



**Bristol and West Haven Communities Fight Outsourcing**



*Bristol union members and their community supporters turned out in force for a Nov. 6 rally to protest outsourcing of school cafeteria services.*

As private companies increasingly attempt to buy off our nation's public assets, local communities are pushing back against mindless outsourcing.

In West Haven, City Councilman David Forsyth Jr. introduced a Taxpayer Empowerment Agenda in response to the Board of Education's vote to outsource school food services to Sodexo, a multi-national company that contracts with governments, schools and universities.

Forsyth said the Taxpayer Empowerment Agenda "will put in place stronger standards for evaluating the privatization of public services to prevent Wall Street from buying up our beautiful community to pad their pockets."

*Outsourcing, Continued on Page 3*

**AFL-CIO President, Governor Recognize DOL Workers for Helping Vets Find Jobs**

Connecticut Department of Labor employees and AFSCME Local 269 members Karen Quesnel and Veasna Roewn are two of the many public service workers who quietly go about making a difference in our lives and our economy.

Working as Business Service Specialists, Quesnel and Roewn help state residents navigate the choppy waters of unemployment. Their responsibilities include a DOL initiative that connects military veterans to employment opportunities in local police and fire departments.

Quesnel and Roewn were front and center Nov. 1 as national AFL-CIO President Richard Trumka joined Gov. Dannel P. Malloy and Labor Commissioner Sharon Palmer to promote the "Vets to Cops and Firefighters" program at the CT Works Job Center in Hartford.

"The best way to support our troops is to give them a good job that pays a decent wage and benefits whenever they come home," Trumka said to a loud round of applause.

Quesnel called it "one of my great personal joys" when veterans ask her to remove their names from the DOL database of job seekers.

"We're not talking about jobs here, we're talking about careers," said Roewn, a military veteran himself. "We're talking about [men and women] who are going to take care of our state."



*L-R: AFL-CIO President Richard Trumka, Lt. Gov. Nancy Wyman, Local 269 member Karen Quesnel, Gov. Dannel P. Malloy and Local 269 member Veasna Roewn.*

Executive Director's  
 Message  
**3**

Newington Workers  
 Ratify Contract  
**5**

Bolton School  
 Workers Win  
**8**

## A Season of Thanks and Middle Class Dreams



Season's Greetings and a Happy New Year to all our members and their families. I want to thank you for all your support during 2013, a year that was challenging for our union and for the labor movement.

Despite a turbulent year and continued corporate and right wing attacks, we fought hard to make progress to benefit our members. We initiated a dialogue to fight the onslaught on the dignity of retirement in part by raising awareness about the beneficial impacts of pensions on Connecticut's economy. We continued to firmly challenge Connecticut's unfair tax system, which rewards the rich and punishes the middle class (that's all of us: blue collar, white collar, professionals, small business owners and workers).

We also pushed back hard on outsourcing throughout Connecticut's communities, including Bridgeport, Bristol and West Haven.

Our members came out in solid numbers to vote in the November 5 election and supported candidates who share our middle class values, thus changing the political landscape

in cities and towns throughout our state.

A major national victory for the middle class and our cause came with the launch of the Affordable Health Care Act, despite heavy opposition and the threat of a national collapse engineered by the conservative Tea Party fringe of House Republicans. While there were technical glitches elsewhere (mostly in the states that refused to participate), Connecticut's enrollment has fortunately proceeded smoothly with 13,000 residents and counting enrolled.

We shared a solemn national moment this summer with the observance of the 50th anniversary of the March on Washington. National and local commemorations reminded us there is still work to be done to accomplish the dream so memorably articulated by Dr. King in August of 1963.

That is why we are here. We will continue to fight hard for our members, their families and the middle class in defense of the American Dream.

So, let's all take a moment, and enjoy our families and the holidays as we get ready for 2014.

In solidarity

*Sal Luciano*

Sal Luciano, Executive Director

## Local 1183 Supports Wallingford Wishing Well

*AFSCME Local 1183, representing Wallingford employees in town hall, public works, sewer and other offices, recently paired up with Town Council members and candidates for a night of "Go-Kart Soccer" to help raise funds for The Wallingford Wishing Well, a charitable organization that serves Wallingford children and families in need. "We think this is a good way to give back," said Local 1183 President Chuck Ballard. "We're all here to serve the public and improve our community."*



## New Chapter for Local 2836



*AFSCME Local 2836 (State University Office of Administrative Faculty) President Jody Barr swears in the officers of the union's newly created Board of Regents Chapter, comprised of Information Technology and other employees. Pictured, l-r: Trustee Rick Campbell, Treasurer Shavonne Smith, President John Derman, Vice President Angelo DeCarlo and Secretary Scott Whitman. Local 2836 represents more than 700 higher education administrators and has chapters at Central Connecticut, Eastern Connecticut, Southern Connecticut and Western Connecticut State University.*



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## Newington Town Workers Stick Together

Members of AFSCME Local 2930, representing 175 town and board of education employees, used political and community engagement to reach agreement on a new four-year contract with the Town.

The settlement, which was unanimously endorsed by the Newington Town Council, includes general wage increases totaling 8% over the life of the contract. It also limits the town's ability to expand the use of temporary and seasonal labor and to subcontract work unilaterally across all departments.

"We were determined to prevent the employer from creating a permanent low-wage workforce with no rights and no accountability to the taxpayers," said Local 2930 President Joe Cirigliano.

The previous collective bargaining agreement between the Town and Local 2930 expired in June, 2012. The Town declared impasse this summer and sought binding arbitration.

Knowing a settlement was in reach, Local 2930 members mobilized to make sure their voices were

heard and their services appreciated. They packed Town Council meetings wearing their green AFSCME t-shirts, took out a full page advertisement in *Newington Life* and promoted their work at town events like "Touch a Truck" and the Summer Reading Program kickoff.



*Members of AFSCME Local 2930, representing Newington Town and Board of Education employees, turned out in force for Town Council hearings in their quest for a fair contract.*

### *Outsourcing, Continued from Page 1*

Members of AFSCME Local 2706 and 1303-410, the bargaining units that represent West Haven school cafeteria employees, raised their voices against outsourcing while awaiting resolution of unfair labor practice complaints filed by Council 4 against the Board of Education.

"I'm a resident of West Haven. The money should stay in our town and not go to the corporations," Local 2706 President Louise Martone told the City Council. "Outsourcing is not the answer."

The outsourcing debate played out in the local election, as challenger Ed O'Brien, a supporter of the Taxpayer Empowerment Agenda, won the mayor's race. And union members have begun working with the local parent-teacher organization to hold the Board and Sodexo accountable.

