PEF in February 2008.

Moreover, contrary to its stated purposes, PEF authorized the expenditure of monies or otherwise spent money on the following:

- On November 12, 2007, PEF paid \$13,259 to a consultant for speech delivered by Sal Rosselli at an event in Wisconsin, apparently in his capacity as UHW-W President and not as a representative of the PEF.

- On February 9, 2008, PEF's Board approved a "[r]etainer of \$75,000 payable to Arthur Fox at once, the equivalent of \$12,500 per month, for a period of 6 months." Fox is a well-known LMRDA practitioner with no expertise on the healthcare crisis. Shortly after this meeting, on February 12, the Fund issued Fox a check for \$22,500. On March 29, 2008, PEF issued another check to Fox for \$52,500.

- On March 12, 2008, when PEF had no employees, UHW-W Operations Director Phyllis Willett obtained reimbursement from PEF for over \$15,000 that she spent in mid to late February to purchase 100 cellular phones and other communications equipment with her personal credit card.

- On March 29, 2008, PEF's Board approved an expenditure of "up to \$225,000 for worker and patient educational costs related to the Long Term Care Election which may include, but are not limited to costs incurred for materials, postage, phone banking, and translation." The "Long Term Care Election" referred to a non-binding and misleading straw poll that was conducted by the UHW-W leadership among its members ostensibly to obtain the members' views (unaided by any debate or presentation of views other than those of the UHW-W leadership) on an internal union jurisdictional matter, not an issue related to the healthcare crisis or permissible for a 501(c)(3). On March 26, PEF actually spent \$50,804 to cover the cost of postage involved in mailing results of the straw poll to UHW-W members even prior to PEF Board authorization.

None of these authorizations or expenditures are consistent with the education of patients and workers about the healthcare crisis or preparation for the California ballot initiative that had failed to materialize in January 2008.

The true purpose of PEF was eventually revealed: to finance a defense of the top officers in the event of a trusteeship by the International Union and to convert union dues into a private source of outside funds to maintain their power. When SEIU appoints a

trustee to manage the affairs of a local union, any displaced local union officers wishing to challenge the trusteeship would lack access to the union's funds and therefore would be required to finance their challenge with their own personal funds.

- On March 27, 2008, UHW-W posted on its union-sponsored website, seiuvoice.org, a flyer stating that the promotion of "union democracy" was one purpose of PEF.
- On April 3, 2008, Rosselli responded to President Stern's letter of March 24, 2008, stating, among other points, that in the event of a trusteeship deemed by UHW-W to be unlawful, "[W]e would have every right to retain legal counsel to defend our members' right to participate in the governance of their union through their democratically elected leaders – a right that a trustee might attempt to quash by denying access to the funds needed to exercise that right."
- On April 4, 2008, UHW-W's seiuvoice.org website quoted with approval from and linked to an April 2 blog entry by Herman Benson.³ The Benson blog post stated that PEF was created as "an advance defensive measure" by UHW-W "to defend itself against the imposition of a trusteeship." The blog further stated: "[T]he local executive board voted to put money into a separate tax-exempt fund protected from seizure by Stern, with the express aim of defending membership rights.... The independent fund established by UHW-W, free from Stern's control, would give members resources to resist the imposition of the trusteeship and, if it is imposed, would help defend their rights while it remains in effect."

These publications demonstrate that the real purpose behind the creation of PEF was to defend against trusteeship, not to educate workers and the public about the healthcare crisis. The leaders of UHW-W used the vehicle of authorizing what appeared to be a gift to an education fund to hide the fact that they were in effect making a gift to themselves to pay for their future personal legal fees with union funds to which they would not otherwise have had access—an act of self-dealing engaged in with the purpose of preserving their personal power within the union.

UHW-W thus fraudulently misrepresented the true purpose of PEF to its members and to the International Union, to avoid internal union oversight and democratic governance procedures. This fraud was perpetrated not only on the membership but also on the DOL, and federal and state tax agencies.

These actions constitute multiple breaches of fiduciary duty and are violations of Article XVII, Section 1, subsections (1)(Violation of any specific provision of the SEIU Constitution or the Constitution and Bylaws of a Local Union); (5) (Financial malpractice); (8) (Violations of democratically and lawfully established rules, regulations, policies or practices of the International or Local Union); and (9) (Wrongful

³ Benson and Fox, the lawyer whom PEF retained under the \$75,000 retainer agreement noted above, sit together on the Board of Directors of the Association for Union Democracy ("AUD").

taking or retaining of any money ... belonging to...the Local Union...). These actions may also constitute violations of federal law.

2. UHW-W Failed to Take Action to Recover All Funds from PEF

While PEF was disbanded in late April 2008, over \$100,000 formerly in the Fund's possession still has not been returned to UHW-W. On May 15, 2008, SEIU Secretary-Treasurer Anna Burger wrote to members of the UHW-W executive board, advising them of the duty to seek the return of the funds spent by PEF. On May 17, 2008, the UHW-W executive board evasively responded that it "expected shortly a further return of approximately \$110,000." However, those funds have not been returned as of this date. Significantly, on July 29, 2008, some members of the UHW-W executive board responded to a member's inquiry by denying "that any expenditure of the PEF was unlawful," apparently to justify the failure to recover the monies.

UHW-W leaders did not take prompt or sufficient action to recover the \$100,000 in funds spent by PEF, thereby breaching their fiduciary duties and committing financial malpractice. This conduct violates Article XVII, Section 1, subsections (1)(Violation of any specific provision of the SEIU Constitution or the Constitution and Bylaws of a Local Union); (5) (Financial malpractice); (8) (Violations of democratically and lawfully established rules, regulations, policies or practices of the International or Local Union); and (9) (Wrongful taking or retaining of any money ... belonging to...the Local Union...). This conduct also may constitute a violation of federal law.

3. UHW-W Moved Another \$500,000 To An Attorneys' Trust Account As Part Of A Continuing Effort To Move UHW-W Funds Off The Books

On March 7-8, 2008, just one month after UHW-W moved \$2,000,000 to PEF, the UHW-W passed a resolution, directing that "up to \$500,000 be placed in its [law firm's] client trust account, to be billed against pursuant to a retainer agreement with the firm to the greatest extent allowed by law in order to provide any and all legal defense of the membership and officers of UHW-W **from any attempt by any other labor organization or individual(s) to deprive UHW-W of any of its members and/or of its democratic independence and/or its lawful rights of free speech by imposition of an illegal trusteeship or otherwise, or to deprive it of its right to be governed by the officers the members democratically elected in the last UHW-W officers' election.**" (Emphasis added).

A few days later, UHW-W entered into a retainer with the law firm of Siegel and LeWitter. This March 10, 2008 Retainer Agreement, which was signed on March 15th by Joan Emslie and March 17th by the law firm, called for a retainer of \$25,000, with the requirement that UHW-W replenish the amount following notice of a drawdown in order to maintain a constant balance of \$25,000. By the end of March 2008, UHW-W transferred the full amount of \$500,000 to the Siegel firm's trust account.

UHW-W's transfer of \$500,000 to the Siegel firm, twenty times the amount required, is inconsistent with the Retainer Agreement. There was no proper union purpose for such a large payment, in light of the language of the retainer which shows the firm expected to bill no more than \$25,000/month. UHW's excessive payment demonstrates that the funds were transferred off the books to evade review, as one more device to protect the incumbent officers in the event of a trusteeship and to improperly contest actions by the International Executive Board.

Notably, during the course of an audit conducted by the International Union in August 2008, UHW-W refused to cooperate and respond to follow-up questions raised about the billing identification numbers in the law firm's invoices against the trust account.

The resolution itself raises serious constitutional issues, since two of its purposes are contrary to the SEIU Constitution:

- The resolution authorizes payment of funds for legal fees to defend the "membership **and officers**" in the event of an imposition of an illegal trusteeship. This element of the resolution amounts to self-dealing since the officers would be the ones adversely affected by any trusteeship and, in the event of a trusteeship, they would be the ones required to personally fund any litigation challenging the legality of the trusteeship. This is an inappropriate use of union monies.

- The resolution authorizes payment of funds for legal fees to defend against any efforts by "any labor organization or individual to deprive it of its right to be governed by the officers the members democratically elected in the last UHW-W officers' election." This appears to have been written to specifically protect the incumbent officers in the event of internal union charges against them or removal in trusteeship, and setting aside \$500,000 of UHW-W monies for this purpose is also inappropriate.

This conduct violates Article XVII, Section 1, subsections (1)(Violation of any specific provision of the SEIU Constitution or the Constitution and Bylaws of a Local Union); (5) (Financial malpractice); (8) (Violations of democratically and lawfully established rules, regulations, policies or practices of the International or Local Union); and (9) (Wrongful taking or retaining of any money ... belonging to...the Local Union...). This conduct may also constitute a violation of federal law.

4. The Leaders of UHW-W Wrongfully Converted the International Union's Convention Delegate Database

In June 2008, the leadership of UHW-W obtained SEIU's proprietary 2008 Convention Delegate Database, maintained by Opus Solutions Inc., and since that date, has been unlawfully using this database despite repeated directives from the International Union to cease using the database and to return it to SEIU.

- On July 10, 2008, the International Union asked UHW-W, through UHW-W Secretary Treasurer Emslie, "to cease and desist immediately from unauthorized use" of the Convention Database. Emslie responded back to SEIU Secretary Treasurer Anna Burger on July 22, 2008. In her response, she did not provide any facts as to how UHW-W obtained the database but instead made the surprising claim that SEIU's request for return of a misappropriated database interfered with the leadership's Title I rights. UHW-W thus asserted the right to use stolen property, so long as the stolen property was used for purposes of communication.

- On August 8, 2008, in response to the July 22, 2008 Emslie letter, SEIU President Andy Stern formally demanded that the leadership of UHW-W cease using the database and return it immediately. "I hereby direct you and the local to comply with these requests."

- In the meantime, on August 4, 2008, the Special Assistant to the SEIU Secretary Treasurer ("Special Assistant") had been directed to examine the books and records of UHW-W. Subsequently, in carrying out that examination, he asked UHW-W Secretary Treasurer Emslie about the database, and she told him that she had no idea what list he might be talking about.

- On August 14, 2008, Emslie wrote the following to SEIU President Andy Stern "in response to your August 8 letter to" the leadership of UHW-W demanding return of the database: "According to the best of my knowledge and understanding ... UHW is **not** in possession of any property belonging to SEIU." (Emphasis in original.)

- The August 14 letter on behalf of the leadership of UHW-W is false insofar as it claims that UHW-W has never possessed or made use of the Convention Database. Many of the names and addresses in the database are unique to that database, and SEIU vendors and convention guests, including the families of delegates who attended the convention are receiving mailings, packages and e-mails from the leadership of UHW-W. Furthermore, if UHW-W were not using the database, Secretary-Treasurer Emslie's initial July 22, 2008 response would make no sense. Likewise her statement to the Special Assistant described above cannot be reconciled with her July 22 letter.

The misappropriation of SEIU's proprietary database constitutes a violation of SEIU Constitution Article XVII, Section 1(9), which prohibits the wrongful taking or retaining of any money, books, papers or any other property belonging to the International Union.

5. UHW-W Has Failed to Cooperate With the International Union's Audit of UHW-W

Pursuant to the audit of UHW-W's records and books that was ordered on August 4, 2008, the Special Assistant, after reviewing certain UHW-W records, asked for several items of follow-up information. On August 19, 2008, UHW-W Secretary-Treasurer Emslie sent a letter to the Special Assistant refusing to provide some of the items he

requested. As set forth in the August 25, 2008 letter from International Union Secretary-Treasurer Anna Burger to UHW-W Secretary-Treasurer Emslie, the refusal to provide the requested information is in violation of Article XIII, Section 6(a) of the SEIU Constitution and Bylaws.

6. Leaders of UHW-W are Alleged to have Retaliated Against Members Who Have Dissented from UHW-W's Leadership on Internal Union Matters

It has been alleged that leaders of UHW-W have harassed, humiliated, and otherwise retaliated against members of UHW-W who have voiced support for the International Union's "Justice for All" platform and have dissented from UHW-W's views on internal union matters.

- On or around June 19, 2008, Dollie Lee and Dory Machica, two stewards from Kaiser Sunset, appeared for what was billed as an ordinary steward council meeting. For six hours they were subjected to a "trial" which resulted in their being removed from their leadership positions on the steward council. They and other members had appeared on a leaflet supporting the "Justice for All" platform. That leaflet together with Ms. Lee's and Ms. Machica's e-mails and other materials were circulated to all stewards at the meeting. After that meeting, President Rosselli visited the Kaiser Sunset facility, and visited Ms. Machica's work area with several of his union staff. During that visit, Ms. Machica returned to her desk after a brief absence to find a copy of a member letter criticizing her left on her desk with a hand-written note reading "Step Down." Ms. Lee and Ms. Machica have alleged that this conduct is intended to pressure them to resign from their elected stewardship positions.

- The International has received reports that Yvette Hurston, a UHW-W member who has been a vocal critic of UHW's leadership, has been subject to retaliation as a result of her support for the International Union's positions on internal union matters. In the weeks following the International Union's Convention, Ms. Hurston was informed by a Kaiser supervisor that UHW-W leaders have attempted to interfere with her employment with Kaiser Permanente. More recently, Ms. Hurston has reported that she received an apparently hand-delivered anti-International Union leaflet in her home mailbox. Ms. Hurston interpreted the hand-delivery of this leaflet as a threat, particularly since none of the previous UHW materials had arrived in that way.

