



**SERVICE CONTRACT EDUCATION & TRAINING TRUST FUND**  
**EDUCATIONAL BENEFITS FOR ELIGIBLE EMPLOYEES**  
Effective October 1, 2010

*Dear LiUNA-Represented Employee:*

We are pleased to present this description of the educational benefits program offered by the Service Contract Education and Training Trust Fund ("SCETT Fund") to service contract industry employees covered by collective bargaining agreements between their employers and the Laborers' International Union of North America ("LiUNA") requiring employer contributions to the SCETT Fund. This booklet describes the educational benefits offered by the SCETT Fund to covered employees, and the rules regarding eligibility for and payment of those benefits which are binding on all covered employees.

Education is a key to economic advancement for you and your family. It can also be personally fulfilling and contribute to your enjoyment of life.

We encourage all eligible employees to take advantage of the educational opportunities offered by the SCETT Fund to improve their job skills, to qualify for promotions or new careers, or to otherwise better their lives on and off the job.

*The Board of Trustees*

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## **About The SCETT Fund**

The SCETT Fund is a joint labor-management trust fund established in 1978 by the Laborers' International Union of North America (LiUNA) and various employers of employees represented for collective bargaining purposes by LiUNA and affiliated Local Unions. It was established and is maintained for the primary purpose of providing education and job training benefits for employees in the service contract industry to foster their employability, productivity, skills, and knowledge.

All governance authority is vested in the labor-management Board of Trustees consisting equally of Union Trustees and Employer Trustees. The Trustees are familiar with the service contract industry and serve without compensation from the SCETT Fund.

Day-to-day administration of the SCETT Fund is the responsibility of the SCETT Fund Director and the SCETT Fund Administrator who were hired by and report to the Board of Trustees. The Board has delegated certain authority to the Director and Administrator to carry out their duties to the SCETT Fund. The SCETT Fund maintains administrative offices in Washington, D.C. and Charles Town, West Virginia.

The SCETT Fund is funded by collectively bargained employer contributions and investment income. Employees do not make contributions to the SCETT Fund, and they are not charged any fees by the SCETT Fund for benefits or participation in the SCETT Fund programs. The amount of benefits payable by the SCETT Fund is limited by its assets alone.

The SCETT Fund is regulated by various Federal laws, including the Employee Retirement Income Security Act (ERISA), the Labor Management Relations (Taft-Hartley) Act, the Service Contract Act, and the Internal Revenue Code (IRC). It is an employee welfare benefit plan under ERISA and, as such, a separate legal entity. It is a tax-exempt trust under the IRC. These federal statutes require that the SCETT Fund's assets be used for the sole and exclusive purpose of providing promised benefits to employees of contributing employers and to defray the reasonable expenses of administering the SCETT Fund. The SCETT Fund is a bona fide fringe benefit under the Service Contract Act.

The SCETT Fund is affiliated with the LiUNA Training & Education Fund, a nationally recognized leader in worker training and education with 70 affiliated training centers located throughout the United States and Canada. Like the SCETT Fund, the LiUNA Training & Education Fund opens the door to opportunity for workers, adds to their skills, advances their careers, and helps them gain a competitive advantage in a tough marketplace. Employers benefit from an invaluable resource: a highly-trained workforce that helps them succeed.

## **Eligibility for SCETT Fund Educational Benefits**

Generally, the SCETT Fund educational benefits are available only to employees who:

- (1) are covered by a collective bargaining agreement between their employers and LiUNA or a LiUNA affiliated Local Union requiring employer contributions to the SCETT Fund (a "covered employee"),

- (2) satisfy the specific eligibility conditions for each benefit, as described in this booklet,
- (3) submit an acceptable application to the SCETT Fund, and
- (4) comply with the rules described in this booklet.

### **Continuing Education Benefits**

The SCETT Fund pays up to \$1,500 per year towards the tuition or fee actually charged to an eligible employee for his or her enrollment in a “Continuing Education Course” of study that has been pre-approved or is approved by the SCETT Fund.