In Bristol, school cafeteria workers and their union, AFSCME Local 2267, are facing a similar struggle with the Board of Education, which wants to outsource food service operations to Whitson's, a private company out of New York.

On Nov. 6, Local 2267 members got plenty of support as they rallied against outsourcing before attending the monthly Board of Education meeting.

"We know the kids and we know their families. We know their dietary restrictions. And we know how to make them smile," Local 2267 member and cafeteria worker Sharon Peterson told Board of Education members.

"Nobody is getting rich serving high quality meals to

Bristol's school children," she added. "I make a little over \$14 an hour, after 20 years of service."

Council 4 filed an unfair labor practice charge against the Board of Education for bad faith bargaining after the body voted 5-4 against a tentative agreement that included significant economic concessions from the workers. (One of the Board members served on the bargaining team and signed off on the tentative agreement before voting against it publicly.) The outsourcing issue is headed to contract arbitration, with Council 4 Staff Representative Jason Wells advocating for the union.

## New Deal for CWA Clericals

Retirement security just got better thanks to a new contract for members AFSCME Local 1303-235, representing clerical employees at CWA (Communications Worker of America) Local 1298 in Hamden.

Under the agreement, Employees with at least 20 years of continuous service who have reached age 62 and are not Medicare-eligible will receive employer-sponsored health insurance upon their retirement.

"We have been fighting for the medical benefit coverage for retirees ineligible for Medicare for years," said Council 4 Staff Representative Donna Johnson. "These workers have dedicated their adult lives to the employer."

The new contract also includes general wage increases totaling 8.5% over three years.

**NOTICE TO ALL NON-MEMBER AGENCY FEE PAYERS  
BASED ON EXPENSES FOR THE YEAR ENDED 12/31/2012**

The following procedure is being implemented pursuant to Article IX, Section 15 of the International Constitution, as amended at the 29th International Convention of AFSCME, in order to comply with the requirements of the decisions of the United States Supreme Court in Chicago Teachers Union, Local No. 1, AFT, AFL-CIO v Hudson, 475 U.S. 292, 106 S.Ct 1066 (1986) and Communication Workers v. Beck, 487 U.S. 735, 108 S. Ct. 2641 (1988).

As a non-member agency fee payer you are being charged an agency fee which is equal to the regular dues, fees and assessments paid by AFSCME Council 4 members. This fee is in accordance with provisions of Connecticut law and the collective bargaining agreements between AFSCME Council 4 affiliates and various employers in the State of Connecticut.

**CATEGORIES OF CHARGEABLE ACTIVITIES**

A. Expenses associated with the following activities are considered to be chargeable to fair share fee payers in this calculation:

1. Gathering information in preparation for the negotiation of collective bargaining agreements.
2. Gathering information from employees concerning collective bargaining positions.
3. Negotiating collective bargaining agreements.
4. Administration of ballot procedures on the ratification of negotiated agreements.
5. The public advertising of AFSCME's positions on the negotiation, ratification, or implementation of collective bargaining agreements.
6. Lobbying for the negotiation, ratification or implementation of a collective bargaining agreement.
7. Adjusting grievances pursuant to the provisions of collective bargaining agreements, enforcing collective bargaining agreements and representing employees in proceedings under civil service laws or regulations.
8. Purchasing books, reports, and advance sheets used in (a) negotiating and administering collective bargaining agreements, and (b) processing grievances.
9. Paying technicians in labor law, economics and other subjects for services used (a) in negotiating and administering collective bargaining agreements, and (b) processing grievances.
10. Defending AFSCME against efforts by other unions or organizing committees to gain representation rights in units represented by AFSCME.
11. Proceedings regarding jurisdictional controversies under the AFL-CIO constitution.
12. Membership meetings and 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 working conditions, including the cost of sending representatives to such meetings and conventions.
13. 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 working conditions.
14. Impasse procedures, including fact finding, mediation, arbitration, strikes, slow-downs, and work stoppages, over provisions of collective bargaining agreements and the administration thereof, so long as they are legal under state law. These costs may include preparation for strikes, slow-downs, and work stoppages regardless of their legality under state law, so long as no illegal conduct actually occurs.
15. 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 bargaining unit employees which is normally conducted by an exclusive representative.

B. Expenses associated with the following activities are treated as chargeable to objecting fee payers to the extent that they are germane to collective bargaining activity, are justified by the government's vital policy interest in labor peace and avoiding free riders, and do not significantly add to the burden on free speech that is inherent in the allowance of any agency or union shop:

16. Services provided by a parent organization to other bargaining units, which are provided from the pool of resources available to all units, and may ultimately inure to the benefit of the members of the local bargaining unit.
17. Purchasing books, reports, and advance sheets used in activities or for purposes other than negotiating collective bargaining agreements and processing grievances.
18. Paying technicians in labor law, economics and other subjects for services used in activities other than negotiating, implementing and administering collective bargaining agreements and processing grievances.
19. Supporting and paying affiliation fees to other labor organizations which do not negotiate the collective bargaining agreements governing the fair share fee payer's employment.
20. Membership meetings and conventions held for purposes other than to determine the positions of employees on collective bargaining issues, contract grievance adjustment or other matters affecting wages, hours and working conditions.
21. Internal communications which concern subjects other than collective bargaining issues, contract administration, public employment generally, employee development, unemployment, jobs opportunities, award programs, or other matters affecting wages, hours and working conditions.
22. Organizing within the bargaining unit in which fair share fee payers are employed.
23. Organizing other bargaining units.
24. Seeking to gain representation rights in units not represented by AFSCME, including units where there is an existing designated representative.
25. 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 union's associational or corporate existence.
26. Lobbying for purposes other than the negotiation, ratification or implementation of a collective bargaining agreement.
27. Social and recreational activities.
28. Payments for insurance, medical care, retirement, disability, death, and related benefit plans for union employees, staff and officers.
29. Administrative activities and expenses allocable to AFSCME's activities and expenses for which fair share fee payers are charged.

C. Expenses associated with the following activities are not charged to objecting fee payers in this calculation.

30. Training in voter registration, get-out-the-vote, and political campaign techniques.
31. Supporting and contributing to charitable organizations.
32. Supporting and contributing to political organizations and candidates for public office.
33. Supporting and contributing to ideological causes.
34. Supporting and contributing to international affairs.
35. The public advertising of AFSCME's position on issues other than negotiation, ratification, or implementation of collective bargaining agreements.
36. Member-only benefits.

