

COLLECTIVE BARGAINING AGREEMENT

By and Between

HEALTH CARE SERVICES GROUP, Inc.

And

**UNITED FOOD AND COMMERCIAL WORKERS UNION
LOCAL #1189**



OCTOBER 1st, 2012 to and including SEPTEMBER 30th, 2014

UFCW LOCAL 1189
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By and Between

HEALTH CARE SERVICES GROUP, Inc.

And

**UNITED FOOD AND COMMERCIAL WORKERS UNION
LOCAL #1189**

THIS AGREEMENT made this first day of October 2011, by and between **HealthCare Services Group, Inc.** (hereinafter also referred to as the Employer), and the United Food and Commercial Workers Union, Local #1189, Duluth, Minnesota, chartered by the United Food and Commercial Workers International Union, hereinafter described as the Union or Local #1189.

UNION MANAGEMENT RELATIONSHIP

In consideration of the mutual promises herein contained and for the purpose of creating a working agreement by and between the Employer and its employees and the Union, the parties hereto mutually covenant and agree to and with each other as follows:

ARTICLE I

RECOGNITION OF UNION

- 1.1 The Employer recognizes the Union as the sole representative and exclusive bargaining agent for all its full-time and part-time employees in Maintenance Engineering, Maintenance Assistants, Housekeeping, and Laundry classifications; excluding Licensed Practical Nurses, Registered Nurses, Office Clerical, COTA's, Professional Employees and Supervisors as defined by the National Labor Relations Act, as amended.
- 1.2 All present employees covered by this Agreement, who on the date of the execution of this instrument, were members of the Union in good standing in accordance with its Constitution and Bylaws, and all present employees covered by this Agreement shall become members after that date, and all new employees covered by this Agreement after thirty-one (31) days of employment shall, as a condition of employment maintain their membership in the Union in good standing for the duration of this Agreement.
- 1.3 Employees covered by this Agreement, on the date of hire, shall complete and sign applications for membership in the Union and authorization for the deduction of Union dues and initiation fees. Such forms are to become valid on the thirty-first (31st) calendar day following date of hire.

Such deductions will be made by the Employer from the wages of employees each payroll period and transmitted to the Union by the 15th of the month following the month deduction were taken. The Employer and the Union shall, by mutual agreement, be authorized to alter or amend the functional procedures herein, if necessary.

- 1.4 In the event no wages are then due the employee, the deduction for such month shall be made from the first wages next due the employee.
- 1.5 The Employer agrees, under the Contract requirements above, to have each new employee covered by this Agreement complete a Union Membership Card and a Dues Deduction Authorization Card at the time of hire and to remit them with the initial dues deducted to the union office.
- 1.6 The Employer shall provide to the Union a list of new employees with their names, classification and home address when they are hired.
- 1.7 The Employer shall give the Union and the employee affected two (2) weeks' (fourteen [14] days) notice of termination of employment where the Employer is terminating his business or selling the same. The Employer shall give notice of his intent to sell no later than fourteen (14) days prior to the close of the sale.

ARTICLE II DEFINITIONS AND HOURS OF WORK

2.1 DEFINITIONS:

1. **FULL-TIME:** An employee holding a schedule of sixty-four (64) to eighty (80) hours per pay period.
2. **PART-TIME:** An employee holding a schedule of a minimum of sixteen (16) hours per pay period but less than sixty-four (64) hours per pay period.
3. **PROBATIONARY EMPLOYEES:** An employee who has worked less than 320 hours. The Employer may extend the probationary period an additional 160 hours with written notice to Union.
4. **TEMPORARY EMPLOYEES:** Are utilized for the following formats:
 - A. Temporary positions are for employees hired to replace existing positions and/or for special projects (non-permanent employment projects of six months or less) and are not to exceed six (6) months unless there is a request for an extension. Extension requests are to be referred to the Labor Management Committee (LMC).
 - B. Hours worked while on temporary status do not count toward probationary hours.

C. If an employee is on temporary status, they are not a member of the bargaining unit.

D. Temporary employees are not to displace bargaining unit employees.

5. **BARGAINING UNIT EMPLOYEES:** A bargaining unit employee is defined as an employee covered by the contract between the Union and **HealthCare Services Group, Inc.**

6. **TRANSITIONAL DUTY EMPLOYEES:** Are employees on Worker's Compensation with a work-related injury and with limitations as defined by a physician.

7. **ON-CALL EMPLOYEES:** An employee who has no scheduled hours, holds no schedule and works from zero (0) to eighty (80) hours per pay period and receives no benefits but receives appropriate holiday pay for working a designated holiday and is also not a member of the bargaining unit.

If a bargaining unit member accepts on-call status, this is considered a break in service. If they return to the bargaining unit, a new hire date and anniversary date is assigned.

Work shall be offered to regular employees on layoff before on-call employees, unless the employee on layoff has indicated that they do not wish to be called. Employees on layoff who accept on-call status will not have a break in service unless they have been offered recall and refused or they are in layoff status for more than two (2) years, as stated in Article V, Section 5.7.

2.2 The normal hours of work shall be eight (8) per day and eighty (80) in each two (2) week period. All hours worked in excess of eight (8) hours per day or eighty (80) hours in each two (2) week work period shall be considered overtime and shall be compensated for at time and one-half (1½) rate. All work performed on the seventh (7th) consecutive day shall be compensated for at time and one-half (1½) rate. All work performed after seven (7) consecutive days shall be at double time (2x). Whenever possible, the employee shall be scheduled for a work week of five (5) consecutive days, but in no event more than seven (7) days consecutively except in an emergency. A consecutive day for the purpose of this section means a day where an employee works a minimum of four (4) hours.

