

Dear Adjunct Lecturer and Graduate Adjunct Lecturer McDaniel Faculty Member:

In accordance with Article 4 of the Labor Agreement between McDaniel College (or “McDaniel”) and Service Employees International Union, Local 500 (or “SEIU Local 500”), faculty members covered by the Labor Agreement, employed by McDaniel College, who are members of SEIU Local 500, as of July 26, 2018, are required as a condition of employment to remain members of the Union, or pay an agency fee as determined by SEIU Local 500. For those hired on or after July 26, 2018, all adjunct faculty members shall, on or after the thirtieth (30<sup>th</sup>) work day following the beginning of such employment, either become or remain members in good standing of SEIU Local 500, or pay an agency fee as determined by the Union.

If you have chosen to be a non-member of the union, you will be charged a reduced fee proportional to the percentage of the union’s total expenditures that are not germane to collective bargaining and representation. This fee is identified as a “fair share,” or “agency,” fee, which SEIU Local 500 has determined is currently 85.3% of regular dues for members. This is based on audits showing the average of the proportions for the last four years, which for the years 2013 through 2016 were 77%, 86%, 88%, and 90%, averaging 85.3%. The current dues rate for members is \$38.00 per month, for those earning \$5500 or more per year from McDaniel. For those earning less than \$5500 per year from McDaniel, the dues rate is \$33.00 per month. Therefore, the fair share rate is currently set at \$32.41 per month for those earning \$5500 or more from McDaniel, and \$28.15 per month, for those earning less than \$5500. Similarly, the initiation fee for new members is a one-time charge of \$20.00, so the initiation fee for fair share payers is \$17.06.

The membership dues and the fair share rate will change, effective January 2019. The audits showing the average of the proportions for the years 2014 through 2017 were 86%, 88%, 90%, and 88%, averaging 88% for the four year period. The dues rate beginning January 2019 will be \$39.00 per month, for those earning \$5500 or more from McDaniel. For those earning less than \$5500, the dues rate will be \$34.00 per month. The agency or fair share rate is determined by applying the 88% to each membership rate, so the fair share for those earning \$5500 or more from McDaniel will be \$34.32 per month; and for those earning less than \$5500 per month, the agency or fair share rate will be \$29.92 per month. The fair share one time initiation fee will be \$17.60.

The fair share, or agency, fee has been calculated based on the union’s expenditures for collective bargaining, grievances and arbitrations, contract administration and representation, as well as other relevant matters affecting the terms and conditions of your employment. You can find financial documents verified by the union’s independent Certified Public Accountant which provide the basis on which the chargeable fair share fees were calculated, at [www.seiu500.org/financial](http://www.seiu500.org/financial) . If you do not have the ability to gain access to this information online, you can obtain a hard copy of the financial documents by calling or writing the Union office, and requesting a copy. If you choose to challenge the union’s determination of the chargeable fair share fee rate, you must do so by mailing notice of your challenge to Merle Cuttitta, President, SEIU Local 500, 901 Russell Avenue, Suite 300, Gaithersburg, Maryland 20879. Your challenge must indicate that you are dissenting from the union’s determination of the chargeable fair share fee rate, and must be postmarked no later than twenty days from the date the union mailed the enclosed financial documents to you. Your challenge does not excuse you from paying an agency fee. Any amount of allegedly nonchargeable expenses reasonably in dispute and under challenge will be kept in a separate interest-bearing escrow account. All disputes regarding the fair share fee established by the union will be resolved through an

arbitration procedure administered by the American Arbitration Association, in which an impartial arbitrator, following a hearing, will determine any challenges to the Union's criteria, expenditures and conclusion regarding the fair share payment. No later than the next November 30, SEIU Local 500 will notify the AAA of all challenges received by that date. The AAA will then schedule a single consolidated hearing for all such challenges pursuant to its rules for impartial determination of union fees (copies available from AAA), and advise you and any other challengers of the identity of the arbitrator independently selected by the AAA to adjudicate the dispute. The AAA will then notify you and the union of the date on which a hearing will be held. The union will bear the cost of the arbitrator's fees. However, each party is responsible for bearing its own legal costs, including acquiring transcripts and any and all additional expenditures due to preparing and/or presenting its case. There shall be no more than one fair share arbitration hearing each year. The arbitrator shall have authority to determine a fair share fee and order any adjustments therein and refunds to the challenging employees or to the union from the interest-bearing escrow account, which in the opinion of the arbitrator are warranted. The union will provide a verbatim transcription of the hearing and pay for a copy of the transcript for the arbitrator, as well as a copy for the union.