**AFSCME COUNCIL 4 CALCULATION OF AGENCY FEE CHARGEABLE TO OBJECTING FEE PAYER**

Applying the categories of chargeable and nonchargeable expenses to the activities and expenses of AFSCME for the year ending December 31, 2012, it was determined that 26.519% of the expenses of AFSCME were chargeable to

objecting agency fee payers (See Part 1, Section 2). Applying these criteria to the activities and expenses of AFSCME Council 4 and its affiliated locals for the 2012 fiscal year, it was determined that 94.555% of the expenses of AFSCME Council 4 and its affiliated locals were properly chargeable to objecting agency fee payers (See Part 2, Section 2).

These percentages have been combined to form a weighted average, based upon AFSCME, AFSCME Council 4 and its affiliated locals component of the agency fee (see section on the chargeable expenditures of AFSCME Council 4's affiliated locals) of 72.21% (See Table 1) This calculation results in an agency fee chargeable to objecting fee payers which is 72.21% of the regular dues, fees and assessments paid by AFSCME Council 4 members. The agency fee chargeable to objecting fee payers is effective from January 1, 2014 to December 31, 2014.

In December 2014, you will receive another Notice concerning the fee that will be chargeable to objecting agency fee payers for the period from January 1, 2015 to December 31, 2015. This fee will be based upon an analysis of the activities and expenses of AFSCME, AFSCME Council 4 and its affiliated locals for the 2013 fiscal year.

The AFSCME Council 4 fee chargeable to objecting agency fee payers was based upon the following audited financial information. The financial information sets forth the expenditures of AFSCME and AFSCME Council 4 in major categories of expenditures, audited by an independent accountant. The following tables detail which portion of the total audited expenditures of AFSCME and AFSCME Council 4 are chargeable to objecting agency fee payers pursuant to the criteria set forth above.

**Part 1: AFSCME INTERNATIONAL REVISED CALCULATION OF CHARGEABLE EXPENSE  
BASED ON EXPENSE DURING THE YEAR ENDED 12/31/2012  
APPLICABLE TO FAIR SHARE FEES FOR THE PERIOD JANUARY-DECEMBER 2014**

	Total 2012 INTERNATIONAL EXPENSE*	TOTAL CHARGEABLE EXPENSE	ALLOCATED NON-CHARGEABLE EXPENSE
<b>INTERNATIONAL EXPENSE</b>			
ASSISTANCE TO AFFILIATES	\$ 6,474,641	\$ 4,699,976	\$ 1,774,665
AUDITING	1,857,711	1,771,743	85,968
COMMUNICATIONS	8,411,717	1,394,195	7,017,522
CONVENTION	8,115,346	8,115,346	-
CONFERENCE & TRAVEL SERVICES	1,693,460	447,073	1,246,387
EDUCATION	4,097,658	2,445,120	1,652,538
EXECUTIVE BOARD	1,809,079	1,809,079	-
FIELD SERVICES	41,264,080	8,408,431	32,854,649
FINANCIAL SERVICES	12,898,073	3,405,091	9,492,982
GENERAL COUNSEL	3,432,589	2,939,538	493,051
GENERAL OPERATING & BUILDING SRVC.**	8,212,198	8,212,198	-
HUMAN RESOURCES	1,478,198	390,244	1,087,954
INFORMATION SYSTEMS	6,835,450	1,804,559	5,030,891
INTER-UNION AFFILIATIONS	20,749,980	7,475	20,742,505
INTERNATIONAL RELATIONS	1,945	-	1,945
JUDICIAL PANEL	1,092,663	1,092,663	-
FEDERAL GOVERNMENT AFFAIRS	5,105,526	(82,314)	5,187,840
POLITICAL ACTION & PEOPLE	60,719,366	102,897	60,616,369
PRESIDENT'S OFFICE	3,284,818	787,992	2,496,826
RESEARCH	7,672,023	6,297,398	1,374,625
RETIREE	1,734,992	831,454	903,538
SECRETARY-TREASURER'S OFFICE	1,185,784	313,047	872,737
<b>TOTALS</b>	<b>\$ 208,127,297</b>	<b>\$ 55,194,305</b>	<b>152,932,992</b>
<b>TOTAL CHARGEABLE EXPENSE (2012)</b>		<b>\$ 55,194,305</b>	<b>26.519%</b>
<b>TOTAL INTERNATIONAL EXPENSE (2012)</b>	<b>\$ 208,127,297</b>		

\*TOTAL EXPENSE, CONVENTION EXPENSE, AFFILIATION AND CSOP REBATE GRANTS AS AUDITED BY BOND BEEBE, CERTIFIED PUBLIC ACCOUNTANTS. \*\* GENERAL OPERATING & BUILDING SERVICES EXPENSES HAVE BEEN ALLOCATED AS INDIRECT OVERHEAD AND FIELD DEPARTMENTS ON A PERCENTAGE BASIS.

	Section
<b>REPORT OF INDEPENDENT AUDITORS</b>	1
Revised Consolidated Schedule of Expenses and Allocation Between Chargeable Expenses and Nonchargeable Expenses	2
Notes to Revised Consolidated Schedule of Expenses and Allocation Between Chargeable Expenses and Nonchargeable Expenses	3

**Section 1:  
REPORT OF INDEPENDENT AUDITORS**

To the Executive Board American Federation of State, County and Municipal Employees, AFL-CIO:

We have audited the accompanying revised consolidated schedule of expenses and allocation between chargeable expenses and nonchargeable expenses of the American Federation of State, County and Municipal Employees, AFL-CIO for the year ended December 31, 2012, and the related notes to the statement.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this statement in accordance with accounting principles generally accepted in the United States of America, the definitions presented in Note 3 to the statement and the significant factors and assumptions described in Note 4 to this statement; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the revised consolidated schedule of expenses and allocation between chargeable expenses and nonchargeable expenses referred to above presents fairly, in all material respects, the expenses of American Federation of State, County and Municipal Employee, AFL-CIO for the year ended December 31, 2012 in accordance with generally accepted principles and the allocation of expenses between chargeable and nonchargeable expenses on the basis of the definitions in Note 2 to the statement and the significant factors and assumptions described in Note 3.

**Basis of Accounting**

We draw attention to Notes 2 and 3 to the statement, which describe the definitions of chargeable and nonchargeable

expenses and the significant factors and assumptions used in the allocation of expenses between chargeable and nonchargeable, which is a basis of accounting other than accounting principles generally accepted in the United States of America, used for the purpose of determining the fair share cost of services rendered by the International Union for agency fee payers represented by, but not members of, the International Union. Our opinion is not modified with respect to that matter.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of American Federation of State, County and Municipal Employees, AFL-CIO as of and for the year ended December 31, 2012, and our report thereon dated October 25, 2013 expresses as an unmodified opinion on those financial statements. Except as discussed in Note 1 and Note 3(m), the expenses reflected in the total expenses column agree with the expenses in the audited consolidated financial statements of AFSCME for the year ended December 31, 2012.

