



AGENDA

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306**

Special Meeting
Monday, August 1, 2022

1:00 P.M.

BOARD TO RECONVENE

Board Members: Alsop, Berjis, Bigler, Brar, Kitchen, McLaughlin, Pelz
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS



PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

ITEMS FOR CONSIDERATION

CA

- 3) Request to postpone 10-day written response to Board referral from July 20, 2022, to next regular Board meeting on August 17, 2022 –
APPROVE
- 4) Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, and 6, effective August 1, 2022 through July 31, 2025, with changes to wages, hours, and terms and conditions of employment –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN; AUTHORIZE CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND HUMAN RESOURCES TO IMPLEMENT CHANGES

ADJOURN TO WEDNESDAY, AUGUST 17, 2022, AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT (Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 1, 2022

SUBJECT: Request to postpone 10-day written response to Board referral from July 20, 2022, to next regular Board meeting on August 17, 2022

Requested Action: Approve

Summary:

During the regular meeting on July 20, 2022, your Board received written comment from a member of the public related to staff's request to approve Amendment No. 1 to the Agreement for Professional Services with Cantu Management Group, Inc. In response, Director Berjis made a referral to staff to respond in writing to the comments within 10 days of the July 20 meeting.

Due to the extensive amount of time involved with labor negotiations in the days following July 20, and finalizing the successor Memorandum of Understanding with Service Employees International Union, Local 521, staff is requesting to postpone the written response to the referral from July 20, 2022, to the next regular Board meeting on August 17, 2022.

Therefore, it is recommended that your Board approve this request.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY SPECIAL MEETING**

August 1, 2022

Subject: Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, and 6, effective August 1, 2022 through July 31, 2025, with changes to wages, hours, and terms and conditions of employment

Recommended Action: Approve; Authorize Chairman to sign; Authorize Chief Executive Officer, Chief Financial Officer and Human Resources to implement changes

Summary:

The Authority requests your Board approve the Memorandum of Understanding (MOU) between the Kern County Hospital Authority and Service Employees International Union, Local 521 (SEIU), representing employees in bargaining units 1-6. The parties began meeting in May 2021 and met regularly until the parties reached agreement in July 2022.

The proposed MOU contains changes to wages, automatic step increases, clarifying language for use of Paid Time Off (PTO) and Extended Illness Bank (EIB), out-of-class pay, and the maximum payment for an arbitrator's decision. These changes and others have been negotiated in good faith between the Authority and SEIU with the parties tentatively agreeing to the proposed language changes.

The following is a brief overview of the major economic/operational changes:

- 1) Wage increases in the amount of 5.50% or higher will be provided to all represented employees in 2022. These increases will be effective on the first day of the biweekly payroll period following 30 days after approval of the MOU by your Board. In addition, employees will receive a one-time MOU signing bonus in the amount of \$1,000 for full-time employees and \$500 for part-time employees.
- 2) Wage increases in the amount of 3.25% will be provided to all represented employees effective the beginning of the pay period immediately following July 1, 2023 and July 1, 2024.
- 3) The Authority will, upon request by SEIU, meet with SEIU to evaluate the use of traveler nurses with the intent of reducing their use in conjunction with the anticipated decrease in vacant nursing positions.

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- 4) Step increases will automatically be granted annually on an employee's annual performance review date. These increases will no longer be tied to the submission of an Employee Performance Review (EPR) and will be granted regardless of whether the employee is under active discipline.
- 5) The Authority will meet, upon request, once per quarter with employees in any department. These Unit Based Committee (UBC) meetings are intended to discuss employee concerns and will include management, SEIU representatives and Human Resources.
- 6) Employees who work a 3/12 schedule (3 12-hour days) will now be eligible to access EIB after missing 24 consecutive hours of work due to illness, assuming they meet the qualifications for EIB pay. This is a change for this group of employees from the current requirement, which remains in effect for all other employees, of being absent from work for more than three days before EIB can be accessed.
- 7) Language outlining the current rules and process for granting out-of-class pay to an employee have been added to the MOU. Out-of-class pay is provided to employees who temporarily step into a higher (or lower) job classification to fill in for a vacancy due to another employee's leave of absence or a vacancy currently being recruited.
- 8) For grievances filed by an employee, arbitrators are limited on the monetary settlement they can award to an employee. The maximum payable in these circumstances is changing from \$5,000 to no more than 12 months of the employee's lost earnings from the date the grievance was filed.

Between July 26 and July 28, 2022, SEIU communicated the terms and conditions of the proposed MOU to represented employees, who voted to ratify the agreement. The results of this vote were presented to the Authority on July 29, 2022.

Therefore, it is recommended that your Board approve the Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, and 6, effective August 1, 2022 through July 31, 2025, with changes to wages, hours, and terms and conditions of employment, authorize the Chairman to sign, and authorize the Chief Executive Officer, Chief Financial Officer and Human Resources to implement the proposed changes.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding**

PREAMBLE

This Memorandum of Understanding (“MOU”), entered into by the Kern County Hospital Authority (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Service Employees International Union Local 521 (“SEIU” or “Union”), has as its purpose the setting forth of the full and entire understanding of the parties regarding the matters set forth herein, reached as the result of good faith negotiations regarding the wages, hours, and other terms and conditions of employment of the employees covered hereby. Pursuant to Government Code section 3505.1, this MOU is jointly submitted and recommended for approval, and implementation in accordance with its terms, to the Authority’s Board of Governors.

ARTICLE I – RECOGNITION

Section 1. FULL UNDERSTANDING, MODIFICATIONS, WAIVER

- A. This MOU sets forth the full and entire understanding of the parties regarding the specific matters set forth herein and any other prior or existing oral or written understandings or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.
- B. Except as specifically provided herein, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right and agrees that the other shall not be required to negotiate with respect to any subject or matter covered herein, during the term of this MOU.
- C. No agreement, alteration, understanding, variation, waiver, or modification of any terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by the parties hereto, and approved by the Authority’s Board of Governors.
- D. Waiver of any violation of this MOU, or failure to enforce any of its terms shall not constitute a waiver of the right to future enforcement of any of its terms.

Section 2. UNION RECOGNITION

The Authority recognizes SEIU as the exclusive employee organization certified by the Authority’s Board of Governors pursuant to the Employer-Employee Relations Resolution (EERR) and the Meyers-Miliias-Brown Act, and any amendments thereto. The terms and conditions of this MOU apply to the classifications within the bargaining units as specified by unit number below. The bargaining units represented by this MOU are:

- 1. Supervisory
- 2. Professional
- 3. Technical Services
- 4. Clerical
- 5. Administration
- 6. Trades/Crafts/Labor

It is further understood that all employees may, to the extent permitted by law, represent themselves individually in their employment relations with the Authority.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
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Section 3. AUTHORIZED AGENTS

For purposes of administering the terms and provisions of this MOU:

- A. The Authority's principal authorized agent shall be the Vice President of Human Resources, or a duly authorized representative (Address: Kern County Hospital Authority, Human Resources Department, 1700 Mount Vernon Avenue, Bakersfield, California 93306; Telephone: (661) 862-7564), except where a particular Authority representative is specifically designated in connection with the performance of a specified function or obligation set forth herein. The Union agrees to copy the Director of Employee and Labor Relations on correspondence sent to the authorized agent.
- B. The Union's principal authorized agent shall be the Chief Elected Officer of SEIU, Local 521 or their duly authorized representative (Address: 1001 17th Street, Suite A, Bakersfield, California 93301; Telephone: (661) 321-4160). The Authority agrees to copy the Internal Organizer on correspondence sent to the authorized agent.
- C. Both the Authority and the Union agree to notify the other party in writing within-10 days of any changes to the Authorized Agents.

ARTICLE II - GENERAL PROVISIONS

Section 1. HEALTH/SAFETY

- A. The Authority will provide safe and sanitary working conditions and equipment in compliance with and to the extent required by applicable federal, state and local statutes, regulations and ordinances.
- B. The Authority shall endeavor to provide reasonable security for employees entering and exiting KMC.
- C. The Authority and SEIU agree to set aside time at each Environment of Care/Safety Committee meeting for designated bargaining unit employees (up to four) and an SEIU representative to bring forward safety concerns. Meeting dates will be provided to SEIU in advance. Any agenda items from SEIU/bargaining unit employees will be provided seven (7) workdays prior to any meeting. The Authority and SEIU will allocate up to one (1) hour per meeting to review SEIU employees' concerns.

Section 2. LABOR MANAGEMENT COMMITTEE

- A. A labor management committee comprised of four (4) employee representatives and SEIU Local 521 staff and four (4) management representatives shall meet on a monthly basis to address issues directly related to-the Authority and the delivery of quality care, including but not limited to issues impacting bargaining unit employees. An agenda shall be prepared and forwarded to the other party no later than five (5) working days prior to the scheduled meeting.
- B. The parties agree to have a monthly communications meeting comprised of KMC human resources and SEIU representatives to discuss current labor issues, with the intent of working through and coming to agreement on time-sensitive, outstanding issues. The

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communications meeting should identify agenda topics for the labor management committee meetings. In the event this meeting must be cancelled or postponed, the parties agree, within 72 hours, to reschedule to another date, which shall be a date prior to the next scheduled labor management committee meeting.

- C. The parties agree to schedule an initial training within 90 days of approval of this MOU and periodically thereafter when requested for Union stewards with Human Resources to review the current KMC policies referenced in this Agreement as well as agreed upon MOU sections.

Section 3. UNIT BASED COMMITTEES

Unit Based Committees (UBC) will meet once per quarter upon employee request to address employee concerns. Meetings will be scheduled on dates mutually agreed upon by all parties based on availability of those individuals needed to attend and will be scheduled by Human Resources. Committees will be comprised of a department manager(s), a Human Resources representative, a maximum of three (3) employees from the department, and one (1) SEIU staff member. Issues not resolved in the UBC will be brought to the Labor/Management Committee for further discussion and in an attempt to reach resolution.

Section 4. MEET AND CONFER PROCESS

- A. The Authority and SEIU acknowledge the importance of timeliness when resolving labor and employee relations issues. In order to ensure accountability for both parties while maintaining the integrity of the meet and confer process under Government Code Section 3504, the parties agree that, unless otherwise mutually agreed, within 14 days of receiving written notification of the desire to meet to discuss any matter within the scope of representation, the parties will set a meeting date no more than 30 days from the date of initial notification.
- B. In addition, the parties agree that they will continue to meet on a regular and consistent basis until the matter has been resolved or until the parties reach impasse. In the event either party must cancel or postpone a meeting, the parties agree to reschedule that meeting within seven (7) business days.
- C. In the event the Authority notifies SEIU of an issue that is within the scope of representation, inviting SEIU to meet and confer if desired and SEIU does not respond within 30 days of the date of notification, the Authority will send a follow-up notice to SEIU advising that the Authority will proceed with implementation if SEIU does not respond within one week. Should SEIU not timely respond to that follow-up notice, the parties agree that this lack of timely response would amount to a partial waiver of the right to bargain and the Authority will be authorized to proceed with the proposed change(s). Notwithstanding any such waiver, SEIU would retain the right to request to meet and confer after the proposed change has been implemented, but any such change would remain in place during that meet and confer process.

