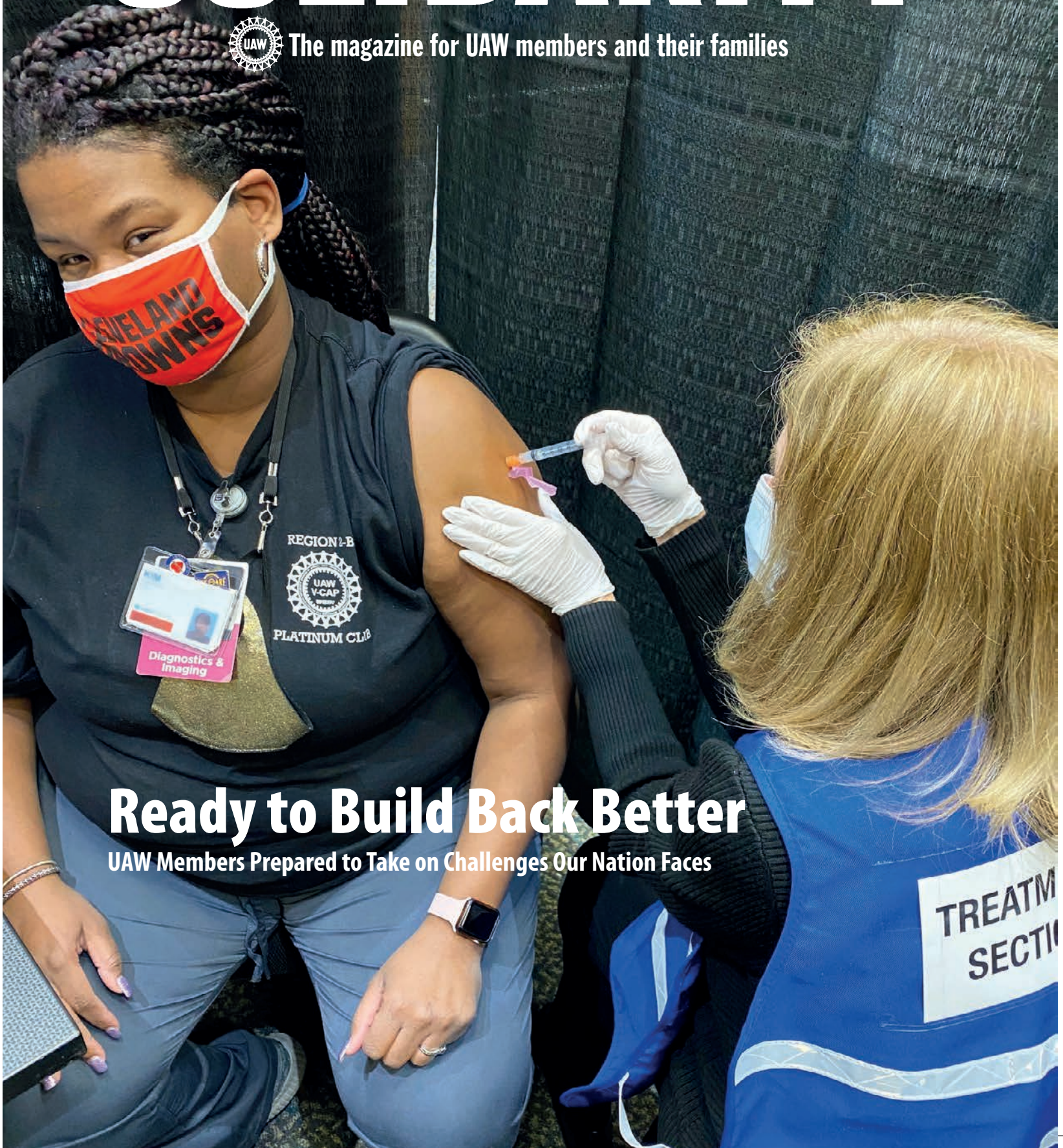


SOLIDARITY



The magazine for UAW members and their families



Ready to Build Back Better

UAW Members Prepared to Take on Challenges Our Nation Faces

Moving Forward

Agreement Concludes Government Investigation

Brothers and Sisters,

I am so pleased to share with you that, on behalf of your Union, we have reached an agreement with the United States Attorney's Office in Detroit which builds upon the many reforms and fiscal policies that we have instituted since I became President of the UAW in November 2019.

This agreement is yet another step toward restoring the full faith and confidence of our members in our Union and its leadership.

As U.S. Attorney Matthew Schneider noted in his remarks when the agreement was announced in December, this is a civil resolution — not criminal — and concludes the government's investigation of the UAW.

Our agreement provides for the appointment of an independent Monitor for a period of time to make absolutely sure that our financial, operational and ethics reforms are fully implemented, enforced and, if needed, enhanced.

We embrace the appointment of the Monitor to help us complete and implement our reform efforts.

I want to be clear that this is a collaborative effort between the government and UAW leadership to achieve our joint goals: to ensure that our Union is clean — free from misconduct, conducted with integrity and always for the benefit of its members — and to restore the full faith and confidence of our membership in their Union.

Over the past year-plus, the UAW has proactively weeded out individuals who put their personal benefit over our members' interests and who abused their positions of trust to defraud our Union and our membership. Those individuals have been investigated and charged internally by the IEB, permanently expelled from the Union and, in several cases, criminally prosecuted. Should it come to light that additional individuals have engaged in any misconduct, the IEB remains committed to taking swift and prompt action against them.

Part of reform is admitting your mistakes. We have acknowledged that our past financial controls were inadequate to catch and deter this misconduct. And we have had to come to grips with the fact that several former Union officials engaged in criminal conduct. This has been an extremely difficult and painful process for the

vast majority of our leaders who have dedicated their lives and careers toward bettering the lives of working men and women.

But we have done — and will continue to do — everything in our power to make sure the mistakes of the past are never repeated. Over the past year, the UAW's International Executive Board has devoted an extraordinary amount of time, attention, and resources to significantly overhauling and strengthening both our financial and ethical controls — all to ensure that current and future officials and employees will never have the ability to repeat these misdeeds.

- We have hired an outside Ethics Officer and retained a third-party compliance firm dedicated to investigating allegations of financial or ethical misconduct.
- We have established a confidential Ethics Hotline to receive any complaints about misconduct, which are handled by the outside Ethics Officer.
- We have conducted a top-to-bottom review of our financial, accounting, and ethics policies and controls — and are implementing changes to strengthen those systems at every level.
- And maybe most importantly, we have devoted ourselves to strengthening the culture of our Union so that the type of misconduct that brought us here today will never again take place.

This agreement is yet another step toward restoring the full faith and confidence of our members in our Union and its leadership.

We are committed to making the Monitor's job a boring one.

Both the government and the UAW want the UAW to continue to govern itself with responsible internal leadership and increased accountability to our members — and we will do just that.

I can tell you that I and the entire International Executive Board embraces the involvement of a Monitor who, for a period of time, will provide an extra and independent set of eyes on our Union's financial and disciplinary processes and provide complete assurance to our members that the reforms we have enacted take permanent root. We are committed to making the Monitor's job a boring one, by making sure through our self-governance that there are no financial or ethical misconduct issues to monitor.

The UAW and the government have also agreed that a membership vote will be held to decide the issue of one member, one vote. Details will be forthcoming after the appointment of the Monitor.

But most of all I want to say to our UAW membership: When I accepted the position of President of the UAW, I promised you that I would hand off a clean, reformed, ethical Union to my successor that would be a model of what a labor union should be. Through the dedicated efforts of our International Executive Board, UAW Staff, and most importantly our members over the past year-plus, we are already well on the road to achieving that goal.

And while this process has been difficult for us as a Union, the UAW going forward is clean — and we are a better Union because of it with a brighter future for us.



A handwritten signature in black ink, appearing to read 'Rory L. Gamble'.

Rory L. Gamble
President
International Union, UAW



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Postdocs Win Fight for Health Care

University Changes Course After Refusing to Do the Right Thing



PHOTO COURTESY OF UAW LOCAL 4121

Local 4121 postdocs responded to the university's actions with a direct-action campaign that demanded the school change course.

University of Washington post-doctoral researcher Tanya Brown was awarded a prestigious National Science Foundation fellowship to study specific cells of the central nervous system.

The UAW Local 4121 member's reward for bringing an honor to the University of Washington was the loss of her health insurance.

Year after year, as many as 60 UW postdoctoral scholars like Brown who won fellowships or grants that provide direct funding for their research had been stripped of health care. Until recently, UW had taken the position that it was not its responsibility to pay for their UAW-negotiated health insurance because their work is funded through outside sources. But Local 4121 members responded with a direct-action campaign that resulted in UW finally agreeing to do the right thing.

"It was disheartening to be awarded a prestigious fellowship and then told that my health care would be taken away," said Brown, a postdoc in the Department of Biology. "Everyone deserves access to quality health care, especially while we're in the middle of a global pandemic. But our postdoc community came together and took action, and now UW will start paying for insurance. It's a win for the entire community."

