

R2-04: Sublocal Rebate Distribution

Committee Recommendation: ✓ Do pass

Union Operations Committee: Patty Falkenstein (Homecare Sublocal 99), Shaun Parkman (DHS/OHA Sublocal 219), Hismelia Cardier (DHS/OHA Sublocal 203), Angela Jelley (Sublocal 99 Homecare), Diana Lobo (Sublocal 99 Homecare), DeAnna Wanke (Sublocal 99 Homecare), Leigh Roberts (University of Oregon Sublocal 85)

Committee Report

The committee heard several pro and con statements, which had to do with the most efficient way for sublocals to access their accounts, and accrue interest while maintaining control over their funds. The intent of this resolution is to provide the greatest earning potential for membership dues. By returning (changing) the sub-local dues rebate (from annual) to two disbursements it allows the unused portion to be invested and accrue interest. This interest earned is for the benefit of all members. There was debate on sublocals having their own interest bearing bank accounts, but with over 100 sublocals this would be a burden on accounting to manage that many accounts. The author affirms this resolution is not to deny use of funds to sublocals, nor to interfere with their ability to spend their rebates how they choose. Passing would allow maximizing interest earnings. Sublocals have access to all their rebate, and can request the second disbursement providing accounting verifies the funds are available.



Service Employees

Budget Impact/Cost Estimate: This resolution yields an estimated \$1300 in interest based on the average interest rate seen on Union funds in the last 6 months.

International Union

Local 503,

2020 Committee Recommendations:

Oregon Public

Do Pass Pass as Amended

Employees Union

Do Not Pass

2020 General Council Ballot & Resolution Number:

Round 2 Resolution 4

Sublocal Rebate Distribution

1 **Subject: Sub-Local Rebate Disbursement**

2 **Authored by: Mary Stewart**

3 **Submitted by: Mary Stewart**

4 **Resolution Endorsed by: SEIU 503 Governance Sub-Committee**

5

6 **WHEREAS**, under the current SEIU503 Bylaws Article XX, Section 2(b) – Local Funding, the Locals shall be
7 allotted funds on an annual basis based on the rate of \$1.15 per dues paying member per month and
8 \$.90 per fair share payer per month and

9 **WHEREAS**, the disbursement of an annual payment to each Local places monies into non-interest
10 bearing accounts, thus earning no additional funds. Often the full amount of the disbursements is not
11 spent over the fiscal year. As it is in the best interest of the membership to have a financially strong
12 union it is not prudent to have union monies idle and not producing income in the form of interest.

13 **THEREFORE, BE IT RESOLVED**, that the body move to amend the SEIU503 Bylaws to provide for a
14 minimum of two equal disbursements to be made to each Local in each fiscal year in accordance with
15 Article XX, Section 2(e). The remainder of the disbursements shall be held in the General Fund and
16 thereby earning interest for the benefit of the membership.

17 **BE IT FURTHER RESOLVED**, that should a local require additional funding to supplement the first fiscal
18 disbursement, the Local will make a request to Accounting to ascertain funds availability and the funds
19 will be processed.

Sublocal Rebate Distribution

Equity Statement

This resolution has a neutral equity impact.

Political Statement

No political impact.

Legal Statement

No legal impact.

R2 - 04: Sub-local Rebate Disbursement

Name: Mary Stewart

Sub-local: DOR 150

Pro Statement

I support the Do Pass recommendation of the Committee for this resolution: SEIU503 has a financial responsibility to maximize the earnings of invested funds for the good of the membership:

1. A previous General Council vote moved the local rebate disbursements from monthly to annually. This seeks adjust that timing for investment purposes.
2. As local accounts are not held as individual bank accounts, but rather sub-ledger accounts, there is no means of accruing interest on annually disbursed funds by locals.
3. If rebates are disbursed in two equal amounts the second disbursement may be pooled with other funds to earn interest for members. This has a positive financial impact for the membership at large.
4. Locals may request any portion, or all, of the second disbursement at any time during the fiscal year.
5. Locals may spend their funds as they chose according to AP&P guidelines.

