

Dear MICA Part-time Faculty Member:

In accordance with Article 3 of the Labor Agreement between Maryland Institute College of Art (or “MICA”) and Service Employees International Union, Local 500 (or “SEIU Local 500”), faculty members covered by the Labor Agreement are required as a condition of employment to join the Union and pay monthly dues, or, those who do not voluntarily acquire and maintain membership in the Union, shall be required as a condition of continued employment to pay to the Union each month, beginning no later than thirty-one (31) days after the date of their initial appointment as a part-time faculty member covered by the Labor Agreement, or after the ratification of the Labor Agreement, whichever is later, an agency fee (a service charge as a contribution toward the cost of administration of the Labor Agreement and representation by the Union). The amount of such agency fee has been determined by the Union in accordance with applicable law, as a percentage of full dues uniformly required to be paid as dues and initiation fees by those who choose to become members of the Union.

The agency fee requirement referenced above shall not apply to the following categories of part-time faculty members:

1. Part-time faculty members who teach from a location in a right-to-work state;
2. Part-time faculty members who are appointed to teach a compressed course (eight weeks or less in duration or, for non-credit-bearing courses, ten weeks or less in duration)
3. Retired full-time faculty who have emeritus status;
4. Part-time faculty members who are not paid directly by MICA and whose services are instead procured through a contractual arrangement between MICA and the part-time faculty member’s primary employer; or
5. Part-time faculty members who can reasonably demonstrate, through a written statement, that payment of an agency fee to the Union will have a material adverse impact on their employment outside of the College because of an actual, potential, or perceived conflict of interest. However, such part-time faculty members shall be required to make contributions in an amount equal to the agency fee to a recognized Section 501(c)(3) charitable organization.

If you have chosen to be a non-member of the union, and you do not fall into an Exemption Category as described above, 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 an average proportion for the last four years, which for the years 2013 through 2016 the percentages were 77%, 86%, 88%, and 90%, averaging 85.3%. The current dues rate for members is \$19.00 per pay period, for those earning \$5500 or more per year from MICA. For those earning less than \$5500 per year from MICA, the dues rate is \$16.50 per pay period. Therefore, the fair share rate is currently set at \$16.21 per pay period for those earning \$5500 or more from MICA, and \$14.07 per pay period, 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. Beginning January 1, 2019, based on the most recent annual review of Local 500's financial documents conducted by an outside, independent Certified Public Accountant, the proportional fee for "fair share" or "agency fee" payers will change to 88% of regular dues for members, based on the average proportion over the last four years. For the years 2014 through 2017 those percentages were 86%, 88%, 90%, and 88%, averaging 88%.

Therefore, beginning January 1, 2019, the fair share fee will be \$17.16 for those earning \$5500 or more per year from MICA, and \$14.96 for those earning less than \$5500 per year from MICA. The one-time initiation fee is \$17.60 for agency fee payers. 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 <http://www.seiu500.org/files/2015/08/Jan-1-2018-financials.pdf>. If you do not have the ability to gain access to this information on-line, 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.