The vast majority of those affected were international visa-holders who were without adequate health care coverage for themselves and their families. The postdocs filed a grievance over the issue, arguing that the denial of health care coverage for the affected postdocs violates their union contract, including its protections against discrimination. Then last fall, dozens of UAW postdocs, community leaders and supporters gathered outside the university's human resource department in a physically distanced rally to demand the administration change its policy.

"This is a fundamental reason we organized a union: so that when any of us get hurt we all rally in support," said Elena Pandres, a postdoc head steward. "We've won this fight and now will build on it so that scientists continue to achieve fair working conditions."

Local 4121, which also represents academic student employees at UAW, is a part of UAW Region 4, which includes the state of Washington. Region 4 Director Ron McInroy said the university's actions were especially troubling during the pandemic, but he was glad to see members fight back and the employer change its position.

"Blocking access to health care for postdocs who bring so much positive recognition to the university was bad policy," McInroy said. "It took direct action by our Local 4121 members to win this, and I'm pleased that the University of Washington recognized how dangerous it was to leave postdocs without coverage, especially during this pandemic."

"Even when the university refused to do the right thing we continued to fight," said Max Friedfeld, the postdoc's unit chair. "And it worked: We've now won a major change. There's still more work to do, and we won't stop until every postdoc receives the support they need to do groundbreaking work at UW."



PHOTO COURTESY OF TANYA BROWN

Tanya Brown was awarded a prestigious fellowship that threatened her health care.

Local 652 Shows its Sole Shoes for Vets Event Makes a Difference



Like many organizations, Local 652 has had to cancel or postpone many of its community events due to the pandemic. Not being out in the community runs against the grain for the Lansing, Michigan-based local.

So when Footprints of Michigan asked to use its parking

lot to give away shoes for veterans, President Ben Frantz readily agreed and supplied volunteer help as well. Shoes were given away in drive-through fashion to keep social distance. Footprints of Michigan provides footwear to those who need them — it distributed 12,691 sets of footwear in 2019 — and conducted a special event for veterans and their families.

“It’s an honor for us to partner with Footprints of Michigan for this event in honor of our

veterans, past and present,” Local 652 Community Services Chairman Fred Thomas said. “It’s the least we could do to show some appreciation for the sacrifices they have both made and make for us every day.”

UAW Helps Detroit’s Homeless Through the Harsh Winter



The UAW co-sponsors the annual “Bed in a Bag” fundraising drive with the EMG Foundation, a nonprofit organization that aims to raise people out of poverty and realize their full potential. The funds are used to purchase sleeping bags and other winter necessities for the homeless.

The fundraiser, which UAW President Rory Gamble

attended, was held in December with the sleeping bags and other items delivered in January.

The EMG Foundation accepts donations year-round. Donations can be mailed to:

EMG Foundation
25875 Golf Point Drive
Southfield, MI 48075



Shots for Health Care Heroes

Members in Ohio Among the First Vaccinated

Nurses and other health care workers have put themselves at risk every day since the pandemic started. They know what they do is critical to the effort to stop the spread of COVID-19 and getting the country back to some semblance of normalcy.

Nurses, technicians, support staff and other positions working at St. Vincent Medical Center in Toledo, Ohio, were among the first workers at 10 Ohio hospitals to receive the first dose of the Pfizer vaccine in December.

UAW members from Local 12 and Local 2213 received the immunizations, with 165 doses administered over a four-hour period. That is about one vaccination every 90 seconds. In total, there were 975 doses of the vaccine administered at St. Vincent's on the first day. Vaccine distribution plans were developed in alignment with CDC guidelines to determine which members were eligible to voluntarily receive the first doses of the vaccine. Hospital management will continue to follow a tiered prioritization framework that offers first access to frontline staff.

As the hospital staff completes vaccinations for frontline COVID-19 workers, opportunities to obtain the vaccine will become available for other employees and students completing clinical rotations within Mercy Health facilities. The hospital administration has said it has the capacity to store



the vaccines, some of which require ultra-cold storage in freezers.

UAW members at St. Vincent also emphasized that while vaccination is an important step in controlling the pandemic, PPE requirements, physical distancing and isolation must continue in the foreseeable future to fully control the spread of COVID-19 in the community.



Lansing Forced to Keep its Promise

'Quiet' Plan to Cut Retiree Health Care Defeated

Sherman Nelson, Jr., a retired sewer maintenance worker for the city of Lansing, Michigan, has had three recent heart attacks. He takes eight medications, which costs about \$30 every three months.

When the city quietly proposed changing his retiree health care plan, the UAW Local 2256 member said he was shocked.

"If they kept it like it was it would have cost me \$300 a month," said Nelson, 78, who is on a fixed income. "That is a big difference."

Nelson said when he figured in his wife's medications the proposed changes would have wrecked his finances. That didn't happen, thanks to the UAW, retirees, surviving spouses and other city unions who fought the change sought by the city. They organized, used social media to communicate, and came up with an effective plan to make the city back down. Retirees knew that once degraded, the plan would be wide open to future cuts, possibly leading to its elimination.

Back in 2019, the city hired a chief strategy officer who was working with a statewide think tank known as the Financial Health Team. FHT, now completely under the control of various investor groups, has continued to attack the infrastructure and well-being of various municipalities like Lansing, Michigan. Lansing was a perfect target as it has many retirees and surviving spouses. The city had not been properly funding the retiree health care fund for the last 20 years, which turned an expensive health care obligation into a large liability as well.

This provided a huge opening for FHT to attack the health care of city retirees and surviving spouses. It did it secretly during the pandemic, which has closed city hall for most of the past year.

The reaction to the surprise health care cuts, which were unilaterally implemented by the city administration on every single municipal retiree and surviving spouse from the city of Lansing, was swift.

"It was upsetting – very stressful," said Cliff Lemon, who retired in 2008 after working for the Parks and Recreation Department as a crew leader. "That was one of the main reasons I went to work for the city – because of the benefits. I was set with a pretty good benefits package."

Local 2256 Chair Dennis Parker immediately organized opposition to the cuts, with the support of UAW Region 1D, which includes Lansing. The unions representing city retirees, from police and fire, to the clerks and supervisors, all joined forces with the UAW retirees. A Facebook group was formed immediately, and was open to all retirees, their families and even active employees, who also had a huge stake in the proceedings. The group soon swelled to almost 900 retirees and supporters.

According to the UAW leadership, an administrative group made up of retired firefighters and police officers, retired UAW and Teamster employees, and even former executives, was recruited to communicate with the unions and with Lansing City Council. The union said they held Zoom meetings during the pandemic to develop strategies and conduct interviews with the local media. They taught retirees how to use Zoom and attend City Council meetings remotely.

The UAW also budgeted funds to hire a law firm to bring the contract violation issues to court.

In the end the combined pressure of the huge retiree presence at City Council meetings and the UAW lending its considerable organizational and financial weight behind the legal effort led the city to take a closer look at the covertly planned unilateral health care cuts.

Local leaders indicate that retiree health care has been protected for now, and the value of unions and their affiliated organizations have been validated along the way.

"I'm very happy about it," Nelson said. "It's a very big help for my wife and my situation. I'm grateful for that."

*Mark Parker
UAW Local 2256 Retiree*



The reaction to the surprise health care cuts was swift. Retirees and others from many unions banded together to fight the city's plans.



UAW Forms Member Advisory Committee on Ethics

Rank-and-File Members Selected by Blind Draw

UAW President Rory L. Gamble announced in February that 14 UAW members, who were selected by blind draw from each UAW region, will serve on the UAW's newly constituted Member Advisory Committee on Ethics.

The committee includes rank-and-file members of the UAW along with UAW Ethics Officer Wilma Liebman and UAW Public Review Board Co-chairs Professor Jim Brudney and Professor Janice Bellace.

A member and alternate member were chosen from each of the UAW's eight regions by blind draw on Friday, Feb. 18. A total of 122 eligible applications were received. UAW Public Review Board Co-chair Professor Jim Brudney was a virtual witness to the blind draw selection by Ethics Officer Wilma Liebman. Liebman has already notified the successful applicants by email.

The committee will be responsible for:

- Reviewing the union's existing internal rules and policies on ethical practices and financial matters.
- Developing, based on members' individual experience, any recommendations to the International Executive Board (IEB) for improving existing ethics guidelines, practices, policies, enforcement standards, and education of these standards.
- Reviewing the operation and function of the ethics ombudsman and ethics officer positions instituted by President Gamble and the IEB.
- Providing a dialogue between the ethics officer and the committee to enhance understanding, acceptance, and operations of the ethics program.

"It was an extremely important goal to give members a direct role in the ethics reforms we have instituted since I took office in November 2019," said Gamble. "I am pleased that we are able to provide direct member participation in our efforts to create a new ethical culture for the UAW going forward."

The only requirements for members applying for the position were that applicants be in good standing and had some experience serving UAW membership through participation in Local Union activities or responsibilities.

The Members Advisory Committee will convene and perform its functions until the next UAW Constitutional Convention in June 2022. At that point, the Constitutional Convention delegates will decide whether the committee should continue, either for a fixed period of time beyond 2022 or indefinitely.

The UAW in December reached an agreement with the federal government that resolves the criminal and civil investigation of the UAW as an entity.

The collaborative agreement establishes an independent monitor to investigate possible fraud or corruption within the union and to seek discipline against UAW officers and members.