1. “Continuing Education Courses” of study pre-approved by the SCETT Fund are the following:
  - (a) International Executive Housekeepers Association (IEHA) Self-Study: Certified Executive Housekeeper Course, Registered Executive Housekeeper Course, and Frontline Program
  - (b) Building Service Contractors Association International (BSCAI) Self-Study: Registered Building Service Manager Course, Certified Building Service Manager Course
  - (c) ServSafe Starters Employee Food Safety Training
  - (d) ServSafe Food Protection Manager Course (Online or Self-Study)
2. “Continuing Education Courses” of study that the SCETT Fund will approve include the following:
  - (a) General Equivalency Diploma (GED) courses
  - (b) “English as a Second Language“(ESL) courses
  - (c) Vocational or trade school courses and certification program courses
  - (d) other career development courses or programs

Note: The SCETT Fund will only approve a particular course of study if the SCETT Fund, in its sole and absolute discretion, determines that the course and the course provider are legitimate and otherwise appropriate.

3. The benefit payable for the pre-approved IEHA, BSCAI and ServSafe courses of study, and the specific eligibility requirements for this benefit, are as follows:
  - (a) The SCETT Fund will pay the full cost of the course or courses, including required course materials, charged to the eligible employee up to a maximum of \$1,500.

- (b) To be eligible for this benefit, a covered employee must:
    - (1) have had at least 1500 hours of employer contributions made on his or her behalf to the SCETT Fund within the thirty-six (36) month period prior to the month in which the employee applies for the benefit, and
    - (2) be employed in “covered employment” (employment for which an employer is required to contribute to the SCETT Fund) at the time that he or she applies for the benefit.
  - (c) Once an eligible employee receives the maximum \$1,500 benefit, he or she will not be eligible for any additional Continuing Education Benefits unless and until at least 1500 additional hours of employer contributions are paid to the SCETT Fund on behalf of the employee.
4. The benefit payable for approved Continuing Education Courses of study, and the specific eligibility requirements for this benefit, are as follows:
- (a) The SCETT Fund will pay the full cost of the course or courses, including required course materials, charged to the eligible employee up to a maximum of \$1,500.
  - (b) To be eligible for this benefit, a covered employee must:
    - (1) have had at least 1500 hours of employer contributions made on his or her behalf to the SCETT Fund within the thirty-six (36) month period prior to the month in which the employee applies for the benefit, and
    - (2) be employed in “covered employment” (employment for which an employer is required to contribute to the SCETT Fund) at the time that he or she applies for the benefit.
  - (c) Once an eligible employee receives the maximum \$1,500 benefit, he or she will not be eligible for any additional Continuing Education Benefits unless and until at least 1500 additional hours of employer contributions are paid to the SCETT Fund on behalf of the employee.

### **Post-Secondary (College) Education Tuition Assistance Benefit**

The SCETT Fund pays up to \$1,000 per semester (two semesters per calendar year) in tuition assistance to an eligible employee who enrolls as a student, part-time or full-time, in an accredited public or private post-secondary educational institution, such as a community college, junior college, or four-year college or university, that awards academic degrees.

- 1. The tuition assistance benefit is a semester-by-semester benefit. An eligible employee must apply to the SCETT Fund each semester.

2. The tuition assistance benefit may be used to pay for tuition, fees, books, supplies and equipment actually charged to the eligible employee. It may not be used to pay for meals, lodging or transportation.
3. To be eligible for this benefit, a covered employee must:
  - (a) have had at least 1800 hours of employer contributions made on his or her behalf to the SCETT Fund within the thirty-six (36) month period prior to the month in which the employee applies for the benefit, and
  - (b) be employed in “covered employment” (employment for which an employer is required to contribute to the SCETT Fund) at the time that he or she applies for the benefit.

### **Incidental Benefits**

The SCETT Fund recognizes that once an employee completes a Continuing Education Course and becomes certified or becomes a member of the course’s sponsoring organization, the maintenance of that certification or membership is important to the employee. Therefore, the SCETT Fund will reimburse an eligible employee for the following costs that he or she actually incurs, without regard to whether he or she first obtained certification or membership while covered by the SCETT Fund:

- (1) IEHA standard annual membership fee
- (2) IEHA triennial re-certification fee
- (3) BSCAI standard annual membership fee
- (4) BSCAI triennial re-certification fee
- (5) ServSafe quinquennial certification fee

### **Limits on Benefits**

Notwithstanding anything to the contrary in this booklet, no employee shall be entitled to receive from the SCETT Fund benefits totaling more than \$2,000 in any one calendar year nor more than \$8,000 over his or her lifetime.