**Restriction on Use**

This report is intended solely for the information and use of the Executive Board and management of American Federation of State, County and Municipal Employees, AFL-CIO and is not intended to be and should not be used by anyone other than these specified parties.

This report is intended solely for the information and use of American Federation of State, County and Municipal Employees, AFL-CIO and is not intended to be and should not be used by anyone other than this specified party.

*Bond Beebe*

Bond Beebe

A Professional Corporation Bethesda, MD October 25, 2013

**Section 2:**

**AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO REVISED CONSOLIDATED SCHEDULE OF EXPENSES AND ALLOCATION BETWEEN CHARGEABLE EXPENSES AND NONCHARGEABLE EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2012**

EXPENSES	Total Expenses	Chargeable Expenses	Non-Chargeable Expenses
Assistance to Affiliates	\$ 6,474,641	\$ 4,699,976	\$ 1,774,665
Auditing	1,857,711	1,771,743	85,968
Communications	8,411,717	1,394,195	7,017,522
Conference and Travel Services	1,693,490	447,073	1,246,387
Convention	8,115,346	8,115,346	-
Education	4,097,058	2,445,120	1,652,538
Executive Board	1,809,079	1,809,079	-
Field Services	41,264,080	8,409,431	32,854,649
Financial Services	12,858,073	3,405,091	9,492,982
General Counsel	3,432,588	2,939,538	493,051
General Operating and Building Services	8,212,198	8,212,198	-
Human Resources	1,478,198	390,244	1,087,954
Information Systems	6,835,450	1,804,559	5,030,891
Inter-union Affiliations	20,749,980	7,475	20,742,505
International Relations	1,945	-	1,945
Judicial Panel	1,092,663	1,092,663	-
Federal Government Affairs	5,105,526	(82,314)	5,187,840
Political Action	60,719,366	102,997	60,616,369
President's Office	3,284,818	787,992	2,496,826
Research	7,672,023	6,297,398	1,374,625
Retirees	1,734,992	831,454	903,538
Secretary - Treasurer's Office	1,185,784	313,047	872,737
	<b>\$ 208,127,297</b>	<b>\$ 55,194,305</b>	<b>\$ 152,932,992</b>
<b>PERCENTAGE</b>	<b>100.000 %</b>	<b>26.519 %</b>	<b>73.481 %</b>

**Section 3:**

**AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO NOTES TO REVISED CONSOLIDATED SCHEDULE OF EXPENSES AND ALLOCATION BETWEEN CHARGEABLE EXPENSES AND NONCHARGEABLE EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2012**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principle of Consolidation**

The revised consolidated schedule includes the expense accounts of the American Federation of State, County and Municipal Employees, AFL-CIO and AFSCME Building Corporation (AFSCME). All intercompany transactions have been eliminated in consolidation. The direct expenses related to the PEOPLE Committee (PEOPLE) and the Fallen Heroes Fund, which are included in the audited consolidated financial statements of AFSCME, are not included in this consolidated schedule.

**Accounting Estimates**

The preparation of statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of expenses during the reported period. Actual results could differ from those estimates.

**Depreciation**

Property assets are depreciated by the straight-line method at rates calculated to amortize the cost of the assets over their respective estimated useful lives.

**Subsequent Events**

In preparing these schedules, management of the AFSCME has evaluated events and transactions that occurred after December 31, 2012 for potential recognition or disclosure in the schedules. These events and transactions were evaluated through October 25, 2013, the date that the schedules were available to be issued.

**NOTE 2: DEFINITIONS**

The revised consolidated schedule of expenses and allocation between chargeable expenses and nonchargeable expenses reflects a revision of the basic consolidated schedule. Affiliation fees and expenses associated with organizing workers are considered chargeable on the basic consolidated schedule and are considered nonchargeable on the revised schedule.

**Chargeable Expenses**

Chargeable expenses include the share of the costs of operations of AFSCME which are considered necessarily and reasonably incurred for the purposes of assisting affiliated councils and local unions in the performance of their duties as representatives of the employees in dealing with the employers on labor management issues, including the costs of:

- Negotiating and administering, and securing the ratification and implementation of collective bargaining agreements
  - Settling grievances and disputes by mutual agreement, or in arbitration, court or otherwise
  - Activities and undertakings normally and reasonably employed to implement the duties of AFSCME as the representative of the employees
  - Pursuing ratification or implementation of agreements affecting employees represented by AFSCME before legislative or administrative bodies
  - Communicating with employees on matters of concern to them
  - Maintenance of the associational existence of AFSCME and its affiliates
- The following are examples of expenses classified as chargeable:
- Preparation for the negotiation and the negotiation of collective bargaining agreements
  - Contract administration, including investigating and processing grievances

- Meetings, conferences, administrative and arbitral proceedings, and pertinent investigation and research in connection with work-related subjects and issues
- Handling work-related problems of employees
- Communications with employers, elected officials, governmental agencies, and media with respect to AFSCME's position on collective bargaining related matters
- Lobbying and legislative activities with respect to matters concerning the negotiation, ratification or implementation of collective bargaining agreements
- Providing legal, economic and technical expertise on behalf of employees in all work-related matters.

**Nonchargeable Expenses**

Nonchargeable expenses include those of an ideological or political nature and expenses incurred for activities unrelated to collective bargaining and the work-related interests of employees. Also included as a category of nonchargeable expenses are affiliation fees, expenses associated with organizing workers, and union benefits available only to members.

The term "political" is defined as support of, or opposition to, political parties or candidates for political office and expenses associated with fundraising for such activities. Also included in the definition of "political" are voter registration and political get out the vote efforts. The term "ideological" is defined as support for certain positions that AFSCME may take which are not work-related or do not have an impact on the wages, hours or working conditions of employees represented by AFSCME. The following are examples of expenses classified as nonchargeable:

- Contributions to political candidates and political parties.
- Fundraising for political candidates, political parties, or political action committees: voter registration and political get out the vote activities.
- International affairs; activities concerning judicial nominations.
- Endorsements of political candidates.
- Contributions to or participation in activities sponsored by organizations that are unrelated to collective bargaining or other work-related interests.
- Scholarships and other monetary aid provided to the families of members.
- Members only discounted benefits.

