

**NOTICE OF FINANCIAL OBLIGATION UNDER AGENCY FEE
ARRANGEMENT AND MEANS FOR SATISFACTION THEREOF;
ASSOCIATION POLICY CONCERNING OBJECTIONS
TO THE AGENCY FEE CALCULATION**

This is a legal notice. It advises you of the meaning and extent of your obligations under the agency fee arrangement between the Orange County Attorneys Association ("Association") and your employer ("The County"). This notice also provides you with additional information concerning the Association's policies for exercise of these rights and satisfaction of these obligations.

As of January 1, 2006, as a condition of your employment, you must either be a full member of the union and pay union dues and fees or exercise one of the other options discussed below. The County has advised the Association that its "default" position is that an employee is a full member of the union and as such the employee's payroll deduction will be the full dues amount. Thus, unless The County is notified otherwise, The County will deduct the full union dues (.5% of your pay) from your paycheck.

When making this decision, please keep in mind that the strength of the Association and its ability to achieve the wages, benefits, and working conditions we deserve is dependent upon the commitment you and your fellow workers make to our collective success. Part of that commitment is an agreement to become a full union member, to participate in the governance of the Association, and to contribute the time and resources necessary for the Association to be able to obtain its goals.

Membership (Exhibit A)

As noted, to become a full member of the association, you need do nothing -- unless you submit the paperwork discussed below and choose to be a non-member agency fee payer, you will automatically be a full member of the union.

However, as an employee represented by the Association who is subject to an agency shop arrangement, you are not required to be a full union member. Instead, an employee can satisfy the requirements of the agency shop by choosing to become a non-member agency fee payer. An employee who makes this choice will not pay the full union dues. Instead, such an employee will pay a lesser amount equal to the employee's proportionate share of Association expenses related solely to the performance of the Association's duty as the employee's collective bargaining representative.

Please note that an employee who chooses to become a non-member agency fee payer is not entitled to many of the important benefits of Association membership, including the right to participate in internal Association elections, the right to attend Association membership meetings, the right to vote on the ratification of collective bargaining agreements, and the enjoyment of any other membership-only benefits. Nonetheless, as a member of the collective bargaining unit for which the Association is the exclusive bargaining representative, the Association will represent you fully and fairly and without discrimination based on your non-member status.

To become a non-member agency fee payer, you must complete the form attached as Exhibit A ("Notice to Association of Non-Member Agency Fee Status") and mail the completed form to the address listed on the form. Requests to be a non-member agency fee payer must be renewed annually.

In addition, any non-member agency fee payer may object to the Association's calculation of the agency fee amount. An objection must be in writing and must be filed during the appropriate window period. Non-members must make their objection to the calculation based on Association expenses for 2016 between January 12, 2018, and February 16, 2018. The failure to make a timely objection will result in a waiver of your objection for the period to which the objection would otherwise apply. Newly hired employees shall have 60 days from the date of entry into the bargaining unit to file an objection. Members resigning from the Association shall have 30 days from the date of their resignation to file an objection. If an objection is filed, the objection will be set for a hearing within 45 days of the Association's receipt of the objection. All non-member agency fee payments made by a newly hired objecting non-member agency fee payer who has filed a timely objection shall be placed in escrow in accordance with the Association's agency fee appeals procedure. All non-member agency fee payments made by a resigning member who has filed a timely objection which are paid after the date of his or her resignation shall be placed in escrow in accordance with the Association's agency fee appeals procedure.

Objections should be sent to the Association's Treasurer at OCAA, 600 West Santa Ana Boulevard, Suite 114F, Santa Ana, CA, 92701. To ensure the objection is effective, it must contain the following information:

- 1) Employee's name;
- 2) Employee's home address;
- 3) Employee's department (e.g. Alternate Public Defender) and the employer's address;
- 4) Employee's social security number;
- 5) A clear statement that the employee objects to the agency fee calculation; and
- 6) Employee's signature.