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Name: Diana Downs

Sub-local: MCEA #294

Con Statement

I am NOT in favor of this resolution. I understand the need to be prudent with finances and to maximize the earning capacity of our union. However, making two distributions of money belonging to the sublocals is not in the best interest of the sublocals. It appears as though the sublocals are being penalized for not spending down their reserves. Our sublocal is very conscious of our spending. By being conservative and responsible, we were able to purchase masks for our represented employees when the pandemic struck. We were also prepared to contribute to the hardship fund when it was requested. The spending of the sublocals money should be managed by the sublocals not SEIU. If this resolution paid the earnings to the sublocals and gave the sublocals the opportunity to opt in/out, I would gladly reconsider my position.

R2 - 04: Sub-local Rebate Disbursement

Name: Elizabeth (Betty) Holladay

Sub-local: #218

Pro Statement

I fully support this resolution. I know that our current treasurer, Ms. Stewart, is bright and forward thinking. Whatever she proposes I am inclined to support. She, and the accounting division, are supportive of making needed change in the disbursement process for sublocals. So, have at it!

R2 - 04: Sub-local Rebate Disbursement

Name: Jill Smith

Sub-local: 109

Con Statement

The idea is a good one but there is nothing that gives the locals any idea on how much funds they actually have. No frame work as to when each local gets an accounting of each of their own locals finances. Needs more work more guardrails.

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Name: Donna Weatherly

Sub-local: 99

Pro Statement

I feel that reinvesting our capital is key to a steadier road ahead.

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Name: Alice Redding

Sub-local: sub-local 99

Pro Statement

.. To keep our union strong; adequate finances are important

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Name: Becky Wright

Sub-local: sub-local 503

Pro Statement

Pro. I believe this resolution is best for our membership

R2 - 04: Sub-local Rebate Disbursement

Name: patty falkenstein

Sub-local: r

Pro Statement

puts money to use earning interest rather than sitting in the sublocal ledger. any sublocal can receive their full rebate after confirming funds.

R2 - 04: Sub-local Rebate Disbursement

Name: Luella Larsen

Sub-local: Homecare Local 99 District 7

Pro Statement

I feel this will be a better use and assessment of our dues.

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Name: Denare Archer

Sub-local: Homecare sub-local central oregon

Pro Statement

This appears to help members out so I am Pro.

R2 - 04: Sub-local Rebate Disbursement

Name: Barbara Evans

Sub-local: Local 99

Pro Statement

good job at amending, defining and clarifying the funding issue

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Name: Christina Feigner

Sub-local: homecare

Pro Statement

Neutral

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Name: Rebecca sandoval

Sub-local: Local 99

Pro Statement

This change will allow sublocals to earn interest on the funds in our individual accounts.

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Name: Jolene White

Sub-local: 99

Pro Statement

According to accounting, it would require excessive record-keeping for each sublocal to have it's own interest-bearing account. So give sublocals access to a portion of the annual allotment while the Union sits on the rest EARNING INTEREST, in the General Fund. Then, in due time, disburse the rest of the funds into the account accessible to the sublocals. Sublocals can request access to funds if needed, prior to planned disbursement. This resolution makes sense and dollars.

R2 - 04: Sub-local Rebate Disbursement

Name: Ivonne Rivero
Sub-local: Sub-local 99

Pro Statement

In support.

R2 - 04: Sub-local Rebate Disbursement

Name: Anna Young

Sub-local: Homecare Local 99

Pro Statement

No statement provided

R2 - 04: Sub-local Rebate Disbursement

Name: Temari Asazuki

Sub-local: Homecare

Pro Statement

No statement provided.

R2 - 04: Sub-local Rebate Disbursement

Name: Daniel (Dan) Smith

Sub-local: OSH #392

Pro Statement

No statement provided

R2 - 04: Sub-local Rebate Disbursement

Name: jan montes

Sub-local: Homecare

Pro Statement

No statement provided