These actions are contrary the SEIU Member Bill of Rights and Responsibilities in the Union.

CONCLUSION

Accordingly, a hearing will be conducted on September 22 and 23, 2008, and I will advise you of the location of the hearing and the name of the hearing officer within seven days of the date of this Notice.

All members and officers of UHW-W have the right to appear at this hearing, to present testimony and other evidence through witnesses and/or documents and to state their position on the imposition of the trusteeship.

Upon the conclusion of the hearing, the hearing officer will make a report and recommendation to the SEIU Executive Board, orally or in writing, on the imposition of trusteeship. The SEIU Executive Board will make the ultimate determination on the trusteeship.

Dated this 25th day of August 2008.



Andrew L. Stern
International President

cc: Anna Burger, International Secretary-Treasurer
JJ Johnston, Chief of Staff
Judith A. Scott, General Counsel
Kimberly Evon, SEIU California Area Director
Thomas DeBruin, SEIU
Stephen Lerner, SEIU



**NOTICE OF APPOINTMENT OF HEARING
OFFICER AND SUPPLEMENTAL NOTICE OF
HEARING ON WHETHER A TRUSTEE SHOULD
BE APPOINTED AT SEIU UNITED
HEALTHCARE WORKERS-WEST**

PLEASE POST WITH ORIGINAL HEARING NOTICE

**To: All Officers and Members of SEIU United Healthcare Workers –
West, Service Employees International Union, CTW, CLC**

This notice supplements and modifies the Notice of Hearing in the
above matter issued by me on August 25, 2008.

Pursuant to Article VIII, Section 7(a) and (f) of the SEIU Constitution
and Bylaws, and the Labor Management Reporting and Disclosure Act
(LMRDA), 29 U.S.C. § 462, I have appointed Professor Ray Marshall to serve
as the hearing officer at the hearing called for the purpose of determining
whether a Trustee should be appointed to take charge and control of the affairs
of SEIU United Healthcare Workers-West (“UHW-W”) and a trusteeship
imposed over UHW-W. Professor Marshall an endowed chair in economics
and public affairs at the University of Texas – Austin. Professor Marshall
served as U.S. Secretary of Labor under President Carter from 1977 – 1981.

The hearing will take place on **September 26 and 27, 2008** in Northern
California at a location to be determined. Please note that this is a change from
the dates set forth in the August 25 Notice of Hearing. A further notice will be
issued detailing the exact location and starting time of the hearing.

Dated this 9th day of September, 2008.

Andrew L. Stern
International President

ANDREW L. STERN
International President

ANNA BURGER
International Secretary-Treasurer

ANNELLE GRAJEDA
Executive Vice President

MARY KAY HENRY
Executive Vice President

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cc: Anna Burger, International Secretary-Treasurer

December 2004

RAY MARSHALL

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Education

Ph.D., Economics, University of California-Berkeley, 1954; M.A., Economics, Louisiana State University, 1950; B.A., Economics and Business Administration, Millsaps College, 1949

Position

Audre and Bernard Rapoport Centennial Chair in Economics and Public Affairs, University of Texas-Austin, 1982 to present. Previous U.T. positions since 1962 include Professor of Economics; Chairman, Economics Department; Director and Founder, Center for the Study of Human Resources (now the Ray Marshall Center for the Study of Human Resources).

On leave 1977-1981 to serve as U.S. Secretary of Labor in the Carter administration.

Other Current Activities

Chair, board of trustees, National Center on Education and the Economy. Board member, Economic Policy Institute. Member, Council on Economic Priorities' Advisory Board. Member, Policy Advisory Council on Training, National Alliance of Business. Member, Council on Foreign Relations' Commission on the Future International Financial Architecture. Member, Board of Trustees, Work in America Institute. Member, Citizens' Commission on Civil Rights. Member, Advisory Council on Labor Diplomacy, U.S. Department of State. Trustee, German Marshall Fund. Member, Bretton Woods Committee. Member, Council on Foreign Relations. Board member, Work in America Institute.

Business and Professional

1. Past positions include President: Industrial Relations Research Association; Southern Economic Association. Chair: City of Austin's Social Equity Commission; Action Council on Minority Education; American Economic Association's committees on Hiring Practices, Political Discrimination and Labor Market Studies; Federal Committee on Apprenticeship. Director: Task Force on Southern Rural Development. Board of Directors: Carnegie Corporation; USX; Spelman College; National Skills Standard Board. Economics Institute of the American Economic Association. Labor arbitrator on the panels of the American Arbitration Association and Federal Mediation and Conciliation Service. Member: Commission on the Future of Worker/Management Relations; National Manpower Advisory Committee; National Manpower Policy Task Force; National Education Goals Panel's Goal 5 Technical Planning Subgroup on International Workforce Skills.

2. Fulbright Research Professor, Finland, 1955-56; Fellow, General Education Board of Rockefeller Foundation, 1951-53; Wertheim Fellow, Harvard University, 1959-60; Ford Foundation Faculty Fellow 1964-65; Phi Beta Kappa Visiting Scholar, 1988-89; Wayne Morse Chair in Law and Public Policy, University of Oregon, 1991-92.

Honors

Lifetime Achievement Award, Industrial Relations Research Association, 2001
 Outstanding Alumni, American Association of Community Colleges, 1995
 Sullivan Distinguished Service Award, 1994
 Veblin-Commons Award from Association for Evolutionary Economics, 1993
 Sydney Hillman Book Award (for *Thinking for a Living*), 1993
 Lewis-Murray-Reuther Social Justice Award, AFL-CIO Industrial Union Dept., 1992
 Outstanding Alumni Award, Hinds Community College, 1992
 Outstanding Economist Award, Kentucky Economic Association, 1992
 Alumni Hall of Distinction, Louisiana State University, 1985
 Order of Achievement, Lambda Chi Alpha, 1982

Honorary Degrees: Rutgers University; Millsaps College; St. Edwards University; University of Maryland; Tulane University; Bates College; Cleveland State University; Utah State University

Current Research Interests

Economics of education and learning systems; the organization of work for high performance; comparisons of international worker management relations; the competitiveness of the American economy; disadvantaged business development programs; the impact of the North American Free Trade Agreement and the integration of Europe on employment, wages, and income; school-to-work systems; workplace learning systems; private pension reform.

Publications

Authored or co-authored over 30 books and monographs and approximately 175 articles and chapters. Some recent publications include:

Books

The Case for Collaborative School Reform: The Toledo Experience (WDC: Economic Policy Institute, 2008).
The Future of Labor Unions (editor) (Austin: LBJ School of Public Affairs, 2004).
Back to Shared Prosperity (editor) (Armonk, NY: M.E. Sharpe, 2000).
Thinking for a Living: Education and the Wealth of Nations (with Marc Tucker) (New York: Basic Books, 1992).
Losing Direction: Families, Human Resource Development and Economic Performance (Milwaukee, Wisc.: Family Service America, 1991).
Economics of Education, Vol. I (Austin: LBJ School of Public Affairs, 1988).
Unheard Voices: Labor and Economic Policy in a Competitive World (New York: Basic Books, 1988).
Multiemployer Pension Funds, Washington, D.C.: Council on Multiemployer Pension Security, 1985.

- The Negro and Apprenticeship* (with Vernon M. Briggs, Jr.), Baltimore, MD: Johns Hopkins University, 1967.
- Labor Economics: Wages, Employment and Trade Unionism* (with Allan M. Cartter), Homewood, Illinois: Richard D. Irwin, 1967; revised, 1972; revised (with Allan G. King), 1976; revised (with Vernon M. Briggs, Jr.), 1980; revised (with Allan G. King and Vernon M. Briggs, Jr.), 1984; Spanish edition, 1987.
- An Anthology of Labor Economics* (with Richard Perlman), New York: John Wiley & Sons, 1972.
- Human Resources and Labor Markets* (with Sar Levitan and Garth Mangum), New York: Harper and Row, 1972; revised 1975, 1977, 1981.
- The Role of Unions in the American Economy* (with Brian Rungeling), New York: Joint Council on Economic Education, 1976; Japanese edition, 1978; Portuguese, Spanish and French editions, 1979; Chinese edition, 1980. Revised 1985.
- The Negro Worker*, New York: Random House, 1967.
- Labor in the South*, Cambridge, MA: Harvard University Press, 1967.
- The Negro and Organized Labor*, New York: John Wiley & Sons, 1965.

Articles and Chapters

- "Getting Immigration Reform Right," *Challenge* 50:4 (2007), pp. 26-48.
- "Before Labor Day, A Look at the Choice Facing U.S. Workers," op-ed, *Austin American Statesman*, September 5, 2004, p. E-3.
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AMENDED
NOTICE OF HEARING ON WHETHER
A TRUSTEE SHOULD BE APPOINTED AT SEIU
UNITED HEALTHCARE WORKERS-WEST
UNDER ARTICLE VIII, SECTION 7 OF THE SEIU
CONSTITUTION

**To: All Officers and Members of SEIU United Healthcare Workers –West,
Service Employees International Union, CTW, CLC**

Pursuant to Article VIII, Section 7(a) and (f) of the SEIU Constitution and Bylaws, and the Labor Management Reporting and Disclosure Act (LMRDA), 29 U.S.C. § 462, I am hereby convening a hearing for the purpose of determining whether a Trustee should be appointed to take charge and control of the affairs of SEIU United Healthcare Workers-West (“UHW-W”) and a trusteeship imposed over UHW-W. This Notice amends and supersedes the notice of August 25, 2008 and the supplemental notice of September 9, 2008.

The hearing will take place on September 26-27 2008 at the San Mateo County Event Center, 2495 S. Delaware, San Mateo, California, commencing at 9:00 a.m. on September 26 and running until recessed by the hearing officer. The hearing will resume on September 27 at 9:00 a.m. and run until concluded. The hearing officer will be Secretary Ray Marshall.

Secretary Marshall holds an endowed chair in economics and public affairs at the University of Texas – Austin. Secretary Marshall served as U.S. Secretary of Labor under President Carter from 1977 – 1981.

As a result of an investigation which has been underway since March 2008, including an audit and the review of UHW-W’s book and records, along with thousands of pages of documents, the following serious matters have come to light, and have caused me to take this action. The matters which will be addressed at the hearing include:
Whether the leaders of UHW-W have engaged in financial malpractice and undermined democratic procedures by engaging in improper financial transactions and making misrepresentations to its members and the International Union through the creation of false official records and the issuance of a series of false statements and otherwise failed to carry out the legitimate objects of the International Union. The specific allegations are more fully described below.

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The leaders of UHW-W appear to have engaged in financial malpractice and a series of misrepresentations to their members and to the International Union involving the expenditures of millions of dollars of union treasury monies as well as other money and property of UHW-W and of the International Union. This hearing notice also takes place against a backdrop of a pattern and practice of misconduct by this group of leaders, evidenced by the March 2008 UHW-W convention delegate election, in which these individuals attempted to secure a chosen group of supporters to promote their Convention strategy by imposing delegate eligibility rules that excluded over 95% of the local members from running for delegate. After initially defending the propriety of that election in a written denial of a protest filed by a rank-and-file member, UHW-W changed its position and reran the election only after the International Union exposed the defect in the election.

The specific issues that give rise to this Notice of Hearing include the following:

1. The Leadership of UHW-W Attempted To Move \$6 Million of Members' Dues Monies Off The UHW-W Books For Their Own Purposes, Created False Records Describing the Purpose of the Transfer, and Otherwise Misrepresented To The Members The Real Purposes For Which The Monies Were Transferred So as to Undermine Democratic Procedures

Article 21 of the UHW-W Constitution and Bylaws provides that "The title to all property, funds, and other assets of this Union except for real property, which may be held by a corporation created pursuant to Internal Revenue Code Section 501(c)(2), shall at all times be vested in the Executive Board for the joint use of the membership of this Union."

In an apparent attempt to circumvent this provision, a self-selected group of ten elected leaders of UHW-W,¹ including UHW-W President Sal Rosselli and Secretary Treasurer Joan Emslie, instituted a plan on May 18-19, 2007 to divert up to \$6 million into an outside fund termed the "United Healthcare Workers and Patients Education Fund" ("PEF") – a purported non-profit entity under the legal guise of a 501(c)(3). The stated purpose of PEF, as set forth in the official minutes of the UHW-W Executive Board meeting of May 18-19, was "to provide education to healthcare workers and patients concerning issues related to the healthcare crisis, as well as other issues of importance to healthcare workers and their patients."

Those minutes constitute a falsified record of the purpose of the authorization. The real purpose of this authorization was to funnel substantial local union assets into a fund controlled by a select group of UHW-W's leadership to carry out their own personal internal union agenda rather than the stated charitable purpose. In so doing, these officers

¹ The ten elected leaders are: Sal Rosselli (President); Jorge Rodriguez (Executive Vice President); Joan Emslie, Secretary-Treasurer; and Lori Whyman, David Shapiro, Stanley Lyles, Nancy Evans, Martha Vazquez, Rosie Byers, and Roy Chaffee (all Vice Presidents and members of the Executive Board).

subverted the kind of transparency and accountability required under the SEIU Constitution and Bylaws and under federal law and thereby undermined democratic procedures. The leadership of UHW-W appears so intent on maintaining their own power base at all costs that they have embarked on a path of financial malpractice, fraudulent misrepresentations and, it appears, schemes to retaliate against members who oppose them.

