

# University Council-American Federation of Teachers

## NOTICE TO ALL NON-MEMBER FAIR SHARE FEE PAYERS FOR THE PERIOD OCTOBER 1, 2017-SEPTEMBER 30, 2018

### **Background**

State legislation (Senate Bill 645) enacted in 1999 provides for fair share fees to be paid by University of California employees who are represented by a union but are not members of that union. This notice is being sent to all University employees in UC-AFT units (Professional Librarians and Non-Senate Instructors) who are not currently dues-paying members of the UC-AFT and who are therefore required to pay a fair share fee.

Included in this notice is information about the amount of the fair share fee, how it was determined, and how it will be collected from you. Also explained below are the procedures we have established for employees who wish to request a partial fee rebate, challenge the way the fee was determined, or register as “religious objectors” and have their fee paid instead to a charitable organization.

### **Overview: Fee Determination, Collection and Rebates**

Because the UC-AFT believes that everything we do is related to helping all our represented employees gain more control over their working conditions, we have set the fair share fee at the same amount as dues (as of October 1, 2017) paid by UC-AFT members: 1.5% of an employee’s gross monthly salary, with a cap at \$100.00. In other words, we do not believe it is fair to ask UC-AFT members to contribute more financially to the union than non-members, as the union’s activity benefits all equally. The University deducts this amount from your paycheck on a monthly basis and forwards the fee to us.

We hope you will decide to join the UC-AFT. Under the law, however, as a non-member you do have the right to request a slight rebate of the fair share fee. This rebate is equal to the percentage of our expenses used to fund activity that the law defines as “non-chargeable” — meaning not related to collective bargaining, contract administration, or matters affecting wages, workload, and other terms and conditions of employment. Below is a list of activities that our legal counsel informs us are considered to be “chargeable” and “non-chargeable.” Based on this list, an independent auditor has reviewed our expenses for the period January 2016-December 2016 and concluded that 80.63% of them were chargeable.

Based on this audit, the UC-AFT estimates that approximately 80.63% of our expenses for the year October 1, 2017 to September 30, 2018 will be chargeable. We are thus offering a rebate of 19.37% of the fair share fee paid to any non-member who requests it. Any non-member who wishes to elect this reduced fee must inform the UC-AFT in writing of her or his objection to paying the non-chargeable portion of the agency fee. **The written objection must be mailed to the UC-AFT at the street or email address on the last page of this document.** It must include the **objector’s name, address, employee number, job title, department and campus** and be postmarked no later than October 31, 2017. The withheld agency fee will be placed in an interest-bearing escrow account until the appropriate rebate checks are sent by the UC-AFT in April and October. The amount the University deducts from your paycheck will be the same as if you had not requested a rebate.

### **Chargeable Versus Non-Chargeable Activities/Expenses**

The following breakdown of chargeable versus non-chargeable expenses has been provided to the UC-AFT by legal counsel.

Expenses associated with the following activities are fully chargeable:

1. Gathering information in preparation for the negotiation of collective bargaining agreements, including gathering information from employees concerning collective bargaining positions.
2. Negotiating collective bargaining agreements.
3. Administration of ballot procedures on the ratification of negotiated agreements.
4. Publicizing the Council’s positions on the negotiation, ratification or implementation of collective bargaining agreements.
5. Lobbying for the negotiation, ratification or implementation of collective bargaining agreements.