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Section 5. SERVICE AWARDS

The Authority agrees to continue the Service Award Program. The program will provide awards for active employees who achieve 10 years, 20 years, 25 years, 30 years, and 35 years of service. The program will allow employees an opportunity to choose from a variety of awards selected from a list provided by the Authority. The average cost for awards will be: 10 years - \$50.00; 20 years - \$100.00; 25 years - \$150.00; 30 years - \$200.00; 35 years - \$300.00.

Section 6. PAYROLL DEDUCTION

- A. It is understood and agreed that SEIU has the right to payroll deduction of membership fees, or other Union fees, including but not limited to initiation fees and insurance premiums for non-employer offered union benefits, upon revocable written authorization by the affected employee in the form presently used. Such deductions shall be made monthly and forwarded to SEIU.
- B. The Union agrees to a service fee to the Authority for payroll deduction for union dues, insurance, or other assessments. The payroll deduction service fee shall be two cents per deduction per biweekly pay period.

Section 7. INDEMNIFICATION

- A. SEIU shall indemnify, defend and hold the Authority and its officers, directors, agents, and employees harmless from and against any and all, claims, demands, losses, defense costs, lawsuits and/or liability of any kind or nature that may arise out of or by reason of the Authority's compliance with the deduction of dues, or other Union fees or premiums for Union-offered benefits, including claims relating to the Union's use of the monies collected under these provisions.
- B. SEIU agrees that the Authority shall be authorized to select legal counsel in its sole discretion to defend its interests in any claim, demand or lawsuit set forth in Section 3(A) of this Article.

Section 8. DIRECT DEPOSIT

The Authority requires all employees to receive their pay and qualified expense reimbursements via direct deposit.

Section 9. MOU COPIES

The Authority agrees to provide each new employee the link and instructions to access an online copy of this MOU. The online copy of this MOU will be available on KMC's web page under the "About Us" tab.

Section 10. SUCCESSOR MOU NEGOTIATIONS

The parties agree that successor MOU negotiations shall commence no later than 90 days prior to the expiration of this MOU.

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Section 11. CONTRACTED SERVICES

- A. The Authority prefers employees to provide services to its patients. The Authority reserves the right to contract out services in the event of an urgent/critical need, where the need is a temporary one, or where recruiting has not produced sufficient qualified candidates, or where unit members lack the skills, experience, or qualifications necessary for the service to be performed.
- B. The parties agree that, during the term of this MOU, no bargaining unit employee shall be laid off or have regularly scheduled work hours reduced as a result of contracting out services. The Authority agrees to notify SEIU and meet and confer upon request with SEIU regarding the impacts of any decision to contract out, where required by law.
- C. The Authority agrees to meet with SEIU upon request to evaluate the use of traveler nurses with the intent of reducing the use of travelers in conjunction with a decrease in the number of vacant nursing positions.

ARTICLE III - RIGHTS OF PARTIES

Section 1. STRIKES AND LOCKOUTS

During the term of this MOU, the Authority agrees that it will not lock out employees, and the Union agrees that it will not engage in, encourage, or approve any strike, slowdown, or other work stoppage growing out of any dispute relating to the terms of this MOU. The Union will take whatever possible lawful steps necessary to prevent any interruption of work in violation of this MOU. Furthermore, the parties recognize that the grievance and arbitration procedures contained in Article VIII shall be used to resolve any and all controversies in any way arising out of or concerning strikes and lockouts.

Section 2. BULLETIN BOARDS AND AUTHORITY MAIL SYSTEM

- A. The Authority agrees that the Union may provide a standard bulletin board (not to exceed 36" x 48") for placement adjacent to existing Authority bulletin boards. Placement is dependent on available space without removing existing material, pre-approval by Human Resources, and conformity to hospital standards including existing aesthetics and HCAI (formally OSHPD) requirements. Posting of notices is governed by the Employer-Employee Relations Resolution provisions. Shop stewards may post Union communications dealing with official Union business on Authority-approved SEIU bulletin boards. A copy of each communication shall be filed with the Authority's Human Resources department. The Union agrees not to post any notices that concern job actions or the political activities of the Union.
- B. The Authority reserves the right to remove any bulletin board notice that does not conform to the above standards. The Union will be given immediate notice of any material that is removed, and the Authority agrees, if requested by the Union, to meet and discuss this removal as soon as it is mutually convenient.

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- C. The Authority and Union further agree that the Union may continue to use the Authority mail and email system for official Union business in accordance with Authority rules relating to the use of Authority mail and email. The mail and email systems will not be used for any communications dealing with job actions or political activities of the Union.
- D. The Union agrees it will not post materials or send mass emails to employees' email accounts that are disparaging of any of the Authority's officers, executives, representatives, employees, the quality of services, or the Authority. The Authority agrees that it will not post materials or emails that are disparaging of the Union, its officers or representatives.
- E. Failure to adhere to the use of the Authority's mail and email systems in the above manner will result in its revocation as a privilege extended to the Union by the Authority.

Section 3. CLAIMS REVIEW

Employees who lose or damage their personal property in the course of their employment may process a claim for reimbursement in accordance with the Authority's claim review procedure. Approved claims will normally be reimbursed within 90 days of receiving all necessary documentation and required forms.

Section 4. DISCRIMINATION

The parties agree not to discriminate against any employee for his/her activity on behalf of, or membership in, the Union, or his/her non-membership in the Union, as stated in the Employer-Employee Relations Resolution. Both parties shall comply with all applicable federal and state laws prohibiting discrimination against any employee on the basis of race, color, creed, religion, age, sex, sexual orientation, gender identity or expression, citizenship, genetic information, pregnancy, marital status, physical disability, national origin, or the employee's inclusion in any legally protected class as defined under the California Fair Employment and Housing Act (FEHA) and/or all other state and federal anti-discrimination laws.

Section 5. PERSONNEL FILES

- A. An employee may review his or her electronic personnel file at any time by accessing their records through the Human Resources information system. Employees wishing to provide a third party with copies of their personnel records must sign a release prior to records being provided.
- B. Employees shall be entitled to a copy of all documents in his/her personnel file bearing their signature.
- C. The Authority reserves the right to charge a reasonable fee for duplication of records signed by the employee, which are in the employee's personnel file.

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- D. Written reprimands and/or counseling memos that are not relevant to the employee's current annual evaluation period, and not part of a recurring pattern within the last 13 months and not required by any licensing agency, shall not be referenced in annual employee performance reports. Such documentation may be used beyond 13 months in circumstances where the employee has current performance or behavioral problems and the historical disciplinary documents show continued incidents or a pattern of incidents that need to be addressed.
- E. Answers and Reproductions: An employee shall have the right to respond in writing to any document filed and this response shall be attached to the original document. Such document(s) shall not be used exclusive of the employee's response.
- F. Incorrect Material: Material shall be removed or otherwise deleted from an employee's personnel file in the event an employee and the Authority agree that the material is incorrect or it is deemed to be incorrect.
- G. Reference to Negative Performance: No negative or below standard items may be referenced in an employee performance review unless prior written notification (performance improvement plan, confirmation of verbal counseling, email or similar) has been provided to the employee.

Section 6. SHOP STEWARDS

- A. The Authority agrees to allow authorized shop stewards to assist and represent employees in the grievance process. The Authority further agrees to recognize and deal with authorized Union representatives in all matters related to this MOU.
- B. The number of shop stewards shall be determined as a function of a ratio of one (1) shop steward for every 55 covered employees with each KMC department.
- C. SEIU shall provide the Authority's Human Resources department with a list of shop stewards on the first business day following February 1 of each year.
- D. The Union agrees that whenever investigation or processing of a formal grievance is transacted during working hours, the amount of time spent will be limited to only that which is necessary to bring about prompt disposition of the issue. Shop stewards needing to leave their work area to conduct Union business shall first obtain permission from their supervisor, informing them of the purpose for leaving their work area and providing the supervisor with an expected return time. Permission to leave will be granted unless the absence would cause an undue interruption of work. In this event, release from work shall be made as soon as practicable thereafter.
- E. Prior to entering another work area to conduct a grievance investigation or to process a grievance, the shop steward shall inform the manager or supervisor on duty in that work area of his/her presence. The affected employee will be released to meet with the shop steward unless leaving the job would cause an undue work interruption, in which case the employee will be released as soon as practicable thereafter.

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- F. The shop steward shall perform aforementioned duties without loss of pay or other benefits. The affected employee shall meet with the shop steward during non-work time, although the steward and the employee may make reasonable arrangements for the representation process on work time.
- G. The Union's representatives (i.e., staff personnel) may intercede and replace the shop steward in a grievance investigation and processing at any time by notice to the Vice President of Human Resources or his/her designee.

Section 7. RELEASE TIME

- A. One (1) KMC employee may be designated as a member of the SEIU Executive Board and granted a reasonable use of Authority time to perform their Union duties. Time off for Union business must be requested at least three (3) business days in advance. Time off will be granted unless the operational needs of the KMC department prevent the absence of the employee.
- B. One (1) KMC employee may be designated as a member of the SEIU Advisory Board and granted a reasonable use of Authority time, up to a maximum of four (4) workdays per calendar year, to attend Advisory Board meetings. Time off for Union business must be requested at least three (3) business days in advance. Time off will be granted unless the operational needs of the KMC department prevent the absence of the employee.
- C. Shop stewards may be allowed reasonable use of Authority time to attend official SEIU meetings and functions, if the meetings occur during their normal work hours. A total of 40 aggregate hours per calendar year shall be available for use by the SEIU Chapter President or his/her designees or shop stewards, subject to the following conditions:
 - 1. The hours shall be utilized to attend official SEIU meetings and functions if the meetings occur during their normal work hours.
 - 2. The use of any part of the 40 hours will be cleared through each employee's supervisor and the Human Resources department, with workforce availability being the only additional criterion utilized.
 - 3. The hours utilized shall be charged against a specific payroll code to be established by the Authority. This payroll code will be recorded on timesheets when any part of the 40 hours is utilized.
- D. Employees who serve as designated members of the Union's meet and confer team will be allowed reasonable use of Authority time, when meeting with the Authority on successor MOUs, for meet and confer sessions, and for other formal meetings regarding matters within the scope of representation.
- E. Ninety days prior to the expiration of this MOU, members of the meet and confer team may be allowed reasonable release time for preparation with appropriate written notice to supervisors.

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Section 8. NEW EMPLOYEE ORIENTATION

- A. The Authority shall provide the Union written notice of new employee orientations at least 10 business days or as soon as is practical, prior to the event. Union representatives shall be permitted to make a presentation of up to 45 minutes, and present written materials to attendees. “New hires” will include any employee new to SEIU, including but not limited to employees who are newly represented due to promotion/demotion.
- B. At least one (1) union member per 12 represented employees shall be released for 13-24 employees, two (2) union members shall be released for 25-36 employees, three (3) union members shall be released, et cetera, up to a maximum of four (4) union members for the presentation.
- C. The Union agrees to give the Authority copies of the materials to be used in the session which shall include, but not be limited to, this MOU, a Union membership application, and a list of shop stewards prepared by the Union showing their departments and/or work areas and telephone numbers. The Union agrees to not disparage the Authority during this session.
- D. If an employee chooses to complete a membership application during the new hire process, and the Authority receives the membership application, the Authority shall transmit it to the Union immediately.

