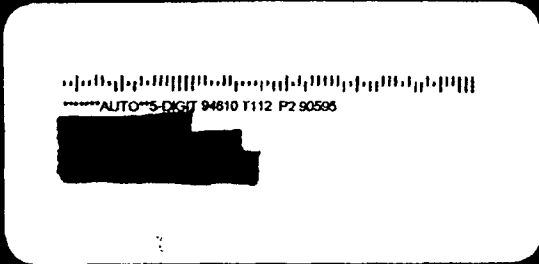




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**AN IMPORTANT MESSAGE FROM YOUR UNION**

# Top UHW-W officers transferred millions of your dues money to an outside fund in violation of federal law.

**FILL OUT THIS CARD AND MAIL BACK to receive updates on this important issue.**

Keep me updated about the lawsuit to have top UHW-W officers return \$3 million in our dues money to the UHW-W treasury.

Tell UHW-W officers to give members a complete accounting for the so-called "education" fund's activities.

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Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

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E-mail Address: \_\_\_\_\_

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# Top UHW-W officers transferred millions of your dues money to an outside fund in violation of federal law.

4/30/08

Dear Brothers and Sisters:

We recently learned that nearly a year ago the top ten officers of your local union – UHW-W – went behind closed doors and instituted a plan to divert up to \$6 million of your dues money to an outside fund controlled by these same officers.

Between May 2007 and February 2008 the officers in charge of this outside fund – President Sal Rosselli, Executive Vice President Jorge Rodriguez, Secretary-Treasurer Joan Emslie and seven members of the local union's executive board – quietly transferred at least \$3 million from the local union treasury into the fund, where the money is not subject to oversight by members. The other seven members of the executive board who direct this fund are Lori Whyman, David Shapiro, Stanley Lyles, Nancy Evans, Martha Vasquez, Rosie Byers and Roy Chaffee.

UHW-W members currently have no accounting of how these officers have spent their money. However based on records SEIU received from UHW-W after the existence of the fund was exposed, it appears that at a minimum hundreds of thousands of dollars have already been authorized to be spent in violation of the officers' fiduciary duties under federal law. Put simply, this so-called education fund allowed a handful of union officers to keep two sets of books for dues money – one they showed to the members and one that was shielded from members and the financial safeguards required by the SEIU Constitution and federal law.

This week, SEIU filed a lawsuit against the ten UHW-W officers in charge of the outside fund to compel them to return \$3 million of your dues money to the UHW-W treasury and to prevent any future transfer of members' money to this fund.

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**Background:** In May 2007, UHW-W's Executive Board went into a "closed" session and created a separate organization called the "United Health Workers and Patients Education Fund" using UHW-W members' dues. The stated purpose of the fund was "to provide education to healthcare workers and patients concerning issues related to the healthcare crisis, as well as to other issues of importance to healthcare workers and their patients." No reason was recorded in the minutes why the educational activities that are already a normal part of UHW-W's work suddenly required a special fund created behind closed doors.

The UHW-W Executive Board adopted a resolution authorizing up to \$6 million, or nearly 40% of UHW-W's net assets, to be taken from the local union treasury and placed in this fund, putting the money solely in the control of a small group of officers, including UHW-W President Sal Rosselli, Executive Vice President Jorge Rodriguez, Secretary-Treasurer Joan Emslie, and seven members of the local union's executive board. Between May 2007 and February 2008 UHW-W officials quietly moved a total of \$3 million from the local treasury to the fund.

After the existence of this outside fund was exposed, SEIU investigated and received records from the so-called education fund suggesting that hundreds of thousands of dues money have been authorized to be spent improperly and in violation of the officers' fiduciary duties under federal law.

On April 29, 2008 SEIU filed a lawsuit in United States District Court against these ten officers of UHW-W who serve as directors of the outside fund seeking to return the \$3 million in UHW-W members' dues money that was transferred to the fund back to the local treasury.

The lawsuit alleges that the ten UHW-W officers directing the outside fund deceived UHW-W members about the purpose of the fund and the reasons for the transfer of \$3 million in UHW-W members' dues to the fund.

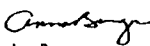
The select group of officers knew that UHW-W members' money transferred to the fund would not be used for their stated purpose but instead for the officers to run a shadow arm of UHW-W that evaded the democratic accountability protections and financial and auditing safeguards to which all SEIU local unions are subject under federal law and the SEIU Constitution.

Instead of using the outside fund for the stated purpose of educating people about healthcare issues, the ten UHW-W officers have used the fund to conduct certain UHW-W union activities off-the-books, free from democratic accountability to UHW-W members and the financial oversight and safeguards provided by the SEIU and UHW-W Constitutions and federal law.

For example, the fund has been used to pay for union business such as consultants' fees for a 2007 speech delivered in Wisconsin by Sal Rosselli in his capacity as UHW-W President, and over \$50,000 in postage for a misleading non-binding straw poll conducted among UHW-W long term care members in February and March of 2008.

The lawsuit filed this week seeks to return all your dues money to the UHW-W treasury. As this process moves forward, we will continue to keep you updated. If you would like to know more about the lawsuit, or the investigation that led up to this complaint, please visit [www.SEIUFacChecker.org](http://www.SEIUFacChecker.org) or fill out and return the enclosed card.

In unity,



Anna Burger  
Secretary-Treasurer, SEIU



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