



March 24, 2008

Sal Rosselli  
President, UHW-W  
SEIU Vice President  
SEIU Local 2005 UHW- W  
560 Thomas L. Berkley  
Oakland, CA 94612-1602

**Re: Inquiry regarding Membership Concerns and related Constitutional Obligations**

ANDREW L. STERN  
International President

ANNA BURGER  
International Secretary-Treasurer

MARY KAY HENRY  
Executive Vice President

GERRY HUDSON  
Executive Vice President

ELISEO MEDINA  
Executive Vice President

TOM WOODRUFF  
Executive Vice President

Dear Brother Rosselli:

Recently a number of serious concerns have been raised with SEIU involving allegations against you and UHW-W pertaining to:

- a) breaches of fiduciary duty and your obligations as both an international and local union officer;
- b) interference with collective bargaining rights and job security of SEIU members;
- c) practices of financial irregularities at the local level; and
- d) unethical conduct and circumvention of internal union democratic procedures.

I am writing to notify you of these allegations and to give you the opportunity to provide documents by March 28, 2008 that address certain of these issues and to respond to me in writing no later than April 4, 2008 on other matters.

These allegations are as follows:

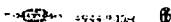
**1. Creation of a shadow entity and transfer of local union treasury money to circumvent internal union governance obligations**

It is alleged that beginning 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.

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It is alleged that you conducted a vote of the local union executive board in Fall 2007 to transfer this money outside the local union to enable possibly you or a select group of individuals to run an independent operation to subvert local union auditing functions, membership oversight, leadership decision-making or future governance actions, such as a purported threat of a trusteeship order, that might be taken under the SEIU constitutional process to safeguard the members' interests. It is alleged this arrangement also was designed to thwart U.S. Department of Labor oversight and federal labor law restrictions on the nature, appropriateness and extent of certain future expenditures.

## **2. Undermining Collective Bargaining Representation at 5 Major California Nursing Home Chains**

It is alleged that you conducted secret talks with five (5) California nursing home employers covered by master agreements that are jointly represented by ULTCWU. It is also alleged that you sent reopener notices to these same employers. All such actions were taken without first obtaining the express consent of ULTCWU in breach of your obligation as a joint union representative and in flagrant disregard for the rights of these nursing home members who had voted to be part of a master agreement with joint representation within those bargaining units. (Copies of the UHW-W documents at issue are attached.) Further, when your actions were uncovered and you took certain steps to purportedly correct your actions, it is alleged that UHW-W nevertheless continues to refuse to transmit to ULTCWU the documents that UHW-W exchanged with this employer group during the secret talks.

## **3. Phony Ballot Scheme**

It is alleged that you conducted a deceptive and phony mail ballot so-called "election" among long term care members of UHW-W to deliberately mislead and scare these members about their job security and internal union rights. You provided no specific information about the other union of long term care workers on the ballot. The alleged phony ballot scheme included:

- The use of a phony so-called "Official Ballot" and outside mailing company operating under the name of "Mediation and Conciliation Services," designed to portray the election as if it were an official procedure of a state agency, whose outcome could affect SEIU members' union status and rights. (The ballot/envelope is attached, along with a letter of the official state mediation and conciliation services.)

- The design of ballot questions that presented false and misleading choices for the members, suggesting that they may be asked to leave SEIU and give up their rights to belong to the largest healthcare union in the nation.
- Deliberate effort to mislead members about the status of the constitutionally prescribed jurisdictional process for determining long term care jurisdiction in California, in accordance with the New Strength Unity Plan adopted by the members' delegates at the 2000 SEIU Convention and reaffirmed at the 2004 SEIU Convention - thereby subverting the constitutional democratic process.