6. Processing grievances pursuant to the provisions of collective bargaining agreements, enforcing collective bargaining agreements, and representing employees as provided for in collective bargaining agreements.
7. Developing, printing and/or purchasing publications used in negotiating and administering collective bargaining agreements.
8. Compensating professional technicians in labor law, economics, and other relevant subjects for services used in negotiating and administering collective bargaining agreements and in processing grievances.
9. Conducting proceedings regarding jurisdictional controversies under the AFL-CIO Constitution.
10. Serving as exclusive representative for employees represented by the Council.
11. Membership meetings, conferences or conventions held at least in part to determine the positions of employees on collective bargaining issues, contract administration, and other matters affecting wages, hours, and other terms and conditions of employment of employees represented by the Council, including the cost of sending representatives to such meetings, conferences or conventions.
12. Internal communications which concern collective bargaining issues, contract administration, public employment generally, employee development, unemployment, job opportunities, award programs, and other matters affecting wages, hours, and other terms and conditions of employment of employees represented by the Council.
13. Impasse procedures and related activities, including mediation, fact-finding, arbitration, strikes, slowdowns, and work stoppages over provisions of collective bargaining agreements and the administration thereof, so long as the activities are legal under State law. These expenses may include preparation for strikes, slowdowns, and work stoppages regardless of their legality under State law, providing that no illegal conduct actually occurs.
14. The prosecution or defense of arbitration, litigation, or charges to obtain ratification, interpretation, implementation, or enforcement of collective bargaining agreements, and any other litigation before agencies or in the courts which concerns employees represented by the Council and is normally conducted by an exclusive representative.

Expenses associated with the following activities are chargeable to the extent that they are germane to collective bargaining activities:

15. Purchasing books, reports and other materials used in activities or for purposes other than negotiating collective bargaining agreements and processing grievances.
16. Compensating professional technicians in labor law, economics, and other relevant subjects for services used in activities other than negotiating and administering collective bargaining agreements and processing grievances.
17. Membership meetings, conferences and conventions held for purposes other than to determine the positions of employees on collective bargaining issues, contract administration, and other matters affecting wages, hours, and other terms and conditions of employment of employees represented by the Council, including the cost of sending representatives to such meetings, conferences and conventions.
18. Internal communications which concern subjects other than collective bargaining issues, contract administration, public employment generally, employee development, unemployment, job opportunities, award programs, and other matters affecting wages, hours, and other terms and conditions of employment of employees represented by the Council.
19. Prosecution or defense of arbitration, litigation, or charges involving matters other than the ratification, interpretation, implementation, or enforcement of collective bargaining agreements or which relates to the maintenance of the Council's institutional existence.
20. Social and recreational activities.
21. Payments for insurance, medical care, retirement, disability, death, and related benefits for UC-AFT employees, staff, officers and representatives.
22. Administration activities and expenses allocable to Council activities and expenses for which fair share fee payers are charged.

Expenses associated with the following activities are not chargeable:

23. Organizing within the bargaining unit in which the Council fair share fee payers are employed and within bargaining units of other California public employees whose wages, hours, and terms and conditions of employment have a direct or indirect impact upon the wages, hours, and terms and conditions of employment of employees represented by the Council.
24. Training in voter registration, get-out-the-vote, and political campaign techniques.

25. Supporting and contributing to charitable organizations, political organizations, candidates for public office and initiative measures, ideological causes, and national or international affairs.
26. Publicizing the Council's positions on issues other than negotiation, ratification or implementation of collective bargaining agreements.
27. Lobbying for purposes other than the negotiation, ratification or implementation of collective bargaining agreements.
28. Affiliation fees to the AFL-CIO and its state federations and central bodies.
29. Organizing bargaining units of employees whose wages, hours, and other terms and conditions of employment have no impact, direct or indirect, upon the wages, hours, and other terms and conditions of employment of employees represented by the Council.

### ***Audit Reports***

Following are the criteria used by the UC-AFT's auditor in determining chargeable and non-chargeable amounts:

1. SALARIES, BENEFITS, PAYROLL AND EMPLOYEE EXPENSES. All paid professional staff complete time sheets (known as activity reports) indicating the services they provide. The hours of each staff member are computed, and the chargeable percentage determined from these reports.
2. LEGAL. Legal expenses incurred in representing the UC-AFT and members of its units in grievances or possible grievances and arbitrations, complaints, unfair labor practices, court or administrative litigation, investigating, researching and attempting to resolve issues which involve the rights of unit members are fully chargeable. Litigation directly related to maintaining the Union's existence is chargeable.
3. PUBLICATIONS. Direct printing and publishing expenses are allocated based on the specific content of articles in publications. Articles related to the Union's role as collective bargaining agents, teaching and educational issues, professional development, professional information and the like are chargeable. Articles dealing with political action, ideological issues and member-only services are non-chargeable.
4. MEETINGS & CONFERENCES, workshops, and similar activities are both chargeable and non-chargeable.

