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**Frontline Security Services and Governed United Security Professionals.** Case 05–CA–176516

May 16, 2019

DECISION AND ORDER

BY CHAIRMAN RING AND MEMBERS MCFERRAN  
AND KAPLAN

The General Counsel seeks a default judgment in this case on the ground that the Respondent failed to file an answer to the complaint. Upon a charge filed by Governed United Security Professionals (the Union), on May 18, 2016, the General Counsel issued a complaint and notice of hearing on September 30, 2016, against Frontline Security Services (the Respondent), alleging that it has violated Section 8(a)(5) and (1) of the Act. The Respondent failed to file an answer.

On March 24, 2017, the General Counsel filed with the National Labor Relations Board Motions to Transfer Proceedings to the Board and for Default Judgment. Thereafter, on March 28, 2017, the Board issued an order transferring the proceeding to the Board and a Notice to Show Cause why the motion should not be granted. The Respondent filed no response. The allegations in the motion are therefore undisputed.

On the entire record, the National Labor Relations Board makes the following

Ruling on Motion for Default Judgment

Section 102.20 of the Board’s Rules and Regulations provides that the allegations in a complaint shall be deemed admitted if an answer is not filed within 14 days from service of the complaint, unless good cause is shown. In addition, the complaint affirmatively stated that unless an answer was received by October 14, 2017, the Board may find, pursuant to a motion for default judgment, that the allegations in the complaint are true. Further, the undisputed allegations in the General Counsel’s motion disclose that the Region, by letter dated October 18, 2016, advised the Respondent that unless an answer was received by October 25, 2016, a motion for default judgment would be filed. Nevertheless, the Respondent failed to file an answer.

In the absence of good cause being shown for the failure to file an answer, we deem the allegations of the consolidated complaint to be admitted as true, and we grant the General Counsel’s Motion for Default Judgment.<sup>1</sup>

<sup>1</sup> Although some documents served on the Respondent were returned as unclaimed, the exhibits to the General Counsel’s motion show

On the entire record, the Board makes the following

FINDINGS OF FACT

I. JURISDICTION

At all material times, the Respondent has been a limited liability company with an office and place of business at the Social Security Administration National Support Center in Urbana, Maryland, and has been engaged in the business of providing security services to state and federal agencies.

In conducting its operations during the 12-month period ending August 30, 2016, the Respondent performed services valued in excess of \$50,000 in states other than the State of Maryland.

We find that the Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act and that the Union is a labor organization within the meaning of Section 2(5) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICES

At all material times, the following individuals have held the positions set forth opposite their respective names and have been supervisors of the Respondent within the meaning of Section 2(11) of the Act and agents of the Respondent within the meaning of Section 2(13) of the Act:

Frank Duran	Director of Operations
Devonne Edwards	President
Judith Welch	Director of Human Resources
Jamal Young	Project Manager

The following employees of the Respondent (the unit) constitute a unit appropriate for the purposes of collective bargaining within the meaning of Section 9(b) of the Act:

All full-time and regular part-time security officers and sergeants employed by the Employer at the Social Security Administration National Support Center currently located in Urbana, Maryland; but excluding all lieu-

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that the Respondent’s attorney received, by certified mail, the reminder letter from the Regional Attorney stating that no answer to the complaint had been filed and enclosing a courtesy copy of the complaint. Further, the exhibits contain an email from the Respondent providing contact information for its attorney, in response to an inquiry from the Region’s attorney concerning the investigation of the charge. In any event, it is well settled that a respondent’s failure or refusal to accept certified mail or to provide for appropriate service cannot serve to defeat the purposes of the Act. See, e.g., *Cray Construction Group, LLC*, 341 NLRB 944, 944 fn. 5 (2004); *I.C.E. Electric, Inc.*, 339 NLRB 247, 247 fn. 2 (2003).

tenants, captains, office clerical employees, professional employees, managerial employees, and supervisors as defined by the Act.

On October 14, 2014, the Board certified the Union as the exclusive collective-bargaining representative of the unit. At all times since October 14, 2014, based on Section 9(a) of the Act, the Union has been the exclusive collective-bargaining representative of the unit.

The following events occurred, giving rise to these proceedings:

1. (a) Since about late January 2016, the Union has requested, orally, that the Respondent furnish the Union with proof of health insurance coverage for unit employees.

(b) Since about February 2016, the Union has requested, orally, that the Respondent furnish the Union with certified payrolls.