No employee shall accrue or have any vested entitlement to benefits from the SCETT Fund. The educational benefits offered by the SCETT Fund may be modified or terminated by the Board of Trustees at any time, as provided herein.

## **Applying for Benefits**

A covered employee who wishes to apply for any educational benefits, including incidental benefits, from the SCETT Fund must submit a completed application for benefits to the SCETT Fund's primary administrative office:

SCETT Fund Administrator  
Service Contract Education and Training Trust Fund  
109 Kimberwicke Dr., So.  
Charles Town, WV 25414  
1-877-724-5060 (toll free)  
304-724-5060 (toll)  
304-724-5061 (fax)  
[bethscettf@aol.com](mailto:bethscettf@aol.com) (e-mail)

The application may be submitted by U.S. Postal Service, a commercial carrier, fax, or e-mail.

The application must be submitted on the SCETT Fund's approved application form, and be accompanied by all required documentation. A SCETT Fund approved application form can be found at the end of this booklet.

An application may not be considered unless and until all information required or requested is received by the SCETT Fund. By signing and submitting an application, an employee grants permission to the SCETT Fund to obtain relevant information from a course sponsor or educational institution for purposes of verifying the employee's participation, enrollment or charges (e.g. tuition, fees, course materials).

Upon receipt of the completed application, the SCETT Fund's Administrator will review the application to determine whether the employee is eligible for the benefits and whether the benefits are payable. In particular, the Administrator will research the employer contributions history with regard to the employee, and will look into the course or educational institution program for which the employee is seeking benefits. The Administrator may contact the employee for additional information regarding the application. The Administrator will normally decide whether benefits are payable within sixty (60) days after the SCETT Fund receives the completed application and any requested additional information.

Note that any material falsification (including by omission) of information provided to the SCETT Fund by an employee or any other person or organization will be sufficient reason for the denial of the application and a permanent exclusion from benefit eligibility. The SCETT Fund shall be entitled to recover from the employee any and all benefit payments made to or for him or her in reliance on the false statement or omission. Obtaining benefits from the SCETT Fund under false pretenses may constitute a criminal violation of Federal law.

## **Time Limit for Applying for Benefits**

An employee may apply for educational benefits from the SCETT Fund either before or after enrolling in a course or educational institution. If an employee applies for benefits after

completing a course or semester, the employee's completed application must be received by the SCETT Fund no later than 365 days following completion of the course or the end of the semester.

An employee may apply for incidental benefits either before or after incurring the covered expense (certification fees, membership fees). The employee's completed application must be received by the SCETT Fund no later than 365 days following the date on which the employee is charged for the expense by the organization.

### **Payment of Benefits**

Benefits are payable only to or for an eligible employee and only after approval of his or her completed application by the SCETT Fund. No benefit may be assigned, transferred, garnished, attached, pledged, alienated, or otherwise impaired by the employee or any third party.

Notwithstanding this restriction, the SCETT Fund reserves the right and absolute discretion to decide on the timing of benefit payments and to make payments on behalf of an eligible employee directly to the organization sponsoring the course or an educational institution in which the employee enrolled.

The SCETT Fund may, in its discretion, pay benefits on behalf of an eligible employee in advance of his or her enrollment in a course or educational institution or may defer benefit payments until after the eligible employee has enrolled or has completed the course or semester.

The SCETT Fund benefit payments are conditioned on the eligible employee actually incurring the expenses for which the payments are made. If an eligible employee fails to enroll in a course or educational institution for which benefits were paid or receives a refund of fees, tuition, or other expenses for which benefits were paid by the SCETT Fund, the employee shall immediately reimburse the SCETT Fund for the payments it made. Such an employee shall be deemed to be holding the SCETT Fund assets. The SCETT Fund shall be entitled to withhold benefits and/or bring a legal action against an employee who fails to reimburse the SCETT Fund.

The SCETT Fund is also entitled to recover any payments made by mistake without regard to whether the mistake was made by an employee, by the SCETT Fund, or by any third party, and shall be entitled to withhold benefits and/or bring a legal action to enforce this right. Mistaken payments shall be considered the SCETT Fund assets.