#### 4. Collusion with California Nurses Association

It is alleged that you met in San Diego with Rose Ann DeMoro, Executive Director of the California Nurses Association, at the AFL-CIO Executive Council meeting/receptions in early March to coordinate anti-SEIU activities and to discuss an alternative union outside the SEIU. At the very same time you were having these meetings, CNA was pursuing the following attack on SEIU members and supporters:

- trying to decertify SEIU at three Catholic Healthcare West hospitals in Las Vegas, Nevada;
- launching an aggressive "vote no" campaign to sabotage the organizing campaign for 8000 healthcare workers at Catholic Healthcare Partners who were scheduled to vote on joining the SEIU in Ohio. (Earlier UHW-W representatives had called the SEIU Healthcare Organizing Director to press for details about the CHP organizing agreement.); and
- issuing a press release during the CHP "vote no" campaign at CHP hospitals that referenced a link to a public website co-sponsored by leaders of your local that contains anti-SEIU propaganda.

It is alleged that despite CNA's attack on workers' rights to organize into SEIU, you plan to continue to meet and participate with Rose Ann DeMoro in public appearances, such as the upcoming Labor Notes Conference in Detroit in April.

#### 5. Developing a secret plan to destabilize and decertify bargaining units within SEIU in breach of your fiduciary duties as an SEIU officer

It is alleged that you have set about on a secret course of actions to possibly decertify bargaining units represented by SEIU UHW-W and form an independent union in an alliance with CNA or the AFL-CIO.

It is further alleged that you have told local union staff that you have financed an alternative plan, using local union resources, to allow you to operate outside the local

union if you should be removed from office through legal actions taken in compliance with the SEIU constitutional process and the LMRDA.

Finally, it is alleged that you have attempted to sabotage the Union's policies and programs by deliberately misinforming members that their right to ratify their collective bargaining agreement is being taken away by the International Union. This message was related in numerous phone calls to International Officers allegedly arranged by UHW-W and in other settings. You were asked to correct this misrepresentation, pointing out that a member's right to approve his/her contract is guaranteed in the SEIU Constitution's Member Bill of Rights and Responsibilities. It is alleged that you have taken no steps to correct this misinformation campaign.

#### **6. Chilling Membership Free Speech Rights**

It is alleged that you are implementing a range of heavy-handed tactics that have the impact of chilling members' constitutional and federal rights to free speech. It is alleged that you are removing Kaiser stewards from their steward positions if they do not agree with your current convention platform. It is alleged you have created a so-called ethics committee to threaten or carry out a purge of members who disagree with your viewpoint. It is alleged that your local union staff members are being told they cannot keep written notes of staff meetings and that you have instituted lock-downs of local union offices.

#### **7. Collusion to Undermine SEIU Affiliation Talks for Teachers in Puerto Rico**

It is alleged that you have reported that you have been in contact with the Puerto Rican rival union that is attempting to undermine affiliation talks between SEIU and Asociacion de Maestros de Puerto Rico (AMPR) and its bargaining arm. Puerto Rican leaders of SEIU have discussed this affiliation with their members, and they support the affiliation of these school workers with SEIU. This alleged activity would undermine both SEIU's Public Division decisions and the decisions of the SEIU leaders in Puerto Rico.

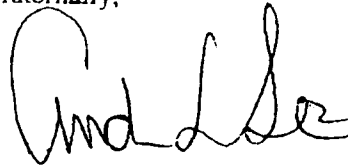
For the time period of September 1, 2007 to date, please provide copies of all minutes of meetings of the UHW-W local union executive board (including any action taken during executive sessions) and copies of all financial records showing the transfer of money in excess of \$10,000 from the local union during this period. This documentation should be provided to my office no later than close of business March 27, 2008.

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In addition, please respond in writing to me in detail on the allegations described above by close of business, April 4, 2008.

I have asked Bob Weinberg of Bredhoff & Kaiser, SEIU's outside special counsel, to speak with your local union counsel about the importance of these matters and to assist in obtaining a prompt and thorough response.

Fraternally,

A handwritten signature in black ink, appearing to read "Andrew L. Stern". The signature is fluid and cursive, with the first name "Andrew" being the most prominent part.

Andrew L. Stern  
International President, SEIU

cc: UHW-W Local Executive Board