(For more information on the agreement, see the President's column on Page 2 of this magazine. For more information on the UAW's Ethics Program, visit <https://uaw.org/ethics/>)

Region 1 — David Murray (Local 400) Kristofor Harrison, Alternate (Local 2500)	Region 4 — Kim Cook Bell (Local 2250) Justin Mayhugh, Alternate (Local 31)
Region 1A — Kelly D. Barnett (Local 6000) Demetrius Burton, Alternate (Local 182)	Region 8 — Justin Gonzalez (Local 887) Kim Evans, Alternate (Local 472)
Region 1D — Rick Smith (Local 652) Joshua Wesolek, Alternate (Local 668)	Region 9 — Peter Griffin (Local 1097) Ryder Littlejohn, Alternate (Local 897)
Region 2B — Rick Ward (Local 685) Larry Cooper, Alternate (Local 211)	Region 9A — Angie Scraders-Murphy (Local 2377) Pamela Smith, Alternate (Local 2320)

Social Security is a Necessary Safety Net

To the Editor:

I am a Region 9 UAW member, happily retired for the past 20 years, and a former employee of Mack Trucks in Macungie, Pennsylvania. Fortunately, my monthly check from a Defined Benefit Pension Plan plus my Social Security check allow for a comfortable life without worry of any dependence on my children. If, for any unforeseen reason, my pension would be reduced or eliminated, I want to know that my Social Security will still be forthcoming.

As the retiree chairperson of Local 677, I know many older retirees whose pensions and Social Security have not kept up with the cost of

living. Costs of health care, medications, food and taxes have skyrocketed. The thought of a decrease in their Social Security is unfathomable.

Newer employees at Mack do not have a Defined Benefit Pension Plan but have to rely on a 401(k) plan with no guaranteed future. Many of the younger generation do not have the means or the discipline to save. Many will have to rely on Social Security and Medicare.

Richard "Tiny" Saylor
Retiree Chairman
Local 677
Whitehall, Pennsylvania

Editor's Note: The Alliance for Retired Americans notes that because the average Social Security benefit is just \$1,503, many retirees are forced to choose which bills to pay now and what can be put off until next month. One dollar of today's Social Security benefit is worth just \$0.66 compared to what it was worth in 2000. At the same time, the typical expenses of people over 65 have risen by almost 100%.

The Strengthening Social Security Act (H.R. 2654) would give retirees an additional \$800 in Social Security income every year, with bigger checks every month. The Alliance and the UAW recommend that active and retired UAW members contact their representatives in Congress and urge them to pass this vital legislation.

Temp No More UAW Contract Means Stability for Big 3 Workers

Jocelyn King said she was looking for her first house. But the Local 51 member said she was told by a loan officer that because of her temporary status, it would be difficult to approve a loan.



Known as supplemental employees at FCA USA's Detroit Assembly Plant — Mack, King has now been converted to full-time permanent status thanks to the 2019 auto negotiations. The negotiating committees at all three Detroit automakers were able to secure language that requires

the companies to hire supplemental employees when full-time openings become available.

The house hunt is back on, King said. So is a much deserved out-of-country vacation this summer, COVID-19 permitting, she said. And so is maybe planning for family - in the future, the material handler said.

"Last year, I was looking for a house," King said. Now, I'm going to have the job security because I'm a full-timer."

Since January 2020, some 2,795 temporary employees at

FCA USA facilities have been converted to full-time status. It is projected by the UAW FCA USA Department that an additional 2,000 employees will be converted by the end of this year.

At General Motors, more than 3,000 temporary workers had been converted as of March, with more to come. At Ford Motor Co., nearly 600 were converted since January.

Then rights of temporary workers to convert to full-time permanent status was a key sticking point in the 2019 collective bargaining agreement with the automakers. The bargaining teams were successful in large part due to the solidarity of the membership, which included a 40-day strike at General Motors.

King gets all the UAW-negotiated benefits she is due, such as profit-sharing, bonuses, vacation time, personal days, better health care, among many other benefits. She said she had confidence in being converted because of the contract language, which corrected a long-standing issue for supplemental employees. Some supplemental employees had been bypassed by the company for others who had less seniority or who were hired right off the street.

"I wasn't that bad because I knew that it would happen," King said. "I'm a very patient person."

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- 1-year Subscription to Huntstand
- Plano Sportsman Net 17" X 19" TD
- Plano E-Series 3600 Tackle Backpack - Red
- (2) Plano Let's Fish Satchels (green & pink)
- Plano Frost Cooler - 32qt.
- (2) USA Mesh Back Hats



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Black Lake

UAW Black Lake Golf Club, designed by the "Open Doctor" Rees Jones, has always garnered national acclaim for course conditions and playability. Since opening in 2000, the course has placed 34th in Golf Digest's "100 Greatest Courses in America." Golf Week has also selected Black Lake Golf Club as #5 "Best Courses to play in Michigan." Complementing the championship course at Black Lake Golf Club is "The Little Course." This (9 hole) par 3 course is a walking course, featuring holes carved in the Northern Michigan hardwoods.



The Michaywé Pines Golf Course hosted the 1991 and 1996 Michigan Amateur Championships. The Golf Association of Michigan often selects Michaywé Pines to host annual qualifiers and GAM events. The excellent layout and conditions compliment tournament golf. The course features secluded fairways winding through beautiful white birch and pine forests along the AuSable River.

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Unions Help Build a Majority for Working Families

UAW Members Played a Pivotal Role in Election

The battleground states, rich in UAW and labor history that decided the last two presidential elections, was decisive in the 2020 election, making Joe Biden the nation's 46th president.

Four years ago, Michigan and Wisconsin narrowly went to Donald Trump. This time, fueled by an all-out effort by UAW activists who in the midst of a pandemic, phone banked and performed many other socially distanced tasks, UAW members gained a greater ability to influence policy in favor of coworkers and UAW families with a new labor-friendly president and labor-friendly control of the U.S. Senate.

Just like four years ago, the 2020 election was close. Votes from UAW members in Blue Wall states helped repair the wall.

"We knew we had to do better than 2016 and the membership responded by making sure the family members, friends and neighbors understood what was at stake," said UAW President Rory L. Gamble.

It worked.

According to a poll commissioned by the UAW:

- UAW members who recalled receiving information about the election from their union supported Joe Biden by nearly two to one, (62% for Biden, 32% for Trump). That is a 16-point difference over UAW members who did not recall receiving election information.

- Members in the Midwest, members at FCA USA facilities, urban voters, and members who voted by mail backed Biden by the largest margins.
- From July to November, support for Biden increased from 55% to 61%.

The poll asked questions of active members, retirees and voters with a UAW member in their household. Overall, it found 61% of those polled supported Biden and 34% supported Trump, with the results about the same for all three groups. This is consistent with UAW voting patterns over the last four presidential elections.

UAW activists made exceptional efforts to get people to vote early, either in person or through mail-in ballot. Of those who voted early, 61% of members favored Biden and 33% went for Trump. Mail-in ballots overwhelmingly went for Biden, 76% to 19%.

"The many UAW activists who spent a great deal of their personal time to encourage their brothers and sisters to vote deserve our gratitude and respect," Gamble said. "They helped set our country on a different course, one that will benefit working families all over the nation."

The 2020 UAW National CAP Department Member Participation Program

- **746,025** contacts with members, retirees, and household members, and 4.7 million contact attempts
- **9.86** million pieces of mail across 29 states
- **178** million digital ads served to members, retirees, and household members
- **78,178** contacts by UAW phone banks, on 1.3 million contact attempts
- **569,944** contacts from UAW phone vendor
- More than **2 million** text messages sent with **194,640** replies from members, retirees, and household members

A New Beginning

Election Results Bring Workers Hope as Nation Confronts Crises

The 2020 presidential election changed the political landscape in Washington. UAW members and retirees played a pivotal role in electing Joe Biden as the 46th president of the United States as well as UAW-endorsed candidates up and down the ballot. Post-election analysis have said before fears that the pandemic would lead to low voter turnout did not materialize, as millions of people opted to vote early or vote by mail to make sure their voices were heard. In Michigan alone, 49% of UAW members voted early or absentee.

The country faces severe public health and economic crises as the COVID-19 pandemic continues to rage. As of February 28, there have been nearly 29 million infections and 518,000 deaths as a result of COVID-19 in the U.S. The economic fallout from the pandemic has been felt across communities in unprecedented ways. At the end of January, 26.8 million workers were either unemployed or employed but experiencing a significant reduction in hours due to the pandemic. Roughly 3 million people lost employer-sponsored health insurance between March and September.

President Biden has made ending the pandemic and boosting the economy his administration's top priorities. President Biden has issued numerous executive orders, several strongly supported by the UAW, including one requiring OSHA to issue an emergency temporary standard on workplace safety. He has also issued an executive order to ensure that tax dollars are spent to support U.S. jobs.

President Biden released a \$1.9 trillion pandemic relief proposal that includes support of COVID-19 testing, funding for state and local governments, direct stimulus payments and an extension of federal unemployment benefits.