Section 9. NEW EMPLOYEE INFORMATION AND EMPLOYEE ADDRESSES

- A. Within 30 days of a new employee being hired into a position represented by SEIU, the Authority shall provide the Union with the following information regarding the employee:
 - 1. Name and employee number
 - 2. Job title
 - 3. Assigned department and work location
 - 4. Home address and home and cell phone numbers (if on file with the Authority)
 - 5. Work and personal e-mail addresses (if on file with the Authority)
- B. On a monthly basis, the Authority shall provide the Union with a list of all current employees covered by this MOU, which shall include the information set forth in paragraph A above as well as the employee’s identification number, hourly rates of pay, hours worked, Union dues paid, and membership status.
- C. Notwithstanding the above, the Authority shall not be required to provide the Union information for any employee who has submitted a written request pursuant to Government Code section 6254.3(c) prohibiting the disclosure of their home address, home telephone number, personal cell number, or personal email address.
- D. The cost to the Authority of providing such addresses shall be borne by the Union through monthly billing.

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- E. If the Union receives the addresses of a non-dues paying member (other than new employees), it agrees not to use it for any purpose, including Union business.
- F. Should any disputes arise regarding the application of this Section, they shall be discussed and resolved between the Union and the Authority's Human Resources department.

Section 10. ACCESS

- A. Non-employee representatives of SEIU shall have reasonable access to non-work areas at locations in which covered employees are employed for the purpose of providing information or representing covered employees.
- B. Non-employee Union representatives shall not interfere with patient care and shall exercise discretion in the use of this provision. Non-employee Union representatives may also request reasonable access to work sites to hold SEIU-controlled elections within the work location. Such access shall not be interpreted as the granting of release time for participation in said election.
- C. Authorized non-employee Union representatives shall provide the department supervisor or his/her designee with reasonable prior advance notice of their intent to be present at the work area. The department supervisor or his/her designee may deny reasonable access to the work location if it is deemed that a visit at that time will be a safety risk or would interfere with or disrupt the efficient operations of KMC or with regard to patient care with the Union representative in the department. Should the request be denied, the department representative will offer an alternative time and/or location for the visit of the Union staff representative within 24 hours or less. No advance notification is required for non-secured, non-work areas (break rooms and cafeteria).

ARTICLE IV - PAID LEAVE

Section 1. PAID TIME OFF (PTO)

- A. Scheduled PTO is available to employees for purposes of rest and relaxation. The Authority encourages employees to use scheduled PTO to rejuvenate and enhance the quality of life. PTO may also be used for short-term illnesses, personal appointments, doctor appointments, family emergencies, etc.
- B. Employees will accrue PTO on a biweekly basis. New employees are strongly encouraged to limit PTO use to emergencies during the first six (6) months of employment with the Authority. Requests for scheduled PTO must be in writing.
- C. PTO will either be designated as scheduled PTO (e.g., vacation, scheduled doctor appointments) or unscheduled (e.g., sick calls). In order for PTO to be designated as scheduled, PTO must be approved in advance by the employee's supervisor. The Authority reserves the right to deny requests for time off when an employee does not have enough PTO to cover the requested time or when the request cannot be accommodated due to business needs.

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- D. Unscheduled or unapproved absences are defined as emergencies, failure to report, and time away from work without the advance notification and prior approval from the supervisor. Unscheduled and unapproved PTO may be considered an occurrence in accordance with Attendance Policy - HRM-HR-402.00.
- E. An occurrence under the Attendance Policy is defined as one or more consecutive days (shifts) of unscheduled or unapproved absence. Employees may have up to three occurrences within a rolling 12-month period without penalty. Four or more occurrences in a rolling 12-month period may result in disciplinary action. See Attendance Policy HRM-HR-402.00.
- F. Employees must use available accruals for both scheduled and unscheduled absences when an absence would result in an employee getting paid less than their scheduled hours (including partial day absences).
- G. If an employee is absent due to illness for more than three consecutive scheduled shifts or 24 consecutive hours if hired to work three 12-hour days per week (3/12 schedule), or has met the criteria to qualify for Extended Illness Bank (EIB) use they become eligible to use EIB (see Section 3).
- H. PTO will accrue at the following rates:

| Years of Svc | Biwkly Accrual | PTO Hrs/yr | PTO Days/yr* |
|--------------|----------------|------------|--------------|
| 0-4 | 5.54 | 144.00 | 18 |
| 5-9 | 7.08 | 184.08 | 23 |
| 10-14 | 8.62 | 224.12 | 28 |
| 15+ | 10.15 | 263.90 | 33 |

*Based on 8-hours per day

- I. Regular, permanent part-time employees' PTO entitlement is prorated based on hours paid on the same yearly basis.
- J. The annual PTO scheduling policies of the Authority shall remain in effect during the term of this MOU. However, where needed, each department's scheduling policy shall be amended to allow an employee to submit a PTO request with as little as two weeks' notice. Further, each department shall allow an employee to request a PTO day (maximum three (3) days per rolling year) with as little as 24 hours' notice.
- K. The granting of any PTO request, by a department manager or supervisor, shall be subject to the workload and staffing requirements of the department. Denials because of staffing and workload requirements shall not be grievable under the terms of this MOU.
- L. Employees shall not be downgraded on the Employee Performance Report for the use of authorized PTO.

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- M. Employees may accrue a maximum of 550 PTO hours. If an employee reaches the maximum, no additional PTO will be accrued until an employee falls below the maximum. The Authority will review balances and process an automatic pay down of PTO on an annual basis in an effort to prevent employees from “maxing out.” The Authority will not normally deny more than two (2) time off requests if an employee is approaching the maximum).
- N. Employees are responsible for monitoring their own PTO banks to ensure they have not maxed out and therefore will no longer accrue PTO. The Authority will make every effort to work with employees who need to take time off to avoid this situation; however, in the event an employee reaches the maximum accrual, no adjustments will be made to the employee’s PTO bank should their accruals stop. Requests for time off should be submitted within the guidelines outlined in Section I above.
- O. Each December, the Authority will provide employees with an opportunity to request a payout which will occur the following December. Employees must complete their payout request by the deadlines established by the Authority. These payout requests are irrevocable. Payout requests may not result in any employee falling below 40 hours of PTO. See policy HRM-HR-613.00 for additional information on payouts.

Section 3. PTO WITHDRAWALS FOR FINANCIAL HARDSHIP

- A. In the event an employee is faced with an “unforeseeable emergency,” as described below, he/she may be eligible to receive a hardship cash-out of PTO, without electing the cash-out in the prior year, as required above in Section 1(N). In order to receive a PTO hardship cash-out, the employee must establish and substantiate that he/she has a severe financial hardship resulting from an illness or accident suffered by the employee or employee’s dependent, a loss of his/her property due to casualty or severe weather or other similar extraordinary and unforeseeable circumstance beyond the control of the employee. An employee may only be eligible to receive a financial hardship cash-out of PTO to the extent the unforeseeable emergency is not or may not be relieved:
 - Through reimbursement or compensation by insurance or otherwise; or
 - By liquidation of employee assets, to the extent that liquidation of such assets would not itself cause the employee severe financial hardship.
- B. The amount of any financial hardship PTO cash-out due to unforeseeable emergencies shall not exceed the lesser of:
 - The amount reasonably necessary to satisfy the hardship; or
 - The amount of PTO available with a minimum balance of 40 hours remaining after the hardship cash-out.
- C. To apply for a hardship cash-out of PTO, employees must complete the PTO Cash-out Due to an Unforeseeable Emergency Application available from the Human Resources department. Upon receipt of a request, Human Resources shall approve or deny the employee’s request within seven (7) days. If approved by Human Resources, a Check Request form will be submitted to payroll. Any disputes arising from a denial of any request for a hardship cash-out of PTO will be resolved by application of the Grievance and Arbitration Procedure.

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Section 4. EXTENDED ILLNESS BANK (EIB)

- A. EIB is intended for illnesses lasting more than three (3) consecutive scheduled shifts. Employees must use PTO for unscheduled absences of three or fewer (3) shifts unless the absence meets the requirements for an approved Kin Care or FMLA/CFRA protected leave and the employee has provided the necessary documentation upon request and prior to the close of business on the third day.
- B. Employees who are hired to work three (3) 12-hour days per week (3/12 schedule) are eligible to access EIB after they have been absent for 24 consecutive hours of work due to illness. These employees are required to provide the necessary documentation upon request to qualify for EIB use prior to the close of the business day after 24 hours of missed work.
- C. After an employee has been absent for more than three (3) shifts or 24 consecutive hours as indicated in subsections A and B above, they must complete all required leave of absence documentation including a note from a healthcare provider to be eligible to transition to EIB. Once an employee has transitioned to EIB, they will remain on EIB for the duration of the approved leave of absence or until all EIB accruals have been exhausted.
- D. If an employee exhausts all available EIB, they may choose to use accrued PTO.
- E. The accrual rates for EIB are as follows:

| Years of Svc | Biwkly Accrual | EIB Hrs/yr | EIB Days/yr* |
|--------------|----------------|------------|--------------|
| 0-5 | 2.15 | 55.90 | 7 |
| 6 or more | 3.08 | 80.08 | 10 |

*Based on 8-hours per day

- F. The maximum amount of EIB an employee may earn is 640 hours. Employees with 640 hours of EIB will not earn additional EIB.
- G. Regular, permanent part-time employees' EIB entitlement is prorated based on hours paid.
- H. EIB Payoff Schedule – Upon death or active retirement from the Authority (deferred retirement is not eligible), each employee covered by this MOU will be paid for unused EIB hours as follows:

| <u>Years of Continuous Service</u> | <u>Payoff Rate</u> |
|------------------------------------|--------------------|
| 0 through 19 | 50% |
| 20 through 24 | 75% |
| 25 or more | 100% |

- 1. For the purposes of this subsection, continuous Authority service shall mean uninterrupted employment in a regular, permanent position with the Authority. Authorized leaves of absence shall not be considered as a break in service.

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2. The amount payable under this subsection shall be calculated based upon the employee's rate of compensation and years of uninterrupted continuous service at the time of retirement or death.
- I. Employees shall not be downgraded on their Employee Performance Reports for being absent pursuant to a leave governed by the current leave policies.
- J. Employees whose units of work are equal to 80 regular working hours per pay period ("Full-time Employees") shall be eligible to receive a cash bonus of 24 hours at their regular rate of pay, if on the pay day immediately preceding Christmas they have accrued the maximum amount of unused EIB (640 hours for Full-time Employees) and have used 10 hours or less of unscheduled PTO during the previous payroll periods during that calendar year.
- K. Employees whose units of work are less than 80 regular working hours per pay period ("Part-time Employees") shall be eligible to receive a prorated cash bonus at their regular rate of pay, determined using the proportion of their units of work to that of a Full-time Employee (80 hours), if on the pay day immediately preceding Christmas they have accrued the maximum amount of unused EIB (proportionate to the maximum amount for Full-time Employees) and have used 10 hours or less of unscheduled PTO during the previous payroll periods during that calendar year. The maximum sick leave accrual for part-time employees shall be proportionate to the maximum accrual for full-time employees, based on the number of regular hours worked per pay period by the part-time employee.