(c) The information requested by the Union, as described above in paragraph 1(a) and (b), is necessary for, and relevant to, the Union's performance of its duties as the exclusive collective-bargaining representative of the unit.

(d) Since about late January 2016, the Respondent has failed and refused to furnish the Union with the information requested by it as described above in paragraph 1(a).

(e) Since about February 2016, the Respondent has failed and refused to furnish the Union with the information requested by it as described above in paragraph 1(b).

2. (a) About July 1, 2015, the Union entered into a collective-bargaining agreement with the Respondent, effective from July 2015 through June 2018 (the 2015–2018 collective-bargaining agreement).

(b) The 2015–2018 collective-bargaining agreement contains an article, Article 11, pertaining to the health and welfare benefits for employees in the unit.

(c) Since about January 1, 2016, the Respondent has failed to continue in effect all the terms and conditions of the 2015–2018 collective-bargaining agreement by failing to provide health benefits to employees in the unit under the terms of Article 11.

(d) The terms and conditions of employment described above in paragraph 2(c) are mandatory subjects for the purposes of collective bargaining.

(e) The Respondent engaged in the conduct described above in paragraph 2(c) without the Union's consent.

#### CONCLUSIONS OF LAW

1. By the conduct described above in paragraph 1(d) and (e), the Respondent has failed and refused to bargain

collectively with the exclusive collective-bargaining representative of its employees in violation of Section 8(a)(5) and (1) of the Act.

2. By the conduct described above in paragraph 2(c) and (e), the Respondent has failed and refused to bargain collectively with the exclusive collective-bargaining representative of its employees within the meaning of Section 8(d) of the Act in violation of Section 8(a)(5) and (1) of the Act.

3. The Respondent's unfair labor practices described above affect commerce within the meaning of Section 2(6) and (7) of the Act.

#### REMEDY

Having found that the Respondent has engaged in certain unfair labor practices, we shall order it to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act. Specifically, having found that the Respondent violated Section 8(a)(5) and (1) of the Act by failing and refusing to provide to the Union with requested information that is necessary and relevant to the Union's performance of its duties as the exclusive collective-bargaining representative of the unit employees, we shall order the Respondent to furnish the Union with the information it requested in late January and February 2016.

Having further found that the Respondent violated Section 8(a)(5) and (1) of the Act by failing to continue in effect all the terms and conditions of the 2015–2018 collective-bargaining agreement by failing to provide health benefits to employees in the unit under the terms of Article 11, we shall order the Respondent to restore and maintain those contractual health benefits, and to make the unit employees whole for any loss of benefits suffered as a result of the Respondent's unlawful conduct. The Respondent shall make all required health benefit payments or contributions, if any, that have not been made since January 1, 2016, including any additional amounts applicable to such payments or contributions as set forth in *Merryweather Optical Co.*, 240 NLRB 1213, 1216 (1979).<sup>2</sup> In addition, the Respondent shall reimburse unit employees for any expenses resulting from its failure to continue in effect the terms of Article 11, as set forth in *Kraft Plumbing & Heating*, 252 NLRB 891 fn. 2 (1980), enf. mem. 661 F.2d 940 (9th Cir. 1981). Such amounts shall be computed in the manner set forth in *Ogle Protection Service*, 183 NLRB 682 (1970), enf. 444 F.2d 502 (6th Cir. 1971), with interest

<sup>2</sup> To the extent that an employee has made personal contributions to a fund that are accepted by the fund in lieu of the Respondent's owed contributions, the Respondent will reimburse the employee, but the amount of such reimbursement will constitute a setoff to the amount that the Respondent otherwise owes the fund.

as prescribed in *New Horizons*, 283 NLRB 1173 (1987), compounded daily as prescribed in *Kentucky River Medical Center*, 356 NLRB 6 (2010). The Respondent shall compensate affected employees for the adverse tax consequences, if any, of receiving lump-sum benefit awards, and file with the Regional Director a report allocating the benefit awards to the appropriate calendar years for each employee. *AdvoServ of New Jersey, Inc.*, 363 NLRB No. 143 (2016).