Other notable White House priorities include prioritizing American jobs in our trade policies, expanding access to affordable health care, and strengthening worker rights. Shortly after being sworn in, President Biden fired National Labor Relations Board General Counsel Peter Robb. Robb sided against locked out UAW members at Honeywell, helped complete the extreme anti-worker/

pro-employer wish list, and obstructed workers' right to a fair union election.

"Many of these protections have eroded in recent years through anti-worker policies in agencies such as OSHA, the NLRB and Labor Department rules. That is why passing the PRO Act is paramount — to protect workers from the whims of different administrations gaming the system toward management," said UAW President Rory L. Gamble.

"Not only do we believe President Biden will see the world through the lens of everyday workers, we also know he is focused on future auto assembly and making sure those jobs stay right here in America," Gamble added. "He sees new technology as a way to grow our industry and our economy. And so far in his first few days he is following up on his promises."

In the coming months, Congress will most likely focus on passing a relief package largely based on Biden's proposal. In the Senate, confirming Cabinet secretaries will be a priority. President Biden's nominees include strong union advocates like Marty Walsh, a former leader of the Boston Building Trades Council who has been tapped for Department of Labor Secretary. Katherine Tai is expected to join the administration as the U.S. Trade Representative. She will be a powerful ally in the fight for worker-friendly trade policies. There are new opportunities to advance pro-worker policies that have previously been stalled by anti-worker politicians though these policies will not be so easy to pass. House Democrats hold a slim majority in the 117th Congress, and the Senate is split 50-50 between Democrats and Republicans.

Congress is expected to tackle measures the UAW has endorsed such as the Protecting the Right to Organize (PRO) Act, the Lower Drug Costs Now Act and an overhaul of the infrastructure bill to modernize the nation's crumbling bridges and highways.

SOLIDARITY
Winter 2021
Vol. 64, No. 1

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Solidarity (USPS 0740610) is
published quarterly by
International Union, UAW
8000 E. Jefferson Ave.
Detroit, MI 48214, (313) 926-5000,
uaw.org. ISSN 0164 856X.

Periodical postage paid at Detroit,
MI, and at additional mailing offices.

ADDRESS CHANGES

Requests for address changes
and/or deletion from the Solidarity
magazine mailing list must first go
through the member's local union.
The local union updates the address
and sends it to the International.

Printed in USA.

Circulation this issue: 3,609



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Let's Get to Work

Members Already See Positive Changes Coming from the White House



Art Reyes said he often thinks about what kind of world his generation will leave his grandchildren. An electrician at the General Motors Flint (Michigan) Truck Assembly plant with 30 years of GM seniority, Reyes said he's glad that President Biden is taking steps to address climate change in a meaningful way, such as rejoining the Paris climate accords. He said he hopes other public officials will follow the President's lead.

"The science is there. The technology is being developed," Reyes said. "There has to be the will."

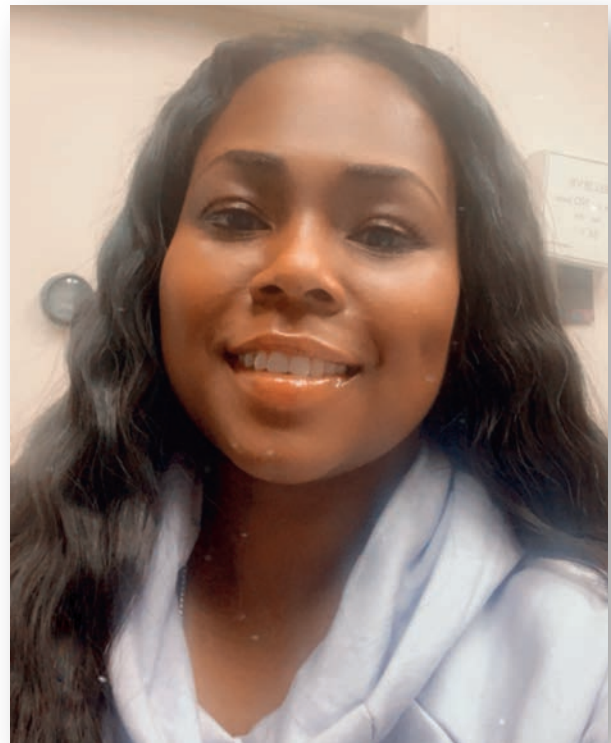
In the general election, active and retired UAW members in many states made countless phone calls, texts, and other voter outreach efforts. Thousands of UAW members voted early or on Election Day to make their voices heard.

As always, UAW voter turnout made a large impact on the election, said UAW President Rory L. Gamble.

"The work of our members who put in long hours on the phones paid off as we finally have elected a president to enact a worker-friendly agenda," said Gamble. "Our members and retirees played a huge role in bringing Joe Biden and Kamala Harris to the White House and flipping the Senate. We are grateful for the hard work of our activists. This victory belongs to all of us, but, in particular to those who sacrificed a great deal of their own time to help bring about change."

The election may be over but staying engaged with the issues is a full-time duty for UAW members. President Biden campaigned on many issues UAW members care deeply about, including beating the pandemic, racial equality, health care and an economy that helps hard-pressed working families. The Biden administration got right down to business. President Biden issued more than 100 executive orders, many that rolled back executive orders from the previous administration that were detrimental to workers. His actions have forced out anti-worker members at the National Labor Relations Board and other agencies and departments. But as Biden has said, more work remains to be done. UAW members said they are excited about the labor-friendly atmosphere in Washington D.C.. and have said they would like to see the President address:

**Tielece Perry, Local 7, FCA
USA's Jefferson North Assembly, Detroit, Michigan.**



Tielece Perry, like many parents of children in college or about to enter college, said she knows the financial struggles all too well. She said she also knows she needs to

save for retirement. While she makes good money at FCA USA's Jefferson North Assembly plant in Detroit, higher education is exceptionally expensive. She said her "good wages seem like a lot on paper" but added that it also works against her because it prevents her daughter from qualifying for certain financial aid programs.

"It's an exciting time for the parents, but also a stressful time," she said.

She said asking her daughter to shoulder that kind of debt right out of college isn't possible and she said she wants her daughter to have a better life than her without drowning in debt.

"Student loan debt is big because we as parents have to absorb most of that," Perry said.

Perry said she would like President Biden to prioritize the student debt crisis. On his first day in office, Biden extended the student loan payment pause until Sept. 30. He campaigned on a promise to forgive student loan debt, but the total amount is in question. And Congress is also looking into ways to address the student debt crisis.

But congressional actions affect only federally guaranteed loans, not private loans, for example, from a bank or credit union. Perry said relief should include those borrowers as well.

**Dick Sanders, Local 1304,
CNH International retiree, East Moline, Illinois.**



Dick Sanders has been the benefits representative for his local since 1979. The high cost of prescription medication is one that directly affects him and his fellow retirees. He said it's the No. 1 topic other retirees call him about.

Sanders' plant closed in 2004. His union contract

promised health care for as long as he received a company pension, but the company took away health care from CNH retirees, who sued. As that case made its way through the legal system, the Supreme Court ruled in 2015 in an unrelated case that unless explicitly stated, benefits do not outlast the current contract. Three years later, when the UAW retirees' case was heard, the Supreme Court ruled against the UAW retirees, effectively stripping Sanders and his fellow retirees of their promised health care.

**Sanders said he knows the reason
why prescription drugs cost so so
much: The greed of Big Pharma.**

The administration and Congress, he said, should address that issue and why medications cost so much in the United States as opposed to other developed nations.

"Pharmacy costs are just outrageous," he said. "It's hard to comprehend why we have those costs and other countries don't have those costs."

Sanders said one member told him he has two different inhalers and pays about \$600 a month for medications.

Sanders said another, suffering from Stage 4 cancer, was told the medications necessary to keep him alive would cost \$15,000 a month.

"He told me, 'I can live three months and I'm broke,'" Sanders recalled.

According to Sanders, the member was able to find a grant program that dropped his cost to \$300 a month, still an expensive outlay for a retiree on a fixed income.

Sanders, of course, said he knows the reason why: The greed of Big Pharma. Sanders said he supports President Biden's plan to allow Medicare to negotiate with pharmaceutical companies on the cost of medications. "Why can't Medicare negotiate with the companies for drugs and get a better price for them?"

Biden also seeks to limit launch process for drugs that face no competition, allow consumers to buy drugs from other countries, improve the supply of less-expensive generic drugs, among other proposed changes.



Art Reyes, Local 598, General Motors Flint Truck Assembly, Flint, Michigan.

Art Reyes, a grandfather of two with another on the way, said ignoring climate change is not sustainable.

"I think about what their future will hold," Reyes said.

While most Americans associate climate change with rising temperatures, meteorologists say disruption in the polar vortex caused by climate change has altered weather patterns. Polar vortexes occur naturally, but climate change is causing the extremes.

This winter record low temperatures in Texas and Oklahoma knocked millions of Americans off the power grid.

Reyes said it's good to see President Biden has already made the issue a priority by rejoining the so-called Paris Agreement, an international pact to limit average global temperature rise. The President has also reversed more than 100 actions on climate and environment that were undertaken by the previous administration.