The reduced fee for the period commencing February 17, 2018, and ending December 31, 2018, is 56.47% of the full union dues and fees. If dues are increased during that time period, the agency fee payment for the balance of that period will not be increased.

Agency Fee Calculation/Challenge

A detailed explanation of the allocation criteria used in calculating the agency fee payment is found in the report from the Association's certified public accountant. This report is also used to determine the agency fee payment. The report is available on the Association's website, which is www.ocaa.net. To obtain this report, click on the "Contracts" link on the top of the homepage. From there click on "Agency Shop" to view the reports. If you would prefer a paper copy of the report, please write the Association at OCAA, 600 West Santa Ana Blvd., Suite 114F, Santa Ana, CA, 92701, or email the Association at ocaa@ocaa.net to request a copy.

Attached as Exhibit B is a notice that explains your right to appeal the Association's allocation of expenditures or calculation of the applicable agency fee percentage/amount. This notice also explains that your agency fee payments will be escrowed during the pendency of the appeal.

Religious Objection (Exhibit C)

Pursuant to Government Code section 3502.5, subdivision (c), an employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support a public employee organization as a condition of employment. Instead, such an employee may be required, in lieu of periodic dues or agency shop fees, to pay sums equal to the dues or agency shop fees to a charitable organization. If you believe you qualify for this exception, please contact the Association's Treasurer by writing to OCAA, 600 West Santa Ana Blvd., Suite 114F, Santa Ana, CA, 92701 to obtain information about applying for this exemption. A form for this purpose is attached as Exhibit C.

Political Action Committee (PAC)

The Association has a general purpose recipient committee, which is commonly known as a political action committee, or PAC. The PAC is funded by \$3.00 from each member's dues contribution each paycheck. Unless a member or non-member agency fee payer elects to opt out of the Association's PAC, \$3.00 of each dues contribution will be placed into the PAC. However, if a member or non-member agency fee payer elects to opt out of the PAC contribution, no part of the member's dues will go into the PAC. But please note that opting out of the PAC does not decrease the dues payment.

A member or non-member agency fee payer may opt out of the PAC for the period of February 17, 2018 through December 31, 2018. In order to opt out of the PAC for that time period please write to the Association's Treasurer at OCAA, 600 West Santa Ana Blvd., Suite 114F, Santa Ana, CA, 92701. Requests to opt out of the PAC can be made at any time. Requests to opt out of the PAC must be renewed annually. The written opt out election must include the following information.

- 1) Employee's name;
- 2) Employee's home address;
- 3) Employee's department (e.g. Alternate Public Defender) and the employer's address;
- 4) Employee's social security number;
- 5) A clear statement that the employee wishes to opt out of the PAC; and
- 6) Employee's signature.

EXHIBIT A

NOTICE TO ASSOCIATION OF NON-MEMBER AGENCY FEE STATUS

NAME _____ SOC. SEC. # _____

HOME ADDRESS _____

TELEPHONE _____

WORK ADDRESS _____

Having received the Association's Notice of Financial Obligation Under Agency Fee Arrangement and Means for Satisfaction Thereof; Association Policy Concerning Objections to Agency Fee Calculation, I have chosen NOT to be a member of the Association. Instead, I have chosen to be:

- A non-member agency fee payer
- An objector to payment of dues or an agency fee based on a religious objection. (Please note a religious objection form MUST also be attached.)

Employee Signature: _____

Date: _____

NOTE: This form needs to be completed only if an employee has chosen NOT to be a member of the Association. Do NOT complete this form if you wish to become a full Association member.