MANDATORY OVERTIME:

- 1) Management will assign mandatory overtime in a reasonable and consistent manner, giving as much advance notice as possible. Scheduling will use all available call-in procedures possible and scheduling (or supervisor) will ask for volunteers before formally starting mandatory overtime assignments.
- 2) If requests for voluntary overtime fail to fulfill staffing needs, the Employer will require mandatory overtime. The least senior employee, by department, will be required to work or will be subject to discharge if they fail to work.

Mandatory overtime will only be used when staffing falls below the State guidelines, or the number of employees scheduled is insufficient to meet basic care needs for the residents.

- 3) Mandatory overtime needs can require between one (1) to eight (8) hours of work.
- 4) Mandatory overtime will not be mandated more than once a pay period per employee, by department.
- 5) If an employee is working on their day off, they will not be required to work mandatory overtime.
- 6) An employee who has been assigned two (2) extra shifts will not be required to work mandatory overtime for the remainder of the pay period. However, if an employee does not work the extra shifts assigned, they can be mandated during that pay period and the next pay period.
- 7) In assigning mandatory overtime, pool personnel will be moved to fill the vacancy and the employee working mandatory will stay on their regular unit. If no pool personnel are utilized, the employee on mandatory will fill the vacancy.
- 8) Staffing records will be available to the business agent or designee of the bargaining unit upon request.
- 9) If after following the procedure for filling a shift fails and the staffing falls below the State guidelines or the number of employees is insufficient to meet the basic care needs for the residents the following will apply:

Mandatory overtime will be accomplished through the use of reverse seniority, on a rotating basis.

- 2.3 Work schedules for a two (2) week period beginning on Friday shall be posted one week in advance and shall remain posted. Once the scheduled is posted, no changes shall be made unless agreed to by the employee.

Part-time and full-time employees shall be scheduled for all additional hours above the assigned hours by seniority, if they notify the employer in writing. Extra days that are picked up by employees shall become part of their two-week schedule after approved by management, and cannot be taken away without the employee's agreement, except when newly hired employees fill the position.

- 2.4 If an employee is called in to work with less than one (1) hours' notice, the employee will be allowed up to one (1) hour from the time the employee was called to report for the shift for which called and be paid for the full shift.
- 2.5 An employee reporting for work at his regular scheduled starting time who has not been previously notified not to report for work shall receive a minimum of four (4) hours' work that day or four (4) hours' straight time in lieu thereof.

A bona fide attempt by the Employer to contact the employee shall be taken as notice under this provision.

- 2.6 If the employees are assigned by their supervisor to work at their duties of a higher grade for a period of four (4) hours or longer in this grade, they shall receive pay for all actual hours worked that shift at the higher grade; this shall also include vacations.
- 2.7 For the purposes of this section, Time Off shall be defined as time before or after an employee's regular scheduled shift and Day Off shall be defined to mean a calendar day when an employee is not scheduled to work. Employees attending required in-service training on their time off shall be compensated at straight-time or overtime rates as provided for in Section 2.1 above. Employees attending in-service training on their day off shall be guaranteed one (1) hour's pay for actual time spent at the in-service, whichever is greater, at straight-time rates.
- 2.8 Maintenance employees who are called in to work outside the scheduled work day shall be guaranteed a minimum of one (1) hour of pay or work in lieu thereof. Paid commute time shall be for a maximum of 30 minutes.

**ARTICLE III
SCHEDULE OF WAGES**

- 3.1 The following shall constitute the minimum scale of wages for employees in the following classifications:

MAINTENANCE ENGINEER, HOUSEKEEPING AND LAUNDRY

Group 1	Start	6 months	1 year	2 years	3 years	4 years	5 years	
	10/01/10	\$9.63	\$9.79	\$10.63	\$11.45	\$12.39	\$13.32	\$14.22

**MAINTENANCE ENGINEER ASSISTANTS WITH A
CLASS B BOILER LICENSE**

Group 2	Start	6 months	1 year	2 years	3 years	4 years	5 years	
	10/01/10	\$9.58	\$10.05	\$10.64	\$11.44	\$12.52	\$13.43	\$14.34

1.25% increase, all wages, all brackets, both on-scale and off-scale, retroactive to October 1, 2012.

Orientation Pay: Employees, in all departments, that are assigned to train in new employees shall receive an additional twenty cents (\$.20) per hour.

- 3.2 Employees who complete a minimum of six hundred twenty-four (624) hours during each six (6) month period following their anniversary date of employment shall receive their increment increases on a calendar basis in accordance with the wage schedule above.

Employees who do not work six hundred twenty-four (624) hours during each six (6) month period following their date of hire shall receive each six (6) month increment in the wage schedule above after completing one thousand forty (1040) hours.

- 3.3 Comparable experience in the preceding five (5) years shall be recognized for wages only on the following basis:

Employees with previous experience as above indicated shall receive as starting rate the wages established for one (1) increment lower than their existing total experience.

- 3.4 No employee making above the minimum wage rate in any classification will suffer a reduction in wages as a result of establishing minimum wage rates for the classification.

- 3.5 All employees who, under the preceding Labor Contract, were being paid above the appropriate progression rate of pay shall continue to be paid that amount above the appropriate progression rate.

- 3.6 **Weekend Bonus Pay:** When it becomes necessary, as determined by management, HealthCare Services Group Inc. will provide a minimum thirty dollars (\$30.00) weekend bonus to maintain the minimum staffing guidelines set by State and Federal regulations.

The bonus period will be posted on the bulletin boards by the time clocks outlining the hours the bonus applies, the amount of the bonus and the contact person to schedule bonus hours. To receive the bonus, the hours must be approved by the HCGS Manager and so noted by the employee on the back of the daily staffing schedule.