- On May 21, 2007, the leadership of UHW-W filed Articles of Incorporation for the purported 501(c)(3) that provide: “The specific purposes for which this corporation is organized are to educate the public, patients, and Union members with respect to health care issues.” On May 25, 2007, the leadership transferred \$1,000,000 to PEF.

- On September 5, 2007, UHW-W officers filed a “Statement of Information” with the California Secretary of State identifying the UHW-W Secretary Treasurer Joan Emslie’s own home address in San Jose as the “principal office” of PEF.

- On November 26, 2007, PEF submitted a request for a tax exemption to the Internal Revenue Service for PEF and stated that PEF will “educate the public, healthcare patients, and healthcare workers . . . concerning the on-going health care crisis in America and how and why to provide high quality affordable healthcare for all people regardless of their means.”

- The California healthcare ballot initiative that UHW-W later claimed was the primary focus of PEF activities died on January 28, 2008 because it depended on a financing mechanism rejected by the California Senate Health Committee.

- On February 5, 2008, the leaders of UHW-W transferred another \$2,000,000 to PEF.

- On March 24, 2008, SEIU informed the President of UHW-W that, “as early as the fall 2007, in clear violation of your fiduciary duties, you executed a plan to transfer significant local union treasury funds to an outside entity to evade the ongoing oversight and expenditure approvals of the UHW-W local/executive board membership as well as to circumvent other internal union governance requirements of the UHW-W and SEIU constitutions and bylaws.”

- On March 30, 2008, the leadership of UHW-W filed an LM-2 report with the United States Department of Labor (“DOL”) stating that it had made an “education contribution” to the PEF in the amount of \$1,000,000. Other than the May 2007 resolution, this is the only other disclosure to the members about the transfer and the purpose of the transfer. This time the Fund’s address was listed as “560 S. Winchester Boulevard, #100, San Jose, CA”—a fictitious address for the PEF—rather than Emslie’s home address. If members had notice that PEF was actually operating from Emslie’s home address, they would have been more likely to raise questions about PEF.

- On April 3, 2008, in response to the March 24 letter from President Stern, rather than saying that the Fund's purpose had expired with the healthcare initiative, Brother Rosselli said that PEF was also created both to assist UHW-W in renegotiating collective bargaining agreements as part of UHW-W's "2008 contract campaign," and to educate members and "patients" about their "LMRDA" rights.²

- After protracted correspondence between SEIU and the leadership of UHW-W, on April 28, 2008, Rosselli changed his position yet again. This time he informed the International Union that the executive boards of UHW-W and PEF met on April 24, 2008 and voted to close down the Fund and transfer the money back to UHW-W because "the healthcare initiative that was to have appeared on the California ballot this autumn never materialized, and that a primary objective of the Fund was to have educated California healthcare workers and members of the public concerning that initiative and similar issues."

From the inception and throughout, the leadership of UHW-W, including Rosselli and Emslie, have engaged in a series of shifting and conflicting misrepresentations about the nature and purpose of PEF. If the purpose of the PEF was to educate patients and the public about the healthcare crisis, as represented in UHW-W's May 18-19, 2007 Executive Board Minutes and its application for tax-exempt status, none of the expenditures are consistent with that purpose. If the PEF's purpose was to influence a public ballot initiative as UHW-W President Rosselli represented on April 28, 2008, none of the expenditures were consistent with that purpose. Although the California healthcare ballot initiative had died in late January 2008, the leaders of UHW-W transferred \$2,000,000 to PEF in February 2008.

Moreover, contrary to its stated purposes, PEF authorized the expenditure of monies or otherwise spent money on the following:

- On November 12, 2007, PEF paid \$13,259 to a consultant for a speech delivered by Sal Rosselli at an event in Wisconsin, apparently in his capacity as UHW-W President and not as a representative of the PEF.

- On February 9, 2008, PEF's Board approved a "[r]etainer of \$75,000 payable to Arthur Fox at once, the equivalent of \$12,500 per month, for a period of 6 months." Fox is a well-known LMRDA practitioner with no expertise on the healthcare crisis. Shortly after this meeting, on February 12, the Fund issued Fox a check for \$22,500. On March 29, 2008, PEF issued another check to Fox for \$52,500.

- On March 12, 2008, when PEF had no employees, UHW-W Operations Director Phyllis Willett obtained reimbursement from PEF for over \$15,000 that she spent in mid to late February to purchase 100 cellular phones and other communications equipment with her personal credit card.

² Patients do not have rights under the LMRDA.

- On March 29, 2008, PEF's Board approved an expenditure of "up to \$225,000 for worker and patient educational costs related to the Long Term Care Election which may include, but are not limited to costs incurred for materials, postage, phone banking, and translation." The "Long Term Care Election" referred to a non-binding and misleading straw poll that was conducted by the UHW-W leadership among its members ostensibly to obtain the members' views (unaided by any debate or presentation of views other than those of the UHW-W leadership) on an internal union jurisdictional matter, not an issue related to the healthcare crisis or permissible for a 501(c)(3). On March 26, PEF actually spent \$50,804 to cover the cost of postage involved in mailing results of the straw poll to UHW-W members even prior to PEF Board authorization.

None of these authorizations or expenditures is consistent with the education of patients and workers about the healthcare crisis or preparation for the California ballot initiative that had failed to materialize in January 2008.

While the officers of UHW-W were bonded as required by federal law and the SEIU Constitution, the officers of the PEF were never bonded. The monies transferred to PEF were, therefore, put at added risk of loss

The true purpose of PEF was eventually revealed: to finance a defense of the top officers in the event of a trusteeship by the International Union and to convert union dues into a private source of outside funds to maintain their power. When SEIU appoints a trustee to manage the affairs of a local union, any displaced local union officers wishing to challenge the trusteeship would lack access to the union's funds and therefore would be required to finance their challenge with their own personal funds.

- On March 27, 2008, UHW-W posted on its union-sponsored website, seiuvoice.org, a flyer stating that the promotion of "union democracy" was one purpose of PEF.
- On April 3, 2008, Rosselli responded to President Stern's letter of March 24, 2008, stating, among other points, that in the event of a trusteeship deemed by UHW-W to be unlawful, "[W]e would have every right to retain legal counsel to defend our members' right to participate in the governance of their union through their democratically elected leaders – a right that a trustee might attempt to quash by denying access to the funds needed to exercise that right."
- On April 4, 2008, UHW-W's seiuvoice.org website quoted with approval from and linked to an April 2 blog entry by Herman Benson.³ The Benson blog post stated that PEF was created as "an advance defensive measure" by UHW-W "to defend itself against the imposition of a trusteeship." The blog further stated: "[T]he local executive board voted to put money into a separate tax-exempt fund protected from seizure by Stern, with the express aim of defending membership rights.... The independent fund established by UHW-W, free from Stern's

³ Benson and Fox, the lawyer whom PEF retained under the \$75,000 retainer agreement noted above, sit together on the Board of Directors of the Association for Union Democracy ("AUD").

control, would give members resources to resist the imposition of the trusteeship and, if it is imposed, would help defend their rights while it remains in effect.”

These publications demonstrate that the real purpose behind the creation of PEF was to defend against trusteeship, not to educate workers and the public about the healthcare crisis. The leaders of UHW-W used the vehicle of authorizing what appeared to be a gift to an education fund to hide the fact that they were in effect making a gift to themselves to pay for their future personal legal fees with union funds to which they would not otherwise have had access—an act of self-dealing engaged in with the purpose of preserving their personal power within the union.

UHW-W thus fraudulently misrepresented the true purpose of PEF to its members, to the International Union, and to the federal government; and it created a false record of what its Executive Board’s purpose was in authorizing the transfer of monies to the PEF — all in order to avoid internal union oversight and to undermine democratic governance procedures. This fraud was perpetrated not only on the membership but also on the DOL, and federal and state tax agencies.

These actions constitute multiple breaches of fiduciary duty and are violations of Article XVII, Section 1, subsections (1)(Violation of any specific provision of the SEIU Constitution or the Constitution and Bylaws of a Local Union); (5) (Financial malpractice); (8) (Violations of democratically and lawfully established rules, regulations, policies or practices of the International or Local Union); and (9) (Wrongful taking or retaining of any money ... belonging to...the Local Union...). These actions may also constitute violations of federal law.

2. UHW-W Failed to Take Action to Recover All Funds from PEF

While PEF was disbanded in late April 2008, over \$100,000 formerly in the Fund’s possession still has not been returned to UHW-W. On May 15, 2008, SEIU Secretary-Treasurer Anna Burger wrote to members of the UHW-W executive board, advising them of the duty to seek the return of the funds spent by PEF. On May 17, 2008, the UHW-W executive board evasively responded that it “expected shortly a further return of approximately \$110,000.” However, those funds have not been returned as of this date. Significantly, on July 29, 2008, some members of the UHW-W executive board responded to a member’s inquiry by denying “that any expenditure of the PEF was unlawful,” apparently to justify the failure to recover the monies.

UHW-W leaders did not take prompt or sufficient action to recover the \$100,000 in funds spent by PEF, thereby breaching their fiduciary duties and committing financial malpractice. This conduct violates Article XVII, Section 1, subsections (1)(Violation of any specific provision of the SEIU Constitution or the Constitution and Bylaws of a Local Union); (5) (Financial malpractice); (8) (Violations of democratically and lawfully established rules, regulations, policies or practices of the International or Local Union); and (9) (Wrongful taking or retaining of any money ... belonging to...the Local Union...). This conduct also may constitute a violation of federal law.

3. **UHW-W Moved Another \$500,000 To An Attorneys' Trust Account As Part Of A Continuing Effort To Move UHW-W Funds Off The Books**

According to a document that purports to be the official minutes of the March 2008 UHW-W Executive Board meeting, on March 7-8, 2008, just one month after UHW-W moved \$2,000,000 to PEF, the UHW-W passed a resolution authorizing UHW-W's officers to move additional funds out of UHW-W. The resolution directed that "up to \$500,000 be placed in its [law firm's] client trust account, to be billed against pursuant to a retainer agreement with the firm to the greatest extent allowed by law in order to provide any and all legal defense of the membership and officers of UHW-W **from any attempt by any other labor organization or individual(s) to deprive UHW-W of any of its members and/or of its democratic independence and/or its lawful rights of free speech by imposition of an illegal trusteeship or otherwise**, or to deprive it of its right to be governed **by the officers the members democratically elected in the last UHW-W officers' election.**" (Emphasis added).

A few days later, UHW-W entered into a retainer with the law firm of Siegel and LeWitter. This March 10, 2008 Retainer Agreement, which was signed on March 15th by Joan Emslie and March 17th by the law firm, called for a retainer of \$25,000, with the requirement that UHW-W replenish the amount following notice of a drawdown in order to maintain a constant balance of \$25,000. On March 31, 2008, seven days after the International Union had served UHW-W with the above-described March 24 letter, UHW-W transferred the full amount of \$500,000 to the Siegel firm's trust account.

There was no proper union purpose for such a large payment. Moreover, UHW-W's transfer of \$500,000 to the Siegel firm, twenty times the amount required, is inconsistent with the Retainer Agreement, which shows the firm expected to bill no more than \$25,000/month. UHW's excessive payment demonstrates that the funds were transferred off the books to evade review, as one more device to protect the incumbent officers in the event of a trusteeship and to improperly contest actions by the International Executive Board.

Notably, even though the March 24 letter to UHW-W clearly required UHW-W to produce to the International Union the minutes of the March 7-8 UHW Executive Board meeting, UHW-W did not turn over those minutes in response to that letter. The minutes were produced more than four months late and only after the International sent auditors to UHW-W in August 2008. UHW-W refused, however, to cooperate further with the auditors on the matter of the escrow account by refusing to respond to follow-up questions raised about the billing identification numbers in the law firm's invoices against the trust account.

The resolution itself raises serious constitutional issues, since two of its purposes are contrary to the SEIU Constitution:

- The resolution authorizes payment of funds for legal fees to defend the “membership **and officers**” in the event of an imposition of an illegal trusteeship. This element of the resolution amounts to self-dealing since the officers would be the ones adversely affected by any trusteeship and, in the event of a trusteeship, they would be the ones required to personally fund any litigation challenging the legality of the trusteeship. This is an inappropriate use of union monies.

- The resolution authorizes payment of funds for legal fees to defend against any efforts by “any labor organization or individual to deprive it of its right to be governed by the officers the members democratically elected in the last UHW-W officers’ election.” This appears to have been written to specifically protect the incumbent officers in the event of internal union charges against them or removal in trusteeship, and setting aside \$500,000 of UHW-W monies for this purpose is also inappropriate.

This conduct violates Article XVII, Section 1, subsections (1)(Violation of any specific provision of the SEIU Constitution or the Constitution and Bylaws of a Local Union); (5) (Financial malpractice); (8) (Violations of democratically and lawfully established rules, regulations, policies or practices of the International or Local Union); and (9) (Wrongful taking or retaining of any money ... belonging to...the Local Union...). This conduct may also constitute a violation of federal law.

4. The Leaders of UHW-W Wrongfully Converted the International Union’s Convention Delegate Database

In June 2008, the leadership of UHW-W obtained SEIU’s proprietary 2008 Convention Delegate Database, maintained by Opus Solutions Inc., and since that date, has been unlawfully using this database despite repeated directives from the International Union to cease using the database and to return it to SEIU.

