



December 13, 2017

Richard Wyckoff, President and CEO
U.S. Security Associates
200 Mansell Court Fifth Floor
Roswell, GA 30076

Dear Mr. Wyckoff:

I am writing to inform you that the SEIU Responsible Contractor Program (RCP) has designated the status of U.S. SECURITY ASSOCIATES as **RED** for the following markets:

- Portland, OR
- Silicon Valley, CA

RED status indicates that “the company fails to follow responsible contractor practices” whereas a **GREEN** status indicates that the contractor “follows responsible contracting practices” and **YELLOW** status indicates that the contractor has “problems indicated that require attention.”

The designation of U.S. SECURITY ASSOCIATES as a non-responsible contractor stems from your failure to mitigate serious issues affecting employees, including but not limited to allegations and settlement of worker harassment and discrimination, multiple health and safety violations, a history of wage theft allegations and settlements, as well as a failure to maintain security standards in the above markets.

The goal of SEIU’s RCP (<http://responsiblecontractorguide.org/>)—as is the case with other similar programs adopted by local, state, and federal public bodies—is to improve working conditions, lower worker turnover, improve training standards and generally improve positive security outcomes for security officers, contractors, managers, and owners.

Under our system, contractors are rated as “responsible” based on the following criteria:

- Responsible contractors compensate their workforce at or above prevailing wages and benefits including health insurance, compensated days off, and other benefits;
- Responsible contractors seek to maximize continuity at workplaces, prioritize worker safety, and promote continuous improvement in the quality of their workforce;
- Responsible contractors respect and encourage the right of their employees to bargain collectively;
- Responsible contractors provide employees with a real complaint/grievance procedure;
- Responsible contractors support the environmental and energy efficiency policies of building owners.

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As you know, the union has been working with U.S. SECURITY ASSOCIATES officers to improve working conditions. Unfortunately, in the above Oregon and California markets, U.S. SECURITY ASSOCIATES denies many of its security officers the opportunity to succeed—usually paying wages and benefits that are below the prevailing standard and often exposing them to other substandard conditions.

U.S. SECURITY ASSOCIATES's track record includes the following concerning events:

U.S. SECURITY ASSOCIATES has a history of wage theft allegations and settlements, including a pending settlement for over \$21 million in damages for back wages and penalties regarding more than 15,000 current and former California employees over the last decade.

- In January 2009, Muhammed Abdullah, a former USSA employee, filed a lawsuit that was awarded class certification for several classes of non-exempt hourly employees in California. The complaint allege that USSA failed to provide meal or rest periods (or pay the required wage premium), failed to reimburse business-related expenses, failed to pay wages for all hours worked, failed to pay all vacation wages owed, and failed to keep accurate records. The suit seeks damages in excess of \$5 million. USSA filed an answer to the complaint, denying the allegations. U.S. Security appealed the order granting class certification, but the appeal was denied by the Court of Appeals and by the U.S. Supreme Court in October 2014. As of November 2017, pending court approval, a settlement in the class action suit against the company would award over \$21 million in damages to over 15,000 current and former California employees.
- In March 2008, USSA settled a similar lawsuit for over \$1 million. In February 2006, Sandra Blacksher filed a class action suit alleging that USSA violated meal and rest period requirements, failed to timely pay employees wages and accrued vacations upon termination, failed to furnish timely and accurate wage statements, and did not pay for all work time. The lawsuit covered current and former security guards and non-exempt security supervisors from February 27, 2002 through June 30, 2007. As part of the settlement (in which USSA denied wrongdoing), USSA established a non-reversionary \$1 million fund from which class members and counsel fees were to be paid.
- USSA has also been forced to pay out over \$28,000 in back wages since 2006 for violations of the federal Fair Labor Standards Act. In addition, USSA has been forced to settle at least 18 other federal wage and hour lawsuits since 2004.

U.S. SECURITY ASSOCIATES has a history of harassment and discrimination allegations regarding race, maternity and disability allegations and settlements filed at the state and federal level in Oregon and California

- Alex Wion, a black African of Liberian national origin, filed a lawsuit in US District Court for the District of Oregon on 1/17/2014 alleging discrimination and retaliation based on race and national origin. Wion worked for Andrews as a security officer at the Columbia Gorge Premium Outlets starting in July 2011. He claims he was a joint employee of Andrews and the outlet mall. He alleges that the custodial supervisor, Molly Kenney, at the Outlets harassed him repeatedly over his time of employment, screaming when she passed near him and telling him that his dark skin color scared her—even requiring him to notify her via radio when he was nearby. Ms. Kenney also demanded that he do extra work outside his normal duties, such as custodial work like bringing in hoses. She would yell at him if he did

not comply or if he did not meet her standards. He complained to the mall's management and to Andrews but neither took action to remedy the harassment. The lawsuit alleges that he was fired after the mall demanded that Andrews terminate him for complaining about the alleged harassment. Wion filed complaints with the Oregon Bureau of Labor and Industries and the US EEOC. He received right to sue letters from the agencies in October and December 2013, respectively. The parties settled the case in June 2014 and the case was dismissed in August 2014.