**NOTE 3: SIGNIFICANT FACTORS AND ASSUMPTIONS RELATING TO THE ALLOCATION OF EXPENSES BETWEEN CHARGEABLE EXPENSES AND NONCHARGEABLE EXPENSES**

Significant factors and assumptions underlying the allocation of expenses between chargeable and nonchargeable amounts are summarized as follows:

a. For purposes of the calculation, except as noted below, departments are classified as either programmatic or administrative departments. Programmatic departments implement the programs of AFSCME, and provide services to AFSCME affiliates. Allocations of chargeable expenses and nonchargeable expenses of the programmatic departments are made on the basis of a review of the activities and expenses of the individual departments.

Administrative departments oversee and coordinate the functions of AFSCME and provide support functions to the programmatic departments. Included among the administrative departments are the International Union Officers and their staffs, Financial Services, Human Resources, Conference and Travel. The expenses for the administrative departments are allocated as chargeable and nonchargeable in the same proportion as the total chargeable expenses and nonchargeable expenses of the programmatic departments. The overhead attributable to the programmatic departments is included as an administrative department expense in determining the chargeable and nonchargeable proportion of their expenses.

b. For purposes of this calculation, organizing expenses are treated as nonchargeable. The Field Services Department is responsible for all of the International Union's organizing activities. The Field Services Department engages in organizing activities in two ways. First, the Field Services Department has certain employees who have, as one of their responsibilities, the organizing of new members. Second, the Field Services Department provides grants to AFSCME affiliates to permit them to engage in organizing.

The Union examines the staff who may have any involvement in organizing, either internal organizing in pre-existing bargaining units, or external organizing of new bargaining units. To the extent such staff are involved in organizing, their salaries are treated as nonchargeable.

The cost of all health and retirement benefits end all travel expenses of each permanent field service staff person who engaged in any organizing activities are treated as nonchargeable to the same extent as the salary of such person. Additionally, all overhead costs associated with organizing are treated as nonchargeable.

Certain of the activities of the Field Services Department are conducted through projects. Each of those projects is examined, and, if the purpose of the project includes any organizing, that portion of the project related to organizing, including that portion of the salaries, benefits and travel expenses of project staff employed in connection with such project is treated as nonchargeable.

Finally, the Field Services Department makes certain grants to AFSCME locals and councils for a variety of purposes, including organizing by the Union. All of these grants are reexamined by the Union and if the purpose of the grant includes organizing, that portion of the grant is treated as nonchargeable.

Nonchargeable and chargeable expenses, which were \$106,166,974 and \$101,960,323 before, have been restated to \$152,932,992 and \$55,194,305, as a result of this revised calculation.

c. Costs associated with AFSCME publications, including editorial, production, and distribution expenses, are allocated on the basis of a column inch analysis of the chargeable content of the publication.

d. For the purpose of allocating personnel costs, it is assumed that employees work 7 hours per day and 231 days per year. The employee benefits percentage rate is based on a comparison of total department employee benefits to total department salary costs. Employee benefits are allocated on a departmental basis, based upon total chargeable and nonchargeable salary, multiplied by the benefits percentage rate.

e. Activities of the programmatic department staff are individually analyzed and are allocated on the basis of chargeable activities. The personnel costs of the Communications staff involved in the editing or production of AFSCME's publications are allocated on the basis of the chargeable content of the publications.

f. Reimbursed and charged travel expenses of the programmatic department staff are individually analyzed and allocated as chargeable or nonchargeable depending on the nature of the activity. Reimbursed expenses of the Communications staff involved in the editing and production of AFSCME publications are allocated on the basis of the chargeable content of the publication.

g. Headquarters overhead expenses are allocated on the basis of the activities of headquarters personnel. All headquarters overhead expenses are allocated to headquarters departments on the basis of the individual department's percentage of total headquarters salary costs. Included in the calculation of headquarters overhead costs are general operating and building service costs. Overhead expenses allocated to each department are allocated between chargeable and nonchargeable on the basis of chargeable salaries as a percentage of total salaries within that department.

h. Field overhead expenses are pooled and allocated on the basis of the activities and salaries of field staff. Included in the calculation of field overhead costs are office rental, equipment, and general operating costs of the field offices. Field overhead expenses are allocated between chargeable and nonchargeable on the basis of chargeable field staff salaries as a percentage of total field staff salaries.

- i. Assistance to AFSCME affiliates are individually analyzed and allocated on the basis of their chargeable content.
- j. Contributions and participations are individually analyzed and allocated on the basis of their chargeable content.
- k. Affiliation payments to other labor organizations are treated as nonchargeable expenses in this revised calculation.
- l. The expenses of the Judicial Panel are determined to be fully chargeable.
- m. Per capita rebates and CSOP rebates of \$3,995,339 classified as assistance to affiliates for purposes of this calculation are offset against per capita income in the audited consolidated financial statements of AFSCME.

**PART 2: AFSCME - CONNECTICUT COUNCIL 4**

**Revised Consolidated Schedule of Expenses and Allocation Between Chargeable**

**and Nonchargeable Expenses and Independent Auditor's Report**

December 31, 2012

AFSCME - CONNECTICUT COUNCIL 4

December 31, 2012

Table of Contents	Section
Independent Auditor's Report	1
Revised Consolidated Schedule of Expenses and Allocation Between Chargeable Expenses and Nonchargeable Expenses	2
Notes to the Revised Consolidated Schedule of Expenses and Allocation Between Chargeable Expenses and Nonchargeable Expenses	3

**Section 1:**

**Board of Directors**

**AFSCME – Connecticut Council 4**

**New Britain, CT**

We have audited the accompanying revised consolidated schedule of expenses and allocation between chargeable expenses and nonchargeable expenses (the "Schedule") of AFSCME - Connecticut Council 4 and the related notes to the Schedule.

**Management's Responsibility for the Schedule**

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the definitions in Note 2 and significant factors and assumptions described in Note 3; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audient evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the Schedule referred to above presents fairly, in all material respects, the expenses of AFSCME - Connecticut Council 4 for the year ended December 31, 2012, and the allocation between chargeable and nonchargeable expenses, on the basis of the definitions presented in Note 2, and the significant factors and assumptions described in Note 3.

**Basis of Accounting**

We draw attention to Note 2 to the Schedule, which describes certain definitions and Note 3 to the Schedule, which describes the significant factors and assumptions. The Schedule was prepared by AFSCME - Connecticut Council 4 based on these definitions, significant factors and assumptions, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of AFSCME - Connecticut Council 4 as of and for the year ended December 31, 2012, and our report thereon dated May 9, 2013 expressed an unmodified opinion on those financial statements. The expenses reflected in the total expenses column agree with the expenses in the audited consolidated financial statements of AFSCME - Connecticut Council 4 for the year ended December 31, 2012.

**Restriction on Use**

This report is intended solely for the information and use of the Board of Directors and management of AFSCME - Connecticut Council 4 and is not intended to be and should not be used by anyone other than these specified parties.