Bonuses are available to employees who are not regularly scheduled during the determined bonus period.

ARTICLE IV HOLIDAYS

- 4.1 The following days shall be paid holidays: New Year's Day, July Fourth, Easter Sunday, Labor Day, Christmas Day, Memorial Day and Thanksgiving Day.

- 4.2 In addition to these holidays, all eligible employees (see Sections 4.6 and 4.7) shall be granted floating holidays with pay on the following basis:

A. Employees with one (1) year of continuous service shall receive one (1) floating holiday.

B. Employees with three (3) years of service shall receive a total of two (2) floating holidays.

Employees can take their floating holiday(s) anytime (including Saturday and Sunday) provided a qualified replacement could be found. It is the Employer's responsibility to find a replacement.

The floating holiday(s) must be taken during the anniversary year following the one in which they were earned or be forfeited. It is understood that the Employer will not have to pay overtime in order to grant a floating holiday, and the Employer shall use reasonable and fair judgment in determining whether a replacement is qualified.

- 4.3 All employees who work on any of the above holidays or days celebrated as such shall be paid two and one-half (2½) times their regular straight-time pay for all hours worked. All continuous hours worked shall qualify for Holiday pay. Employees who work more than one (1) shift during the Holidays of Christmas and New Year's shall have the longest shift worked used to determine the Holiday pay.

Employees who work a short shift (less than 8 hours) on both the eves and the day shall have both shifts added together for Holiday pay, not to exceed 8 hours total. In order to determine what constitutes the beginning of the PM shift on the eves the following shall be used: If the majority of hours for any one shift fall after 3 P. M. on the eves, that shift shall be considered to be a PM shift for calculation of Holiday pay. Employees shall receive Holiday pay only once during this period of time.

- 4.4 When an employee is scheduled for a Holiday, the employee shall be required to work that day. If an employee is scheduled for a Holiday and would like that day off with pay, they must follow the procedure outlined in Section 10.3.
- 4.5 When a Holiday falls on an eligible employee's day off, they shall receive straight-time pay for their average or normal work day. Employees that have the Holiday fall on their day off shall work their regular permanently scheduled days and shall receive Holiday pay also.
- 4.6 To be eligible for a paid Holiday, the employee must have averaged a minimum of forty (40) hours per pay period (two [2] weeks) during the two (2) pay periods immediately prior to the pay period in which the Holiday occurs.
- 4.7 An excused absence from work on the employee's scheduled work day preceding or following a Holiday shall entitle the employee to receive his pay for a Holiday. An excused absence shall be defined as sick leave, jury duty, and funeral leave as described in Article XII, of this Agreement and other approved, scheduled absences except those provided under Section 12.3 of this Agreement.

**ARTICLE V
SENIORITY**

- 5.1 Every employee covered by the terms of this Contract shall have seniority as herein provided from the date of such employee's original date of hire as posted on the seniority list, unless such seniority is broken for reasons specified herein. Such seniority shall apply only to layoffs, rehiring and filling of vacancies of jobs covered by the terms of this Contract.
- 5.2 Seniority shall be first by department to be supplemented by unit-wide seniority as hereinafter provided.
- 5.3 The Employer will, on the first day of April of each calendar year, prepare a seniority list of employees covered by this Agreement and post the same on a bulletin board in the Home. Such seniority list shall specify both the department and unit seniority of each employee.

Within fifteen (15) days thereafter, the employees may file with the Employer any objection to such seniority ratings. Within twenty (20) days of such posting, the Union and the Employer shall mutually agree on such correction. After so corrected, such seniority ratings shall be permanent and shall not be subject to change except as to new employees whose names are placed on subsequent seniority postings.

- 5.4 All job vacancies and new positions, which the Employer wishes to fill, shall be posted within fourteen (14) calendar days after management receives notification that a vacancy will exist (a four [4] day posting period). Employees of the department in which such vacancy occurs, if qualified, shall be given preference according to seniority in filling such vacancy.

If no one in the department in which the vacancy occurs applies, or if such applicant is not qualified, then any qualified employee outside the department so applying shall be given preference according to seniority in the unit.

The Employer during such four (4) day posting period, may assign temporarily any employee to such vacancy. The Employer shall notify the Union, in writing, of any position they intend to eliminate.

- 5.5 An employee's seniority for any purpose shall be broken and terminated by:
- (1) Voluntarily quitting employment.
 - (2) Discharge for cause.
 - (3) Failing within one (1) calendar week to report for work after Layoff upon receipt of notice by Registered or Certified Mail.
 - (4) Employment by any other employer during a leave of absence.

- (5) Layoff which continues for more than two (2) years.
- (6) Absence from work because of personal illness or injury for more than one (1) year.
- (7) Accepting on-call status.

5.6 Any employee may be temporarily transferred from one department or unit to another when vacancies or requirements of work, as determined by management, requires such transfers; provided, however, that if the job to which such employee is transferred pays a higher rate of pay than his scheduled employment, then such employee shall receive such higher rate during the time when he is so employed in such higher rated job. No employee may be permanently transferred without such employee's consent, but when so transferred such employee's seniority in the department from which such employee is transferred shall terminate, and such employee's seniority in the new department shall commence as of the date of transfer.

Such permanently transferred employee shall, however, for the first fourteen (14) days that he is employed in the new department, be considered a temporary employee on probation in such department, and during such fourteen (14) day period at such employee's own request, such employee may be transferred to his original department, or if such employee is not qualified, the Employer may retransfer such employee to his original department, if so re-transferred to the employee's original department, such employee shall be restored with full seniority and pay in such employee's former position in the old department.