SEND THIS FORM TO:
OCAA
Attn.: Treasurer
600 West Santa Ana Blvd., Suite 114F
Santa Ana, CA 92701

EXHIBIT B

APPEAL PROCEDURE FOR NON-MEMBER AGENCY FEE PAYERS WISHING TO CONTEST THE ALLOCATION OF EXPENDITURES OR CALCULATION OF THE APPLICABLE FEE PERCENTAGE/AMOUNT; ESCROWING OF CONTESTED PAYMENTS

Appeals

- (1) Any non-member agency fee payer may contest the allocation of expenditures or calculation of the applicable fee percentage or amount under this procedure.
- (2) To contest the allocation of expenditures or calculation of the applicable fee percentage or amount under this procedure, the non-member agency fee payer must have filed a timely written objection within the time period set forth in the notice ("Notice") of the amount of the agency fee. The objection must clearly state, either in the body of the objection or a separate writing, that the non-member is contesting the allocation of expenditures or calculation of the applicable fee percentage or amount. The objection must be addressed to the Association Officer designated in the Notice.
- (3) If the Association has received one or more objections, then, within 45 days of the last day for filing an objection, unless the Association agrees with the objecting non-member to an alternative resolution of the dispute, the Association shall request a prompt hearing regarding the fee before an impartial decision maker.
- (4) The impartial decision maker shall be a labor arbitrator who is a member of the National Academy of Arbitrators and who has his or her principal office in Los Angeles or Orange County, selected at random by the Federal Mediation and Conciliation Service ("FMCS"). The Association shall be responsible for any FMCS fees associated with arbitrator selection.
- (5) Except when the other party objects and, in the judgment of the arbitrator, consolidation will cause undue delay or other demonstrable prejudice, all requests for hearing based on an objection will be consolidated upon the written request of any party. At any time prior to the start of the hearing, any party may make a motion to the arbitrator challenging any consolidation of the hearing. To the extent consistent with applicable law, this motion shall be evaluated under the same standards as a motion to consolidate -- that is, the arbitrator should resolve the question in favor of consolidation unless consolidation will cause undue delay or other demonstrable prejudice.
- (6) The Association will have the burden of establishing the reasonableness of the amount of the fee imposed.

(7) The hearing shall be a fair, informal proceeding conducted in conformity with basic precepts of due process.

(8) All decisions of the arbitrator shall be in writing, and shall be rendered no later than 30 days after the close of the hearing.

(9) All hearing costs shall be borne by the Association, unless the Association and the non-member filing the objection agree otherwise.

Escrow of Agency Fees in Dispute

(1) The Association shall open an account in any independent financial institution it, in its sole discretion, determines to be appropriate, in which it shall place in escrow fees collected from non-members who have filed timely objections.

(2) Escrowed agency fees that are being challenged shall not be released until either:

(a) Mutual agreement between the objector and the Association has been reached on the proper amount of the agency fee; or

(b) The impartial decision maker has made his or her decision, whichever comes first.

(3) Interest at the prevailing rate for a deposit in an independent financial institution for a similar duration shall be paid by the Association on all rebated fees.

EXHIBIT C

ORANGE COUNTY ATTORNEYS ASSOCIATION REQUEST FOR RELIGIOUS OBJECTION FORM

Please print

NAME _____

DEPARTMENT/WORK LOCATION _____

TELEPHONE # _____

By signing below, I request the form for filing a religious objection to the payment of dues or an agency fee.

SIGNATURE _____

Eligibility for exemption from payment of dues or an agency fee is governed by Government Code section 3502.5, subdivision (c), which provides:

(c) An employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support a public employee organization as a condition of employment. The employee may be required, in lieu of periodic dues, initiation fees, or agency shop fees, to pay sums equal to the dues, initiation fees, or agency shop fees to a nonreligious, nonlabor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, chosen by the employee from a list of at least three of these funds, designated in a memorandum of understanding between the public agency and the public employee organization, or if the memorandum of understanding fails to designate the funds, then to a fund of that type chosen by the employee. Proof of the payments shall be made on a monthly basis to the public agency as a condition of continued exemption from the requirement of financial support to the public employee organization.