*Cohn & Rognick LLP*

Farmington, CT

November 22, 2013

**Section 2: AFSCME - Connecticut Council 4**

**Consolidated Schedule of Expenses and Allocation Between Chargeable Expenses and Nonchargeable Expenses - December 31, 2012**

	Total Expenses	Chargeable Expenses	Non-Chargeable Expenses
Salaries	\$ 4,833,563	\$ 4,573,841	\$ 259,722
Employee benefits	2,779,837	2,630,468	149,369
Payroll taxes	404,656	382,913	21,743
Unemployment taxes	22,379	21,177	1,202
Workers' compensation	42,985	40,675	2,310
Automobile allowances	282,150	282,150	-
Legal fees	295,745	295,745	-
Automobile expenses	238,616	238,616	-
Newspaper and mailing costs	97,446	30,452	66,994
Professional services	75,656	75,656	-
Conferences and convention expenses	109,794	109,794	-
Arbitration-contract impasse	50,729	50,729	-
Union promotion	25,080	25,080	-
Training	2,550	2,550	-
Postage	24,426	24,426	-
Other	1,913	1,913	-
Meeting expenses	19,537	19,537	-
Public and employer relations	21,780	21,780	-
Educational programs	11,741	11,741	-
Delegate expenses	5,409	5,409	-
Organizing	2,915	-	2,915
Per diem expenses	9,664	9,664	-
Miscellaneous field expenses	4,952	4,952	-
Political Action Committee	46,515	-	46,515
Flowers and benevolences	3,631	3,631	-
Lodging	304	304	-
Office supplies and expenses	141,748	141,748	-
Telephone	87,290	87,290	-
Utilities and janitorial	82,787	82,787	-
Professional services	54,700	54,700	-
Equipment repairs and service contracts	109,505	109,505	-
Depreciation	54,815	54,815	-
Insurance and bonds	54,598	54,598	-
Dues and subscriptions	28,021	28,021	-
Other	35,478	35,478	-
Property taxes	51,770	51,770	-
	<u>\$ 10,114,685</u>	<u>\$ 9,563,915</u>	<u>\$ 550,770</u>
	100.000%	94.555%	5.445%

**Section 3: AFSCME - CONNECTICUT COUNCIL 4**

**Notes To The Revised Consolidated Schedule of Expenses and Allocation Between Chargeable and Nonchargeable Expenses For The Year Ended December 31, 2012**

**Note 1 - Summary of Significant Accounting Policies:**

**Principles of Consolidation:**

The revised consolidated schedule of expenses and allocation between chargeable expenses and nonchargeable expenses (the "Schedule") includes the expense accounts of:

**AFSCME - Connecticut Council 4** (the "Council") is Connecticut's statewide union of the American Federation of State, County and Municipal Employees ("AFSCME"). The Council is a tax exempt labor organization that represents approximately 35,000 employees in state and local governments, boards of education and the private sector, and is affiliated with the 1.4 million-member AFSCME International Union. The Council provides its nearly 500 local unions with a variety of services including collective bargaining, economic and contract research, education and training, political and legislative affairs, public relations, and legal representation.

**AFSCME Building Corporation** (the "Building Corporation") is a tax exempt title holding corporation that owns the building in which the Council operates.

**AFSCME Council 4 America Fund, Inc.** ("America Fund") is a tax exempt organization that provides immediate and long-term financial, in-kind and other assistance to or for the benefit of AFSCME members and employees and their families, those who have served in the U.S. military and other working people and their families, who are in need or have suffered losses as a result of natural or other disasters, or man-made conflicts, and to agencies, organizations or institutions that provide services to veterans and working people in need.

**AFSCME Council 4 OPC** ("OPC") is a tax exempt organization that promotes the legislative and political agenda of members. All intercompany transactions have been eliminated in consolidation.

**Use of Estimates:**

The preparation of the Schedule requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Schedule, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Property and Equipment:**

All property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. It is the Council's policy to capitalize property and equipment over \$1,000. Estimated lives for financial reporting purposes are as follows:

Building and improvements	10-39 years
Office equipment, furniture and fixtures	3-10 years

**Basis of Accounting:**

The Schedule has been prepared on the accrual basis of accounting.

**Subsequent Events:**

Management has reviewed subsequent events through November 22, 2013, the date at which the Schedule was approved and available for issuance.

**Note 2 - Definitions:**

The Schedule reflects a revision of the supplementary consolidating statement of operating expenses within the basic financial statements for the year ended December 31, 2012 ("basic consolidated schedule"). Affiliation fees and expenses associated with organizing workers are considered chargeable on the basic consolidated schedule and are considered nonchargeable on the Schedule.

**Chargeable Expenses:**

Chargeable expenses include the share of the costs of operations of the AFSCME -Connecticut Council 4 which are considered necessarily and reasonably incurred for the purposes of assisting affiliated councils and local unions in the performance of their duties as representatives of the employees in dealing with the employers on labor management issues, including the costs of:

- Negotiating and administering, and securing the ratification and implementation of collective bargaining agreements
  - Settling grievances and disputes by mutual agreement, or in arbitration, court or otherwise
  - Activities and undertakings normally and reasonably employed to implement the duties of the Council as the representative of the employees
  - Pursuing ratification or implementation of agreements affecting employees represented by the Council before legislative or administrative bodies
  - Communicating with employees on matters of concern to them
  - Maintenance of the associational existence of the Council and its affiliates
- The following are examples of expenses classified as chargeable:*
- Preparation for the negotiation and the negotiation of collective bargaining agreements
  - Contract administration, including investigating and processing grievances
  - Meetings, conferences, administrative and arbitral proceedings, and pertinent investigation and research in connection with work-related subjects and issues
  - Handling work-related problems of employees
  - Communications with employers, elected officials, governmental agencies, and media with respect to the Council's position on collective bargaining related matters
  - Lobbying and legislative activities with respect to matters concerning the negotiation, ratification or implementation of collective bargaining agreements
  - Providing legal, economic and technical expertise on behalf of employees in all work-related matters

**Nonchargeable Expenses**

Nonchargeable expenses include those of an ideological or political nature and expenses incurred for activities unrelated to collective bargaining and the work-related interests of employees. Also included as a category of nonchargeable expenses are affiliation fees, expenses associated with organizing workers, and the cost of providing benefits that are only available to union members.

The term "political" is defined as support of, or opposition to, political parties or candidates for political office and expenses associated with fundraising for such activities. Also included in the definition of "political" are voter registration and political get out the vote efforts. The term "ideological" is defined as support for certain positions that the Council may take which are not work-related or do not have an impact on the wages, hours or working conditions of employees represented by the Council.