- 5.7 Employees transferred from one wage grade to another shall commence work in the wage grade to which they are transferred at the same wage increment step they are at.
- 5.8 Employees transferring from one job to another in the same wage grade shall not suffer any reduction in increment steps, but shall continue with the same increments as in their former job.
- 5.9 Employees will not be permitted to successfully bid more than once each calendar year for a posted position in a different department.
- 5.10 An employee shall not, however, lose his unit wide seniority. Department seniority shall control all promotions or filling of vacancies in any department unless there is no qualified applicant in the department, in which event, unit wide seniority shall control if there are qualified employee applicants outside the department.
- 5.11 When possible to do so, a full-time vacancy shall be filled by a full-time employee.

- 5.12 Layoffs: When the Employer determines it becomes necessary to reduce staff to adjust to the census or for other reasons, the reduction will take place in the following manner:
- A. Two (2) weeks' notice to Business Agent of FTEs to be laid off.
 - B. Request voluntary layoffs first.
 - C. Thereafter, staff reduction will take place by laying off the least senior department employee first.
 - D. One week (7 days) written notice to employees affected.
 - E. Following a layoff, if full-time or part-time work becomes available, laid off employees will be called back to full-time or part-time positions starting with the most Senior employee laid off, assuming the employee is qualified for the position, or they can become reasonably proficient within a period of time not to exceed five (5) days.
- 5.13 Any dispute arising over the interpretation or application of seniority shall be subject to settlement through the grievance procedure as stated in Article VIII.
- 5.14 All seniority lists and job vacancies, as provided for in this section, will be posted upon such bulletin boards as may be mutually agreed upon by the parties hereto.
- 5.15 The staffing policy of HealthCare Services Group, Inc. is to maintain staffing levels consistent with resident census and with management's determination of the work requirements necessary to provide quality resident care at a reasonable cost and efficient allocation of human resources.

Management will determine levels in accordance with department needs. Should resident/patient census and work requirements indicate that a reduction in the work force is necessary, adjustments will be made. "Low census hours" will be used to effect "temporary reductions" in the work force.

"Low census hours" are utilized to maintain benefit status at hired (status) hours. All "low census hours" will be recorded per departmental procedure to enable HealthCare Services Group, Inc. to track utilization.

An employee may volunteer to take "low census hours."

If no one in the work force volunteers for "low census hours," then seniority by nursing unit will be applied and the least senior worker will be assigned "low census hours." Non-nursing personnel will utilize "low census hours" by department seniority.

If those low census hours amount to more than a one (1) hour reduction on a unit, the employee or those effected, will have the right to use their departmental seniority to displace a less senior employee on a different unit.

Employees will be given notice of at least one (1) hour prior to the utilization of "low census hours."

Employees have the option of taking vacation hours in lieu of "low census hours."

ARTICLE VI TERMINATION OF EMPLOYMENT

- 6.1 Employees covered by this contract electing to resign or quit their employment will give the Employer two (2) weeks (fourteen [14] days) written notice.

The employee may leave sooner when a qualified replacement can be made by the Employer. The Employer is to furnish printed forms for such resignations.

Employees who give proper notice of termination and complete and sign a resignation form provided by the Employer shall receive all earned and accrued unused vacation.

- 6.2 Any new employee shall be subject to discharge at the option of the Employer during the first three hundred twenty (320) hours or four hundred eighty hours if given an extension of probation.

After successful completion of the probationary period, no employee shall be suspended, demoted or dismissed without sufficient cause.

If, after proper investigation, it is found that an employee has been disciplined unjustly, he or she will be reinstated with full rights and compensated in full for time lost, provided, however, that no claim for compensation for time lost shall be paid unless the claim is presented to the Employer in writing within ten (10) days after the suspension, demotion or dismissal in question.

- 6.3 Reasons for discharge shall include but not be limited to:

1. Dishonesty
2. Incompetence
3. Racial intolerance
4. Failure to obey reasonable instructions not in conflict with this contract
5. Reporting to work intoxicated or drinking on the job.
6. Failure to notify the Employers or managers to be excused from work
7. Abuse or neglect of Vulnerable Adults as defined by the Vulnerable Adults Statute

- 6.4 **Employees resigning within six (6) months of the date of their initial employment with HCSG will receive no vacation payout upon termination.** Employees discharged for just cause or who fail to give proper notice of termination as stated in section 6.1 shall forfeit all accrued vacation pay. **Employees who elect to resign and give the proper written notice of termination of employment, as hereinabove required, will be entitled to vacation pay in lieu of vacation to the extent that such vacation pay has been earned on the date of termination of employment.**

- 6.5 If the employee fails to report to work as scheduled, or to furnish the Employer with a justifiable excuse (as determined within the sole discretion of the Employer) within forty-eight (48) hours thereof, such failure to report to work shall be conclusively presumed to be a resignation from the service of the Employer, and termination of such employee's seniority and employment.

One (1) no-call, no-show without an acceptable reason (as determined within the sole discretion of the Employer) results in termination of employment.

ARTICLE VII DISCHARGE

- 7.1 The Employer shall not discharge nor suspend any employee without just cause. In respect to discharge, the Employer shall give at least one (1) warning notice of the complaint against such employee to the employee in writing and a copy of the same to the Union. No warning notice needs to be given to an employee where he is discharged if the cause for such discharge is dishonesty, drunkenness or drinking on the job, abuse or neglect of Vulnerable Adults, as defined by the Vulnerable Adult Statute, gross insubordination, such as verbally or physically abusing a supervisor and/or failing to follow a directive or order from a supervisor and/or theft or abuse (defined as improper use or treatment) of property belonging to a resident, the Employer or another employee.