Section 5. JURY DUTY; COURT APPEARANCES

- A. Regular full- and part-time employees who must miss all or part of a scheduled shift to report for jury duty shall receive time off without loss of pay, equal to the employee's regularly scheduled shift, up to eight (8) hours per day, to serve on a jury. Employees must provide a copy of their jury summons to their supervisors upon receipt, and in advance of the time away from work.
- B. Employees must provide a Certification of Jury Service to payroll at the end of each workweek or at the end of their jury duty service, whichever is sooner. Non-exempt (hourly) employees must also provide timecards provided by Jury Services showing start and end times for each day at jury services which must be given to the payroll department at the end of each workweek or the end of their jury duty service, whichever is sooner. If multiple weeks of jury duty are required, the employee is required to provide the payroll department with a time card at the end of each workweek in order to receive jury duty pay. Employees who do not provide validation of jury duty status will not be eligible to receive pay for that time.
- C. Public employees are not eligible to receive jury service pay. Employees are required to notify jury services staff that they are a public employee. Employees are eligible to receive and keep any statutory mileage reimbursement received in conjunction with jury appearance.

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- D. If, during the employee's normal work schedule, the employee's services on jury duty are no longer required and the employee has served for a minimum of seven (7) hours that day, the employee is excused from returning to work for the remainder of their shift, unless otherwise instructed by their supervisor.
- E. Employees may elect to use CTO or PTO to cover the remainder of their shift in the examples provided above.
- F. Employees who are required to report for jury duty on days they are not scheduled to work will not receive pay for jury duty.
- G. Employees who work night shift hours should be released from work for the shift ending on the initial jury service report day and any night shifts scheduled to begin on a jury service day. Night shift employees who must miss a scheduled shift for jury duty will be compensated for jury duty pay as stipulated in subsection A above.
- H. Refer to policy HRM-HR-610.00 Other Leaves and Time Off for additional information on jury/witness appearances.

Section 6. SUMMONS TO TESTIFY FOR AUTHORITY

- A. An employee summoned to court or scheduled to testify for the Authority during his/her regular shift shall be paid at his/her regular rate of pay. Travel time to and from the court will be included in the shift schedule.
- B. If the court date is scheduled on the employee's scheduled day off and a shift adjustment is not an option, the employee shall be compensated at his/her regular rate of pay for a minimum of two (2) hours. The employee shall be paid for all time necessary for travel between the Authority and the court, and to attend the court appearance. The employee is responsible to provide a verifiable court generated document to validate the time in court.
- C. Employees are responsible for notifying a supervisor and providing a copy of the court summons on the first regularly scheduled work date after receipt of the summons.
- D. Employees who work night shift hours should be released from work for the shift ending on the initial day of report for summons and any night shifts scheduled to begin on a summons report day. Night shift employees who must miss a scheduled shift to testify for the Authority shall be compensated for hours equal to the employee's regularly scheduled shift, up to eight hours per day.

Section 7. PERSONAL COURT APPEARANCE

- A. An employee summoned to attend any court proceeding due to personal reasons during his/her scheduled shift shall be required to use CTO if available or PTO if no CTO is available to cover the absence. If an employee does not have enough paid time to cover the absence, the absence will be unpaid. Employees must notify their supervisor and provide a copy of the court summons on the first regularly scheduled work date after receipt of the summons.

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- B. In the event an employee is legally subpoenaed to appear as a witness in a matter not related to his/her duties of Authority employment, the employee should be granted the use of leave time to comply with the directive of the subpoena.

Section 8. BEREAVEMENT LEAVE

- A. Employees shall be eligible for up to three (3) days of paid bereavement leave in the case of the death or funeral of an immediate family member as defined by current leave policies. Bereavement must be taken without 30 days of the death or funeral. This leave may not be accrued, and shall have no cash value if unused by the employee.
- B. Employees who live within, but must travel outside of, Kern County due to the death or funeral of an immediate family member will be eligible for up to four (4) days of paid bereavement leave.
- C. Employees may be asked for verification in order to qualify for bereavement leave.

Section 9. PREGNANCY AND MATERNITY LEAVES

Pregnancy disability leave is governed by policy HR-HRM-608.00, Pregnancy Disability Leave, and in conjunction with applicable state and federal law.

Section 10. HOLIDAYS

- A. During the term of this MOU, the following holiday schedule shall apply to Authority employees and as otherwise provided below:
 - New Year's Day
 - Martin Luther King's Birthday (third Monday in January)
 - Memorial Day (last Monday in May)
 - Independence Day (July 4)
 - Thanksgiving Day
 - Day after Thanksgiving
 - Christmas Eve
 - Christmas Day
- B. Regular part-time employees shall have their holidays governed by Authority policies and procedures. (See policy HRM-HR-600.00, Holidays)
- C. In general, holidays that fall on Saturday shall be observed on the previous Friday. Holidays that fall on Sunday shall be observed on the following Monday.
- D. In a year in which Christmas falls on a Saturday and is observed on a Friday, the Christmas Eve day holiday shall be observed on the preceding Thursday.
- E. In a year in which Christmas Eve falls on a Saturday or Sunday, the holiday shall be observed on the preceding Friday.
- F. The actual holiday shall be defined as the day of the week on which the official holiday falls.
- G. A designated holiday shall be the day observed in lieu of the actual holiday.

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- H. Full-time, non-exempt employees who work on an actual or designated holiday shall be paid "Premium Pay" at one and one-half (1½) times the employee's regular hourly rate. In addition to pay for hours worked, full-time employees who work on a holiday shall be entitled to eight (8) hours of "Holiday Pay" that will be automatically banked as CTO at the employee's regular rate of pay.
- I. Employees who do not work on an actual or designated holiday will receive eight (8) hours of "Holiday Pay," provided they are eligible (see policy HRM-HR-600.00, Holidays).
- J. In no event shall an employee receive Holiday Pay for both the actual and designated holiday.
- M. Both exempt and non-exempt employees who work an Alternative Work Schedule (AWS) resulting in more than eight (8) hours in a workday and who do not work the holiday must use eligible accruals to make themselves whole for that day (e.g., a 10-hour employee must request two (2) hours of PTO to be paid in addition to the eight (8) hours of Holiday Pay to total 10 hours pay for that day).

Section 11. CATASTROPHIC LEAVE PAY

- A. Catastrophic (CAT) leave benefits have been established for Authority employees governed by this MOU who have exhausted all accumulated PTO, EIB and compensatory time off (CTO). The purpose of those benefits is to provide a portion or all of an employee's pay during the time the employee would otherwise be on medical leave of absence without pay pursuant to the Authority's policies and procedures. CAT leave benefits are contingent on the receipt of donated PTO time in the manner described below.
- B. CAT leave shall conform to the rules for leave of absence without pay set forth in the Authority's policies and procedures except that, during that portion of the leave of absence, which is also a CAT leave, the employee will be paid. Although employees on CAT leave will receive CAT pay, for all other purposes, except as indicated below, such employees will be considered on leave of absence without pay pursuant to the Authority's policies and procedures and they shall not accrue any leave rights while on CAT leave.
- C. In no event may an employee take more than twelve weeks of CAT leave during any 12-month period. CAT leave and approved leaves of absence shall run concurrently.
- D. An employee is eligible for CAT leave when the employee faces financial hardship due to injury or prolonged illness of the employee or employee's spouse, parent or child (based on medical evidence) and the employee is absent from work caring for himself or herself or family members.
- E. Employees governed by this MOU may donate PTO time to another employee who meets the conditions described above. Employees may not, however, donate EIB or CTO.
- F. Employees (or their designees) requesting establishment of a CAT leave bank must submit a written request to the Human Resources department. The request must provide sufficient information to enable the Employee Relations Representative or designee to determine whether the reason for the leave qualifies as catastrophic. This information will be maintained confidentially to the extent required by law. CAT leave requests for

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injury/illness must include supporting medical verification from a licensed physician. If the request is for a family member, it should also specify that the employee's attendance of the ill or injured family member is required. Leave requests must include the estimated date of return to work.

- G. Human Resources will solicit donations for CAT leave upon request. Donations are voluntary; coercion of fellow employees is strictly prohibited. Donations must be made on the Authority approved authorization form. All donations are irrevocable. Donations are taxable on the part of the recipient, in accordance with IRS regulations, and are subject to withholding as required by law.
- H. Donations must be a minimum of eight (8) hours. The Authority will convert the donor's PTO hours to a dollar equivalent amount. One hundred percent (100%) of that dollar amount will then be converted to hours, using the recipient's hourly wage, resulting in hours applied to the recipient's CAT pay.
- I. Health insurance coverage and retirement contributions will continue in the same manner as if the recipient employee was on sick leave. The recipient employee will not accrue EIB or PTO benefits while using catastrophic leave.
- J. Employees must be on an approved leave of absence in order to qualify for CAT leave pay donations. CAT leave shall be terminated when one or more of the following occurs:
 - 1. The employee has exhausted their approved leave entitlements for unpaid medical leaves of absence.
 - 2. Donated leave credits have been exhausted.
 - 3. Death of the ill or injured employee or subject family member.
 - 4. The employee returns to full-time, active Authority employment.
- K. The Catastrophic Leave PTO Donation Program for Catastrophic Conditions shall be administered by the Authority in a manner consistent with policy HRM-HR-604.00, the foregoing terms and conditions, and consistent with applicable law. The Authority agrees to notify SEIU of any changes to this policy and meet and confer on impact to employees. SEIU agrees to meet within 30 days of notification of changes. Agreed upon and undisputed changes to the policy will not require a re-opener of this MOU.

ARTICLE V – COMPENSATION AND WORK SCHEDULES

Section 1. Compensation - The Authority and the Union desire to make changes to the current salary administration practices and provide equity increases for Authority employees.

A. REVISED SALARY SCHEDULE:

- 1. Step increases will be automatically granted to the next higher step increment at an employee's next Performance Review Date, until an employee reaches the highest step level in their job classification.

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2. The parties agree to establish a 16-step salary range for the Hospital Staff Nurse, Correctional Staff Nurse, Correctional Juvenile Nurse, Wound & Ostomy RN, Nursing Implementation Standards Coordinator, Nurse Midwife, Clinical Nurse Specialist, Trauma Nurse Coordinator, Supervisor Clinical, Lactation Consultant II, Clinical Informatics Specialist, Lead Clinical Nurse, Nurse Practitioner, and Physician Assistant job classifications as opposed to the current eight (8) step salary range in effect for all other job classifications.
3. There will be a minimum 5.5% rate range increase for all other represented employees in 2022. Some job classifications have been identified as needing an additional “market” or “high turnover” adjustments of not less than 3%.
4. There will be a 3.25% increase for all job classifications effective with the beginning of the pay period immediately following July 1, 2023.
5. There will be a 3.25% increase for all job classifications effective with the beginning of the pay period immediately following July 1, 2024.
6. Paragraphs 2 and 3 above will be effective the first day of the biweekly payroll period following 30 days after approval of the MOU by the Board of Governors.
7. Upon the Union’s request, the Authority will meet and confer over salary ranges impacted by state minimum wage increases. In the event the parties are unable to reach agreement on any proposed changes to those salary ranges prior to the effective date of the minimum wage increase, the Union acknowledges that the Authority will adjust the pay rate to the new minimum wage in order to remain compliant with applicable law. The parties agree that changes to salary ranges agreed to in conjunction with state minimum wage requirements will not require a re-opening of this MOU.