The following are examples of expenses classified as nonchargeable:

- Contributions to political candidates and political parties

- Fundraising for political candidates, political parties, or political action committees: voter registration and political get out the vote activities
- International affairs; activities concerning judicial nominations
- Endorsements of political candidates
- Contributions to or participation in activities sponsored by organizations that are unrelated to collective bargaining or other work-related interests
- Scholarships and other monetary aid provided to the families of members
- Members only discounted benefits

**Note 3 - Significant factors and assumptions relative to the allocation of expenses between chargeable and nonchargeable expenses:**

Significant factors and assumptions underlying the allocation of expenses between chargeable and nonchargeable amounts are summarized as follows:

1. Costs associated with the Council publications, including editorial, production, and distribution expenses, are allocated on the basis of a column inch analysis or the chargeable content of the publication.
2. The costs of employee salaries, payroll taxes, unemployment compensation, workers' compensation and employee benefits associated with the Council publications are allocated based on chargeable content of the publication.
3. Costs associated with supporting political candidates for public office are considered one-hundred percent nonchargeable.
4. For purposes of this calculation, organizing expenses are treated as nonchargeable. Certain field service representatives are responsible for the organizing activities. The Council examines the staff who may have any involvement in organizing. To the extent such staff is involved in organizing, their salaries are treated as nonchargeable.

The cost of all health and retirement benefits and all travel expenses of each of the field service representatives who engaged in any organizing activities are treated as nonchargeable to the same extent as the salary of such person. Additionally, all overhead costs associated with organizing are treated as nonchargeable.

**TABLE 1: AFSCME - Connecticut Council 4 Agency Fee Worksheet**  
Effective for January 1, 2014 to December 31, 2014 (Based on 2012 Consolidated Audited Expenses)

	Chargeable Percentage	Non-Chargeable Percentage
International percentage	26.519%	73.481%
Council percentage	94.555%	5.445%

The minimum dues for 2014 are \$37.90 and applying the weighted average of 72.21%, the chargeable amount due is \$27.37 calculated as follows:

	Rate	Percentage	Total
International Dues Rate	12.45	26.519%	3.30
AFSCME Connecticut Council Dues Rate	22.50	94.555%	21.27
Local Minimum	2.95	94.555%	2.79
<b>Total</b>	<b>37.90</b>		<b>27.37</b>

<b>Total Chargeable Percentage</b>	<b>72.21%</b>	
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**PART 3**

AFSCME Council 4 has over 85 affiliated local unions. In accordance with the decisions of the Federal Courts on the question of how local union expenditures should be allocated for the purpose of determining the agency fee chargeable to objecting fee payers, AFSCME Council 4 relies upon the "Local Union Presumption." AFSCME Council 4 has determined that the percentage activities of these local unions which are chargeable to objecting agency fee payers is at least as great as the percentage of chargeable activities of Council 4, and therefore, utilizes the same percentage for AFSCME Council 4 and the local unions.

**Section 1: AFSCME COUNCIL 4'S PROCEDURE FOR OBJECTING TO THE EXPENDITURE OF A PORTION OF AGENCY FEES ON NONCHARGEABLE ACTIVITIES**

AFSCME Council 4 has established the following procedure for non-members who object to the expenditure of a portion of their agency fee on activities and expenses that AFSCME Council 4 has determined are non-chargeable to objecting fee payers and who want an advance rebate of that portion of their fees spent on such activities and expenses. **PLEASE READ THIS PROCEDURE CAREFULLY -- YOU MUST COMPLY WITH THIS PROCEDURE IN ORDER TO REGISTER AN OBJECTION AND RECEIVE AN ADVANCE REBATE.**

**A. Objection Procedure.**

Non-member agency fee payers who wish to object to the expenditure of a portion of their fees on those activities and expenses that AFSCME Council 4 has determined are non-chargeable must so inform AFSCME Council 4 individually in writing. The written objection by mail should include the non-member's name, address, job title, employer, work location, and local affiliation, if known. Written objections must be sent to AFSCME Council 4 at the following address, postmarked no later than January 15, 2014.

SAL LUCIANO, EXECUTIVE DIRECTOR  
CONNECTICUT COUNCIL 4 AFSCME, AFL-CIO  
444 EAST MAIN STREET  
NEW BRITAIN, CONNECTICUT 06051

**B. Advance Rebate**

Upon receipt of the written objection, Council 4 will pay to the objecting agency fee payer an advance rebate equal to the difference between the fees collected from the objecting fee payer and that portion of the dues or fees found chargeable by AFSCME Council 4 in accordance with the calculation set forth in this Notice. The advance rebate will be paid for the period from January 1, 2014 to December 31, 2014. The advance rebate will be paid in a lump sum.

**Section 2: AFSCME COUNCIL 4'S PROCEDURE FOR CHALLENGING THE CALCULATION OF CHARGEABLE VERSUS NONCHARGEABLE EXPENSES**

AFSCME Council 4 has established the following procedures for objecting non-member agency fee payers who

wish to challenge the AFSCME Council 4 calculation of chargeable versus non-chargeable expenses. **PLEASE READ THIS PROCEDURE CAREFULLY. YOU MUST COMPLY WITH THIS PROCEDURE IN ORDER TO CHALLENGE THE AFSCME COUNCIL 4 CALCULATION OF CHARGEABLE VERSUS NONCHARGEABLE EXPENSES.**

**A. Challenges**

Individual nonmember agency fee payers who wish to challenge the AFSCME Council 4 calculation of chargeable versus non-chargeable expenses which is set forth in this Notice must inform AFSCME Council 4 of their challenge individually in writing. The written challenge should include the challenger's name, address, job title, employer work location, and local affiliation, if known. The written challenge must be sent to AFSCME Council 4 by mail at the following address, postmarked no later than January 15, 2014.

SAL LUCIANO, EXECUTIVE DIRECTOR  
CONNECTICUT COUNCIL 4 AFSCME, AFL-CIO  
444 EAST MAIN STREET NEW BRITAIN, CT 06051

**B. Advance Rebate**

Upon receipt of the written challenge, AFSCME Council 4 will pay to the challenger-agency fee payer an advance rebate equal to the difference between the fees collected from the challenger-agency fee payer and that portion of the dues or fees found chargeable by AFSCME Council 4 in accordance with the calculation set forth in the Notice. The advance rebate will be paid for the period from January 1, 2014 to December 31, 2014. The advance rebate will be paid in a lump sum.

**Section 3: Escrow, Arbitration and New Hires**

Objecting agency fee payers and agency fee payers challenging the calculation of chargeable versus non-chargeable expenses shall receive advance rebates in the same amount and on the same basis.