In addition, no warning notice need be given in the instance of a suspension, which is defined as a removal from the payroll for a period of time with the right to be reinstated without loss of seniority at the end of said period of time. A warning notice as herein provided shall not remain in effect for a period of more than twelve (12) months from the date of the warning notice. Employees shall be notified within one (1) week after management determines that an incident should result in disciplinary action.

An employee may terminate a meeting with a supervisor or request the presence of a Union Steward/Representative if such meeting may lead to discipline of the employee. If the employee calls a Steward and the Steward attends the meeting, the meeting may continue; however, if the employee's choice of union representative is unavailable, the employee may elect to postpone the meeting up to one hour so that a Steward, the Union representative, or Union co-worker of the employee's choosing is located. The right to Union representation applies only to investigatory meetings that may lead to discipline of the employee; there is no right to Union representation if the meeting is for the purpose of issuing discipline to the employee.

- 7.2 All discharges must be by proper written notice to the employee and the Union affected and shall state the specific reason for discharge. Any employee may request an investigation as to his discharge or suspension.

Should such investigation prove that an injustice has been done an employee, he shall be reinstated and compensated at his usual rate of pay while he has been out of work.

- 7.3 Appeal from discharge or suspension must be taken within fifteen (15) days from the date of discharge or suspension. If no decision has been rendered within fifteen (15) days, the case will be taken up as provided for in the grievance procedure of this Agreement.

ARTICLE VIII GRIEVANCE AND ARBITRATION

- 8.1 Any grievance or dispute regarding the interpretation or application of the provisions of this Contract must be submitted for settlement by the aggrieved employee or employees, or by the Union on its own behalf under the procedure as herein provided, or by the Employer. This procedure shall be the sole and exclusive method for settlement of such disputes:

STEP 1. Any employee or employees who believe there has been a violation of the terms or conditions of this contract in relation to his or their employment shall immediately and promptly take such complaint to the immediate supervisor. Such employee or employees and supervisor shall attempt to resolve said complaint.

No complaint will be considered by any supervisor or representative of the Employer unless it is brought to the attention of the supervisor or representative of the Employer within seven (7) days of its alleged occurrence, except as hereinafter provided as to wages.

STEP 2. If said employee or employees and supervisor cannot resolve said complaint within such seven (7) day period, the employee or employees shall reduce the complaint to writing which shall be considered a grievance.

The grievance shall be so reduced to writing and submitted within fourteen (14) days after the occurrence of the alleged violation of this Contract to the Administrator; provided, however, that complaints and grievances as to the amount of money due and payable to any employee for wages, hours worked, vacation allowances and days off may be filed and furnished to the Administrator within thirty (30) days after the first regular pay day following the occurrence of such alleged violation relating to such wages.

Failure to give any such notice of any grievance arising under the terms and conditions of this contract shall constitute a permanent waiver and bar of the grievance and the employee or employees shall be forever foreclosed from raising any complaint or grievance in regard thereto in any manner whatsoever.

The representatives of the Employer and the Union shall immediately after the submission of such grievance, in writing, by mutual negotiations, attempt to arrive at a satisfactory settlement thereof.

After such grievance is reduced to and submitted in writing, the employee or employees shall be represented by the Business Agent of the Union or such other persons as may be designated by the Union to represent such employee or employees, not exceeding, however, three (3) in number. The Employer may be represented by such representation as it shall select.

STEP 3. If such grievance cannot be settled promptly between the parties within seven (7) calendar days after the delivery of written notice of the grievance, the matter may be submitted to any arbitrator by either party. Such an appeal to arbitration shall be in writing and served on the other party. A representative of the Employer and a representative of the Union shall attempt to select such arbitrator. If they cannot agree upon the arbitrator, then either the Employer or the Union may request State Conciliation Service or Federal Mediation Service (FMCS) to submit a list of five (5) names from which the arbitrator shall be selected by elimination, first strike to be determined by chance. Either the Union or the Employer may unilaterally reject one panel of arbitrators and request a second panel of arbitrators from the FMCS. The party requesting the second panel will be responsible for paying for the second panel.

The decision or award of said arbitrator shall be final and binding upon the parties and employee or employees affected. The arbitrator shall not add to, alter, amend, or vary the terms of this Agreement.

- 8.2 The expense and remuneration of the arbitrator shall be borne by the parties equally.

ARTICLE IX NO STRIKE / NO LOCKOUT

- 9.1 The Union will not authorize, assist or support a strike or stoppage of work, and the employees agree that they will not individually or concertedly engage in, assist, or support any strike, slowdown or any other stoppage of work because of any matter covered by this Agreement. Participation in any strike, slowdown, sit-down or stoppage of work brought about either by action of the Union in violation of this Agreement or by action of individuals or groups without Union authority shall be just cause for dismissal or discipline by the Employer (subject to the grievance procedure herein provided). The Employer agrees that during the term of this Agreement, there will be no lockouts by the Employer.

ARTICLE X VACATIONS

- 10.1 All full-time, forty (40) hours per week employees shall receive the following vacations which shall be at the regular straight-time rates:
- A. All full-time employees with one (1) year of continuous full-time service - one-half (½) day per calendar month for each completed month worked, not to exceed forty (40) hours of straight-time pay.

- B. All full-time employees with two (2) years of continuous full-time service - one (1) day per month or each completed month worked, not to exceed eighty (80) hours of straight-time pay.
- C. All full-time employees with five (5) years of continuous full-time service - one and one-half (1½) days per month for each completed month worked, not to exceed one hundred twenty (120) hours of straight-time pay.
- D. All full-time employees with ten (10) years of continuous full-time service - two (2) days per month for each completed month worked, not to exceed one hundred sixty (160) hours of straight-time pay.