B. MOU SIGNING BONUS

1. Full-time employees who are actively employed as of the date this MOU is approved by the Authority’s Board of Governors will receive a one-time signing bonus of \$1,000.00. Part-time employees will receive \$500.00.
2. This bonus will be paid out at the beginning of a pay period approximately 90 days from the date this MOU is approved by the Authority’s Board of Governors.
3. The signing bonus is non-pensionable for purposes of the KCERA defined benefit retirement plan.

Section 2 SIGN-ON BONUSES

- A. In order to remain competitive and attract the most qualified candidates, KMC may choose to initiate a sign-on bonus incentive when recruiting for certain job classifications. Examples of classifications that may be eligible could include positions where there is significant local competition for a specialized field (e.g., nursing, clinical technologists). Other classifications that may be eligible could include positions where recruiting has not produced satisfactory results and a temporary sign-on bonus could help attract qualified candidates.

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- B. Sign-on bonuses of less than \$6,000.00 will be paid out in three (3) equal payments, one-third upon hire, one-third after six (6) months, and one-third after 12 months. Payment of the installments is contingent upon receipt of an Employee Performance Report with a rating of 'Standard' or better for the 6-month and 12-month payouts. Employees who resign or are terminated prior to a payout date are not eligible to receive the next scheduled payout. Part-time employees shall be eligible to receive a prorated bonus determined by using the proportion of their units to that of a full-time employee.
- C. The Authority will provide SEIU with written notice of any proposed changes to the list of job classifications eligible to receive a sign-on bonus. SEIU agrees to meet within 30 days of a notice date if they desire to meet and confer over proposed changes. Agreed upon and undisputed changes to the list of eligible job classifications will not require a re-opener of this MOU.

Section 3. LONGEVITY PAY

- A. Permanent full-time and permanent part-time employees who have completed 10 years of continuous Authority service shall receive an additional 2% longevity pay on base wages.
- B. Permanent full-time and permanent part-time employees who have completed 15 years of continuous Authority service shall receive an additional 2% longevity pay on base wages (total 4%).
- C. Permanent full-time and permanent part-time employees who have completed 20 years of continuous Authority service shall receive an additional 2% longevity pay on base wages (total 6%).
- D. Permanent full-time and permanent part-time employees who have completed 25 years of continuous Authority service shall receive an additional 2% longevity pay on base wages (total 8%).
- E. Permanent full-time and permanent part-time employees who have completed 30 years of continuous Authority service shall receive an additional 2% longevity pay on base wages (total 10%).
- F. For subsections A, B, C, and D, continuous Authority service shall have the same meaning as presently used in applying PTO seniority date.
- G. For subsection E above, the term "years of service" shall mean years of service for the Authority as calculated by the Kern County Employees' Retirement Board in determining eligibility for retirement.
- H. An employee, who during the term of this MOU reaches an anniversary date for longevity pay, shall receive such pay beginning with the first payroll period following their anniversary date.

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Section 4. SHIFT DIFFERENTIAL

- A. A "shift" for the purpose of shift differential pay is defined as follows:

Night Shift - Time worked between the hours of 7:00 p.m. and 7:30 a.m.
- B. Shift differential only applies to non-exempt employees. Exempt employees are not eligible unless indicated otherwise within their job description.
- C. Group A - Shift differential pay for Registered Nurses, Licensed Vocational Nurses, Exempt Night Pharmacists (7/70 schedule), and Exempt Night Clinical Lab Scientists (7/70 schedule) shall be 10% of the employee's base rate of pay.
- D. Group B - Shift differential pay for all other eligible employees shall be 7.5% of the employee's base rate of pay.
- E. Only actual hours worked count for shift differential. In counting hours worked, the following are excluded:
 - 1. Any time off work, with or without pay (i.e., mealtime, vacation, sick leave, compensatory time off, etc., except rest periods).
 - 2. Time for which compensatory time off or overtime is earned.
- F. Employees must work at least two (2) hours within the designated shift times to be eligible for shift differential pay.

Section 5. ON-CALL PAY (called Availability Pay in KernLink)

- A. It is agreed by the parties that because of urgent situations, employees in certain classifications must frequently be available to report to work in the manner required by their department manager. Such employees shall be required to wear a communications device to ensure their availability. Employees who are on call must be able to report to work within 30 minutes of notification. Employees who do not report within the 30 minutes, forfeit on-call pay for all hours prior to arrival up to 24 hours.
- B. As compensation for being on call, to respond to such situations, those employees shall receive one-quarter of his/her hourly pay for the hours they are on call. Employees actually called back to work shall not receive the one-quarter pay for hours in which they receive full compensation, including any two-hour minimum call back pay.
- C. Employees who are called back to work shall be paid a two-hour minimum call-back pay, but if called back multiple times within the two hours, will only receive compensation for the two hours or the total time actually worked, whichever is greater. In no instance will an employee's total pay exceed 24 hours within any 24-hour period.
- D. Employees required to respond to phone calls but who are not required to return to work, shall only be compensated at one-quarter of his/her hourly pay for the hours they are on call, but shall receive their base rate of pay for the actual time spent on calls (2-hour minimum does not apply), rounded to the nearest tenth of an hour.

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- E. Employees who (due to their own illness) are unable to complete their shift (i.e., early departure from scheduled shift) or who are out on unscheduled PTO may, upon manager approval, be eligible to take call on that day.
- F. On-call compensation for exempt Advanced Practice Providers (APPs) will be paid at a flat rate of \$11.00 per hour. If called into work, an APP will be compensated at their hourly base rate of pay for actual time worked while on call. Employees called back to work shall not receive the on-call rate for hours in which they receive full compensation.
- G. The Human Resources department is authorized upon agreement with SEIU to add or delete additional classifications to those eligible for on-call pay, and shall maintain a list, which is incorporated by reference into this agreement.
- H. The Authority will provide SEIU with written notice of any proposed changes to the list of classifications eligible to receive on-call pay. If SEIU desires to meet and confer over any proposed changes, it agrees to do so within 30 days of receipt of a written notice date. Agreed upon and undisputed changes to the list of eligible job classifications will not require a re-opener of this MOU.

Section 6. CHARGE PAY, NURSE CERTIFICATION PAY AND PIC PAY

- A. Employees who are officially assigned the role of “Charge” by the KMC Chief Executive Officer or his/her designee, on any given shift or any position shall receive a premium pay in addition to their regular rate for every hour worked during that shift as follows:
 - RN rate = \$3.00 per hour
 - LVN, MA or other approved Charge = \$2.00 per hour
- B. Registered Nurses shall receive certification pay equal to 3% of their regular base salary for possessing and maintaining a nationally recognized certificate in the medical specialty in which they are working. Additional certification pay shall not be paid for obtaining more than one certification.
- C. Nurses administering chemotherapy, who have successfully completed the ONS certification or KMC-approved competencies will receive an additional hourly premium of \$2.50 per hour for hours worked in the administration of chemotherapy.
- D. Pharmacists designated by the KMC Chief Executive Officer or his/her designee as Pharmacist In Charge (PIC) shall receive PIC pay equal to 5% of their base salary.

Section 7. ACCOUNTANT CERTIFICATION PAY

Biweekly certification pay in the amount of 5% of base salary shall be paid to the job classification of Accountant I/II/III and Senior Accountant, provided the employee possesses one of the following certifications: Certified Public Accountant (CPA), Certified Fraud Examiner (CFE), Certified Internal Auditor (CIA), or Certified Information Systems Auditor (CISA). Additional certification pay shall not be paid for obtaining more than one certification.

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Section 8. SECURITY CLEARANCE PAY

- A. Employees assigned to work at correctional facilities operated by the County of Kern may be required, as a condition of assignment, to successfully pass a law enforcement background and security check before they will be allowed to work at one of the following facilities.
- Adult Justice Facilities listed in the contract for services between the Authority and the County of Kern
 - Juvenile Justice Facilities listed in the contract for services between the Authority and the County of Kern
- B. During the term of this MOU, employees who successfully pass the law enforcement background and security check will receive security clearance pay of \$2.00 per hour, in addition to their base rate of pay and any other applicable compensation, for actual hours worked at the correctional facility, not including travel time. This additional pay is offered in conjunction with and contingent upon the current contract between the Authority and the County of Kern, a separate entity, which provides for an additional \$2.00 per hour to those employees referenced herein.
- C. This special pay is intended to compensate employees who have successfully passed the security clearance that is required to work in one of the specified correctional facilities. Hours worked at other locations, hours paid but not worked, and other hours paid that are not for time actually worked at one of the correctional facilities listed above, do not qualify for security clearance pay.

Section 9. BILINGUAL PAY

In accordance with Authority policies and procedures, employees assigned to a designated position requiring verbal bilingual skills will receive \$25.00 per pay period. Employees in designated positions requiring both written and verbal bilingual skills will receive \$50.00 per pay period. Bilingual pay will be paid to designated employees for the duration of their assignment in a position where bilingual skills are a critical part of the employee's job. The Authority reserves the right to determine when bilingual skills are required for a job classification by cost center or operating unit. To be eligible for bilingual pay, employees must provide proof of competency through an approved test provider.

Section 10. NEW EMPLOYEE PREMIUM PAY

- A. “New Employee Premium Pay,” equal to 6% of base salary will be paid to employees hired on or after October 27, 2007, who are earning retirement service credit under Government Code section 31676.01, commonly referred to as 1.62% @ age 65.
- B. The six percent (6%) biweekly premium pay shall be calculated by multiplying the employee's hourly rate times the amount of hours the employee is paid during the pay period, including hours worked and paid time off but excluding overtime. Notwithstanding the foregoing and in addition to the provisions contained in Article VI, Section 3, employees will not receive the New Employee Premium Pay if, for any reason, the employee is earning service credit under the higher 3% @ age 60 benefit formula. Employees who choose to defer all or part of their 6% New Employee Premium Pay to the

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deferred compensation 457(b) plan will receive an employer match equal to the percentage deferred, up to 6%.

Section 11. REFERRAL BONUSES

- A. A permanent full- or part-time employee who refers a registered nurse to the Authority shall be paid a bonus of \$500 when the referred nurse commences work as a full-time or part-time registered nurse, provided that the nurse who was referred identifies the employee who referred him or her in the application for employment or other accompanying document.
- B. An employee who has received the bonus listed in Section 11(A) shall be paid an additional bonus of \$1,000 when the registered nurse who was referred successfully completes one year of service with an Employee Performance Report rating of 'Standard' or better. The year of service shall be calculated in the same manner as service is calculated for the longevity pay provided under Article V, Section 3.
- C. In the event more than one employee is identified as the referring employee in the manner described in Section 11(A), the referral bonuses described in Sections 11(A) and 11(B) shall be divided equally among the identified employees.
- D. Employees who are no longer employed as a permanent full-time or permanent part-time Authority employee when the bonus is due shall be ineligible to receive the bonus.

