

Union Hudson Procedure

The following procedure is implemented by United Academics of the University of Oregon (“UAUO” or “the Union”) to comply with the requirements of Chicago Teachers Union, Local No. 1, AFT, AFL-CIO v. Hudson, 475 U.S. 292, 106 S.Ct. 1066 (1986).

1. UAUO will code all Union transactions and activities as chargeable or non-chargeable using the criteria set forth in the Expense Categorization Section of this Policy.
2. UAUO will have financial statements prepared for each fiscal year ending June 30th. The financial statements shall use auditor verified methodologies tailored to provide nonmembers with a reasonable opportunity for meaningful verification of the expenditures presented. The financial statements shall calculate the chargeable percentage of all UAUO expenditures during the prior fiscal year.
3. After the calculation of chargeable expenses is made, a notice setting forth the following information will be prepared:
 - a. The percentage of chargeable expenses of the UAUO;
 - b. The financial information and calculation of chargeable expenses in the major categories of expenses that served as the basis of the calculation of chargeable expenses;
 - c. A statement indicating the period of time, typically the fiscal year, for which the calculation will be effective;
 - d. A statement of the amount of the fee payable by all fee payers based upon current fair share fee payer rates. The amount of fair share fees will be expressed as a percentage of the dues paid by UAUO members;
 - e. A statement that fair share fee payers may object, in writing, to the expenditure of that portion of their fees or expenses that are non-chargeable along with a statement of how the member will be rebated, with interest, for any non-chargeable amounts that may have been deducted, and a statement that following objection only the reduced fair share fee will be deducted;
 - f. A statement that the written objection must include the objector’s name, department, address, and UO ID number, as well as the following statement: “I object to the use of my fair share fees for activities that are not germane or relevant to the Union’s collective bargaining or representation functions.”;
 - g. A statement of the procedure by which a nonmember fee payer can file a challenge to the Union's calculation of chargeable versus non-chargeable expenses;

h. A statement that individuals who wish to challenge the union's calculation of chargeable versus non-chargeable expenses shall do so in writing and must include their name, department, address, UO ID number, home or cell telephone number, and email address;

i. A statement that 150% of the amount alleged to be the non-chargeable portion of the challenger's fee, which represents the amount reasonably in dispute, will be placed in a separate interest-bearing, escrow account pending resolution of the challenges;

j. A statement that fair share fee payers are provided no less than a 30-day period in which to file objections and challenges.

4. The Notice must be sent to all fair share fee payers annually as soon as feasible after the University has provided the Union with its first complete bargaining unit list after the commencement of Fall classes.

5. The Notice shall be distributed by the Union by direct mail and/or by publication in the newsletter which would be mailed. In either case, the Union must ensure that the Notice is sent to all Fair Share fee payers, including those who were bargaining unit members but not Union members for any portion of the preceding Fiscal Year. The Union shall take all necessary steps to ensure that they have current names and addresses of Fair Share fee payers. If, after exhausting all reasonable efforts, the Union is still unable to secure an accurate list of Fair Share fee payers with home addresses, the Union shall distribute copies of the Notice to all unit reps for distribution in the departments to reach all fee payers. Non-UAUO members who object to paying non-chargeable expenses will have no less than 30 days after this notice is made to send a written objection to the Union, and/or a challenge to the calculation of the non-chargeable expense rate or the period to which it applies. This will be known as the Objection Period.

6. Upon receipt of a challenge to the Union's fair share fee calculation, 150% of the estimated non-chargeable percentage of all fees collected by the Union from Fair Share payers will be deposited in the escrow account until all challenges have been resolved. This percentage shall be based on the prior year's audit, except that for the initial year when no audit is available it will be based on the assumption that the non-chargeable rate will be 15% of dues. The Union shall endeavor to resolve challenges informally prior to arbitration, and any resolutions shall provide for disposition of the fee in escrow. Oral resolutions may be confirmed in a letter. Should informal resolution not be possible, the fees paid by the challenger must remain in escrow pending resolution of the challenge by the arbitrator.

7. Objectors will be rebated any non-chargeable portion of their dues that may have been collected prior to their objection by check or direct deposit within 60 days of the beginning of the Objection Period. Payments will include interest calculated at the same rate paid for the Union's escrow account. Following receipt of an objection, the Union

will collect from an objector only the reduced fair share fee that represents the Union's chargeable expenses.

8. The Union shall establish an arbitration procedure for the resolution of challenges that contains the following elements:

- a. Selection of a qualified impartial arbitrator by the Oregon Employment Relations Board Conciliation Service, or a similar impartial agency or organization (the Union will not select the arbitrator);
- b. Scheduling of the arbitration and pre-hearing telephone conference so that it can be cancelled without penalty if there are no objections or challenges;
- c. Consolidation of all challenges into a single proceeding;
- d. A requirement that the arbitration process begins with a pre-hearing telephone conference within 30 days after the close of the challenge period and that the arbitrator's award issue no later than 120 days after the close of the challenge period.

9. At the beginning of each Fiscal Year, the Union shall request an arbitrator for a hearing on a specific date approximately two months after the close of the projected Objection Period. The requested hearing date will fall on a day during an academic term, and will be held at the University of Oregon ("UO"). The requested arbitrator should be able to meet the following criteria: he or she should (1) be an Oregon-based arbitrator to minimize travel expenses and be willing to conduct the hearing at UO; (2) be willing to consolidate multiple challenges, if applicable, into one proceeding; (3) have a 30 day cancellation policy or less; (4) be willing to render a decision within 30 days of the close of the hearing; and (5) be willing to conduct a telephonic pre-hearing conference call within approximately 30 days after the close of the challenge period to address pre-hearing matters with the parties.