**A. Escrow of Agency Fees in Dispute**

Upon receipt of the written challenge AFSCME Council 4 shall place an amount equal to 100 percent of the agency fee paid by the challenger since January 1, 2014 minus the advance rebate, in an interest bearing escrow account and that amount in escrow shall be independently verified. The agency fees shall remain in escrow until the arbitration award issues and the escrow shall be distributed, along with accrued interest, to AFSCME Council 4 and the challenger pursuant to the arbitrator's ruling.

**B. AFSCME Council 4 Arbitration Procedure**

An impartial decision maker will be appointed by the American Arbitration Association ("AAA") to resolve all challenges to the AFSCME Council 4 calculation of the agency fee chargeable to objecting fee payers. All challenges to AFSCME Council 4's calculation will be consolidated into a single proceeding. The impartial arbitrator will hold hearings beginning within 30 days after the close of the challenge period in which the challengers can participate personally or through a representative. In these hearings, AFSCME Council 4 will have the burden of proof regarding the accuracy of the calculation of chargeable versus non-chargeable expenses. The challenger will be given an opportunity to present their own evidence and to present written arguments in support of their position. The arbitrator will issue a written decision and award on the basis of the evidence presented. An arbitrator's award shall issue no later than 120 days after the close of the challenge period.

Upon receipt of the written challenge, AFSCME Council 4 or the AAA will contact the challenger by mail and provide the challenger with a copy of the AAA Rules concerning the arbitration of agency fee challenges or other rules applicable to the arbitration procedure. In addition, AFSCME Council 4 or the AAA will inform the challenger that copies of documents upon which the calculation was based and exhibits that the International, AFSCME Council 4 and its affiliated locals intend to introduce into the record of the arbitration proceedings except from rebuttal exhibits, which will be made available for inspection and copying at a reasonable charge in advance of the arbitration hearing at the offices of AFSCME Council 4 or the affiliated local during regular hours.

After the selection of the arbitrator by the AAA, the arbitrator will contact the Union and the challengers by mail with the date, time and place of the prehearing conference. The time and place of the conference will be selected by the arbitrator. The purpose of the prehearing conference is to, inter alia, establish the date(s) and place(s) of the hearings on the challenges and to establish procedures for the conduct of the hearings. If either the Union or the challengers do not participate in the prehearing conference, these matters will be resolved by the arbitrator in their absence.

After the completion of the prehearing conference, the arbitrator will notify the Union and the challengers by mail of the date, time and place of the first day of the hearing. The notice will also state that if the challengers fail to participate in the hearing, the arbitrator can close the record after the introduction of the union's evidence and issue a ruling on the basis of the record and the argument presented by the Union.

The arbitrator's award will issue no later than 120 days after the close of the challenge procedure.

When a decision on the challenges issues, the funds in the escrow account shall be distributed in accordance with the arbitrator's award. In addition, the challengers shall receive an additional advance rebate for the balance of the certification year in accordance with the arbitrator's award where appropriate. If the arbitrator determines that the chargeable percentage, or the proper agency fee, is less than that initially calculated by the Union, a supplemental advance rebate shall be paid to challengers to the extent required by applicable law.

The provisions of this procedure shall be considered legally separable. Should any provision or portion hereof be held contrary to law by a court or administrative of competent jurisdiction, the remaining provisions or portions hereof shall continue to be legally effective and binding. If the International President determines that modifications in this procedure are necessary to maintain its compliance with applicable law, the International President shall have authority to make such modifications, effective immediately, but subject to the approval of the International Executive Board at its next regular meeting.

**C. NEW HIRES**

Upon being notified of a new hire, the union will send a copy of this Notice to the new employee. The new employee will be allowed thirty (30) days from the date from receipt of the Notice to respond to the Notice. Objections to the union's expenditure of their fee on non-chargeable activities may be made by filing an objection in writing within 30 days of the receipt of the Notice in accordance with the above stated procedure. If fees are deducted prior to the expiration of the period for filing objections, the fee must be placed in escrow. The funds in escrow will be distributed after the expiration of the objection period with an advance rebate paid to objectors. Objecting employees will receive an appropriate advance rebate covering the period from their initial payment of the fee to the end of the certification year. These employees may file a challenge to the union's calculation of chargeable expenses contained in the Notice for the subsequent certification year during the next regular challenge period.

*Bolton Aides, Continued from Page 8*

voluntarily recognize full- and part-timers under one contract. Once they accomplished that difficult task, Webster and the bargaining team set about negotiating a new agreement, using the full-timers' contract as a baseline.

"Negotiations weren't easy," Webster said, "but the members were patient and stuck together."

The sides were able to settle a three-year contract that placed instructional assistants on the same wage and benefit scales, regardless of full- or part-time status, and included general wage increases for all employees, along with a boost in base pay for the part-timers.

"It was never 'us against them.' We do the same jobs. We just have different hours," Toce said.

"This was about recognition and respect," Rea added. "We're all here for the kids."



## Bolton Instructional Assistants Find Strength in Unity

There's an old saying in the labor movement: united we bargain, divided we beg.

Recognizing the truth in that axiom, Bolton school instructional assistants strengthened their bargaining power by successfully advocating for the merger of full- and part-time union members under a single contract.

Diane Rea, President of the former Local 1303-449 bargaining unit that represented 18 part-time assistants, said she and her co-workers got tired of seeing their hourly wages cut, their pay raises disappear and their benefits (like paid holidays and sick time) slashed.

"We're all professionals. Our goal was to have one contract," she said.

Full-time assistants agreed the school administration's treatment of part-timers hurt everyone. "It was unfair that some people were getting paid less and not getting raises," said Lisa Toce, President of Local 1303-355, representing 25 full-time instructional assistants. "We didn't think the administration was acting responsibly."

Working with Council 4 Staff Representative Laurie Webster, Bolton school employees spent a year fighting to get their employer to

*Bolton Aides, Continued on Page 7*



*Seated, l-r: Bargaining Unit Co-Presidents Lisa Toce and Diane Rea; Secretary Jamie Calve. Back, l-r: Treasurer Pattie Ellis, treasurer, Bargaining Team member Sheila Delaney and Council 4 Staff Representative Laurie Webster.*



@Council4



#C4MC



Council4

It's now easier than ever to get the news and information you need right when you need it from AFSCME Council 4! Our website makes it easy for you to stay informed and get involved with your union, and link to our Facebook, Twitter and YouTube pages.

- News and information
- Training and scholarships
- Exclusive member benefits
- Much more!

**Get informed. Get involved. Sign up today.**