Section 12. CLINICAL EXCELLENCE PAY

The KMC Chief Executive Officer may authorize payments to Hospital Staff Nurses, Correctional Staff Nurses, and Utilization Review Nurses in accordance with the Clinical Excellence Program, provided that such payments shall not exceed ten percent (10%) of the nurse's base salary. The Authority will provide SEIU with written notice of any proposed changes to policy NRS-HR-1180, Nursing Clinical Excellence Program. If SEIU desires to meet and confer over the proposed changes, it agrees to do so within 30 days of receipt of a written notice date. If SEIU does not request or agree to meet within the specified timeline, the Authority will be authorized to proceed with the proposed change(s). Agreed upon and undisputed changes to the policy will not require a re-opener of this MOU.

Section 13. NURSE PRECEPTOR PAY

For purposes of this section, precepting shall be defined as time spent by experienced nurses who orient, instruct and supervise another nurse. or nursing student.

Registered and Licensed Vocational nurses who have been designated for the Nurse Preceptor Program shall receive a premium pay of \$1.50 per hour while serving in the capacity of a preceptor as directed by the KMC Chief Executive Officer or his/her designee.

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Section 14. EDUCATION EXPENSE REIMBURSEMENT PROGRAM

A. Eligibility.

The parties agree to the establishment of an expense reimbursement program for employees who are:

1. Students enrolled in an Associate Degree, Bachelor Degree, or Master's Degree nursing program; or
2. Students enrolled in classes that are prerequisites to being accepted into either an Associate Degree or Bachelor Degree nursing program.

B. The expenses must be incurred at a technical or professional school, college, or university with recognized credentials and approved by the KMC Chief Executive Officer or his/her designee. Correspondence schools belonging to the Western Association of Schools and Colleges may also qualify.

C. Reimbursement of the expenses would be made only after successful completion of the coursework.

D. Total reimbursement will not exceed \$3,000 in any 12-month period, to include textbooks and tuition.

E. The education expense reimbursement program will be administered in accordance with the education expense reimbursement policy, and which may be amended from time to time.

F. The KMC Chief Executive Officer or his/her designee will be responsible to administer the investment in nursing initiative in accordance with the terms set forth in this MOU.

Section 15. OTHER CERTIFICATION PAY

The Authority agrees to meet and confer with the Union regarding the Authority's certification pay practices and to consider possible additional certification and/or incentive pay programs.

Section 16. OVERTIME COMPENSATION

A. For purposes of this section, unless otherwise specified below, employees shall be eligible to earn overtime compensation for hours actually worked over a total of 40 hours in a workweek. Actual hours worked shall not include holidays or paid leave time (i.e. PTO, EIB, CTO or other compensated time away from the office where the employee is not actively working), but shall include rest periods and PTO-Flex.

B. During the term of this MOU, the Authority's policies and procedures regarding overtime, as they apply to employees, shall be observed and employees shall continue to be eligible to receive CTO in lieu of cash, up to the maximum of 120 hours.

C. Full-time employees who are regularly scheduled to work eight (8) hours per day, five (5) days a week will be eligible for daily overtime. All other employees will be eligible for overtime pay for hours worked in excess of 40 hours per week. Employees on an

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Alternative Work Schedule (AWS) may not be eligible for overtime in excess of 40 per week. (See Section 18.)

D. Limitations on Mandatory Overtime

The Authority and SEIU recognize that mandatory overtime is not desirable and may represent a burden on the employee. Acceptance of overtime, and shifts beyond the employee's schedule, shall be voluntary and in accordance with state law or regulations. Management will first seek volunteers to work overtime before mandating overtime. In the event no volunteers are available, management reserves the right to require overtime when patient care would be compromised or unsafe, when there is an internal or external emergency declared by state, local or federal government, or declared by an Administrator. An internal or external emergency, for the purposes of this section is defined as an unexpected situation or sudden occurrence of a serious and urgent nature that demands immediate action.

- E. Department managers will, when feasible, maintain a sign-up list of employees who desire to be given overtime or additional hours. When practicable, supervisors will first offer additional hours to employees in order of seniority who would not incur overtime.

Section 17. EXEMPT POSITIONS

- A. The Authority and SEIU agree to meet and confer within 30 days of either party proposing to exempt additional specific classification(s) from overtime eligibility, with the goal to come to mutual agreement on exemption status, if those classifications are designated exempt under the Fair Labor Standards Act. The Authority will retain the right to consider classification(s) exempt as allowed under the Fair Labor Standards Act. In no instance will the Authority designate a classification as exempt if it does not qualify under the Fair Labor Standards Act overtime exemptions.
- B. The positions of Nurse Practitioner and Physician Assistant (Advanced Practice Providers or APPs) are classified as exempt from overtime, reflecting their professional status under the Fair Labor Standards Act. Exempt APPs will be eligible to work extra shifts when approved by management without jeopardizing their exempt status. Compensation for an extra shift will be at the APP's regular base hourly rate for hours worked outside their normal schedule.
- C. The Union and the Authority shall, upon request, review the APP workload in the Labor Management Committee six months from the date salary range increases are implemented to address any areas that continue to experience excessive overtime.

Section 18. ALTERNATIVE WORK SCHEDULES (AWS)

- A. An Alternative Work Schedule (AWS) is a schedule where employees work hours different from the standard eight (8) hours per day, five (5) days per workweek. Examples of AWS include 9/80, 4/10, and 3/12. Non-exempt employees working an authorized AWS will be paid overtime for hours worked within a workweek that are in excess of 40 hours, excluding 8/80 and 9/80 schedules. For example, if a 3/12 employee works a fourth day for 12 hours, eight (8) of those hours will be paid at time and a half; a 4/10 employee who works 60 minutes of overtime on one of their 10 hour shifts and this results in a total of 41 hours worked in the workweek, the 4/10 employee will be paid one hour of overtime.

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- B. The Union and the Authority agree that the Authority may implement Alternative Work Schedules in any unit based on business needs. The parties agree to maintain all existing alternative workweek schedules currently in effect unless the Authority determines that there is a business need to modify the schedule. The Authority agrees to provide 14 days' written notice to employees when modifying an AWS, with a copy to SEIU.
- C. In departments where business needs do not drive the need for the Authority to propose an AWS but employees in a common job classification within the same department desire to work an AWS, the employees may submit a written request to the Human Resources department who will, together with the department manager and administration, evaluate the impact of the request. If it is determined that the requested AWS is feasible, employees will be allowed to work a modified schedule. At least 2/3 of the eligible employees must be willing to work the schedule. In cases of hardship, employees may request, and shall be granted whenever possible, to continue their same shift in a unit or work area that converts to an alternative workweek schedule. Once implemented, an elective AWS may not be revoked for 12 months unless the Authority determines in its sole discretion that there is a business need to modify the schedule.
- D. Full-time, exempt employees designated in a night shift position (currently Pharmacists and Clinical Lab Scientists) may be assigned a 7/70 schedule, with approval from the KMC Chief Executive Officer or his/her designee. A 7/70 schedule allows for the exempt employee to work seven (7) 10-hour days in a work week followed by seven (7) days off, while remaining a full-time employee. All 7/70 employees will receive all holidays and 100% service credit for retirement, based on the salary received as a 7/70 employee. Accruals, including PTO and EIB will be based on hours worked.

Section 19 FLEXING OF CLINICAL STAFF

- A. All staff providing direct patient care may have their hours reduced, at the discretion of the KMC Chief Executive Officer based on a drop in the patient census or due to fiscal constraints consistent with current practice. Employees shall not be paid for hours not worked as a result of their reduced hours. Seniority, PTO, and EIB will continue to accrue on a full-time basis during the hours not worked as a result of flexed hours, provided the employee elects to use Flex-PTO for the hours reduced. Health plan benefits eligibility shall continue on a full-time basis during the hours not worked as a result of the employee's flexed hours. The Authority will not flex employees beyond 20 hours in a workweek. Eligible employees who are cancelled may take the day off without pay or use PTO or CTO (where applicable) at the employee's discretion.
- B. If staff must be flexed, the Authority will first flex staff in accordance with nursing policy NRS-LD-1160.00.
- C. Depending on experience and skill mix needed, if seniority can be used to determine which individuals will be flexed, the Authority agrees to use reverse seniority to determine which staff members are flexed. Provided there is a need and competency, the Authority will offer the employee to be flexed the option to float to another work unit. Employees who are flexed may be allowed to complete further training or education to improve their skill set in lieu of being flexed, provided resources are available for the training at the time the employee is flexed and the supervisor approves the training time. If a computer is available and required for the training/education, a workstation will be provided.

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- D. The Authority will provide SEIU with written notice of any proposed changes to policy NRS-LD-1160.00. If SEIU desires to meet and confer over any proposed changes, it agrees to do so within 30 days of receipt of a written notice date. Agreed upon and undisputed changes to the list of eligible job classifications to be flexed will not require a re-opener of this MOU.
- E. Temporary Reassignment of Licensed Nursing Staff (Floating) - The Authority and the Union agree that Policy No. NRS-LD-1164.03 (Temporary Reassignment of Licensed Nursing Staff) shall be incorporated by reference into this MOU. The Authority will provide SEIU with written notice of any proposed changes to this policy. If SEIU desires to meet and confer over any proposed changes, it agrees to do so within 30 days of receipt of a written notice date. Agreed upon and undisputed changes to the list of eligible job classifications will not require a re-opener of this MOU.
- F. Subject to the provisions of the County Employees Retirement Law of 1937, credit for service for retirement purposes shall be provided on a full-time basis notwithstanding reduced hours worked pursuant to this section; provided that the full amount of the employee's normal contribution, which the employee is required to pay, is paid by the employee.

Section 20 FLEXING OF NONCLINICAL STAFF

- A. If practicable, after exercising every effort to avoid daily cancellations, it may be necessary to require an employee to take time off without pay during temporary periods of low census or on other occasions when staffing needs to be adjusted on a temporary basis. Seniority, PTO, and EIB will continue to accrue on a full-time basis during the hours not worked as a result of an employee's reduced hours, provided the employee elects to use Flex-PTO for the hours reduced. Health plan benefits eligibility shall continue on a full-time basis during the hours not worked as a result of the employee's reduced hours. The Authority will not flex employees beyond 20 hours in a workweek. Eligible employees who are cancelled may take the day off without pay or use PTO or CTO (where applicable) at the employee's discretion.
- B. When flexing of staff occurs, volunteers will be solicited. If staff must be flexed the following order for all nonclinical staff: volunteers, extra help staff, per diem staff, contractors, staff working overtime, part-time staff, and full-time staff.
- C. Subject to the provisions of the County Employees' Retirement Law of 1937, credit for service for retirement purposes shall be provided on a full-time basis notwithstanding reduced hours worked pursuant to this section; provided that the full amount of the employee's normal contribution, which the employee is required to pay, is paid by the employee.

Section 21. REST AND MEAL PERIODS

- A. To the best of its ability, the Authority will provide employees who work scheduled shifts of five (5) hours or more a duty-free unpaid meal period of at least 30 minutes. Employees who work in excess of five (5) hours but less than six (6) hours may voluntarily waive the meal period, but must request a waiver in writing no later than the end of their scheduled shift. Each employee shall be granted, when practical, a paid rest period of 15 minutes

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during each 4-hour work period. Employees who work more than 10 hours may be granted three (3) 15-minute break periods. In the event an employee is not provided their 30-minute unpaid meal period, they will be compensated for time worked.