- On July 10, 2008, the International Union asked UHW-W, through UHW-W Secretary Treasurer Emslie, “to cease and desist immediately from unauthorized use” of the Convention Database. Emslie responded back to SEIU Secretary Treasurer Anna Burger on July 22, 2008. In her response, she did not provide any facts as to how UHW-W obtained the database but instead made the surprising claim that SEIU’s request for return of a misappropriated database interfered with the leadership’s Title I rights. UHW-W thus asserted the right to use stolen property, so long as the stolen property was used for purposes of communication.

- On August 8, 2008, in response to the July 22, 2008 Emslie letter, SEIU President Andy Stern formally demanded that the leadership of UHW-W cease using the database and return it immediately. “I hereby direct you and the local to comply with these requests.”

- In the meantime, on August 4, 2008, the Special Assistant to the SEIU Secretary Treasurer (“Special Assistant”) had been directed to examine the books and

records of UHW-W. Subsequently, in carrying out that examination, he asked UHW-W Secretary Treasurer Emslie about the database, and she told him that she had no idea what list he might be talking about.

- On August 14, 2008, Emslie wrote the following to SEIU President Andy Stern “in response to your August 8 letter to” the leadership of UHW-W demanding return of the database: “According to the best of my knowledge and understanding ... UHW is **not** in possession of any property belonging to SEIU.” (Emphasis in original.)

- The August 14 letter on behalf of the leadership of UHW-W is false insofar as it claims that UHW-W has never possessed or made use of the Convention Database. Many of the names and addresses in the database are unique to that database, and SEIU vendors and convention guests, including the families of delegates who attended the convention are receiving mailings, packages and e-mails from the leadership of UHW-W. Furthermore, if UHW-W were not using the database, Secretary-Treasurer Emslie’s initial July 22, 2008 response would make no sense. Likewise her statement to the Special Assistant described above cannot be reconciled with her July 22 letter.

The misappropriation of SEIU’s proprietary database constitutes a violation of SEIU Constitution Article XVII, Section 1(9), which prohibits the wrongful taking or retaining of any money, books, papers or any other property belonging to the International Union.

5. UHW-W Has Failed to Cooperate With the International Union’s Audit of UHW-W and With the International Union’s Assignment of Monitors

Pursuant to the audit of UHW-W’s records and books that was ordered on August 4, 2008, the Special Assistant, after reviewing certain UHW-W records, asked for several items of follow-up information. On August 19, 2008, UHW-W Secretary-Treasurer Emslie sent a letter to the Special Assistant refusing to provide some of the items he requested. As set forth in the August 25, 2008 letter from International Union Secretary-Treasurer Anna Burger to UHW-W Secretary-Treasurer Emslie, the refusal to provide the requested information is in violation of Article XIII, Section 6(a) of the SEIU Constitution and Bylaws. Since the time of the original notice of hearing on whether a trustee should be appointed, the International Union assigned monitors to UHW-W, and UHW-W has deliberately interfered with the ability of the monitors to perform their assigned functions.

6. Leaders of UHW-W are Alleged to have Retaliated Against Members Who Have Dissented from UHW-W’s Leadership on Internal Union Matters

It has been alleged that leaders of UHW-W have harassed, humiliated, and otherwise retaliated against members of UHW-W who have voiced support for the International Union’s “Justice for All” platform and have dissented from UHW-W’s views on internal union matters.

- On or around June 19, 2008, Dollie Lee and Dory Machica, two stewards from Kaiser Sunset, appeared for what was billed as an ordinary steward council meeting. For six hours they were subjected to a “trial” which resulted in their being removed from their leadership positions on the steward council. They and other members had appeared on a leaflet supporting the “Justice for All” platform. That leaflet together with Ms. Lee’s and Ms. Machica’s e-mails and other materials were circulated to all stewards at the meeting. After that meeting, President Rosselli visited the Kaiser Sunset facility, and visited Ms. Machica’s work area with several of his union staff. During that visit, Ms. Machica returned to her desk after a brief absence to find a copy of a member letter criticizing her left on her desk with a hand-written note reading “Step Down.” Ms. Lee and Ms. Machica have alleged that this conduct is intended to pressure them to resign from their elected stewardship positions.

- The International has received reports that Yvette Hurston, a UHW-W member who has been a vocal critic of UHW’s leadership, has been subject to retaliation as a result of her support for the International Union’s positions on internal union matters. In the weeks following the International Union’s Convention, Ms. Hurston was informed by a Kaiser supervisor that UHW-W leaders have attempted to interfere with her employment with Kaiser Permanente. More recently, Ms. Hurston has reported that she received an apparently hand-delivered anti-International Union leaflet in her home mailbox. Ms. Hurston interpreted the hand-delivery of this leaflet as a threat, particularly since none of the previous UHW materials had arrived in that way.

These actions are contrary the SEIU Member Bill of Rights and Responsibilities in the Union.

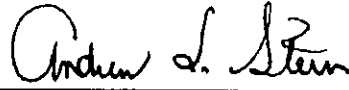
CONCLUSION

Accordingly, a hearing will be conducted on September 26 and 27, 2008 at the time and place set forth above.

Consistent with the Statement of Hearing Procedures, members and officers of UHW-W shall have the right to appear at this hearing, to present testimony and other evidence through witnesses and/or documents and to state their position on the imposition of the trusteeship. Upon the conclusion of the hearing, the hearing officer will make a report and recommendation to the International President orally or in writing, on the imposition of trusteeship. The International President shall take his decision to the SEIU

International Executive Board which will make the ultimate determination on the trusteeship.

Dated this 12th day of September 2008.

A handwritten signature in black ink, reading "Andrew L. Stern". The signature is written in a cursive style with a horizontal line underneath it.

Andrew L. Stern
International President

cc: Anna Burger, International Secretary-Treasurer
JJ Johnston, Chief of Staff
Judith A. Scott, General Counsel
Kimberly Evon, SEIU California Area Director
Thomas DeBruin, SEIU
Stephen Lerner, SEIU

**STATEMENT OF PROCEDURES FOR HEARING
ON WHETHER A TRUSTEE SHOULD BE APPOINTED
AT SEIU UNITED HEALTHCARE WORKERS–WEST,
UNDER ARTICLE VIII, SECTION 7 OF THE SEIU CONSTITUTION**

Pursuant to the provisions of Article VIII, Section 7 of the SEIU Constitution and Bylaws and as set forth in the Notices of Hearing dated August 25, 2008 as amended on September 9 and 12, 2008, a hearing will be held on September 26–27, 2008, to consider whether a Trustee should be appointed to take charge and control of the affairs of SEIU United Healthcare Workers–West (“UHW–W”) and a trusteeship imposed over UHW–W.

The hearing will be conducted according to the following schedule:

DATES/TIMES: Friday, September 26, 2008
 9:00 a.m. until recessed by Hearing Officer; and

Saturday, September 27, 2008
9:00 a.m. until concluded

PLACE: Fiesta Hall
 San Mateo Events Center
 2495 S. Delaware Street
 San Mateo, California

The following procedures, approved by the Hearing Officer, Secretary Ray Marshall, will be in effect for the hearing:

1. This hearing is to be conducted as an internal union governance matter under the SEIU Constitution. Secretary Ray Marshall, the Hearing Officer appointed by International President Andrew L. Stern pursuant to Article VII, Section 7 of the SEIU Constitution, shall preside over the hearing.

2. The official parties in this trusteeship hearing are the representative of the International President who will present the evidence in support of the trusteeship and the Local Union’s Executive Board who will designate a representative to present its position on the proposed trusteeship. While it is often the Union’s policy to exclude attorneys from speaking on the record, the Hearing Officer will permit either party to designate counsel as its representative on the record in this proceeding if the either party so chooses. Otherwise the party will designate a principal spokesperson who is an SEIU member.

3. The hearing is informal and not intended to be a formal legal proceeding. Formal rules of evidence will not apply. The Hearing Officer may set reasonable time limits on the presentation of evidence and may make any other rulings he deems appropriate to assure an orderly full and fair hearing. All statements and testimony

will be provided under oath. Documentary and testamentary evidence will be taken into evidence as deemed appropriate by the Hearing Officer.

4. The designated representative of each party shall be allowed an opportunity to give an opening statement at the commencement of the hearing and a summation at the conclusion of the hearing, not to exceed 30 minutes per party. The Hearing Officer may extend this time as he deems appropriate.
5. The representative designated by the International President shall present his or her witnesses and evidence first. The Local's representative shall then present his witnesses and evidence. All testimony of witnesses will be provided under oath.
6. Cross-examination will be allowed within limits, bearing in mind that this is an internal union proceeding and not a formal court proceeding. After each witness has testified, s/he may be questioned by the principal spokesperson of the opposing party. In addition, the Hearing Officer or his counsel may question any of these witnesses. Further, the Hearing Officer may allow the spokespersons additional opportunities for questioning the witnesses. The Hearing Officer may limit cross-examination that is unnecessary, duplicative or inappropriate.
7. Transcription of the hearing will be done by a certified court reporter. This will serve as the official transcript of the proceeding. Either party who wishes to obtain a copy of the transcript should make arrangements with the court reporter directly. In addition, the International Union will arrange for an official video recording of the hearing. No other means of audio-recording, video recording or photography will be permitted.
8. Unless otherwise approved by the Hearing Officer, only members of the Local Union, the court reporter and official videographer, assigned International staff, the parties' counsel (if designated as the representative spokesperson by one of the parties) may attend the hearing. Counsel to the Hearing Officer may also be present. The video tape of the proceedings shall not be part of the official record of the hearing but shall be retained by Secretary Marshall in the event it may be relevant to any subsequent legal proceedings.
9. A non-member may testify on a specific issue only if called as a witness by either party. If anyone is aware of anyone who is present in the hearing room who is not a member, or who is not authorized to attend the hearing under these procedures, s/he should immediately bring that to the attention of the Sergeant-at-Arms.
10. In the event that the spokesperson for either party intends to offer written materials into the record at the hearing, five (5) copies should be prepared so that the Hearing Officer and his counsel, the court reporter and each party have a copy for review, and so that one copy can be introduced into the official record.

11. The Hearing Officer reserves the right to exclude testimony which is irrelevant and to limit testimony that is undisputed, cumulative or duplicative of other evidence.
12. After each party has presented its witnesses and evidence, reasonable opportunity for rebuttal shall be allowed by the Hearing Officer if he deems it appropriate to ensure a fair hearing.
13. After the parties have completed their case and any rebuttal thereto and time permitting, UHW-W members may present their views by speaking on the record for no more than two (2) minutes. Each such person who wants to speak shall sign up on the speakers' list at the beginning of each session and shall identify himself or herself at the beginning of his or her presentation. The Hearing Officer has the discretion to permit members to speak for longer than two (2) minutes in an individual case if he deems that appropriate. Only the Hearing Officer or his counsel may question any of these speakers.
14. The Hearing Officer shall leave the record open for a period of time following the close of the hearing to permit the parties to submit post-hearing written briefs and to permit UHW-W members to submit written statements. The period of time within which to submit briefs and statements shall be announced before the end of the hearing.
15. Security is being provided and it is in the discretion of the Hearing Officer to do what is necessary to keep order. In his discretion and if necessary to conduct a fair and orderly hearing, the Hearing Officer may direct that the hearing be continued in the absence of the audience. In such event, only the Hearing Officer, his counsel, the court reporter, the videographer, the spokesperson for each party, the parties' counsel, witnesses when testifying and such other persons that the Hearing Officer determines are necessary for a fair hearing may attend the hearing. In this event, members will be afforded an opportunity to submit written statements to the Hearing Officer.
16. Following the closure of the record, the hearing officer will make a report and recommendations to the International President, who has the authority to issue a decision on the trusteeship in this case under Article VIII, Section 7(f) of the SEIU Constitution. International President Stern has stated that he will take his decision to the International Executive Board for final approval. The decision of the International Executive Board shall be rendered no later than the middle of November unless the time is extended by the International President.

CONSTITUTION AND BYLAWS

SEIU UNITED HEALTHCARE
WORKERS – WEST

SERVICE EMPLOYEES INTERNATIONAL
UNION
AFL-CIO, CLC

Sal Rosselli, President
Jorge Rodriguez, Executive Vice President
Joan Emslie, Secretary-Treasurer

Adopted by a Vote of the Membership, December 11, 2004



WWW.SEIU-UHW.ORG

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Article 1
NAME

This is the Constitution and Bylaws of SEIU United Healthcare Workers -West, affiliated with the Service Employees International Union, AFL-CIO, CLC.

Article 2
PURPOSE AND MISSION

We believe that unions are the means by which working people build power, by which ordinary people accomplish extraordinary things.

We are the SEIU United Healthcare Workers - West, of the Service Employees International Union, AFL-CIO, CLC. We are united by the belief in the dignity and worth of workers and the services we provide, dedicated to improving the lives of our members and their families, and to creating a more just and humane society in which all people have a right to receive affordable healthcare services.

The objects and purposes of this Union shall be to promote and develop the securing of economic advantages, including better wages, hours and working conditions, through organizing the unorganized, collective bargaining, legislative and political action, and the utilization of other lawful means.