The SCETT Fund shall also be entitled to reimbursement from any course sponsor, educational institution, or other third party that wrongly or mistakenly receives or holds payments made by the SCETT Fund. Such payments shall be considered SCETT Fund assets. The SCETT Fund shall be entitled to withhold future payments and/or bring a legal action to enforce this right.

### **Tax Treatment Of Benefits**

The SCETT Fund intends its benefit program to qualify as an employer provided educational assistance program under Section 127 of the Internal Revenue Code. Currently, Section 127

allows an employee to exclude up to \$5,250 of educational assistance benefits per year from his or her income for Federal income tax purposes. Incidental benefits, such as certification and membership fees, may be subject to Federal income tax.

However, each employee who receives benefits from the SCETT Fund is responsible for determining whether he or she owes any Federal or State income tax or other tax on the benefits. The SCETT Fund cannot provide an employee with tax advice.

In no event shall the SCETT Fund be obligated or liable to pay income taxes, payroll taxes, or other taxes for any employee or other individual or organization.

### **Appeals of Benefit Denials**

If an employee's application for benefits is denied, in whole or in part, by the Administrator, the Administrator will send to the employee a written notice explaining the reasons for the denial and the employee's right to appeal. Such a notice will normally be sent within 60 days after the SCETT Fund receives the completed application and any requested additional information.

An employee whose application is denied in whole or in part may appeal to the Board of Trustees by sending to the SCETT Fund's primary administrative office a written description of the grounds for appeal and any supporting documentation. Appeals must be sent to the following address:

Service Contract Education and Training Trust Fund  
109 Kimberwicke Dr., So.  
Charles Town, WV 25414

An appeal will be timely only if it is received by the SCETT Fund within 180 days after the date of the Administrator's notice of denial.

The Board of Trustees, or an authorized Appeals Committee of the Board, will normally consider and decide an appeal within 90 days after it is received by the SCETT Fund. The Board or Committee may ask the appealing employee to submit additional information regarding the appeal before reaching a decision. A notice of the Board or Committee's decision will be sent to the employee within 7 days after the decision is made. If the appeal is granted and the employee is awarded benefits, the benefits will normally be paid with the notice of decision or shortly thereafter. If the appeal is denied, the notice will explain the reasons for the decision. An employee who believes that his or her appeal has been wrongly denied may seek review of the denial by a Federal District Court by bringing an action under the Employee Retirement Income Security Act (ERISA), Title 29 of the United States Code, Section 1132(a).

### **Authority of the Board of Trustees**

The Board of Trustees has the exclusive authority to govern all aspects of the SCETT Fund. In particular, in addition to the powers described elsewhere in this booklet, the Board has the sole and absolute discretionary authority to:

- (1) administer, interpret, and apply the SCETT Fund's rules;
- (2) decide all questions of fact and law regarding the SCETT Fund and its rules;
- (3) decide all questions regarding benefits and eligibility therefore, including the sufficiency of the proof of facts;
- (4) resolve all ambiguities, inconsistencies and omissions regarding the SCETT Fund's rules and procedures;
- (5) adopt rules and procedures;
- (6) delegate duties and authority to committees of Trustees, the SCETT Fund Administrator, the SCETT Fund Director and others;
- (7) allow variances from rules when necessary or appropriate;
- (8) amend, modify, rescind and terminate any or all benefits or rules at any time with or without notice to covered employees and employers;
- (9) withhold benefits otherwise payable under the SCETT Fund's rules to prevent or remedy misconduct or abuse; and
- (10) take any and all other action that the Board deems necessary or appropriate to advance and protect the purposes and interests of the SCETT Fund within the bounds of applicable law.

### **Employment Matters**

An eligible employee does not need his or her employer's permission to apply for any educational benefits offered by the SCETT Fund. However, if taking a Continuing Education Course or enrolling in an educational institution would affect the employee's work schedule or availability for work, the employee should discuss the matter with his or her employer. The SCETT Fund has no authority regarding an employee's work schedule.

### **Translation Available**

If you have difficulty understanding any part of this booklet because it is written in English or any other reason, you may contact the SCETT Fund Administrator for assistance, including a language translation, or check the SCETT Fund's website at [www.scettf.org](http://www.scettf.org) on which a Spanish language version of this booklet will be posted. The SCETT Fund Administrator's address, telephone numbers, and other contact information are listed earlier in this booklet.