As part of his overall plan to reduce greenhouse gases, Biden is pushing the automakers to make sure the transition from internal combustion engine vehicles to electric vehicles creates good paying union jobs and benefits. UAW President Gamble has cautioned it is better to move cautiously to make sure that technology, infrastructure, and market for consumer demand catches up with the promise of electric vehicles. Move too fast, and the workers will be the ones who suffer, said Gamble. But if the country gets the transition right, a strong jobs climate for American families can be built to last for decades to come, he said.

To his credit, Gamble has praised President Biden for including the UAW in his discussions on the issue and campaigned on a promise to ensure that workers in the jobs of the future have a fair opportunity to join a union.

Reyes said he isn't afraid of the future, noting that the industry is always undergoing change, ever since the days of carriage makers and through automation and robotics. Workers must have a seat at the table to negotiate for the new jobs being created, he added.

"I know that our leadership will be on top of these issues and are able to negotiate fair and equitable agreements," he said.

JJ Jewell, Local 228, Ford Sterling Heights Axle plant, Sterling Heights, Michigan.

JJ Jewell said he misses the roar of the crowd and the energy it brings to live acts. COVID-19 has shut down his band from playing live, as it has for other musicians, athletes, actors, and spectators. His band, Final Confession, which plays Heavy Metal, released its first album in November. Jewell said he is definitely looking forward to getting back on the stage again with his wife, Katy.

"It's what I do with my wife," the Local 228 member said. "That is our quality time together."

The Local 228 member said he knows that coming back from COVID-19 will be a long process for those who make their living in places where people gather.

"There's no timeline for when we can turn the world back on," Jewell said.

Jewell said while he's fortunate to have a good-paying job with benefits at Ford Motor Co.'s Sterling Heights Axle facility in suburban Detroit, he personally knows plenty of wait staff, bartenders, ticket-takers, security and many others whose jobs that are not going to return as fast as others. And these people are hurting, Jewell said.



The guitarist would like to see President Biden and Congress help these workers find jobs in the interim. Jewell said he would also like Biden to keep the aid for independent venues in the COVID-19 relief bill currently making its way through Congress. Biden's stimulus plan would provide \$15 billion in "flexible, equitably distributed" grants to the hardest-hit small businesses, and \$35 billion in small business financing programs. There is also unspecified aid to restaurants, bars and other businesses that have suffered disproportionate harm due to the pandemic.

Jewell said he encourages others to check out the Save our Stages movement that lobbied Congress for the aid at saveourstages.org and [#saveourstages](https://twitter.com/saveourstages) on Twitter.

"It shouldn't come down to people who are employed helping them out of their own pocket," he said. "A lot of these people haven't worked in a year."

Report to the Members on the Union's Finances



UAW Secretary-Treasurer
Ray Curry

Dear Brothers and Sisters:

This report is a summary of the Union's financial position for 2019. It comes at a time when the Union is emerging from a dark chapter in our history. We are committed to addressing the failures of our past as we move forward to regain our members' trust and restore the integrity of our great Union. To be clear, the root cause of these failures were deliberate decisions by

certain individuals who chose to engage in unethical behavior and circumvent the Union's policies and procedures - all in a selfish effort to place their personal greed above their sacred duty to represent the UAW membership and their dues dollars.

The International Executive Board (IEB) is determined to remove individuals who engage in unethical or illegal conduct, claw back any ill-gotten gains, and put a culture and structure in place to prevent these events from ever happening again. As President Gamble has said, our UAW will be one that says unequivocally to all leaders: "You are a steward of sacred dues dollars and we will do whatever is necessary to ensure you live up to that oath of office." To that end, the IEB has established a new ethics program that provides a confidential mechanism for reporting to an independent ethics officer allegations or suspicions of ethical or financial misconduct. We have also strengthened our financial controls, policies, and procedures to detect and mitigate issues should they occur.

UAW Ethics Program

In March 2020, the Union instituted a comprehensive ethics program that established an Ethics Hotline, Ethics Officer, and Ethics Ombudsman.

The confidential Ethics Hotline was established to allow members and UAW International Union employees to anonymously and confidentially report allegations or file complaints related to the potential breach of the UAW's Ethical Practices Code and/or financial or ethical misconduct by International Union employees.

To access the Ethics Hotline via the web, visit website: www.lighthouse-services.com/uaw.

To access the Ethics Hotline via the telephone, dial (866) 830-0006.

The IEB appointed Wilma B. Liebman, a distinguished public servant and expert in labor policy, as the UAW's first Ethics Officer. In her role, Liebman oversees all aspects of the confidential Ethics Hotline and the Ethics Ombudsman's investigations, holds hearings at her discretion, and issues reports of her findings and recommended corrective action to the appropriate UAW officials whenever warranted.

The IEB also appointed Exiger LLC, a highly experienced and reputable compliance and investigative firm, to serve in

the role of the UAW's Ethics Ombudsman with responsibility to review and investigate allegations of ethical or financial misconduct received through the Ethics Hotline.

These ethics reforms will support and reinforce the existing rules in the UAW Ethical Practices Code. More details on these efforts can be found on the UAW website under uaw.org/ethics.

In addition to the independent oversight provided by our ethics program, the Union also implemented the following changes designed to strengthen internal controls, policies and procedures:

Independent Assessment of Internal Controls

In July 2019, the International Executive Board engaged a national independent accounting firm to conduct a comprehensive assessment of the Union's internal controls. As a result of that review, we enhanced controls and revised many of our policies and procedures to provide better clarity, consistency and transparency. As part of this overhaul, the International Union's financial operations will be more centralized with oversight by the Secretary-Treasurer's Office. All UAW personnel will receive comprehensive training on the new policies, procedures and systems.

New External Auditing Firm

In November 2019, the UAW retained Calibre CPA Group, as our new external accounting firm. Calibre is a national accounting firm with significant labor union experience, and we felt it was prudent to have our financial statements audited by a fresh set of eyes. Calibre's opinion on the financial statements appears on the following pages.

New Internal Audit Department

In June 2020, the UAW established an Internal Audit Department to perform regular assessments of the design, implementation and operating effectiveness of the Union's internal controls. The Internal Audit Department will evaluate specific risk areas and reports its findings and action plans to address identified risks to the Secretary-Treasurer's Office.

We are confident that the measures described above are powerful steps that will help protect our members' sacred dues dollars so they can be used for their intended purpose - to help us fight to enforce our collective bargaining agreements, negotiate stronger contracts, and protect the health and safety of our members.

Please take some time to examine and understand the following financial report. Copies of this report are at all local union offices for inspection.

In solidarity,

A handwritten signature in black ink that reads "Ray Curry". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ray Curry
International Secretary-Treasurer

2019 Financial Report

This financial report provides information about the union's financial position. Among the highlights:

- The Union's Operating Funds reported net income of \$11,479,687.00 for 2019. Operating Funds include the General Fund, as well as the Citizenship, Education, Civil Rights, Recreation and FEC Funds.
- The Union's Strike and Defense Fund received \$59.6 million in 2019 from the ½ hour dues increase approved by the delegates to the 36th Constitutional Convention.
- The Strike and Defense Fund paid out \$81.3 million in strike benefits in 2019.
- Overall active and retired membership stood at 1,052,533.

The following is a summary from UAW Secretary-Treasurer Ray Curry. The full report is available for examination at all local unions.

UAW FINANCES AT A GLANCE

OPERATING FUNDS INCOME AND EXPENDITURES FOR 2019:

Income	\$ 158,592,981.40
Expenditures	147,113,294.40
Net Income	<u>\$ (11,479,687.00)</u>

TOTAL ASSETS AS OF DECEMBER 31, 2019:

Cash on Hand and in Banks	\$ 3,625,453.00
Investments - At Cost	888,232,559.00
Accounts Receivable	11,893,077.00
Mortgages Receivable	548,731.00
Notes Receivable	2,484,428.00
Supplies for Resale	146,822.00
Furniture, Equipment & Vehicles	2,925,909.00
Union Building Corporation	123,178,222.00
TOTAL ASSETS	<u>\$1,033,035,201.00</u>

TOTAL LIABILITIES AS OF DECEMBER 31, 2019:

Accounts Payable to Affiliated Organizations	\$ 2,223,281.00
Accounts Payable - Troubled Workers	503,085.00
General Fund Rebates	3,601,018.00
Local Union Rebates	4,060,722.00
Note Payable to VEBA	100,427,455.00
Payroll Taxes Payable	136,498.00
TOTAL LIABILITIES	<u>\$ 110,952,059.00</u>

TOTAL FUND BALANCES AS OF DECEMBER 31, 2019

\$ 922,083,142.00

REPORT OF SECRETARY-TREASURER RAY CURRY FOR THE YEAR ENDED DECEMBER 31, 2019

At the direction of the International Trustees, Clarence H. Johnson, P.C., Certified Public Accounts audited the six month ended June 30, 2019 and Calibre CPA Group, PLLC, audited the books of the International Union, UAW for the six months ended December 31, 2019.

The following report reflects the changes in the financial position of the International Union, UAW as of December 31, 2019 in comparison to our Union's financial position as of December 31, 2018.