- B. Employees who elect to waive their meal period must complete a request form that is approved by their supervisor or designee. A copy of this request form signed by the supervisor or designee must be provided to the payroll approver with a copy sent to the payroll department prior to the end of the pay period in which the request applies.
- C. Combining or stacking breaks or using a rest break to arrive late or leave early is not permitted.

Section 22. POSTING OF SCHEDULES

- A. Schedules will be posted no fewer than 10 days in advance of the schedule.
- B. After the schedule has been posted, an employee's schedule will not be changed without the employee's knowledge and consent, except in case of an urgent or emergent need. Upon request by an employee, the Authority shall provide a hard copy of the posted schedule to the employee.
- C. The Authority shall attempt to schedule employees off on two (2) consecutive days each week when feasible. The Authority shall also attempt to schedule employees off every other weekend unless the employee is hired specifically to work weekends or the employee volunteers to work weekends. Employees on an AWS that includes weekend rotations or pay policies that include weekend work are exempt.

Section 23. REPORT PAY

An employee required by the Authority to report to work and who does report, but is notified by the Authority that they are being flexed will be utilized and paid for no fewer than two hours at the employee's regular rate of pay. If the employee is offered work and elects to go home, then he/she shall receive no report pay.

Section 24. SHIFT TRADES

- A. Scheduled employees may trade shifts or days provided that the manager approves and that the trade does not result in increased overtime or extra shift premium costs for the Authority.
- B. Trades must be made with an employee with the required qualifications and competencies who normally performs work in the same classification. Trades with part-time or per diem, registry or on-call or casual employees will be allowed.

Section 25. UTILIZATION OF NURSING STAFF

The Authority and the Union agree that policy NRS-LD-1160.00, Utilization of Nursing Staff and Staffing shall apply. The Authority will send written notice to the Union of any proposed changes to the policy and meet and confer upon request prior to making any

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changes, which affect the terms and conditions of employment of the nursing staff. Any change to this policy will not require a re-opener of this MOU.

Section 26. OUT OF CLASS PAY

- A. Employees may be temporarily assigned to perform duties in a higher or lower salary classification for up to two (2) full pay periods without changing the employee's position classification or salary. Out-of-class assignments may occur when the incumbent is incapacitated or when a permanent employee is temporarily not available.
- B. All out-of-class assignments beyond the two (2) pay period time frame must have approval of the Vice President, Human Resources and must be in the best interest of the Authority. Out-of-class assignments are considered an opportunity for employees to gain additional skills and knowledge to help them further their career.
- C. Requests for out-of-class assignments (beyond two pay periods) should include a statement of justification and the estimated dates of the assignment. Departments shall not use out-of-class assignments in lieu of filling vacant positions through the normal recruitment process, however, out-of-class assignments may be used while the department is actively recruiting for a replacement.
- D. Employees assigned out-of-class assignments that exceed two (2) full pay periods shall receive out-of-class pay effective the first day of the first full pay period following the date of the assignment. Out of class assignments and any related compensation will automatically terminate at six (6) months from the original date of assignment unless prior approval from the Vice President, Human Resources for an extension beyond the six (6) month period is given. Out-of-class assignments may be terminated at any time prior to the six (6) month maximum, as business needs dictate.
- E. Compensation for out-of-class assignments will be the new temporary base salary for the position in which the employee is filling in for a higher job classification. The compensation shall be at least one (1) step level increment higher than the employee's current base salary. If the out-of-class assignment is in a position with a lower base salary, the employee will continue to receive his/her regular pay. The employee returns to his/her regular position and salary range with the temporary assignment ends.
- F. Employee anniversary dates will not be impacted by an out-of-class assignment.

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ARTICLE VI – BENEFITS

Section 1. SENIORITY

- A. Definition - Seniority shall be defined as the length of uninterrupted service with KMC (inclusive of time when KMC was a department of the County of Kern) in a regular, permanent position.
- B. Termination of Seniority - an employee's seniority shall be terminated by one of the following:
 - Resignation or termination for any reason

Section 2. MEDICAL/DENTAL/VISION/PRESCRIPTION DRUG

- A. All employees covered by this MOU shall be required to pay, by payroll deduction, 20% of the insurance premium for the employee and their dependent's medical, dental, vision and prescription insurance (hereafter collectively referred to as "health insurance"). (All insurance premiums referenced in this subsection shall equal 98% of the applicable COBRA premium.)
- B. New employees may decline coverage under the Authority's health insurance provided that the employee executes a declaration, in a form acceptable to the Authority, in which the employee: (i) declares that the employee has medical insurance coverage for the employee; and (ii) declines coverage under the Authority's health insurance program for the employee and the employee's dependents. New employees who decline coverage may not enroll in the Authority's health insurance program until the next open enrollment period. New employees who have not declined coverage shall have the option of obtaining Authority health insurance for the new employee's dependents. In the event that such employees opt to obtain health insurance for dependents, the employee shall be required to pay, by payroll deduction, 20% of the appropriate premium for dependents. The health insurance program offered to new employees and their dependents shall consist of four components: medical, dental, vision and prescription drug coverage. That program must be accepted or declined in its entirety. It is not permissible to pick and choose among those components.
- C. The Authority will continue to provide an annual open enrollment for employees to change health insurance plans and/or enroll eligible dependents.
- D. The Authority will continue to provide medical/dental/vision and prescription drug coverage as described in the Summary Plan Documents maintained by the third-party administrators, which may be revised from time to time in accordance with law.
- E. Retiree Stipend Program and Retiree Health Premium Supplement Program (RHPSP)
 - 1. Participation in the RHPSP is discontinued for employees hired on or after March 15, 2016.
 - 2. Employees who discontinued participation in the RHPSP prior to March 15, 2016, are eligible, solely upon retirement from the Authority, to receive an employer contribution to a Health Reimbursement Arrangement managed by the County in the following manner:

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- a. The employer contribution is equivalent to the amount the employee has had deducted from his or her pay to RHPSP since payroll period 12-16 (August 11-24, 2012) until the last payroll period deduction.
 - b. Employees who opt out and retire at or after age 70 will not receive any employer contribution.
3. Employees hired prior to March 15, 2016, who do not opt-out of the RHPSP, shall continue to participate in the RHPSP under the following terms:
- a. Employees shall contribute to RHPSP at the contribution rate of 2.12% of base salary.
 - b. Employees hired at age 45 years or older continue to be excluded from participation in the RHPSP because they could never receive a benefit.
 - c. Solely upon retirement from the Authority after age 50 and with a minimum of 20 years of service, employees shall be eligible for a supplement toward Authority retiree health care premiums in the following amounts:

| | |
|-----------------------|--------------------|
| 20 years of service | \$441.04 per month |
| 21 years of service | \$529.24 per month |
| 22 years of service | \$617.45 per month |
| 23 years of service | \$705.66 per month |
| 24 years of service | \$793.86 per month |
| 25 + years of service | \$882.07 per month |
 - d. "Years of service" is defined in the plan document.
 - e. Any employee with five or more years of service who retires, or retired, on or after January 1, 1997, due to a service-connected disability pursuant to the County Employees' Retirement Law of 1937, will become eligible for 100% of the available benefit regardless of age. The enhanced benefits shall only apply from July 1, 2000 and thereafter. No retroactive benefits shall be paid.
4. Employees who are ineligible to participate or opt-out of participating in the RHPSP will also be ineligible for the Retiree Stipend Program.
- F. The Authority will provide life insurance coverage for covered employees in the amount of \$10,000 per employee. SEIU understands that the Authority may undertake an RFP process in order to maintain the coverage.

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Section 3. RETIREMENT

- A. On December 7, 2004, the Kern County Board of Supervisors adopted Resolution No. 2004-436 making Government Code section 31676.17, commonly referred to as 3% @ age 60, applicable in Kern County effective January 1, 2005. Pursuant to Government Code section 31678.2 and as agreed in the 03-07 CCAPE MOU, service credit earned or purchased during County/Authority employment prior to January 1, 2005 shall be subject to the 3% @ age 60 benefit formula for general members of the Kern County Employees' Retirement Association who retire on or after January 1, 2005 except for employees hired on or after October 27, 2007 (hereafter "Post October 27, 2007 Employees"), or as required by law.

- B. All employees hired prior to August 7, 2004 shall pay one-third of their normal contributions to retirement. The Authority shall not modify this subsection unless such modification is agreed to in a subsequent MOU.

- C. All employees hired prior to August 7, 2004 shall pay one-third of their normal contributions to retirement. The Authority shall not modify this subsection unless such modification is agreed to in a subsequent MOU.

- D. All eligible employees hired or rehired on or after August 7, 2004 (hereafter "Post August 7, 2004 Employees") shall pay 100% of the employees' normal contributions to retirement. Employees who have accrued years of service prior to being hired or rehired on or after August 7, 2004, shall pay 100% of the employees' normal contributions to retirement.

- E. Post October 27, 2007 new hires shall receive the following:
 - 1. Pursuant to Resolution No. 2007-420 adopted by the Kern County Board of Supervisors on October 23, 2007, a defined benefit pension as described in Government Code section 31676.01 commonly referred to as 1.62% @ age 65.

 - 2. A 457(b) defined contribution plan, as part of the existing Kern County Deferred Compensation Plan, wherein the Authority will match employee biweekly contributions (hereafter "match") not to exceed 6% of base salary.

 - 3. Subject to the limitation contained in subsection (b) below, the Authority shall contribute a biweekly amount, equal to the biweekly amount that the employee contributes, to the Kern County Deferred Compensation Plan.

 - 4. The 6% maximum biweekly match shall be calculated by multiplying the employee's hourly rate times the amount of hours the employee is paid for during the pay period including hours worked and paid time off but excluding overtime. Notwithstanding the foregoing, in no event shall the Authority pay the match, or any portion thereof, if the payment of the match, or portion thereof, will cause the employee to exceed any applicable IRS limitations of contributions to the Kern County Deferred Compensation Plan.

 - 5. This MOU does not create a vested right to a continued match beyond expiration of this MOU. However, the benefit will continue beyond the expiration date of this MOU subject to the then current collective bargaining laws and rules.