10.2 All full-time employees who have been continuously employed for at least six (6) months and less than one (1) year prior to their anniversary date will be granted one-half (½) working day of vacation for each completed month of employment up to five (5) working days. The employees will be paid for those hours actually earned. If additional time up to the five (5) days is taken, the balance will be paid upon completion of the year of employment.

Example: An employee starts work on July 1, has six (6) months as of January 1, has therefore earned three (3) days (six [6] months times one-half [½] day per month), but wishes to take five (5) days of vacation in January. The employee would be paid for three (3) days at the time of 15vacation taken, but the additional two (2) days of unearned vacation would not be paid until the completion of one (1) year of employment.

In the event that patient/resident care may be compromised due to the requests for vacation, management may deny the request.

- 10.3 Vacation time must be taken in increments of four (4) hours or greater for a calendar day.
- 10.4 For every forty (40) hours of vacation earned, and employee can take one (1) two-day weekend off. Example: If a person earns three (3) weeks of vacation, they can take some of the vacation earned on three weekends during the vacation year.
- 10.5 Vacation allowances and pay shall not be cumulative from year to year unless specifically agreed to in writing between the employees and the Employer. An employee cannot be paid in lieu of taking vacation.
- 10.6 The vacation pay for all eligible employees shall be calculated on the regular hourly rate of pay received by the employees in the last pay period of such employees before the date of their scheduled vacation.
- 10.7 Employees who elect to resign and give the proper written notice of termination of employment, as hereinabove required, will be entitled to vacation pay in lieu of vacation to the extent that such vacation pay has been earned on the date of termination of employment.

Employees resigning within six (6) months from the date of their initial employment receive no vacation pay upon termination of employment.

- 10.8 A former employee whose employment is terminated and who is subsequently re-employed by the Employer assumes the same status as the new employee in regard to vacation allowances.
- 10.9 Any leaves of absence shall not be computed as working time for the purpose of computing vacation allowances and pay.
- 10.10 Part-time employees working half-time or more, but less than full-time, shall receive vacation benefits prorated on the basis of a full-time schedule.

ARTICLE XI REST PERIODS AND LUNCH PERIODS

- 11.1 There shall be two (2) rest periods of fifteen (15) minutes duration during each eight (8) hour shift, and lunch periods during each shift shall be of thirty (30) minutes duration. All employees who work more than six (6) hours in any day shall be entitled to both the rest periods and the lunch period. Employees that work six (6) hours or less shall be entitled to one (1) fifteen (15) minute rest period.
- 11.2 Employees who work more than five (5) hours, but six (6) hours or less, shall be entitled to the lunch period. An employee that volunteers to work in excess of eight (8) hours shall receive a fifteen (15) minute rest period at the end of their normal shift.

Rest periods of the individual employee shall be scheduled by the Employer so as not to interfere with the operations of the HealthCare Services Group Inc.

ARTICLE XII LEAVES OF ABSENCE, JURY DUTY AND SICK LEAVE

- 12.1 **Jury Duty**: A full-time or part-time employee who is called to serve on jury duty shall be paid for actual hours worked for the company. If this pay, together with his jury duty pay, does not equal his regular weekly pay, the Employer will make up the difference for a maximum period of two (2) weeks, provided the employee works such hours as he is available during the hours when court is not in session.

The above shall apply to petit jury duty only. An employee receiving full pay from his Employer, while serving on a jury, will be required to turn in to his Employer the jury duty pay for the period he served on the jury, not to exceed two (2) weeks. Part time employees will be paid for normal scheduled hours lost while serving on jury duty. Part time employees are obligated to report to work on days they would normally be scheduled for work if they are not serving on jury duty.

12.2 **Maternity Leave:** A pregnancy leave of absence shall be granted in a like manner to leaves for illness or disability to an employee in compliance with applicable State and Federal laws.

12.3 **Leave of Absence:**

- (a) An employee shall be granted a leave of absence because of personal illness or injury, not to exceed 18 months.
- (b) A leave of absence for any other reason may be granted at the discretion of the Administrator for a period not to exceed ninety (90) days.
- (c) All requests for leave of absence must be in writing, with the leave of absence commencing on the first day away on the approved leave.
- (d) Employees on leave may participate in fringe benefits at their own expense, and shall not be entitled to Holiday pay. However, the Employer shall continue to pay their portion of the health insurance for ninety (90) days while employees are on a medical leave of absence, including maternity leave.
- (e) Time on leave shall not be counted in determining the length of service for the purpose of progression in the wage schedules and vacations.
- (f) Fathers of newborn and adopted children shall be entitled to an unpaid leave of absence up to a maximum of ninety (90) days.
- (g) Upon return from a leave of absence within six months, the employee shall return to the same job and hours that they had before going on leave of absence. Upon return to work after six months, an employee on leave of absence will maintain recall rights for an additional twelve months (for a total of eighteen months), and during that period may return to any open position they are qualified to fill.

12.4 **Funeral Leave:** Employees working forty (40) hours or more per pay period shall be entitled to up to three (3) consecutive paid days off [five (5) days for Spouse, Mother, Father, or child] from scheduled work, if any, at his or her regular rate of pay to attend the funeral or memorial service of the employees Spouse, Brothers, Sisters, Children, Father, Mother, Father-in-law, Mother-in-law, current Step-Parent, current Step-Parent of Spouse, Grandfather, Grandmother, Grandchild, Sister-in-law, and Brother-in-law. The employee may choose which days will be taken off, as long as one of them is the day of the funeral or memorial service. The first day off may be as early as the day of the death and the last day off shall be no later than the day after the funeral. Part-time employees working less than forty (40) hours per pay period will be entitled to one (1) paid day off for the funeral or memorial service, provided they were scheduled to work. The employee shall give the Employer notice of the leave as soon as practicable. By mutual agreement between the Employer and employee, the employee may be granted additional unpaid time off in connection with the death.