#### ORDER

The National Labor Relations Board orders that the Respondent, Frontline Security Services, Urbana, Maryland, its officers, agents, successors, and assigns shall:

1. Cease and desist from

(a) Failing and refusing to bargain collectively and in good faith with Governed United Security Professionals (the Union) as the exclusive collective bargaining representative of employees in the following appropriate unit by refusing to furnish the Union with requested information that is relevant and necessary to the Union's performance of its functions as the collective-bargaining representative of the Respondent's unit employees:

All full-time and regular part-time security officers and sergeants employed by the Employer at the Social Security Administration National Support Center currently located in Urbana, Maryland; but excluding all lieutenants, captains, office clerical employees, professional employees, managerial employees, and supervisors as defined by the Act.

(b) Failing to continue in effect the terms and conditions of the 2015–2018 collective-bargaining agreement by failing to provide health benefits to employees in the unit under the terms of Article 11, without the Union's consent.

(c) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Furnish to the Union in a timely manner the information requested by the Union in late January and February 2016.

(b) Restore to unit employees the contractual health benefits they enjoyed before the Respondent unlawfully failed to continue in effect the contractual benefits set forth in Article 11 of the 2015–2018 collective-bargaining agreement.

(c) Make unit employees whole for any losses suffered as a result of the Respondent's unlawful conduct in the manner set forth in the remedy section of this decision.

(d) Compensate unit employees for the adverse tax consequences, if any, of receiving a lump-sum benefit award, and file with the Regional Director for Region 5, within 21 days of the date the amount of benefit pay is fixed, either by agreement or Board order, a report allocating the award to the appropriate calendar years.

(e) Preserve and, within 14 days of a request, or such additional time as the Regional Director may allow for good cause shown, provide at a reasonable place designated by the Board or its agents, all payroll records, social security payment records, timecards, personnel records and reports, and all other records including an electronic copy of such records if stored in electronic form, necessary to analyze the amount of benefit payments due under the terms of this Order.

(f) Within 14 days after service by the Region, post at its facility in Urbana, Maryland, copies of the attached notice marked "Appendix."<sup>3</sup> Copies of the notice, on forms provided by the Regional Director for Region 5, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. In addition to physical posting of paper notices, notices shall be distributed electronically, such as by email, posting on an intranet or an internet site, and/or other electronic means, if the Respondent customarily communicates with its employees by such means. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. If the Respondent has gone out of business or closed the facility involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since January 1, 2016.

(g) Within 21 days after service by the Region, file with the Regional Director for Region 5 a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondent has taken to comply.

Dated, Washington, D.C. May 16, 2019

John F. Ring,

Chairman

<sup>3</sup> If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

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Lauren McFerran, Member

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Marvin E. Kaplan, Member

(SEAL) NATIONAL LABOR RELATIONS BOARD

#### APPENDIX

NOTICE TO EMPLOYEES  
POSTED BY ORDER OF THE  
NATIONAL LABOR RELATIONS BOARD  
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

#### FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT fail and refuse to bargain collectively and in good faith with Governed United Security Professionals (the Union) as the exclusive collective-bargaining representative of our employees in the following appropriate unit by refusing to furnish the Union with requested information that is relevant and necessary to the Union's performance of its functions as the collective-bargaining representative of our unit employees:

All full-time and regular part-time security officers and sergeants employed by the Employer at the Social Security Administration National Support Center currently located in Urbana, Maryland; but excluding all lieutenants, captains, office clerical employees, professional employees, managerial employees, and supervisors as defined by the Act.

WE WILL NOT fail to continue in effect all the terms and conditions of the 2015–2018 collective-bargaining agreement by failing to provide health benefits to employees in the unit under the terms of Article 11, without the Union's consent.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights listed above.

WE WILL furnish the Union in a timely manner with the information requested by the Union in late January and February 2016.

WE WILL restore to you the contractual health benefits set forth in Article 11 of the 2015–2018 collective-bargaining agreement that you enjoyed before we unlawfully failed to continue in effect those benefits on January 1, 2016.

WE WILL make whole, with interest, all of our unit employees for any losses they may have suffered as a result of our unlawful failure to provide health benefits to employees in the unit under the terms of Article 11, without the Union's consent.

WE WILL compensate you for the adverse tax consequences, if any, of receiving a lump-sum benefits award, and WE WILL file with the Regional Director for Region 5, within 21 days of the date the amount of the benefit is fixed, either by agreement or Board order, a report allocating the benefit award to the appropriate calendar years.

#### FRONTLINE SECURITY SERVICES

The Board's decision can be found at [www.nlr.gov/case/05-CA-176516](http://www.nlr.gov/case/05-CA-176516) or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1015 Half Street, S.E., Washington, D.C. 20570, or by calling (202) 273-1940.