OVERVIEW OF UAW FINANCIAL STRUCTURE

The International Union's financial structure is based on a system of individual funds. The UAW Constitution establishes this system and sets forth the source of income and objectives

of each fund. The Secretary-Treasurer's office ensures compliance with the Constitution by segregating all of the Union's financial resources into separate funds and otherwise ensuring that expenditures are made in accordance with the Constitution. The Union has a total of 11 separate funds. The combined resources of these 11 funds are set forth in the figures below.

A summary of several of the Union's larger funds is also included in this report.

TOTAL ASSETS

Total Assets were \$1,033,035,201.00 as of December 31, 2019, an decrease of \$17,285,768.68 from the Total Assets of \$1,050,320,969.68 as of December 31, 2018. Total assets are primarily comprised of cash on hand and the cost of various investment securities. Total assets also include other less liquid assets such as real and personal property that are used in the day-to-day operations of the union.

TOTAL LIABILITIES

Total Liabilities, consisting of Rebates to Local Unions and the General Fund, Payroll Deductions Payable, Monies Due to Affiliated Organizations and amounts due to the VEBA were \$110,952,059.00 as of December 31, 2019, a decrease of \$10,077,477.55 from Total Liabilities of \$121,029,536.55 as of December 31, 2018.

TOTAL FUND BALANCE

The Total Fund Balance of the International Union, represented by Total Assets less Total Liabilities, was \$922,083,142.00 as of December 31, 2019. This is a decrease of \$7,208,291.13 from the Union's Fund Balance of \$929,291,433.13 as of December 31, 2018.

GENERAL FUND ASSETS

General Fund Assets totaled \$214,798,529.00 as of December 31, 2019.

2019 Financial Report

COMPARISON OF RESOURCES, LIABILITIES AND FUND BALANCE YEAR ENDED DECEMBER 31

	2019	2018	Increase (Decrease):
Cash on Hand and in Banks	\$ 3,625,453.00	\$ 1,933,259.93	\$ 1,692,193.07
Investments - At Cost	888,232,559.00	906,725,179.91	(18,492,620.91)
Accounts Receivable	11,893,077.00	13,364,107.25	(1,471,030.25)
Mortgages Receivable	548,731.00	717,638.85	(168,907.85)
Notes Receivable	2,484,428.00	3,161,799.83	(677,371.83)
Supplies for Resale	146,822.00	244,545.98	(97,723.98)
Furniture, Equipment & Vehicles	2,925,909.00	2,798,646.98	127,262.02
Union Building Corporation	123,178,222.00	121,375,790.95	1,802,431.05
TOTAL ASSETS	\$ 1,033,035,201.00	\$ 1,050,320,969.68	\$ (17,285,768.68)
Liabilities	110,952,059.00	121,029,536.55	(10,077,477.55)
FUND BALANCE	\$ 922,083,142.00	\$ 929,291,433.13	\$ (7,208,291.13)

COMPARISON OF LIQUID FUND BALANCE BY FUND YEAR ENDED DECEMBER 31

	2019	2018	Increase (Decrease):
General Fund	\$ 73,309,050.00	\$ 63,717,623.91	\$ 9,591,426.09
Emergency Operations Fund	37,238,502.00	35,358,014.50	1,880,487.50
Strike & Defense Fund	674,694,585.00	707,963,066.77	(33,268,481.77)
Citizenship Fund	17,346.00	10,515.89	6,830.11
Education Fund	23,574.00	13,421.54	10,152.46
Civil & Human Rights Fund	7,491.00	176,716.95	(169,225.95)
Recreation Fund	947,692.00	917,008.33	30,683.67
Family Education Center	3,296,061.00	2,010,052.67	1,286,008.33
Retired Workers Fund	20,700,384.00	17,852,001.10	2,848,382.90
Regional Activities Fund	5,157,945.00	5,401,062.86	(243,117.86)
Councils Fund	3,952,787.00	5,157,647.80	(1,204,860.80)
TOTALS	\$ 819,345,417.00	\$ 838,577,132.32	\$ (19,231,715.32)

Assets include portions of Cash, Investments, Accounts Receivable, Mortgage and Notes Receivable, Supplies for Resale, Furniture, Equipment, Vehicles, and the Union Building Corporation.

GENERAL FUND LIABILITIES

General Fund Liabilities amounted to \$103,290,319.00 as of December 31, 2019. These liabilities consist of a note payable to the UAW Retirees Health Care totaling \$100,427,455.00, Payroll Taxes to be forwarded in the amount of \$136,498.00, Accounts Payable to Troubled Workers totaling \$503,085.00, and Accounts Payable to Affiliated Organizations at \$2,223,281.00.

GENERAL FUND BALANCE

The General Fund Balance, which is represented by General Fund Assets less General Fund Liabilities, amounted to \$111,508,210.00 as of December 31, 2019. Of this amount, \$73,309,050.00 of the General Fund balance represents cash and investments, which are available to meet the day-to-day expenses of the Fund. General Fund Cash and Cash Equivalents increased by \$9,591,426.09 from December 31, 2018.

The remaining balance of the General Fund, \$38,199,160.00 represents the cost of assets that cannot be readily converted to cash such as real and personal property, inventory and mortgages due from local unions.

UNION BUILDING CORPORATION

The Union Building Corporation is the holding corporation for all properties owned by the International Union, UAW. During 2019, \$2,413,203.68 was spent on the acquisition, development and capital improvement of UAW-owned properties. UBC disposed of property with a book value of \$516,002.00 during 2019.

ORGANIZING EXPENDITURES

Organizing expenses amounted to \$15,238,877.32 during 2019. Of that amount, \$8,556,926.38 was spent from the Strike and Defense Fund, in accordance with Article 16, Section 11. At the 36th Constitutional Convention, the delegates approved Article 16, Section 11 which authorized total transfers up to \$60 million from strike fund assets to support organizing over the four-year convention cycle.

FUND TRANSFERS

Periodically, it becomes necessary to transfer funds from the General Fund to other Funds in order to eliminate deficits and establish working balances. During 2019, \$4,665,000.00 was transferred from the General Fund to the Citizenship Fund. The General Fund also transferred \$3,310,000.00 to the Education Fund, \$440,000.00 to the Civil and Human Rights Fund, \$620,961.00 to the Councils Fund and \$122,139.00 to the Regional Activities Fund.

REALLOCATION OF PER CAPITA DUES

Of the total dues that Local Unions collect each month from members, a portion is remitted to the International Secretary-Treasurer. The dues collected will be allocated between the Local Union and the International Union UAW General Fund and the Strike and Defense Fund as follows:

The remaining one half (.05) hour of dues income (or .29%) shall be allocated entirely to the International Union-UAW Strike and Defense Fund.

*Both Local Unions and the General Fund are eligible for a dues rebate from the Strike and Defense Fund. If the Strike and Defense Fund balance falls below \$500 million, all rebates are suspended until the fund balance exceeds \$550 million.

2019 Financial Report

PRIVATE SECTOR DUES ALLOCATION

The allocation of the first two hours (or 1.15%) will be allocated as set forth in the following table:

	Dues Allocation	Rebates*	Dues Allocation After Rebates
Strike & Defense Fund	30%	(25.00%)	5.00%
General Fund	32%	12.65%	44.65%
Local Unions	38%	12.35%	50.35%
Total Dues	100%	0.00%	100.00%

April of the following calendar year, the accumulated total 13th check rebate from the preceding year is rebated to Local Unions and the General Fund in the same proportion as dues allocation after rebates.

December 31, 2019 and the preceding year-end.

EMERGENCY OPERATIONS FUND

This fund had a balance of \$37,238,502.00 as of December 31, 2019.

By actions of the 33rd Constitutional Convention in June 2002, the Emergency Operations Fund was established. The assets of the Emergency Operations Fund, including accrued interest and earnings on investments, shall be available to finance operations of the International Union in the event Operating Fund resources are insufficient to sustain operations due to the effects of a protracted or expensive strike, a series of strikes, or other events posing a serious threat to the economic viability of the International Union.

RETIRED WORKERS FUND

This Fund had a balance of \$20,700,384.00 (which includes the Regions' 25 percent share of each retiree's dues dollar) as of December 31, 2019. Local Unions received \$2,850,663.00 for their retiree chapters. There were approximately 653,704 retired members as of December 31, 2019.

FAMILY EDUCATION CENTER (FEC) FUND

When it was originally established in 1968, the FEC Fund included the Family Education Center Department, which formulates and implements programs at Family Education Centers for the education and training of UAW members and their families through participation in the Family Education Scholarship Program.

Over the years, the structure and funding of the Family Education Center in Black Lake and the Pat Greathouse Center in Region 4 have changed. The FEC is receiving a regular source of income.

PUBLIC SECTOR

Public sector members generally do not have the right to strike. The allocation of the first two hours (or .805%) will be allocated 45.7% to the International Union, UAW General Fund and 54.3% to the Local Union.

The remaining one half (.05) hour of dues income (or .29%) shall be allocated entirely to the International Union UAW Strike and Defense Fund.