12.5 **Sick Leave:** Employees scheduled and working Full-time, as defined in Section 2.1, shall accrue one-half (½) day sick leave for each calendar month of service to

a maximum of twelve (12) days. After twelve (12) days have been accumulated, the employee shall accrue sick leave at a rate of one (1) day for each calendar month of service to a maximum of seventy-two (72) days.

Employees must consistently work Full-time hours per pay period to be eligible for sick leave. An employee will be ineligible for sick leave benefits, if they work less than Full-time hours per pay period for more than 2 consecutive pay periods. To become re-eligible, an employee must work Full-time hours per pay period for two consecutive pay periods.

If an employee utilizes sick leave and has below the twelve (12) or seventy-two (72) day maximum accumulated, the employee shall again accrue sick leave in accordance with the provision above. However, those employees that attain an accumulation of twelve (12) days, based on the one-half (½) day accumulating rate, and then uses sick leave which takes them below twelve (12) days, shall remain at one (1) day per month accumulating rate.

An employee that fails to notify the Employer at least **two (2) hours** prior to the beginning of their scheduled shift that they cannot report to work as scheduled, because of accident or illness, shall forfeit their sick leave for that scheduled-day.

Employees are to call in one and one half hours (1½) ahead and leave a message with their supervisor. If they are unable to reach their supervisor, or scheduler, the employee may contact the nursing home supervisor in charge. For the purpose of recording the call in time the Employer shall use a five-minute leeway.

Sick leave benefits shall begin with the first working day of each illness or injury. The Employer may require a physician's certificate as evidence that an employee was ill when management recognizes a pattern of probable abuse for that employee. Frequent absenteeism on or adjoining holidays, vacations, weekends and previously rejected requests for time off are examples of situations, which may require a doctor's excuse for that employee.

Employees are to call in one and one half hours (1½) ahead and leave a message with their supervisor, or they can leave a message with the HCGS Supervisor. For the purpose of recording the call in time the Employer shall use a five-minute leeway.

- 12.6 In the event of serious illness or injury of the employee's mate, father, mother, and adult children not capable of self-care, which requires absence from work, an employee may use accumulated sick leave up to a maximum of three (3) days per illness or injury. Employees may use sick leave for children in accordance with State/Federal Law. The Employer may require verification of illness or injury.

12.7 **Weekend Call-Ins**: Employees who call in on weekends will be subject to the following weekend call-in policy: (A weekend shall be defined as a period beginning with the night shift on Friday evening, and ending at the end of the night shift on Monday morning.)

An employee who has called in on weekends more than one time in Six (6) months shall be scheduled within the next two (2) scheduled weekends off.

The program is initiated with the second infraction and on succeeding infractions to the end of a six (6) month period.

The second time you call in on a weekend, it becomes your initial obligated weekend shift to work and you work your shift only. Subsequent obligated weekend shifts, you work any shift needed. If not needed within two pay periods, there is no obligation for that infraction and no pay unless you have worked. Scheduling will give as much advance notice to work as possible, with a minimum of forty-eight (48) hours' notice and more if possible.

- A. One shift (day) equals an infraction.
- B. Working half or more of your shift on weekends equals no infraction.
- C. All absences count as an infraction, except Funeral Leave, Family Leave, Military Leave and Medical/Surgical Leave of one week (7 calendar days) or greater.
- D. This program shall have 2 six (6) month periods each year. January 1st through June 30th, and July 1st through December 31st.

The consecutive days worked provision in Article II, 2.1 shall not apply in this situation.

ARTICLE XIII MANAGEMENT RIGHTS

Except as specifically abridged by an express provision of this Agreement, nothing in this Agreement shall be interpreted as interfering in any way with HealthCare Services Group Inc. right to determine and direct the policies, work rules, modes and methods of providing resident care; to decide the number of employees that may be assigned to any shift or position (so long as such assignment is not arbitrary or capricious), or the equipment or methods to be employed in the performance of such work; to determine appropriate staff levels and/or to utilize temporary employees to supplement staff levels, to determine the number, location, and types of facilities; to select hire and train employees, and to discipline and discharge for just cause; to adopt, amend, and change, or rescind reasonable work rules; and to determine the start and stop times of any shift, provided the employer provides fourteen (14) day's advance notice to the employees and to the union of such change in shift hours.

The parties shall meet again three (3) months following the implementation of the new start and stop time and review the schedule change. At that time, management will make a determination whether to continue the change in start and stop times.

Thus, HealthCare Services Group Inc. reserves and retains, solely and exclusively, all of the management rights, privileges, and prerogatives that it would have in the absence of this Agreement, except to the extent that such rights, privileges, and prerogatives are specifically abridged by express provisions of this Agreement. The Union expressly waives the right to bargain over any management rights, privileges, and prerogatives not specifically abridged by express provisions of this Agreement.

ARTICLE XIV MISCELLANEOUS

- 14.1 **Health/Dental Insurance**: HealthCare Services Group Inc. will provide full time bargaining employees (as defined under Section 2.1 of this Agreement) with group health and dental insurance plans. HealthCare Services Group Inc. will continue to pay premiums and maintain benefit levels each premium year. **Any premium increases passed on to the employee will be bargained between Employer and Union.** Copies of the insurance contract and any amendments shall be furnished to the Union and Summary Plan Descriptions shall be provided to the Union (**upon request**) and eligible employees, upon **eligibility**.