We are healthcare workers forming a stronger union to build power for ourselves and to protect the people we serve. Our vision is of a society in which:

- Workers and their families live and work in dignity;
- Workers have a meaningful voice in decisions that affect them;
- Workers have the opportunity to develop their talents and skills;
- The collective voice of workers is realized in a democratic and progressive union;

- The highest quality healthcare is available and accessible to all;
- Union solidarity stands firm against the forces of discrimination and hate and the unfair practices of exploitative employers;
- Our Union fairly and honestly cooperates with employers who choose to respect workers, the work we do and our vision;
- We are not divided by forces of discrimination based on race, creed, color, religion, gender, gender identity, sexual orientation, marital status, national origin, citizenship status, ancestry, age, disability or political persuasion;
- We have achieved power and effectiveness based upon the active participation and commitment of our members;
- We have achieved effective influence over our industry and labor market;
- Government plays an active role in improving the lives of working people and workers' voices are heard at every level of government.

To Achieve This Mission We Must:

1. Organize unorganized healthcare workers, extending to them the gains of unionism while securing control over the industry and healthcare labor markets;
2. Build political power to ensure that workers' voices are heard at every level of government to create economic opportunity and foster social justice;
3. Provide meaningful paths for member involvement and participation in a strong and democratic union;
4. Be unified and inspired in a set of beliefs and principles that transcends our social and occupational diversity and guides our work.

The Executive Board may propose an amendment or amendments to this Constitution and Bylaws at any time provided two-thirds (2/3) of the Board supports the amendment.

Whenever the Executive Board reports upon any amendment or amendments to the Constitution proposed by members or initiated by the Executive Board, the Union shall send a written notice to all members, and a vote shall take place within one hundred eighty (180) days from the date of said report. When a notice is sent, all forms of media communication can and may be used.

Pursuant to the International Union Constitution, no amendment shall be valid or become effective until approved by the International Union.

Article 19

PROCEDURE AND DEBATE

Meetings of this Union shall be governed by the current edition of Robert's Rules of Order. Every member shall follow and be subject to such rules governing debate at all meetings of this Union.

Article 20

DISSOLUTION

This Union cannot dissolve, secede or disaffiliate while there are seven dissenting members. In the event of secession, dissolution or disaffiliation, all properties, funds and assets, both real and personal, of this Union shall become the property of the International Union. Under no circumstances shall this Union distribute its funds, assets, or properties individually among its membership. The International Union shall be notified by registered or certified mail, at least sixty (60) days prior to the date of any meeting scheduled by this Union, or any affiliated body for the purpose of taking a vote on disaffiliating from the International Union. And a representative of the International Union shall be afforded an opportunity to speak at such meeting. The International

President shall direct whether the membership vote shall be conducted by secret ballot at a membership meeting and/or by mail referendum, and, if appropriate, a separate method by which dissenting local unions or members may assert their dissent. An independent neutral party shall count the vote. In the event of secession, dissolution or disaffiliation, all properties, funds and assets, both real and personal, of such union or affiliated body shall become the property of the International Union. Under no circumstances shall any union or affiliated body distribute its funds, assets or properties individually among its membership.

Article 21

PROPERTY RIGHTS OF MEMEBERS

The title to all property, funds, and other assets of this Union except for real property, which may be held by a corporation created pursuant to Internal Revenue Code Section 501(c)(2), shall at all times be vested in the Executive Board for the joint use of the membership of this Union. No member shall have any severable proprietary right, title or interest therein.

Membership in this organization shall not vest any member with any right, title or interest in or to the property of this Union, including the funds of this Union.

Article 22

NOMINATIONS AND ELECTIONS

The General Election for all members of the Executive Board shall take place between January 1 and March 31 every three years, commencing in 2006.

1. Election Committee

- A. An election committee shall be established no later than the November prior to a general election. The committee shall consist of no less than five (5) members, appointed

Article 3

JURISDICTION

Subject to the authority of the International Union to establish jurisdiction of local unions, this Local Union shall have jurisdiction over all healthcare workers who are eligible for membership in the Service Employees International Union in California, as well as Kaiser Permanente in the Reno, Nevada area, and any state as authorized by the Service Employees International Union. This Local Union does not claim jurisdiction over such workers if they are under the jurisdiction of a presently existing, and operating local union pursuant to the granting of jurisdiction by the International Union.

Article 4

INTERNATIONAL CONSTITUTION

The Constitution and Bylaws of this Local Union shall at all times be subordinate to the International Constitution and Bylaws, as it may be amended. If any conflict should arise between the Constitution and Bylaws of this Local Union, or any amendments thereto, and the International Constitution and Bylaws, or any amendments thereto, the provisions of the International Constitution and Bylaws shall control.

Article 5

AFFILIATIONS

This Union shall be affiliated with the Service Employees International Union, appropriate SEIU divisions, the California State Council of Service Employees, and any other council as determined by the International Union. This Union shall also be known as SEIU Local 2005. This Union may also be affiliated with the state federation of labor, AFL-CIO, CLC and the appropriate central labor councils as directed by the Executive Board.

Article 6

MEMBER RIGHTS AND RESPONSIBILITIES

Rights in the Union

The right to have opinions heard and respected, to be informed of Union activity, to be educated in Union values and Union skills.

The right to choose the leaders of the Union in a fair and democratic manner.

The right to a full accounting of Union dues and the proper stewardship over Union resources.

The right to participate in the Union's bargaining efforts and to approve union contracts.

The right to have members' concerns resolved in a fair and expeditious manner.

Responsibilities in the Union

The responsibility to help build a strong and more effective labor movement, to support the organizing of unorganized workers, to help build a political voice for working people, and to stand up for one's co-workers and all workers.

The responsibility to be informed about the internal governance of the Union, and to participate in the conduct of the Union's affairs.

The responsibility to contribute to the support of the Union.

The responsibility to treat all workers and members fairly.

The responsibility to bring concerns in a constructive manner to structures within the Union as defined by these Bylaws.

Rights on the Job

The right to have work that is worthwhile to society and to pursue satisfying work which provides a decent standard of living, a healthy and safe workplace, and the maximum possible employment security.

The right to have a meaningful and protected voice in the design and execution of one's work and in the long-term planning by one's employer, as well as the training necessary to take part in such planning.

The right to have fair and equitable treatment on the job.

The right to share fairly in the gains of the employer.

The right to participate fully in the work of the Union, on scope content, and structure of one's job.

Responsibilities on the Job

The responsibility to participate in the Union's efforts to establish and uphold collective principles and values for effective workplace participation.

The responsibility to recognize and respect the interests of all Union members when making decisions about Union goals.

The responsibility to be informed about the industry in which one works and about the forces that will affect the condition of workers in the industry.

The responsibility to participate fully in the Union's efforts to expand the voice of workers on the job.

The responsibility to provide a fair day's work for a fair day's pay.

The responsibility to advocate for the needs of the patients we serve.

Article 7 MEMBERSHIP

1. There shall be no discrimination against any member, or any applicant for membership, by reason of race, creed, color, religion, gender, gender identity, sexual orientation, marital status, national origin, citizenship status, ancestry, age, disability or political persuasion.
2. Newly admitted members shall subscribe to the Membership Obligation set forth in the International Constitution and Bylaws, which is reprinted below. This Membership Obligation shall not be construed to require any individual member to waive any of his/her legal rights.
3. Categories of Membership
 - A. Regular Members

A regular member is an individual employed in a bargaining unit for which the Union is the recognized bargaining agent for matters relating to wages, hours and other terms and conditions of employment; or is a Union officer or staff member.
 - B. Associate Members
 - 1) An associate member must be an individual who is not part of a bargaining unit for which the Union is the recognized bargaining agent and is an individual or a member of a group that has been approved by

the Executive Board as being eligible for associate membership.

- 2) The Executive Board may enact policies, procedures and regulations to implement the establishment of the associate member classification of membership, subject to the guidelines of the International Union.
- 3) An associate member shall not be eligible to hold office or vote in officer elections.

C: Retired Members

Retired members shall be entitled to maintain membership in the Local and shall pay less than the full dues required for working members of the Union, but shall not be eligible for nomination to any elected position, other than as Retiree Vice President, nor to hold any other office.

Article 8
STEWARDS

1. Stewards are the worksite leaders of the Union. A strong, democratic and effective union is built on a solid foundation of stewards at each worksite. The responsibilities and roles of a steward are defined by this Constitution and Bylaws, union policies and procedures, as well as the provisions of the collective bargaining agreements that are negotiated with the employers.
2. The diversity and complexity of the Union only allow for a general description of the steward's roles and responsibilities in this Constitution and Bylaws. The Executive Board shall set policies as necessary on all matters relating to stewards, except the basic policies that stewards be members in good standing, and that they be elected, by ballot or petition, in a work area

(unit or department or cluster) defined by the appropriate worksite steward council.

3. A steward has no greater rights than any of the members in his/her area. However, the responsibilities of a steward do outweigh those of other members. Being a steward requires that personal opinions and preferences are subordinate to that which represents the highest good to the members.
4. Stewards shall serve without compensation. However, based on the financial ability of the Union, the Executive Board shall consider and establish guidelines and policies regarding reimbursement for lost time wages and "out of pocket" expenses.
5. The responsibilities of a steward shall include, but are not limited to:
 - A. Supporting the Union's efforts to process grievances and resolve worksite issues;
 - B. Orienting new workers to the Union;
 - C. Maintaining the Union's internal organization at the worksite;
 - D. Completing core steward training and any other required training;
 - E. Participating in the grievance appeal process, as appropriate;
 - F. Distributing and posting all appropriate information he/she receives from the Union and updating the union bulletin board;

- C. Collecting dues or other monies if so authorized by the Union;
- H. Representing her/his worksite in appropriate meetings of the Union and representing the interests of the members in their absence;
- I. Attending facility, worksite, geographic, and other appropriate meetings;
- J. Effectively leading members to defend and advance the interests of the membership;
- K. Participating in, promoting, and recruiting for the Union's organizing and political programs;
- L. Communicating with and leading members to implement the policies and programs of the Executive Board and the division steward council;
- M. Mobilizing members to action.

- 6. Stewards shall be reelected or reconfirmed by a vote of the membership in their work area (unit, department or cluster, as defined by the worksite steward council) every three years, commencing in the first quarter of 2007.
- 7. In between the three (3) year election cycle, a steward may be elected by submitting a petition signed by a majority of the members in her/his constituent work area (unit, department or cluster, as defined by the worksite steward council).
- 8. In the event of dissatisfaction with a steward, the member(s) must first present the issues of concern to the worksite steward council and allow the steward council to investigate, mediate, and resolve the issues or take satisfactory action to address the issues. After the steward council's dispute resolution process, a

- 9. The Union shall not be legally liable in any court of law or other forum for the actions and/or inaction of its stewards.

Article 9
WORKSITE STEWARD COUNCILS

The worksite steward council shall serve as the center of union activity, information and input at the workplace. The worksite steward council will take leadership in the recruitment of new stewards/activists; distributing and posting union information materials; implementing internal and external mobilization programs; orienting new members; scheduling, and conducting regular facility based membership meetings. The worksite steward council will also take leadership for coordinating the Union's program for bargaining, organizing, political, legislative, grievance, and arbitration activity at the facility level.

- 1. Each worksite shall establish a steward council consisting of all worksite stewards at a facility or other designated area.
- 2. The worksite steward council shall meet at least once a month.
- 3. The worksite steward council shall develop ground rules for conducting steward council meetings.
- 4. The worksite steward council shall maintain and distribute minutes of the steward council meetings.

5. Worksite steward councils are the vehicles for defending the rights the members on a daily basis.
6. Worksite steward councils share the responsibility for organizing the worksite by sharing and distributing the responsibilities of the individual steward.
7. Worksite steward councils shall be a forum for discussing common problems and concerns, and establishing effective solutions.
8. Worksite steward councils shall help to develop an effective system of worksite communication, including distribution of written materials, updating bulletin boards, worksite meetings, and other activities.
9. Worksite steward councils shall facilitate discussion and dialogue on relevant issues, including union activities, training, education, and other concerns.
10. Worksite steward councils shall address appeals related to grievance handling as determined by division policy.
11. Worksite steward councils shall participate in, promote, and recruit for the Union's organizing and political programs.
12. The leadership positions responsible for the effective functioning of the worksite steward councils are as follows:
 - A. Representative chairperson: the steward who, along with the chief stewards, has primary responsibility for the operations of the council, representation coordination, and training coordination. The representative chairperson shall preside over the

worksite steward council and membership meetings and cooperate and coordinate with all stewards, officers, and the Executive Board to ensure that the worksite steward council functions are carried out. The representative chair shall also serve on the division steward council.

- B. Chief steward(s): with the appropriate number determined by the worksite steward council, each worksite may elect a chief steward or chief stewards who in coordination with the representative chair will take responsibility for representation coordination and training coordination.
- C. Council secretary: the steward who has responsibility for recording minutes of worksite steward council meetings and worksite membership meetings in order that a record is kept of issues, activities and recommendations for report to the division steward council and Executive Board for follow-through when necessary. The council secretary will also work with union staff to publish and distribute facility newsletters to inform the membership of issues of interest and activities of the Union at the worksite and in general.
- D. Mobilization chairperson: the steward who has primary responsibility for coordinating internal mobilizations and communications in support of worksite and union-wide programs. The mobilization chair will work closely with the representative chair, the chief stewards, the COPE chair, and union staff to ensure that worksite actions and mobilizations are developed in support of facility and union-wide programs.