The fair share fee reflects your share of the Union's expenditures for collective bargaining, grievances and arbitrations, contract administration and representation, as well as other matters germane to collective bargaining and relevant matters affecting the terms and conditions of your employment. The categories of activity that have been included in calculating your fair share fee include the following criteria, which have been approved by the courts:

1. Gathering information from employees concerning collective bargaining proposals.
2. Gathering information in preparation for the negotiation of collective bargaining agreements.
3. Negotiating collective bargaining agreements.
4. Adjusting grievances and conducting arbitrations pursuant to collective bargaining agreements, as well as representing employees under employment-related laws or regulations.
5. Conducting ratification proceedings for negotiated agreements.
6. Providing information on the negotiations, or provisions in collective bargaining agreements, as well as on matters relating to representation in the collective bargaining process and contract administration.
7. Purchasing books, reports, and advance sheets used in matters relating to representation in the collective bargaining process and contract administration.
8. Paying technicians and professionals in labor law, economics, and other subjects for services used in (a) negotiating and administering collective bargaining agreements, and (b) processing grievances and conducting arbitrations.
9. Publishing those portions of newspapers and newsletters which relate to bargaining and representation.

10. Participating in lawful impasse procedures, and fact finding, mediation, arbitration, and economic action intended to secure favorable collective bargaining agreements and favorable resolution of grievances.
11. Prosecuting and defending litigation or charges before administrative agencies relating to ratification, interpretation, or enforcement of collective bargaining agreements.
12. Supporting and paying affiliation fees to SEIU and subordinate bodies of the SEIU to the extent that such support and fees relate to the representational interests of the union in the collective bargaining process and contract administration.
13. Prosecuting and defending litigation or charges relating to concerted activity, the duty of fair representation and collective bargaining process and contract administration.
14. Providing social and recreational activities open to all represented employees.
15. Governing the union, and conducting union elections.
16. Conducting general membership meetings and conventions.
17. Lobbying directed to ratifying or implementing the collective bargaining agreement.
18. Payments for insurance, medical care, retirement, disability, and death-related benefits pro-rated with salaries for persons paid for services in carrying out the representational interests of collective bargaining and contract administration.
19. Operating and administrative costs, with expenses such as rent, utilities, automobiles, etc., pro-rated for the portion pertaining to collective bargaining.

The fair share fee does not include any expenses, either direct or indirect, for the following activities:

- Training and voter registration, get-out-the-vote, and political campaigns.
- Supporting and contributing to charitable organizations.
- Supporting and contributing to political organizations and candidates for public office.
- Supporting and contributing to ideological causes and committees, including ballot measures.
- Supporting and contributing to activities concerning foreign affairs.
- Members-only benefits.
- Litigation not related to bargaining unit matters, collective bargaining and representation.
- Lobbying that is not directed toward ratifying or implementing the collective bargaining agreement.

Beginning January 1, 2016, those employees who are employed in more than one bargaining unit represented by SEIU Local 500, who are paying membership dues or agency fees to SEIU Local 500

for more than one contract, are entitled to request and receive a rebate from SEIU Local 500 for those dues and/or fees in accordance with the following:

- Employee must pay membership dues or agency fees in all covered units through payroll deduction.
- Employee must work at multiple covered employers during the same time period for which the employee is requesting a rebate.
- Employee must apply to SEIU Local 500 for the rebate within 30 days of the completion of the semester (Higher Education), school year (K-12), or calendar year (Human Services or Nonprofit), and indicate all places of covered employment.
- The rebate will consist of all paid dues or fees except for the employment under which the employee pays the highest amount for the period.