2012 Insurance Employee Contribution:

Single: \$86/paycheck

Single plus child:

Single plus spouse:

Family:

- 14.2 **Paydays**: Employees shall be paid every two (2) weeks and shall be paid by Thursday following the payroll period.
- 14.3 **Uniforms**: Employees in all departments, shall wear uniforms and shall receive a uniform allowance:
- A. Employees who are regularly employed twenty (20) hours or more, but less than forty (40) hours during a two (2) week pay period shall be paid an annual uniform allowance of One Hundred Seventy-Five Dollars (\$175.00).
 - B. Employees who are regularly employed forty (40) hours or more, but less than sixty-four (64) hours during a two (2) week pay period shall be paid an annual uniform allowance of Two Hundred Dollars (\$200.00).
 - C. Employees who are regularly employed sixty-four (64) hours or more during a two (2) week pay period shall be paid an annual uniform allowance of Two Hundred Fifty Dollars (\$250.00).
 - D. Employees on LOA will receive uniform allowance upon return unless it was earned prior to the leave.

All new employees hired shall receive one-half (½) of their uniform allowance after three (3) months, and one-half (½) at nine (9) months of initial employment, and then one-half (½) every six (6) months thereafter.

All employees receiving a uniform allowance must turn in original receipts to the Human Resource office for all items purchased in order to receive their uniform allowance.

It is the responsibility of the employee to keep their uniforms neat and in good condition.

The uniforms purchased with the uniform allowance will become and remain the personal property of the employee.

The Employer shall furnish and launder protective clothing, such as aprons, jackets, coveralls, etc., that are necessary in their respective classification. Protective clothing furnished by the Employer shall remain the property of the Employer.

Management agrees to purchase the employee's initial nametag and replace broken tags.

- 14.4 **Time Off for Union and Community Activities:** The Employer encourages the employees to participate in Union affairs and endeavors and encourages employees to participate in community affairs, and whenever possible will grant union stewards time off with pay, provided such time off will not interfere with the operation of the business, up to sixteen (16) hours per contract year per person, excluding Negotiations and Labor Management meetings.
- 14.5 **Labor-Management Meetings:** A Labor-Management Committee shall meet regularly every other month, or more frequently, if needed, to discuss and attempt to resolve Union-Management problems as they occur.
- 14.6 **Mantoux Tests:** Mantoux tests that are required by the Employer or any State or Federal Regulation shall be paid for by the Employer.
- 14.7 All employees, except for rehired or experienced employees, shall receive at least three (3) days of orientation. If a new employee has not received their three (3) orientation days, but the unit is short, the new employee will not be assigned a group, but will be assigned to work with another staff member as a team.
- 14.8 The Employer will make available training required to perform your job. All employees are required to complete an education topic monthly as designated by the employer. Competencies that require completion will also be posted when due to fulfill requirements to perform your job. Options to fulfill the requirement will be posted monthly. The employer will offer educational opportunities and track attendance, and/or completion of topic. It is the responsibility of the employee to attend or complete the requirements of the topic or competency.
1. Quarterly postings of status of CEU's completed by employees.
 2. In-service sign up schedules be posted in time clock area.

14.9 **Termination:** Except as otherwise provided herein, the period of this Agreement shall be from October 1st, 2011 through September 30th, 2012, and shall automatically renew each year thereafter unless ninety (90) days prior to the anniversary date either party gives notice to the other of its intention to amend or terminate this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

HealthCare Services Group, Inc.
Duluth, Minnesota

UFCW, LOCAL #1189
Duluth, Minnesota

By *J. Viets* *RVP*
Ryan Viets, Regional Vice President
Health Care Services Group

By *Tamara Jones*
Tamara Jones
Union Representative

Date 2-10-13

Date 2-13-13

PROCEDURE FOR FILLING OPEN SHIFTS

HealthCare Services Group Inc. and UFCW Local 1189 concur that the bargaining unit staff are most likely/best suited to: a) provide the desirable level of continuous, safe resident care; b) provide that care in the most cost-neutral manner; and c) recognize seniority.

HealthCare Services Group Inc. basic policy shall be to use its bargaining unit staff before/to the exclusion of, outside pool and non-bargaining staff except when:

- (a) no bargaining unit staff is available/can work the needed shift;
- (b) the pay period effect (i.e., Article II, 2.1) is not cost neutral; or
- (c) a "sudden" emergency such as natural disaster, facility disaster or unforeseen staffing shortage occurs.

The following procedure is the order in which bargaining unit employees shall be offered additional open shifts/hours by department seniority:

1. Those part-time and full-time staff who are willing to work extra hours shall put these requests/offers in writing. This includes daily, weekly, and on-going willingness and availability.
2. From #1 above, offer the shift/hours to the bargaining unit staff who would be eligible to work at straight-time
3. If no response to #2, offer to on-call at straight-time.
4. If no response to #3, offer to bargaining unit staff eligible to work at time and one half (1½).
5. If no response to #4, offer to on-call staff at time and one-half (1½).
6. If no response to #5, offer to bargaining unit staff who are eligible for double-time (2x) (consecutive days).

**Letter of Understanding
Between
HealthCare Services Group Inc.
&
United Food and Commercial Workers Local #1189**

The parties agree to the following as it relates to changing the start and stop times of Employees' shifts:

The start and stop times will not be changed without prior notification and meetings with the Union. For changes in start and stop times, a two (2) week notice will be given to the Employee and the Union.

The parties shall meet again three (3) months following the implementation of the new start and stop time and review the schedule change. At that time, management will make a determination whether to continue the change in start and stop times.