- E. COPE Chairperson: the steward who has the primary responsibility for the coordination, education and mobilization in support of political and legislative programs, and who is the designated representative to the Union's political action committee.
- F. Worksite steward councils shall operate within guidelines approved by the Executive Board on such matters that include, but are not limited to structure, officers, chief stewards, and other appropriate policy matters.

Article 10

DIVISIONS AND DIVISION STEWARD COUNCILS

1. The Union's greatest asset is the strength, unity and solidarity of its entire membership. Within the Union there is also a necessity to establish policies and programs that deal with the needs and concerns of members within a particular industry.
2. The Executive Board shall authorize the formation of divisions and division steward councils to coordinate and carry out their activities within the overall operating structure of the Union.
3. Not less than five (5) such divisions shall be formed: Convalescent and Retirement Care, Hospitals - Public/Private, Kaiser Permanente, Homecare, and EMS. The Executive Board may establish additional divisions and division steward councils.
4. - The division steward council shall consist of representatives from the division, based on geographical, facility or contractual units as determined by the Executive Board, who are stewards elected by their constituency.

Division steward council representatives shall:

5.
 - A. Attend division steward council meetings;
 - B. Report back to their defined constituency on the activities and decisions of the division steward council;
 - C. Convey to the division steward council any issues that might impact the division as a whole.
- The duties and responsibilities of a division and division steward council shall include, but are not limited to, the following:
 - A. Meeting at least every three months;
 - B. Selecting a rank-and-file chair who will participate in the development of the division steward council agenda;
 - C. Maintaining and distributing minutes of the division steward council meetings;
 - D. Focusing resources, talents and energies of the Union on developing a strategic plan for each division to better serve the membership;
 - E. Providing a strong identity for members within their division as well as within the Union;
 - F. Providing a vehicle for increased membership participation in the decision-making process of the Union;
 - G. Developing training, educational, informational and communication programs;
 - H. Sharing and coordinating information on industry trends, common issues, problems and other concerns;

- I. Coordinating and implementing union-wide plans, goals and objectives in conjunction with division activities;
 - J. Developing effective "contract campaigns" and new, innovative strategies for achieving collective bargaining agreements;
 - K. Developing additional councils and/or subcommittees, as necessary, based on needs within a particular classification, shift, geographic area, temporary situation, multi-employer or multi-facility contracts and other considerations;
 - L. Deciding appeals related to the processing of grievances as appropriate;
 - M. Participating in, promoting, and recruiting for the Union's organizing and political programs;
 - N. Developing the leadership of the worksite steward councils and standardizing policies where appropriate;
 - O. Developing and implementing a code of conduct for stewards;
 - P. Developing and implementing a process for steward and member dispute resolution.
6. Division steward councils shall operate within guidelines approved by the Executive Board and shall not engage in any action that interferes with another division or with the general policies, goals and programs of the Union as a whole.

Article 11
EXECUTIVE BOARD AND OFFICERS

1. Executive Board

The Executive Board is the governing body of the Union elected every three (3) years. The Executive Board is authorized and empowered to take all lawful action consistent with the Constitution and Bylaws of the Union.

 - A. The Executive Board shall consist of a full time President; a full time Executive Vice President; a full time Secretary-Treasurer; (1) representative of the Retiree Division; rank-and-file Vice Presidents representing each of the established divisions in proportion to their numbers in the Union, and which should be constituencies defined by the Executive Board; as well as full-time Administrative Vice Presidents determined by the Executive Board. Each of the above shall be members in good standing at all times during their terms of office.
 - B. Scheduling and frequency of Executive Board meetings will be determined by the Executive Board (but will be held at least every other month). Meetings shall be open to all members in good standing.
 - C. Special Meetings of the Executive Board may be scheduled by the President, or the Executive Board may call a special meeting based upon a request from one half of the Board members.
 - D. The Executive Board shall approve an annual budget as recommended by the President, examine all financial statements, and approve the appropriation of funds necessary to carry out the business of the Union.

- E. All meetings of the Executive Board shall be conducted in accordance with the current edition of Robert's Rules of Order.
- F. Minutes of regular and special meetings shall be presented in writing to the Executive Board for adoption at its next regularly scheduled meeting.
- G. A majority of the filled seats of the Executive Board shall constitute a quorum for the transaction of union business at a meeting of the Board. Decisions of the Executive Board shall be decided by a majority vote of those present and voting, once a quorum has been established.
- H. The Executive Board shall have the authority to oversee and direct policy and the financial affairs of the Union.
- I. The Executive Board shall establish the compensation for the full-time officers and the full-time Administrative Vice Presidents of the Union.
- J. The Executive Board shall approve the compensation, terms and conditions of employment for the staff of the Union.
- K. Contracts for the Executive Board shall approve services rendered to the Union. These contracts shall include, but are not limited to legal services, member benefit programs, auditing services, and facility leases.
- L. Members shall have the right to address the Executive Board on issues or unresolved problems in accordance with reasonable procedural guidelines established by the Board.
- M. In the event that any member of the Executive Board fails to attend three (3) regular meetings of the Executive Board

in a twelve (12) month period without a reason approved by the Executive Board, that member's seat shall be declared vacant.

- N. The term of officers and Executive Board members shall expire following the election and installation of all newly elected officers and Executive Board members, as herein provided.
- O. Executive Board members shall be deemed, by virtue of their election to Union positions, by length of membership in the Union, and its predecessors, elected delegates to the Service Employees International Union Convention, and any other conventions, conferences, councils and bodies to which this Union is entitled to send delegates. If it shall appear that the number of elected union officers is less than the number of delegates which the Union will be entitled to, then arrangements shall be made for nomination and secret ballot election, if required, of an additional number of eligible members as convention delegates. Nominees for such position, if unopposed, shall be deemed elected without necessity for further procedures. If the total number of elected officers is greater than the number that the Local Union is permitted to send to the convention(s), the President, Executive Vice President, and the Secretary-Treasurer shall attend as delegates. Additionally, the Administrative Vice Presidents, and other Vice Presidents will be selected in descending order of the number of votes each received in the last election. However, if the other elected members of the Executive Board run unopposed, they shall be listed in accordance with length of membership in the Local Union. The Executive Board shall determine the number of delegates and alternates which shall represent the Union at the convention.

P. In order to be eligible for nomination and election to an officer position or Executive Board position, a nominee must have been a member in good standing of the Local Union, and/or its predecessors, continuously for two years immediately prior to the nomination.

Q. The two (2) year membership requirement may be waived for those nominees from newly organized facilities and/or newly affiliated members who are running for Executive Board Vice President or Administrative Vice President, but not any other office.

2. Vice Presidents

A. Vice Presidents shall be elected by regular members employed in bargaining unit constituencies defined and designated by the Executive Board, and shall be voting members of the Executive Board.

B. Vice Presidents shall serve without compensation but shall be reimbursed for any lost time wages and "out of pocket" expenses.

C. In the event that a Vice President changes jobs from employment in one division to another, but remains a continuous member in good standing, and remains covered by a union contract, in either or both divisions the Vice President shall continue as an Executive Board Vice President for the remainder of her/his term.

D. Responsibilities of the Vice President shall include:

- 1) Representing the interests of all members within her/his constituency;
- 2) Being a steward;

3) Leading division meetings, including helping to structure, plan, publicize, recruit for and chair the meetings;

4) Understanding the issues affecting the membership by talking to stewards, members, and union staff; attending steward council meetings; conducting facility visits; being accessible to members; and attending membership meetings;

5) Being visible by attending actions for the Union and other unions; representing the Union at central labor council, public board, and community meetings;

6) Identifying, promoting, recruiting, training, and mentoring stewards and members;

7) Participating in and recruiting members to participate in the Union's organizing campaigns;

8) Leading and participating in the Union's COPE committees; working with central labor councils to recruit members for political activities; participating in regulatory activities and commissions; and lobbying.

E. Vice Presidents shall automatically become members of their division steward councils.

F. In the event of a vacancy in the office of a Vice President, the Executive Board shall appoint a steward from the division in which the vacancy occurred to fill the unexpired term. All stewards from the division where the vacancy occurred shall be notified of the vacancy and the procedures adopted by the Executive Board for filling the position.

3. President

A. The President shall be a regular member elected by the regular members and retired members at large to serve as the Union's chief Executive officer on a full-time basis. It shall be the President's duty to administer the affairs of the Union and to implement the policies of the Union on a day-to-day basis. The President's duties shall include but are not limited to:

- 1) Complying with the mandates of all membership votes and/or decisions of the Executive Board;
- 2) Presiding at all meetings of the Executive Board and at membership meetings, conferences, conventions and other Union functions as necessary;
- 3) Hiring, firing, assigning and directing the Union's staff in accordance with any applicable bargaining agreement, rules, laws and regulations, and pursuant to any staff related policies adopted by the Executive Board;
- 4) Assigning and directing the Union's staff within an operating budget approved by the Executive Board;
- 5) Calling special meetings of the Executive Board, membership or specific committees and other bodies of the Union, as necessary;
- 6) Together with the Executive Vice President and Secretary-Treasurer, sign checks, vouchers, financial contracts and agreements subject to the policies of the Executive Board and the Constitution and Bylaws;

- 7) Signing all collective bargaining agreements as the Union's official representative after ratification by the membership and signing by the appropriate negotiating committees and/or staff;
- 8) Representing the Union in the community, in the media and at meetings, conferences or conventions of organizations that the Union is affiliated with, and generally acting as the chief spokesperson for the Union;
- 9) Voting on any matter before the Executive Board where his/her vote shall be the deciding vote;
- 10) Fulfilling such other duties as his/her office requires and as are consistent with the Constitution and Bylaws;
- 11) Presenting an annual budget to the Executive Board for their review, discussion and final adoption;
- 12) As the Chief Executive Officer, the President shall serve as the Union's first delegate to the SEIU International Convention and to all other conferences and conventions in which the Union is eligible for participation;
- 13) Serving as an ex-officio member of all committees of the Union.
- 14) Subject to the approval of the Executive Board, the President may establish committees and appoint representatives to committees, standing or ad hoc, that may be necessary to further the interests of the membership or improve the functioning of the Union.

B. The President shall have the authority to interpret the Constitution and Bylaws, subject to the approval of the Executive Board.

C. In the event of a vacancy in the office of the President, an election to fill the unexpired portion of the term of office shall be held within ninety (90) days. The Executive Vice President shall assume the duties of the President until the newly elected President is seated.

An election to fill the unexpired term of office shall not be held if a regular general election is scheduled to take place within eighteen (18) months of the vacancy. In this case, the Executive Vice President will assume the duties of the President until the newly elected President is seated.

4. Executive Vice President

A. The Executive Vice President shall be a regular member elected at large by the regular members and retired members to serve the Union on a full-time basis. The Executive Vice President is a voting member of the Executive Board. The duties of the position include but are not limited to:

- 1) Complying with the mandates of all membership votes and/or the decisions of the Executive Board;
- 2) Assuming the duties of the President in his/her absence and assisting the President as he/she requests;
- 3) Directing staff at the request of the President;
- 4) Representing the Union when the President is unable or unavailable to do so;

5) Negotiating collective bargaining contracts at the request of the President;

6) Representing the Union and members in various forums with employers, the community, the labor movement, the media, legislative and regulatory bodies and other such forums;

7) Together with the President and the Secretary-Treasurer signing checks, vouchers, financial contracts and agreements subject to the policies of the Executive Board and the Constitution and Bylaws;

8) The Executive Vice President shall serve as the Union's second delegate to the SEIU International Convention and to all other conferences and conventions in which the Union is eligible for participation.

B. In the event of a vacancy in the office of the Executive Vice President, the President, subject to the approval of the Executive Board, shall appoint a replacement to fill the unexpired portion of the term of office.

5. Secretary-Treasurer

The Secretary-Treasurer shall be a regular member elected at large by the regular members and retired members to serve the Union on a full-time basis.

The Secretary-Treasurer is responsible for all financial records and transactions, membership information and record keeping. The Secretary-Treasurer is a voting member of the Executive Board. The duties of the position include but are not limited to:

- A. Complying with the mandates of all membership votes and/or decisions of the Executive Board;
- B. Working with professional staff to aid and assist in maintaining accurate records of all the financial affairs, membership records and information of the Union;
- C. Keeping an accurate accounting of all receipts and disbursement of all monies, savings, securities and/or property owned by the Union, and depositing all monies in a bank approved by the Executive Board;
- D. The Secretary-Treasurer shall prepare and submit to the Executive Board an annual financial report, certified by a certified public accountant, which shall be published to the membership;
- E. Together with the President and Executive Vice President, signing checks, vouchers, financial contracts and agreements subject to the policies of the Executive Board and the Constitution and Bylaws;
- F. Keeping a record of all members admitted by initiation or otherwise, as well as the current status of members; keeping a record of all fines or assessments by the Union; keeping a correct account of each member's standing; signing and issuing cards of membership; noting and listing the names of members deceased;
- G. Reporting monthly to the Executive Board on income and expenses for the previous month;
- H. Providing membership accessibility to financial records and Executive Board minutes. The Executive Board shall adopt reasonable rules and procedures for this process that shall not abridge the rights of the membership nor

unduly burden the Secretary-Treasurer and his/her assigned staff;

- I. Being covered by the appropriate bond and provides for the bonding of the President, Executive Vice President and any other individuals proposed by the Secretary-Treasurer and approved by the Executive Board. The cost of any bonds shall be at the Union's expense;
- J. Assisting with the preparation, presentation and adoption of an annual budget by the Executive Board;
- K. Assuring that accurate minutes of each Executive Board meeting are kept and presented at the next Board meeting for formal adoption;
- L. Forwarding copies of the annual audit, LM-2s and other required filings to the International Union;
- M. The Secretary-Treasurer shall have the authority to extend the usual period on initiation fees and dues or waive such, subject to the approval of the Executive Board or at the direction of the Executive Board.
- N. In the event of a vacancy in the office of the Secretary-Treasurer, the President, subject to the approval of the Executive Board, shall appoint a replacement to fill the unexpired portion of the term of office.
- O. In the event of a vacancy in both the office of the President and the office of the Executive Vice President, an election to fill the unexpired portion of the President's term of office shall be held within ninety (90) days. The Secretary-Treasurer shall assume the duties of the President until the newly elected President is seated.