10. The Union will schedule a room for the hearing on the UO campus.

11. A pre-hearing conference will be held within 30 days after the close of the challenge period to address any pre-hearing matters raised by any party, including: hearing location, logistics, subpoenas, identifying the issues for hearing, evidentiary and discovery issues, any party's desire for recording, or any other matters regarding the conduct of the hearing. If either the Union or the challengers do not participate in the pre-hearing conference, these matters will be resolved by the arbitrator in that party's absence.

12. When the arbitrator issues a decision on the challenges, the funds in the escrow account shall be distributed in accordance with the arbitrator's award. If the arbitrator determines that the chargeable percentage, or the proper agency fee or fair share fee, is less than that initially calculated by the Union, a supplemental advance rebate shall be paid to objectors to the extent required by applicable law. If the arbitrator finds that the Union's chargeable percentage was too low and certain expenses that were considered non-chargeable were actually chargeable, the Union may make prospective adjustments, with proper notice, accordingly.

13. The provisions of this procedure shall be considered legally separable. Should any provision or portion thereof be held contrary to law by a court or administrative agency of competent jurisdiction, the remaining provisions or portions thereof shall continue to be legally effective and binding.

Expense Categorization

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, including but not limited to contract proposals, negotiations, contract ratification, and contract printing expenses.
4. Administration of ballot procedures on the ratification of negotiated agreements.
5. The public advertising of UAUO's positions on the negotiation, ratification, or implementation of collective bargaining agreements.
6. Lobbying that is germane to collective bargaining as it relates to the negotiation, ratification or implementation of a collective bargaining agreement between UAUO and UO.
7. Activities related to working conditions, benefits and contract rights available to UAUO bargaining unit members.
8. Interactions with UO, OUS and other university administration, including meetings, phone calls and exchanging emails, to the extent these interactions relate to chargeable activities.
9. Background reading and research, phone calls, conferences, discussions or other preparation concerning salaries, working conditions, comparisons with other colleges and universities, and related matters relevant to UO faculty employment.
10. Preparation for strikes and, if strikes are legal, strike activity at UO.
11. Attendance at training sessions related to collective bargaining.
12. Attendance at some national and state AAUP and AFT meetings, including AAUP-CBC meetings and summer institutes.
13. Government agency, labor board, or regulatory matters that are directly related to collective bargaining, contract enforcement, grievance handling, or union administration.
14. Preparation of publications that address traditional union functions and chargeable activities.
15. Expenses incurred adjusting grievances pursuant to the provisions of UAUO collective bargaining agreements, enforcing such collective bargaining agreements and representing employees in proceedings under other applicable laws or regulations.

16. Education programs if the content relates to the terms and conditions of UO faculty employment.
17. Purchasing books, reports, and advance sheets used in (a) negotiating and administering collective bargaining agreements, and (b) processing grievances.
18. Paying technicians in labor law, economics and other subjects for services used (a) in negotiating and administering UAUO collective bargaining agreements, and (b) in processing grievances.
19. Legal/litigation expenses related to or concerning the bargaining unit such as filing fees, deposition costs, expert witness fees, and other fees and expenses associated with the representation of bargaining unit members at UO.
20. Defending UAUO against efforts by other unions or organizing committees to gain representation rights in units represented by UAUO.
21. Proceedings regarding jurisdictional controversies in AAUP, AFT, or any national or international affiliates as they relate to UAUO.
22. 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.
23. 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.
24. Activities in the running of the union to include staff salaries and benefits, fees for consultants, committees and conferences, local elections, interpretation of the constitution, related legal expenses, and general management to the extent that those activities support and pay for chargeable activities at UAUO.
25. Payments made to state and national affiliates that are used at those levels for chargeable activities.
26. Insurance and taxes to the extent that those expenses support chargeable activities at UAUO.
27. Lobbying and ballot measures related to collective bargaining that have a direct impact on employment relations between UO and UAUO.
28. Impasse procedures, including fact finding, mediation, arbitration, strikes, slow-downs and work stoppages, over provisions of UAUO 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.
29. 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.
30. Social activities open to members and non-members.
31. Other activities germane to or supportive of collective bargaining negotiations, contract administration, or grievance adjustment.

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

1. Lobbying and ballot measure activities not directly related to contract negotiation, ratification, or enforcement.
2. Training and participating in voter registration, get-out-the-vote, and political campaigns.
3. Supporting and contributing to charitable organizations.
4. Community Services.
5. Supporting and contributing to political organizations and candidates for public office.
6. Supporting and contributing to ideological causes.
7. Political contributions.
8. Education programs on topics that are political, ideological, or unrelated to union functions.
9. Supporting and contributing to international affairs, including hosting foreign visitors or international relief efforts.
10. The public advertising of UAUO's position on issues other than negotiation, ratification, or implementation of collective bargaining agreements.
11. Member-only benefits.
12. General public relations activities.
13. Litigation/legal expenses that are not related to the local bargaining unit, collective bargaining, grievances, or other chargeable activities.
14. Publishing costs that are not associated with chargeable activities.