PRIVATE AND PUBLIC SECTOR

A portion of each member's monthly dues allocated to the General Fund is distributed among several other activities/funds on a monthly basis. Each amount is expended only for the designated programs or activities. The allocation is as follows:

Communications	\$ 0.05
Civil and Human Rights Fund	0.01
Education Fund	0.03
Recreation Fund	0.01
Citizenship Fund	0.05
Retired Workers Fund	0.01

In addition, both the Local Unions and the General Fund are eligible for an additional rebate from the Strike and Defense Fund referred to as the "13th check".

Each month beginning July 1, 2006, the amount of actual strike assistance benefits (weekly benefits and medical costs) are compared to 5% of total dues. To the extent that the actual strike assistance benefits are less than 5% of dues for the month, the excess is accumulated for the 13th check rebate. In any month which the actual strike assistance benefits exceed the 5% of dues, no additional amount will be accumulated. In

	Dues Allocation After Rebate	13th Check Rebate Allocation
General Fund	44.65%	47%
Local Unions	50.35%	53%
Total	95.00%	100%

(a) 53% = (50.35 / 95.00), 47% = (44.65 / 95.00)

STRIKE AND DEFENSE FUND

Strike and Defense Fund Total Resources amounted to \$739,233,150.00 as of December 31, 2019.

Income to the Strike and Defense Fund amounted to \$75,788,624.00 during 2019. A breakdown of income by sources follows:

Per Capita Taxes	\$ 72,222,129.00
Asset Receipts	\$ 3,566,495.00
TOTAL	\$ 75,788,624.00

Expenditures of the Strike and Defense Fund for 2019 amounted to \$99,910,093.00 for Strike expenses. A breakdown of these expenditures by Region is contained in this report. During 2019, strike assistance was provided to 52,870 members of our Union.

The following is a comparison of the Strike and Defense Fund Net Resources as of

COMPARISON OF STRIKE AND DEFENSE FUND NET RESOURCES YEAR ENDED DECEMBER 31

	2019	2018	Increase (Decrease):
Cash and Investments	\$ 674,694,585.00	\$ 707,963,066.77	\$ (33,268,481.77)
Mortgages Receivable	12,351.00	56,344.61	(43,993.61)
Other Investments	72,187,954.00	69,761,864.69	2,426,089.31
Gross Resources	\$ 746,894,890.00	\$ 777,781,276.07	\$ (30,886,386.07)
*Liabilities	7,661,740.00	10,860,160.72	(3,198,420.72)
Net Resources	\$ 739,233,150.00	\$ 766,921,115.35	\$ (27,687,965.35)

*Liabilities – 13th check due to Local Unions and the General Fund

2019 Financial Report

UAW V-CAP

BALANCE - DECEMBER 31, 2018	\$ 17,732,301.71
INCOME - 2019	6,678,036.69
	\$ 24,410,338.40
DISBURSEMENT - 2019	7,101,712.93
BALANCE - DECEMBER 31, 2019	\$ 17,308,625.47

Effective January 1, 2003, the UAW established Union Building Education, Inc. (UBE), a 100 percent-owned subsidiary corporation of the International Union, UAW, for the purpose of operating the Family Education Center in Black Lake. UBE collects income and pays expenses associated with the programs at Black Lake. The International Executive Board is authorized to transfer money, as necessary, to help supplement the cost of education activities at the Family Education Center.

As of December 31, 2019, the Family Education Center Fund had a balance of \$3,296,061.00.

DUES

The dues structure has resulted in average monthly dues of \$57.53 for 2019, compared with \$55.24 for 2018.

2019 STRIKE AND DEFENSE FUND EXPENDITURES BY REGION

Region	Location	Amount
All	GM Strike - All Regions	\$ 78,033,071.02
2B	Ohio and Indiana	1,951,446.88
4	North Central United States	5,401.58
5	West/Southwest United States	32,065.42
8	Southeastern United States	16.59
9	New Jersey, New York and Pennsylvania	610,605.55
9A	New England States, Long Island and Puerto Rico	398,057.49
	Other Expenditures	18,879,428.47
	GRAND TOTAL	\$ 99,910,093.00

MEMBERSHIP

The average dues-paying membership for calendar year 2019 was 398,829 compared to 399,992 in 2018, a decrease of 1,163 members.

Initiation fees were received on 44,204 members during 2019 compared to 49,546 in 2018, an decrease of 5,342.

We had approximately 653,704 retired members as of December 31, 2019.

I wish to thank my fellow Officers, Board Members, Staff Members and Office Employees for their cooperation and commitment to the financial stewardship of this great union.

Respectfully submitted



Ray Curry
International Secretary-Treasurer

Independent Auditor's Report

To the Board of Trustees of International Union, United Automobile, Aerospace & Agricultural Implement Workers of America - U.A.W.

We have audited the accompanying financial statements of the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America-U.A.W. (the Union), which comprise the statement of assets, liabilities and fund balances (modified cash basis) as of December 31, 2019, and the related statement of receipts, disbursements and changes in fund balances (modified cash basis) for the six months ended December 31, 2019, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the financial statements 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Union's preparation and fair presentation of the financial statements 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 Union'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 financial statements.

Independent Auditor's Report

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

QUALIFIED OPINION

In our opinion, except for the effects of the matters discussed in the following paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances of the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America-U.A.W. as of December 31, 2019, and its cash receipts, disbursements and the changes in fund balances for the six months ended December 31, 2019, and its cash receipts, disbursements and the changes in fund balances for the six months ended December 31, 2019 in accordance with the modified cash basis of accounting described in Note 2.

EMPHASIS OF MATTER

All property held in the Union Building Corporation is stated at cost and most have not been depreciated. In our opinion, these properties should be depreciated over their useful lives to conform with the modified cash basis of accounting. In addition, the financial statements do not present disbursements by functional and natural classification in one location. The effects of these departures from the modified cash basis of accounting on the accompanying financial statements are not reasonably determined.

BASIS OF ACCOUNTING

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, 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 this matter.

OTHER MATTER —

June 30, 2019 Financial Statements

The statement of cash receipts, disbursements, and changes in fund balances (modified cash basis) of the Union as of and for the six months ended June 30, 2019 were audited by other auditors, whose report dated April 30, 2020, expressed a modified opinion on those statements due to the method of accounting for property held in the Union Building Corporation.

OTHER MATTER —

Statement of Cash Receipts, Disbursements and Changes in Fund Balances (Modified Cash Basis) Unaudited Total Column

The statement of cash receipts, disbursements and changes in fund balances (modified cash basis) unaudited total column for the year ended December 31, 2019 is the summation of the six month period ended June 30, 2019, which was audited by other auditors, and the six month period ended December 31, 2019, which was audited by us.

SUPPLEMENTAL INFORMATION

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information on pages 26 through 77 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and

other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CalibreCPAGroup, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Bethesda, MD
September 28, 2020

RECONCILIATION OF CASH YEAR ENDED DEC. 31, 2019

CASH BALANCE - December 31, 2018	\$	1,933,260.00
ADD-RECEIPTS:		
General Fund	\$	151,529,145.00
Emergency Operation Fund		1,880,487.00
Strike and Defense Fund		72,222,129.00
Citizenship Fund		247,364.00
Education Fund		359,168.00
Civil Rights Fund		192,138.00
Recreation Fund		68,492.00
Retired Workers' Fund		9,289,786.00
Family Education Center Fund		4,681,708.00
Regional Activities Fund		2,704,613.00
Councils Fund		1,667,583.00
Sub Total, Funds Receipts	\$	244,842,613.00
Total Receipts	\$	244,842,613.00
Together	\$	246,775,873.00
LESS - DISBURSEMENTS:		
General Fund	\$	126,384,077.00
Strike and Defense Fund		99,910,093.00
Citizenship Fund		4,905,534.00
Education Fund		3,659,016.00
Civil Rights Fund		801,364.00
Recreation Fund		37,808.00
Retired Workers' Fund		6,441,403.00
Family Education Center Fund		3,287,682.00
Regional Activities Fund		3,069,870.00
Councils Fund		3,493,405.00
Sub Total, Funds Disbursements	\$	251,990,252.00
Excess of Purchases Over Sales of Investment Securities	\$	9,651,673.00
Excess of Purchases Over Sales of Investment Securities	\$	(18,491,505.00)
Total Disbursements	\$	243,150,420.00
CASH BALANCE - December 31, 2019	\$	3,625,453.00

Independent Auditor's Report

INTERNATIONAL UNION UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA – U.A.W. AND SUBSIDIARIES STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES (MODIFIED CASH BASIS) DECEMBER 31, 2019