An election to fill the unexpired term of office shall not be held if a regular general election is scheduled to take place within eighteen (18) months of the vacancy. In this case the Secretary-Treasurer will assume the duties of the President until the newly elected President is seated.

6. Administrative Vice Presidents

The Administrative Vice Presidents shall be voting members of the Executive Board, whose duties shall include, but not be limited to:

- A. Assisting the President in the administration of the Union;
- B. Attending steward council and membership meetings, talking to members, stewards and staff, visiting facilities and being accessible to the membership;
- C. Attending actions for the Union and other unions, attending and representing the Union at central labor council, public board and community meetings;
- D. Identifying, promoting, recruiting, training and mentoring stewards and members;
- E. Recruiting members to participate in the Union's organizing campaigns;
- F. Helping lead and participate in the Union's COPE committees; working with central labor councils to recruit members for political activities; participating in regulatory activities and commissions, and lobbying;
- G. The Administrative Vice Presidents shall be regular members elected at large by the regular members and retired members to serve the Union on a full-time basis;

H. The Administrative Vice Presidents shall be responsible for the proper performance of their duties to the President, the Executive Board and the membership;

I. The number of Administrative Vice Presidents to be elected shall be determined by the Executive Board;

J. In the event of a vacancy in the office of Administrative Vice President, the President, subject to the approval of the Executive Board, shall appoint a replacement to fill the unexpired portion of the term.

7. Retiree Vice President

- A. In order to ensure input and representation regarding overall policy matters, the retired members shall elect one (1) Vice President;
- B. The retiree Vice President shall be a retired member;
- C. The retiree Vice President shall be elected by the retired members of the Union;
- D. The retiree Vice President is responsible for representing the interests of all retired members;
- E. The retiree Vice President shall serve without compensation but shall be reimbursed for any "out of pocket" expenses.
- F. In the event of a vacancy in the office of retiree Vice President, the President, subject to the approval of the Executive Board, shall appoint a retired member to fill the unexpired portion of the term. All retired members shall be notified of the vacancy and the procedures adopted by the Executive Board for filling the position.

8. Current Office Holders

Except as described in the merger agreement between Local 250 and Local 399, individuals elected as officers of SEIU Local 250 at its February 2003 election, and individuals elected as officers of SEIU Local 399 at its March 2004 election shall remain as officers of the Union until the first officers' election to be held in January 2006.

9. Officer Liability

The opinion of any attorney, accountant or other professional consultant or expert hired or retained shall constitute full and complete authority and protection in respect of any action taken, suffered or omitted by officers of this Union in good faith and in accordance with such opinion. Neither the President, nor any other officer of this Union shall be liable to any person or organization for any act which is not willful misconduct or in bad faith, done by the officer in effectuation of the purposes and objects of this Constitution and Bylaws and in the interests of the members of this Union.

10. Authorized Representatives of the Union

The President, Executive Vice-President and Secretary-Treasurer shall be the only persons authorized to act for, or on behalf of the Union. And the actions, declarations or conduct of any other person except those officers herein named, whether performed or made with respect to the Union or not, are not, and shall not be considered to be the acts of any officer or agent of the Union and shall not constitute any authorized acts for, or on behalf of the Union, nor shall they cause or form the basis for liability of any nature whatsoever on the part of the Union.

Article 12

COMMITTEES AND CENTRAL LABOR COUNCIL DELEGATES

1. Committees are vitally necessary in order to develop the policies, positions and programs of the Union. Committees are intended to maximize membership participation and input in the decision-making process.

- A. Committees that have an ongoing or permanent necessity to develop positions, policies and programs that guide, advise and provide direction to the Executive Board shall be known as standing committees.
- B. Committees that deal with a specific subject, project, issue and/or problem and are temporary in duration, based on the needs of the particular situation, shall be known as special committees.
- C. Each type of committee may also need to establish subcommittees based on regional or geographic issues, classification needs and other factors that affect participation, decision-making and the operations of the committee.
- D. The Executive Board of the Union shall establish policies and procedures for committee operations that enhance membership participation and involvement in the day to day activities of the Union. Factors such as committee size, chairpersons, shift representation and frequency of meeting shall all be considered in establishing the operating guidelines.
- E. The President, subject to the approval of the Executive Board, shall appoint a chair as well as an appropriate number of members. The President shall appoint a staff person to work with the committee.

F. All committees shall keep minutes of their meetings and shall send the minutes to the President for distribution at the next Executive Board meeting.

2. Standing Committees

The standing committees of the Union are:

A. Retiree Members Committee(s)

The committee(s) shall endeavor to recruit an active committee of retiree members to assist in developing programs for retiree members to find ways to integrate retirees into the organizing, legislative, and political programs of the Union. Typical responsibilities include but are not limited to:

- 1) Providing a vehicle for the continuing involvement of retired members in the activities of the Union;
 - 2) Recommending, monitoring and organizing for legislation that will improve areas of concern such as: pensions, housing, healthcare, taxes, consumer concerns, and other issues;
 - 3) Informing retired members of benefits and services that are available to them through the Union, community groups, government, and other appropriate agencies;
 - 4) Developing social and cultural programs that enhance the quality of life of retired members.
- B. Social and Economic Justice Committee(s)

The committee(s) shall assist in developing programs and taking positions on a variety of social and economic

justice issues and report to the Board. Typical responsibilities include but are not limited to:

- 1) Promoting equality of economic, social and political opportunities within the Union, with employers, and in the community;
- 2) Organizing activities that will advance the interests of the membership of this Union, the International Union and of workers everywhere in the improvement of general economic, social and political conditions;
- 3) Working with other unions and community organizations whose goals and purposes are similar to and consistent with those of the Union.

C. Committee(s) on Political Education (COPE)

The committee(s) shall assist the Executive Board in developing and carrying out a sound political and legislative program. Typical responsibilities include but are not limited to:

- 1) Interviewing candidates for political office;
- 2) Reviewing requests for campaign contributions for endorsed candidates;
- 3) Developing fund raising and other support activities or events;
- 4) Voter registration programs and "Get Out The Vote" activities;

- 5) Reviewing and monitoring legislation of interest to the Union's members and making recommendations to the Executive Board on the Union's position.

D. Organizing Committee(s)

It is intended that this committee(s) be an activist volunteer committee that is actively involved in carrying out the organizing program of the Union and in recruiting larger numbers of members to organize the healthcare industry.

E. Budget Committee(s)

The committee(s) shall assist the secretary-treasurer and the Executive Board in carrying out their duties with respect to the finances of the Union, including but not limited to:

- 1) Recommending the employment of a certified public accountant to the Executive Board of the Union;
- 2) With the Secretary-Treasurer, making an annual report certified by a certified public accountant that shall be published in the Union's publication and available to the membership;
- 3) With the Secretary-Treasurer, reviewing all necessary financial reports and records to project an annual budget based on the projected goals of the Executive Board and the Union. The projected budget will be subject to review and approval by the Executive Board;
- 4) Conducting a midyear review of the finances and budget and proposing changes as may be

appropriate, subject to Executive Board review and approval;

- 5) Reviewing and submitting recommendations for staff and officer compensation for review and approval by the Executive Board.

3. Central Labor Council Delegates

The Union may participate in the appropriate central labor councils and if so, shall strive to maintain an active complement of delegates who shall represent the positions and policies of the Union. The President shall receive all recommendations for delegate appointments and shall present those to the Executive Board for final approval.

Article 13

MEMBERSHIP MEETINGS/ANNUAL LEADERSHIP CONFERENCE

Other articles in this Constitution and Bylaws describe the various meetings for membership input and decision-making, which include worksite meetings, worksite steward councils, division steward councils, standing and special committees and the Executive Board meetings.

In addition there are three other significant types of meetings:

1. Worksite Membership Meetings
 - A. Worksite membership meetings shall take place at least once every two months.
 - B. The Executive Board shall adopt a schedule of worksite membership meetings, as proposed by the worksite

steward council, on a yearly basis and shall publish the schedule to the members.

C. Each meeting shall be well publicized in advance in order to maximize membership attendance at the meetings. The worksite membership meetings will be open to all members and will be held at times and places convenient to the membership.

D. The worksite membership meeting shall be chaired by the representative chairperson for the facility and conducted by worksite leaders from the worksite steward council.

E. The facility council secretary shall record minutes of the meeting. The council COPE chair, council mobilization chair and chief stewards shall report on union program issues and organize the membership to become involved in building power at the worksite and in the community.

F. The Union's elected officers or Executive Board members may attend any worksite meetings and be allowed time on the agenda, if requested.

G. The agenda of the worksite membership meeting shall include specific discussion about the specific plans and programs of the Union and concerns of members of the bargaining unit. The worksite membership meetings shall include a dialogue with the members of the bargaining unit on how to increase their power, consistent with the mission and purpose of the Union. A written summary of the recommendations on how to increase the power of the workers in the bargaining unit, how to implement the Union's program more effectively and problems that need to be addressed shall be submitted to the worksite steward council for review and recommendation.

H. Two or more work sites or bargaining units may be combined in the same meeting for geographic or organizational purposes.

2. Special Meetings

A. Members in a division can call a special meeting by submitting a petition signed by ten percent (10%) of the members in good standing of that particular division. The President shall convene the special meeting within ten days of the receipt of the petition.

B. Meetings shall be scheduled at times and places that are convenient to the membership.

3. Annual Leadership Conference

A. Each year a leadership conference shall be held to discuss issues, policies, and programs of concern to the membership.

B. The conference shall review the work of the Union from the preceding year, and adopt goals for the coming year.

C. The conference shall include items that relate to all members as well as those that relate to divisions, classifications, or industries within the Union.

Article 14

COLLECTIVE BARGAINING

1. The right of employees to engage in collective bargaining is a matter of national policy contained in the National Labor Relations Act. Section 7 of the Act states: "Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargaining collectively through representatives of their own choosing and to engage in other

concerted activities for the purpose of collective bargaining or other mutual aid or protection."

2. Collective bargaining is an important activity of the Union. Our purpose is to negotiate a binding contract that secures and improves the wages, hours, benefits, and working conditions of members covered by that agreement.
3. A collective bargaining agreement also creates a framework of rules that is binding on the employer, and has a grievance procedure for dispute resolution if a problem arises as to the meaning of the contract or its application.
4. Collective bargaining is intended to involve members directly and actively in determining their wages, hours, and working conditions.
5. We achieve success in collective bargaining through organization, united action, legislative and political activity, and the use of creative strategies and tactics.
6. The size and method of selecting a negotiating committee will vary based on various representational factors.
7. The results of any collective bargaining session shall be subject to ratification by the members affected, with sufficient notice given to the membership and in accordance with other policies and procedures as determined by the negotiating committee and/or the Executive Board of the Union. If a contract is to be ratified at a meeting, that meeting should be scheduled as much in advance as possible. Affected members shall be given at least twenty-four (24) hours notice of such meeting.
8. The Executive Board shall establish policies regarding the reimbursement of lost time wages and "out of pocket" expenses by members of a negotiating committee.

Article 15 FUNDS OF THE UNION

1. The funds of the Union shall be derived from initiation fees, dues, fines, assessments, and by any other legal means that have been approved by the Executive Board or a general or special membership meeting. Funds paid to the Union in accordance with this section shall be deposited or disbursed in accordance with instructions from the Executive Board or a general membership meeting.
2. The dues of the Union shall be two percent (2%) of a member's regular earnings, up to a maximum of forty (40) hours per week at the straight time rate. Dues will be capped at eighty-two dollars (\$82.00) per month in 2005, and the cap will increase by four dollars (\$4.00) per month per year thereafter.
3. The Union shall have a strike fund to be used for any and all strikes, strike-related activities, lockouts, and to protect the integrity and welfare of the Union as determined by the Executive Board.
4. The Strike Fund shall be funded by one dollar (\$1.00) per month per member set aside from members' dues, and may be funded by such other amounts as the Executive Board may from time to time determine.
5. The former SEIU Local 399 bargaining units will continue to pay one dollar (\$1.00) toward the Strike Fund in addition to the dues formula outlined above, up to the defined dues cap set forth above. The method of payment of the additional one dollar (\$1.00) toward the Strike Fund by the former SEIU Local 399 bargaining units will cease on January 1, 2009, at which time the one dollar (\$1.00) for the Strike Fund will be included in the two percent (2%) dues formula above.