- In June 2014, Cindy Bartice filed suit in California Superior Court (it was later removed to U.S. District Court), alleging gender discrimination, discrimination based on a medical condition (pregnancy), and retaliation. In the complaint, Bartice alleged she was forced to miss work on numerous occasions due to complications of a pregnancy, but obtained permission from her supervisor and also a doctor's note on each occasion. She alleges that she made several attempts to complete the proper paperwork with the HR department for taking medical leave once the baby was born but that she was initially put off, and later told, "Do what you need to do. If positions are open, then you can come back." Then she was told that she would lose her job if she took the leave because the Family Medical Leave Act did not apply to her. After the baby was born, she took six weeks of maternity leave; when she called to report back to work, she was told she had been terminated before the baby was even born on the basis that she had "abandoned her job" and that her maternity leave had not been approved. USSA answered the complaint and denied the allegations. The parties settled and the case was dismissed in September 2014.
- In September 2011, former USSA employee Michael Thibodeaux filed a lawsuit against the company, alleging discrimination and wrongful termination. Thibodeaux's suit alleges that he was shot in the leg while on the job as a USSA loss prevention officer in September 2009, and went on disability leave until August 2010. The suit claims that when he returned to work, Thibodeaux was told that if he did not accept a demotion to a non-supervisory position, he would be given no work at all. The suit also alleges that throughout the term of his employment, Thibodeaux complained to his supervisors about being forced to work off the clock and that subordinate employees worked without lunch breaks. Thibodeaux's suit alleges that he was falsely accused of performance deficiencies, and that his employment was terminated in September 2010. The suit alleges that his disability, requests for accommodation, and complaints about wage and hour violations were the reasons for his demotion and termination. The case was assigned to a mediator, settled, and dismissed in January 2013.

U.S. SECURITY ASSOCIATES has a history of health and safety violations and a workplace accident in California that resulted in more than \$6,000 in fines in the last five years.

- In 2014, USSA's Staff Pro subsidiary was fined \$5,450 after an April accident at the Coachella Music Festival, where the company was performing event security. The company was cited for six violations and finally reached an administrative settlement with the California Department of Occupation Safety and Health Administration. The largest part of the fine was associated with not immediately reporting a serious injury or death under CalOSHA Code §342: "Reporting Work-Connected Fatalities and Serious Injuries," which notes:

Immediately means as soon as practically possible but not longer than 8 hours after the employer knows or with diligent inquiry would have known of the death or serious injury or

illness. If the employer can demonstrate that exigent circumstances exist, the time frame for the report may be made no longer than 24 hours after the incident.

- Other citations for the Cochella incident revolved around the lack of an adequate illness and injury prevention program and emergency response for heat stress related injuries.
- USSA had previously been cited in 2013 for inadequate illness and injury prevention program at the Laguna Hills Mall, resulting in \$375 fine.
- USSA is also the subject of an open CalOSHA complaint, motivated by another accident and inspection on August 3, 2016, alleging two additional violations for an inadequate illness and injury prevention program. The case was heard by an administrative law judge in May 2017 and the pending penalty is \$600.

U.S. SECURITY ASSOCIATES has a record of unwillingness to abide by community standards on security officers' right to form a union and uphold community workplace standards in the Portland, OR and Silicon Valley, CA, CA security markets

- In 2012, US Security acquired Andrews International security, a union employer with SEIU Local 49 and United Service Workers West (USWW), but failed to recognize the union in all covered USSA accounts in the Portland market per the collective bargaining agreements.
- Over the course of the ensuing several years, SEIU Locals 49 and USWW have reached out to U.S. SECURITY ASSOCIATES management on multiple occasions in efforts to resolve these issues only to have serious proposals on improving conditions for officers be rebuffed by the company. USSA has refused to engage in a productive dialogue about how officers in these markets could join the union and, in the case of Silicon Valley, join with other similar situated officers at the largest peer security firms to negotiate a first contract and raise standards for the industry.

For of all the foregoing reasons, the SEIU Responsible Contracting Program has rated U.S. SECURITY ASSOCIATES as RED. That designation will be reflected on the RCP Website and communicated to building and institutional clients as well as other stakeholders.

We look forward to continued engagement with U.S. SECURITY ASSOCIATES to work towards addressing these serious concerns.

Sincerely,



Jason Oringer
SEIU, Property Services Division
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