ASSETS		LIABILITIES AND FUND BALANCES	
CURRENT ASSETS:		CURRENT LIABILITIES:	
Cash and cash equivalents	\$ 3,625,453	Accounts Payable:	
Investment Securities	<u>815,719,964</u>	Affiliated Organizations	\$ 2,223,281
TOTAL CURRENT ASSETS	\$ 819,345,417	Due to VEBA	6,593,008
OTHER ASSETS:		Troubled Workers	503,085
ACCOUNTS RECEIVABLE:		General Fund Rebates	3,601,018
Miscellaneous Advances	\$ 8,142,059	Local Union Rebates	4,060,722
Rotating Funds	150,000	Payroll Taxes Payable	<u>136,498</u>
Due from Strike & Defense Fund	<u>3,601,018</u>	TOTAL CURRENT LIABILITIES	\$ 17,117,612
	\$ 11,893,077	LONG-TERM LIABILITIES:	
MORTGAGES RECEIVABLE:		Due TO VEBA	\$ <u>93,834,447</u>
Other	<u>\$ 548,731</u>	TOTAL LONG-TERM LIABILITIES	<u>93,834,447</u>
	548,731	TOTAL LIABILITIES	\$ 110,952,059
NOTES RECEIVABLE	2,484,428	FUND BALANCES:	
INVENTORIES:		Allocated to Current Assets:	
Supplies for Resale	146,822	General Fund	\$ 73,309,050
OTHER INVESTMENTS:		Emergency Operations Fund	37,238,502
Alternative Investments	\$ 72,187,954	Strike and Defense Fund	674,694,585
Stocks	<u>324,641</u>	Citizenship Fund	17,346
	<u>72,512,595</u>	Education Fund	23,574
TOTAL OTHER ASSETS	87,585,653	Civil and Human Rights Fund	7,491
FIXED ASSETS:		Recreation Fund	947,692
Furniture and Equipment	\$ 45,193,462	Retired Workers' Fund	20,700,384
Vehicles and Equipment	<u>1,724,885</u>	Family Education Center	3,296,061
Net Subtotal	\$ 46,918,347	Regional Activities Fund	5,157,945
Less-Reserve for Depreciation	<u>(43,992,438)</u>	Councils Fund	<u>3,952,787</u>
Net Subtotal	\$ 2,925,909		\$ 819,345,417
PROPERTIES:		Allocated to Other Assets:	
Union Building Corporation	\$ 125,708,850	General Fund	\$ 38,199,160
Less-Reserve for Depreciation	<u>(2,530,628)</u>	Strike and Defense Fund	<u>64,538,565</u>
	<u>123,178,222</u>		<u>102,737,725</u>
TOTAL FIXED ASSETS	126,104,131	TOTAL FUND BALANCES	922,083,142
TOTAL ASSETS	\$ 1,033,035,201	TOTAL LIABILITIES AND FUND BALANCES	\$ 1,033,035,201

Independent Auditor's Report

INTERNATIONAL UNION UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA – U.A.W. SCHEDULE OF FUND BALANCES (MODIFIED CASH BASIS) DECEMBER 31, 2019

	Six Months June 30, 2019	Six Months December 31, 2019	Unaudited Total Year Ended December 31, 2019
GENERAL FUND			
Balance-beginning	\$ 63,717,624	\$ 61,369,644	\$ 63,717,624
Add-Receipts	66,599,880	84,929,265	151,529,145
-Transfer of Funds from Family Education Center Fund	108,018	—	108,018
	\$ 130,425,522	\$ 146,298,909	\$ 215,354,787
Less-Disbursements	62,353,809	64,030,265	126,384,074
-Asset Disbursements	2,937,069	3,566,494	6,503,563
-Transfer of Funds to			
Citizenship Fund	1,905,000	2,760,000	4,665,000
Education Fund	1,660,000	1,650,000	3,310,000
Civil Rights Fund	200,000	240,000	440,000
Councils Fund	—	620,961	620,961
Regional Activities Fund	—	122,139	122,139
Balance-Ending	\$ 61,369,644	\$ 73,309,050	\$ 73,309,050
EMERGENCY OPERATIONS FUND			
Balance-Beginning	\$ 35,358,015	\$ 35,752,815	\$ 35,358,015
Add-Receipts	394,800	1,485,687	1,880,487
Balance-Ending	\$ 35,752,815	\$ 37,238,502	\$ 37,238,502
STRIKE AND DEFENSE FUND			
Balance-Beginning	\$ 707,963,067	\$ 724,839,487	\$ 707,963,067
Add-Receipts	38,327,213	33,894,916	72,222,129
-Asset-Receipts	—	3,566,495	3,566,495
	\$ 746,290,280	\$ 762,300,898	\$ 783,751,691
Less-Disbursements	12,303,780	87,606,313	99,910,093
-Asset Disbursements	9,147,013	—	9,147,013
Balance-Ending	\$ 724,839,487	\$ 674,694,585	\$ 674,694,585
CITIZENSHIP FUND			
Balance-beginning	\$ 10,516	\$ 6,710	\$ 10,516
Add-Receipts	120,776	126,588	247,364
-Transfer of Funds from General Fund	1,905,000	2,760,000	4,665,000
	\$ 2,036,292	\$ 2,893,298	\$ 4,922,880
Less-Disbursements	2,029,582	2,875,952	4,905,534
Balance-Ending	\$ 6,710	\$ 17,346	\$ 17,346

Independent Auditor's Report

INTERNATIONAL UNION UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA – U.A.W. SCHEDULE OF FUND BALANCES (MODIFIED CASH BASIS) DECEMBER 31, 2019 (continued)

	Six Months June 30, 2019	Six Months December 31, 2019	Unaudited Total Year Ended December 31, 2019
EDUCATION FUND			
Balance-Beginning	\$ 13,422	\$ 25,491	\$ 13,422
Add-Receipts	290,864	68,304	359,168
-Transfer of Funds from General Fund	1,660,000	1,650,000	3,310,000
	\$ 1,964,286	\$ 1,743,795	\$ 3,682,590
Less-Disbursements	1,938,795	1,720,221	3,659,016
Balance-Ending	\$ 25,491	\$ 23,574	\$ 23,574
CIVIL AND HUMAN RIGHTS FUND			
Balance-Beginning	\$ 176,717	\$ 10,778	\$ 176,717
Add-Receipts	24,154	167,984	192,138
-Transfer of Funds from General Fund	200,000	240,000	440,000
	\$ 400,871	\$ 418,762	\$ 808,855
Less-Disbursements	390,093	411,271	801,364
Balance-Ending	\$ 10,778	\$ 7,491	\$ 7,491
RECREATION FUND			
Balance-Beginning	\$ 917,008	\$ 927,630	\$ 917,008
Add-Receipts	45,724	22,768	68,492
	\$ 962,732	\$ 950,398	\$ 985,500
Less-Disbursements	35,102	2,706	37,808
Balance-Ending	\$ 927,630	\$ 947,692	\$ 947,692
RETIRED WORKERS FUND			
Balance-Beginning	\$ 17,852,001	\$ 18,531,400	\$ 17,852,001
Add-Receipts	4,377,721	4,912,065	9,289,786
	\$ 22,229,722	\$ 23,443,465	\$ 27,141,787
Less-Disbursements	3,698,322	2,743,081	6,441,403
Balance-Ending	\$ 18,531,400	\$ 20,700,384	\$ 20,700,384

Independent Auditor's Report

INTERNATIONAL UNION UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA – U.A.W. SCHEDULE OF FUND BALANCES (MODIFIED CASH BASIS) DECEMBER 31, 2019 (continued)

	Six Months June 30, 2019	Six Months December 31, 2019	Unaudited Total Year Ended December 31, 2019
FAMILY EDUCATION CENTER FUND			
Balance-Beginning	\$ 2,010,053	\$ 2,719,256	\$ 2,010,053
Add-Receipts	2,475,840	2,205,868	4,681,708
	<u>\$ 4,485,893</u>	<u>\$ 4,925,124</u>	<u>\$ 6,691,761</u>
Less-Disbursements	1,658,619	1,629,063	3,287,682
- Transfer of Funds to General Fund	108,018	—	108,018
Balance-Ending	<u>\$ 2,719,256</u>	<u>\$ 3,296,061</u>	<u>\$ 3,296,061</u>
 REGIONAL ACTIVITIES FUND			
Balance-Beginning	\$ 5,401,063	\$ 4,859,454	\$ 5,401,063
Add-Receipts	1,023,334	1,681,279	2,704,613
- Transfer of Funds from General Fund	—	122,139	122,130
	<u>\$ 6,424,397</u>	<u>\$ 6,662,872</u>	<u>\$ 8,227,815</u>
Less-Disbursements	1,564,943	1,504,927	3,069,870
Balance-Ending	<u>\$ 4,859,454</u>	<u>\$ 5,157,945</u>	<u>\$ 5,157,945</u>
 COUNCILS FUND			
Balance-Beginning	\$ 5,157,648	\$ 5,198,499	\$ 5,157,648
Add-Receipts	847,938	819,645	1,667,583
- Transfer of Funds from General Fund	—	620,961	620,961
	<u>\$ 6,005,586</u>	<u>\$ 6,639,105</u>	<u>\$ 7,446,192</u>
Less-Disbursements	807,087	2,686,318	3,493,405
Balance-Ending	<u>\$ 5,198,499</u>	<u>\$ 3,952,787</u>	<u>\$ 3,952,787</u>
 GRAND TOTAL FUND BALANCES	<u>\$ 854,241,164</u>	<u>\$ 819,345,417</u>	<u>\$ 819,345,417</u>

REGIONAL NEWS

Mortgage assistance for **Union** families



[Learn more at unionplus.org](https://unionplus.org)

Union Plus Mortgage Assistance provides interest-free loans and grants to help you make mortgage payments when you're disabled, unemployed, locked out or on strike.

[Learn more at unionplus.org](https://unionplus.org)



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2021.04.11.19