A breakdown of total UC-AFT expenses during the calendar year 2016 along with a calculation of the union's chargeable versus non-chargeable expenses based on verification of financial materials by an independent accountant may be found online at <http://ucaft.org/content/agency-fee-2017-18>. Contributions made by the UC-AFT to organizations only incidentally related to the unit members' terms and conditions of employment have been deemed non-chargeable. The most recent audit reports of our affiliate unions, the California Federation of Teachers and the American Federation of Teachers may also be found at the above URL.

### ***Challenging the Chargeable/Non-chargeable Determination***

In addition to requesting a rebate of the non-chargeable portion of the fair share fee, you also have the legal right to challenge the way the UC-AFT has determined the non-chargeable percentage of the fee for the upcoming year. The UC-AFT has established the following procedure for individual non-members who wish to challenge the calculation of chargeable and non-chargeable expenses. This procedure is commonly used by unions implementing fair share fees. Please read this procedure carefully. You must comply with this procedure in order to challenge the calculation of chargeable and non-chargeable expenses. Non-members who choose not to pursue a challenge under this procedure will be deemed to have accepted the accuracy and validity of the UC-AFT's calculation.

1. Challenges: An individual non-member fair share fee payer who wishes to challenge the UC-AFT's calculation of chargeable and non-chargeable expenses must inform the UC-AFT of her or his challenge in writing. The written challenge must include the challenging fee payer's ("challenger's") name, address, social security number, job title, department and campus. The written challenge must be mailed to the UC-AFT at the address on the last page of this document, and be postmarked no later than October 31, 2017.

Upon receipt of the written challenge, the UC-AFT will place all the fair share fees collected from that challenger in an interest-bearing escrow account in which they will remain until a decision has been rendered by an impartial arbitrator over which party is entitled to what percentage of those sums.

2. Arbitration: Upon receipt of challenges, the UC-AFT will arrange for an arbitration hearing through the American Arbitration Association (AAA). The UC-AFT will request that all challenges to the determination of the fair share fee rebate be consolidated into a single proceeding. The impartial arbitrator will hold a hearing in which challengers can participate personally or through a representative. In the hearing, the UC-AFT will bear the burden of proof regarding the accuracy of the calculation of chargeable and non-chargeable expenses and the determination of the fair share rebate. Challengers will be provided the opportunity to present their own evidence and to present written arguments in support of their position. The arbitrator shall issue a decision and award on the basis of the evidence and arguments presented.

Challengers will receive further information regarding this procedure upon UC-AFT's receipt of the challenge.

#### *Procedure for Asserting a Religious Objection*

Non-member fee-payers who wish to object to the payment of a fair share fee based upon the historically held conscientious objections of their religion must notify the UC-AFT in writing why they believe they qualify for a religious exemption and include their name, address, employee number, job title, campus, department and work location. They must also include the complete name of the religion, body or sect to which they belong; a mailing address (which cannot be the non-member's worksite address) and phone number for same; and the name of a person to contact for further information about the religion, body or sect other than the non-member. The statement must conclude with the following sentence: "I declare under penalty of perjury that the foregoing is true and correct." The written objection must be mailed to the UC-AFT at the address on the last page of this document

Non-members who successfully claim a religious exemption are required to contribute the equivalent of their fair share to a charity selected from a list agreed to by the UC-AFT and the University administration. This list will be provided to those whose request for a religious objection has been granted. Any fair share fees collected prior to approval of a religious objection will be forwarded by the UC-AFT to the charity selected. Contributions to the selected charity will be sent by the UC-AFT on an annual basis.

*Need more information?*

Contact: Miki Goral, Secretary-Treasurer (T: 310-825-5096), [miki@ucaft.org](mailto:miki@ucaft.org)

***Mail or email all correspondence to:***

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