6. The Executive Board shall have the authority to maintain current alternative dues rates.
7. Notwithstanding the above, no member shall pay less than the minimum dues rate set forth in the International Constitution.
8. Those members in SEIU United Healthcare Workers-West bargaining units not on the two percent (2%) dues structure shall have their monthly dues raised by no more than four dollars (\$4.00) per month, per year.
9. Applicants' initiation fee for membership in this Union shall be set by the Executive Board, and shall not be less than one hundred dollars (\$100.00) or in such other amount as may, from time to time, be specified by the Executive Board, provided, however, that for the purpose of organizing new members, the Executive Board may set the initiation fee as it applies to such new members at less than one hundred dollars (\$100.00) and provided, further, that fifty dollars (\$50.00) of said one hundred dollars (\$100.00) paid shall be refunded upon completion of an initiation course as directed by the Executive Board. Dues payments shall commence at the time an application for membership is submitted, and the initiation fee shall be paid in whole or in installments during the first eight months of dues-paying employment.
10. In no case will a member covered by the two percent (2%) dues formula above be required to pay dues deducted by more than one employer.
11. All dues and other financial obligations are due and payable on or before the last day of the current month. In order for a member to be in good standing, her/his dues (including all other financial obligations) must be paid on or before the last day of each month. All dues or other financial obligations not paid on or before the last day of the month in which the same are due shall become delinquent. A member who is delinquent in the payment of her/his dues or other financial obligations shall be suspended from membership, and shall not be entitled to any benefits and/or privileges heretofore or hereinafter referred to in these Bylaws. Such a member shall not be considered a member in good standing whenever such status is required to confer upon said member a benefit and/or privileges under these Bylaws or the Constitution and Bylaws of the International Union. Reinstatement to good standing shall be accomplished by paying all delinquent amounts due and owing.
12. However, when a member is laid off from employment, or is absent from work due to employer lockout or a union-authorized strike for more than twenty (20) days in any calendar month, such member will be credited for membership dues for the period of unemployment but not to exceed six months in any calendar year, except in the case of a member who is on active recall status, who will be credited for the period of time she/he is on active recall and not employed.
13. Any provision of this Constitution and Bylaws which conflicts with any provision of this Article 15 shall be invalid and ineffective insofar as it so conflicts, and this said Article 15 shall be effective despite the fact that any other provision of this Constitution and Bylaws may conflict with it.
14. Retired members who are seventy-five (75) years of age or older, and who have been paying dues continuously to the Union, either as full members or as retired members, for at least ten years immediately prior thereto, shall be considered members for life, and shall have no continuing dues obligations to the Union. The Union shall nevertheless pay per capita on their behalf; and they shall nonetheless be eligible to enjoy all the benefits and privileges of retired members in the International Union.

**Article 16
STRIKES**

1. The Executive Board shall establish policies regarding strike authorization procedures for bargaining units represented by the Union.
2. The members of the affected bargaining unit must vote in order to authorize a strike. A majority of those voting is required to authorize a strike.
3. Prior to a strike, the Union shall notify the International President of the Service Employees International Union, or when prior notice is not practical, notification shall be given as soon as possible after the commencement of the strike by this Union, pursuant to the provisions of Article 11 of the International Constitution and Bylaws.

Article 17

DUE PROCESS AND HEARING PROCEDURES

1. Charges, Trials, and Appeals.
All charges, trials, penalties, and appeals shall be conducted as set forth in the Constitution and Bylaws of the International Union.
2. Agreement to Exhaust All Remedies
Subject to the provisions of applicable statutes and laws, every member, Executive Board member, or officer of this Union against whom charges have been preferred and disciplinary action taken, or who has a grievance, claim, or dispute against the Union or any officer thereof, agrees as a condition of membership or affiliation, to exhaust all remedies provided in

the Constitution and Bylaws of the International Union and this Local Union, and further agrees not to file or prosecute any action in any court, tribunal or other agency until those remedies have been exhausted.

3. Enforcement of Member Bill of Rights and Responsibilities

The Local Union and SEIU Member Bill of Rights and Responsibilities in the Union shall be enforced exclusively through the procedures provided in this article and in the International Constitution and Bylaws, and any decision rendered pursuant to these procedures, including any appeals, shall be final and binding on all parties and not subject to judicial review.

**Article 18
AMENDMENTS**

A vote of the majority of members of the Union who cast valid ballots shall be necessary to adopt any amendment(s) to this Constitution and Bylaws.

Any amendment(s) to the Constitution and Bylaws shall be submitted in writing to the Executive Board for consideration and recommendation.

Should two-thirds (2/3) of the Executive Board fail to support taking a member's proposed amendment(s) to a vote of the membership, no vote will be scheduled on the proposed amendment(s) unless a petition supporting the proposed amendment(s), is signed by at least twenty-five percent (25%) of the members in good standing of the Union, and is submitted to the Executive Board.

by the Executive Board. In, the President shall name a chairperson of the committee. The duties of the election committee shall be to:

- 1) Conduct the election;
 - 2) Establish safeguards to ensure a fair and democratic election;
 - 3) Validate the qualifications of the nominees for candidacy;
 - 4) Validate the eligibility to vote;
 - 5) Tabulate the results and certify the election;
 - 6) Determine the method of voting.
- B. No member of the incumbent Executive Board shall be eligible to be a member of the election committee.
- C. Members of the election committee shall not be nominated for any office.
- D. A member not satisfied with a ruling of the election committee may petition the International President within fifteen (15) days after the act complained of, to review the action of the election committee pursuant to the provisions of the International Constitution and Bylaws.
- E. Lost time wages and other appropriate "out of pocket" expenses shall be paid for by the Union for members of the election committee.

2. Nominations

- A. Nominations for all members of the Executive Board shall take place during January of the appropriate election year.
- B. A member is eligible for nomination if she/he has been a member in good standing of the Union, and/or its predecessors, continuously for at least two (2) years prior to the date of the nomination being certified. The International Union President may waive this provision at her/his discretion based on good cause shown.
- C. The election committee shall prepare an official nominating petition for use in each general election.
- D. The official nominating petition(s) must be signed by the nominee in order for the nomination to be considered valid.
- E. The official nominating petition(s) for Vice Presidents shall be signed by at least fifty (50) members in good standing in the appropriate constituency of the vice presidential candidate. The official nominating petition(s) for President, Executive Vice President, Secretary-Treasurer, and Administrative Vice Presidents shall be signed by at least one percent (1%) of the members in good standing in each of a majority of the Union's divisions, or sixty (60) members in good standing in each of a majority of the Union's divisions, whichever is less.
- F. All nominees shall be promptly certified for candidacy or notified in writing of the reasons for his/her disqualification. Any question regarding the eligibility of a nominated candidate shall be decided by the election committee. Appeals shall be made in writing and postmarked by registered mail-return receipt requested to

the chairperson of the election committee no later than three mail delivery days after receiving notice. All nominees not complying with this notice requirement shall be considered to have withdrawn.

3. Election Procedures

A. The election committee shall provide adequate safeguards to ensure a fair and democratic election, including written procedures and setting forth dates, times, and places for the conduct of the election.

B. Any candidate shall have the right to have an observer present at the counting of the ballots, and any member desiring to observe the counting of the ballots shall be permitted.

C. For the offices of President, Executive Vice President and Secretary-Treasurer, the candidate receiving the highest number of at-large membership votes shall be declared elected. For the Executive Board Vice President positions, the candidate from each constituency as defined by the Executive Board receiving the highest number of votes, from the specific constituency as defined by the Executive Board from which they have been nominated, shall be declared elected. For the Administrative Vice Presidents, those candidates receiving the highest number of at-large membership votes shall be declared elected.

D. If only one candidate is nominated for a particular office she/he shall be elected without further procedures.

E. Every bona fide candidate for office shall have the right, once within the thirty (30) days prior to an election in which she/he is a candidate, to inspect a list containing

the names and last known addresses of all members of the particular constituency of the office being sought.

F. The general election shall be held during the first quarter of the appropriate year.

G. All members shall be notified of the election procedures at least thirty (30) days prior to conducting the election.

H. Each candidate shall be encouraged to prepare a statement of qualifications and a platform, which shall not be longer than two hundred (200) words. These statements shall be included in a "voter pamphlet" along with the appropriate ballots for each constituency.

I. No candidate (including a prospective candidate) for any office in this Union or affiliate body or supporter of a candidate may solicit or accept financial support or any other direct or indirect support of any kind from any non-member of the Service Employees International Union.

J. No write-in or proxy voting shall be allowed.

K. The Union shall refrain from discrimination in favor of or against any candidate.

L. The Union will comply with all reasonable requests of any candidate to distribute by mail or otherwise, at the candidate's expense, campaign literature in aid of that person's candidacy. In addition, any such assistance given to any candidate shall also be made available to all other candidates, at their own expense.

M. When an election committee has certified the results of an election, the committee shall turn over ballots and other records to the Secretary-Treasurer who shall preserve for one year the ballots and all other records pertaining to the election.

N. Installation of officers and Executive Board Vice Presidents shall take place at the next scheduled Executive Board meeting following the election.

Article 23 RECALL

1. Executive Board members, including officers, may be recalled by a vote of the constituency that elected him/her to his/her office.

2. A vote to recall shall be held within sixty (60) days of receipt of a petition signed by at least thirty five percent (35%) of the membership of the constituency that elected him/her to her/his office.

3. All signatures shall be dated and shall be no more than ninety (90) days old at the time of submission in order to be considered a valid signature.

4. A special election committee shall be designated by the Executive Board to conduct the recall election pursuant to provisions decided upon by the Executive Board.

5. If an Executive Board member or officer is recalled, his/her office shall be declared vacant and filled in accordance with the provisions contained within this Constitution and Bylaws.

6. Recall elections shall not be scheduled if a petition is received within one hundred eighty (180) days of a general election.

7. If a recall is not approved by a majority of those voting in the recall election, no new petition shall be considered valid if received prior to one year from the date that the recall election results were certified.

8. The recall process shall not be used merely to overturn the results of a bona fide election to office.

Article 24 OBLIGATION TO ABIDE

Any entity described in this Constitution and Bylaws which shall willfully neglect to abide by the provisions of this Constitution and Bylaws shall be subject to suspension or recall and/or removal or any other sanctions as may be determined by the Executive Board.

Article 25 NON-LIABILITY OF LOCAL UNION

Except as is otherwise specifically provided in this Constitution, no officer, representative, or member of this Union shall be authorized to make contracts or incur liabilities for, or in the name of the Union unless authorized in writing by the President and the Secretary-Treasurer, their designee(s), or by action of the Executive Board.

Article 26 RIGHTS BY LAW

Subject to applicable laws, no member or employee of the Union shall bring any action against the Union or its officers, with respect to any matter arising out of the affairs of the Union, unless he/she has exhausted all procedures available under this Constitution and Bylaws, and any policies and procedures adopted hereunder. Any member filing suit in violation of this provision may, in addition to other penalties, be ordered to reimburse the Union and/or officers sued for the costs and attorneys' fees expended, or a portion thereof.

The Union is authorized upon affirmative vote by the Executive Board to pay all expenses for investigation, employment of counsel, and other necessary expenditures in any cause, matter, case or cases in which an officer, representative, employee, or agent or one alleged to have acted on behalf of the Union is charged with any violation of law or is sued in any civil actions with respect to any matter arising out of his/her official duties on behalf of the Union, except if such individual is charged with a breach of trust to the Union, in which event he or she may be indemnified only if the action is terminated favorably for him or her.

Neither the Union nor its officers shall be responsible or liable for the wrongful or unlawful acts of the Union or any other officers or agents thereof, except where the Union or its officers have actually participated in or actually and knowingly authorized such acts, or have ratified such acts after actual knowledge thereof.

Only the President, Executive Vice President and secretary-treasurer are authorized to be agents for service of process upon the Union. Other officers, representatives, employees, and/or agents are not authorized to be agents for service of process under any circumstances whatsoever.

Article 27

INSTALLATION PLEDGE

Each member elected to serve the members of this Union in the capacity of an officer, Executive Board member, or steward shall, upon election, be sworn in to his or her position through the administering of the following pledge:

"I, _____, accept my responsibility as an elected representative of SEIU United Healthcare Workers - West, of the Service Employees International Union. I pledge upon my honor that I will faithfully observe the Constitution and Bylaws of SEIU United Healthcare Workers - West and the International Union.

I Pledge to do everything in my power to properly represent the members, including organizing the unorganized workers within my industry. I agree to defend to the best of my ability the principles of trade unionism; to work to improve the lives of working people in my community, and to assist in electing to government office officials who will serve the interests of the membership and the community.

I will not knowingly wrong a member or see a member wronged if it is in my power to prevent it. I also pledge that I will work to the best of my ability to provide effective and responsible leadership to the members I am privileged to represent."

Article 28

MEMBERSHIP PLEDGE

Whenever possible, members are encouraged to be sworn in as members of the Union and the Service Employees International Union in order that members gain an understanding of the obligations of membership and the support that members give to each other as sisters and brothers in this Local Union. The pledge is as follows:

"I, _____, pledge upon my honor that I will faithfully observe the Constitution and Bylaws of this Union and of the Service Employees International Union. I agree to educate myself, and other members in the history of the labor movement and to defend to the best of my ability the principles of trade unionism. I will not knowingly wrong a member or see a member wronged if it is in my power to prevent it."

SEIU 2008 CONSTITUTION AND BYLAWS

As adopted at the SEIU 2008 Convention



Service Employees International Union, CTW, CLC

SEIU 2008 CONSTITUTION AND BYLAWS

As adopted at the SEIU 2008 Convention