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6. If for any reason, including but not limited to a redeposit under current law, a new employee becomes eligible to receive service credit at the higher 3% @ 60 benefit formula, the new employee shall repay the Authority the amount of the match received plus the amount of 6% premium pay received, under Article V, Section 7 (E), of this MOU for the period of service during which the employee is credited under the higher benefit formula. It is the purpose of this subsection (d) to prevent a windfall wherein a new employee receives premium pay, the match plus the higher benefit formula as opposed to the formula contained in Government Code section 31676.01.
- F. Except for Post October 27, 2007 Employees, employees' normal contributions shall be as provided in Government Code section 31621.8. Post October 27, 2007 Employees' normal contributions shall be as provided in Government Code section 31621.
- G. Notwithstanding subsections A and C, eligible employees rehired after retirement prior to October 27, 2007 shall continue to have their retirement benefits computed pursuant to the provisions of Government Code section 31680.7, adopted by the Kern County Board of Supervisors on August 21, 2001. Employees hired or rehired on or after October 27, 2007 shall, upon rehire after retirement, have their retirement calculated in accordance with Government Code sections 31680.4 and 31680.5, as set forth in Resolution #2007-420 previously approved by the parties to this MOU and formally adopted by the Kern County Board of Supervisors on October 23, 2007, providing that such employees' rates of contributions and retirement allowance shall be determined as if the employee was first entering the Kern County Employees' Retirement Association.
- H. In accordance with Government Code Section 31641.95, on April 15, 1997, the Kern County Board of Supervisors adopted a resolution permitting employees to purchase retirement credit for all legally eligible prior public service. All purchases of retirement credit shall be in accordance with the rules and regulations of the Kern County Employees' Retirement Association and the Government Code.
- I. This MOU does not create a vested right to continued Authority payments of employee contributions that is independent of this or successor MOUs. The terms and conditions will remain in full force and effect until final approval of a successor MOU or the parties reach impasse and exhaust all legally required impasse resolution procedures.
- J. Employees who, in good faith, have designated an effective date of retirement from Authority service may roll over their accumulated PTO and EIB balances to the Kern County Employees' Retirement Association no earlier than three (3) months prior to the designated date of retirement. This rollover shall be for the sole express purpose of receiving credit in the KCERA retirement system for all legally eligible prior public service.
- K. In addition to the ability to roll over accumulated PTO and EIB in the manner described in subsection I above, employees may also roll over their accumulated PTO balance (only) for the sole express purpose of receiving credit in the KCERA retirement system for other qualified service one time during the employee's tenure as an Authority employee. The employee must submit a written request to the Human Resources department no later than April 1 prior to the fiscal year in which the employee intends to roll over such amounts. The Human Resources department may, at its sole discretion, waive the April 1 filing deadline for any employee.

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- L. The parties agree to form a Mutually Beneficial Joint Committee that will discuss items of interest, including options for changes to the current defined benefit plan.

Section 4. GOLDEN HANDSHAKE

A. Preamble

WHEREAS, if the Authority recognizes a revenue shortfall that occurs during the term of this MOU and said shortfall requires a reduction in the number of Authority employees, causing the layoff of permanent Authority employees represented by SEIU. Consequently, the Authority and SEIU have agreed to exercise the provisions of Government Code Section 31641.04 of the County Employees Retirement Law of 1937 ('37 Act) (commonly called the Golden Handshake) adopted by Kern County Ordinance G-5621 on September 21, 1991, to mitigate, where possible, the numbers of employees that must be laid off.

B. Criteria

The Authority and SEIU further agree to the implementation of Government Code Section 31641.04, the Golden Handshake, subject to the following criteria:

1. The offering will be made only to eligible members holding positions within the departments specified by Resolution adopted by the Authority's Board of Governors, and whose retirement would logically prevent the layoff of a less senior employee. In no instance will the Authority be required to make the offering, if the said offering would foreseeably result in an operational detriment.
2. The number of employees offered a Golden Handshake within a department and classification, or classification series or logical progression of classifications will be limited to the number of position deletions necessary to achieve the financial objectives of the specified departments. In no event will the resultant retirements exceed the number of positions deleted.
3. In the event the operation of criterion 2 above, results in an excess number of employees desiring to participate in the Golden Handshake, the eligible employees will be offered the retirements in descending order of Authority seniority as defined in HR-HRM-304.00, Reduction in Force policy.
4. The Authority will be allowed the discretion to determine the classifications and number of eligible employees (within the criteria stated above) to which this offering will be made. This discretion, however, must be applied reasonably within the stated goal, whenever possible, to avoid the layoff of a permanent employee.

C. Paid Leave Balances for Golden Handshake Participants

The Authority and SEIU further agree, notwithstanding the provisions of any other existing MOU, statute, rule or ordinance, to pay earned PTO and EIB to any approved participant of the Golden Handshake program as follows:

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1. Earned EIB payoffs, in the same manner as provided in Article IV, Section 2(H) of this MOU
2. Earned PTO payoffs, as provided by law.
3. Any retiring employee may elect to request a salary advance against his/her accumulated EIB or PTO pay off balance for the purpose of buying back any eligible prior service time, as permitted by the applicable Kern County ordinance. An advance may be made up to the total amount needed, after the deduction of payroll taxes, as determined by KCERA, to buy back eligible service time in order to receive credit in the KCERA retirement system. Any remaining balance of accumulated EIB or PTO credit.

D. Disputes on Golden Handshake Provisions

Because of the time lines involved in this program, the parties agree to the following procedure for the resolution of any disputes that may arise from application of Article VI, Section 3 of this MOU.

1. A three (3) person panel comprised of the KMC Chief Executive Officer, the Vice President of Human Resources or his/her designee, and the Regional Director of the SEIU, will be formed to adjudicate disputes.
2. An employee who believes he/she has been aggrieved by execution of this Section of this MOU may submit his or her complaint in writing to the Vice President of Human Resources, who will call a meeting of the above-referenced panel.
3. The complainant and his/her representative may appear before the panel and present relevant evidence and/or argument to support his/her claim.
4. A complaint must be submitted within five (5) calendar days of the employee's belief that he/she has been aggrieved.
5. The panel will reach a decision on the complaint and said decision of the panel will be final and binding upon the parties.
6. The authority of the panel to adjudicate disputes based upon operation of this MOU will terminate with this MOU.

Section 5. PROFESSIONAL FEES

The Authority agrees to pay 100% of a required fee, not to exceed \$500, to each Authority employee who is required by a state or federal agency to maintain a license or registration in order to remain eligible to perform the duties of his or her current job classification. This provision shall not apply to a driver license. In the event the required license or registration is for more than one year, the Authority will pay the required fee except that the Authority shall not pay any amount in excess of the total of \$500 per year for each year of the license or registration.

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Section 6. UNIFORM ALLOWANCE

- A. Certain permanent full-time and part-time employees are required by Authority policies and procedures to wear specific uniforms. The Authority will determine the number of uniforms, and methods and amounts of procurement. Payment for uniform allowance shall be for active duty periods only.
- B. The Authority agrees to reimburse employees for actual costs of replacement of uniforms, or portions thereof, whenever a change in uniform makes it necessary for employees to purchase new uniforms or portions thereof.
- C. The following classifications shall be provided, through a uniform supply company, either three (3) or five (5) shirts, and/or three (3) or five (5) pants, or smocks and/or coveralls per week, as required by the Authority's uniform policy:

| | |
|---------------------------------|---------------------------|
| Air Conditioning Mechanic | Maintenance Carpenter |
| Building Services Worker Series | Maintenance Electrician |
| Cooks | Maintenance Painter |
| Food Service Worker Series | Maintenance Plumber |
| Groundskeeper Series | Maintenance Worker Series |
| Mail Clerk Series | Stock Clerk |
| | Storekeeper Series |

- D. The uniform allowance will be payable biweekly with the annual allowance divided by 26.
- E. The Authority shall provide patches and chevrons for uniforms.

Section 7. TRAVEL EXPENSE

Employees who are required to travel on business for the Authority will be reimbursed in accordance with the Employee Travel and Business Expense Reimbursement policy #FIN-IM-160.

Section 8. TOOL ALLOWANCE

Authority will provide any tools required to be used.

Section 9. FLEXIBLE SPENDING ACCOUNT (FORMERLY KNOWN AS KERN\$FLEX I)

- A. The employees covered by this MOU continue to be eligible to participate in the flexible spending account Cafeteria plan known as KERN\$FLEX I which is maintained to meet the appropriate requirements of Sections 105, 106, and 129 of the Internal Revenue Code of 1986, as amended. KERN\$FLEX I includes flexible spending accounts for dependent care expenses, unreimbursed medical expenses, a premium reduction component for employee contribution to Authority health insurance programs, and other specified insurance programs.
- B. The administration of KERN\$FLEX I will be regulated by the Plan Document as adopted, and periodically amended, by the Kern County Board of Supervisors and by the applicable state and federal laws.

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- C. Employer cash contributions will not be a component of KERN\$FLEX I.

Section 10. CONTINUING EDUCATION REQUIREMENTS

- A. The Authority may provide expense reimbursement of up to \$1,000.00 per covered employee per calendar year for attendance at off-site mandatory continuing education training required to maintain a state license and/or for purchase of approved educational materials including, but not limited to, books, audio/video tapes and software programs. Reimbursement must be approved by the employee's department manager, and will only be approved if: (1) the training is held during the employee's regular work hours, (2) the training falls within their work specialty, (3) the training cannot be provided in-house at a lower cost, and (4) the training is beneficial to the operations of the employee's department.
- B. Advanced Practice Providers (APPs) are eligible for reimbursement of off-site mandatory continuing education at the rate of \$2,000.00 per calendar year.
- C. The Authority will reimburse employees for costs associated with pre-approved, mandatory off-site education.
- D. Departments with employees who have recurring mandatory continuing education needs will be required to pursue an in-house training program that will meet the needs of its employees at no cost to the Authority or employee.

ARTICLE VII - RECOVERY OF OVERPAYMENTS OR CORRECTION OF
UNDERPAYMENT OF WAGES OR EMPLOYEE BENEFITS

- A. If, as a result of an administrative error, any employee receives payment of monies or receives benefits in excess of that legally due, the employee will reimburse the Authority by one of the following methods after the employee elects solely in his/her discretion, to use one of the following methods to reimburse the Authority by signing a "Payroll Correction - Overpayment":
 - 1. Repayment in cash, net of taxes, in full or by a fixed installment plan agreed to by the employee and the Authority after the employee is provided documentation of the error, notice, and the opportunity to object;
 - 2. Repayment in full, deducted from the paycheck issued to the employee after the employee is provided documentation of the error, notice, and the opportunity to object. This option will only be used by the Authority, after due consideration of the amount to be deducted and the amount of disposable earnings available to the employee;
 - 3. Repayment by the reduction of accumulated PTO hours and/or CTO hours by the number of hours calculated to produce a dollar amount, net of taxes, to repay the Authority after the employee is provided documentation of the error, notice, and the opportunity to object;
 - 4. Repayment by fixed installment deductions from sequential paychecks, after the employee is provided documentation of the error, notice, and the opportunity to object. The number and amount of the installments will be

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determined by the Authority, after due consideration of the amount of the overpayment and the amount of disposable earnings available to the employee; or

5. Any combination of the above, as mutually agreeable to the employee and the Authority.
- B. If, as a result of an administrative error, any employee of the Authority receives payment of monies or benefits less than that legally due, the Authority will reimburse the employee by one or more of the following methods:
1. An employee who is underpaid on a paycheck will receive a corrected payment in the next available payroll cycle. Amounts greater than \$2,000 will be processed as a separate check in the next payroll cycle.
 2. In the event an employee is underpaid a substantial portion of monies or benefits legally due on a paycheck, the Authority may issue a salary advance at the request of the employee.
- C. Disputes regarding application of this section shall be resolved pursuant to the Grievance and Arbitration Procedure. Collection of the disputed amount will be held in abeyance until such grievance is adjudicated.

ARTICLE VIII - GRIEVANCE AND ARBITRATION PROCEDURE OBJECTIVES

- A. **OBJECTIVES:**
1. To informally settle disagreements at the employee-supervisor level;
 2. To provide an orderly procedure to handle the grievance through each level of supervision;
 3. To correct, if possible, the cause of the grievance to prevent future complaints;
 4. To promote harmonious relations among employees, their supervisors, and departmental administrators;
 5. To assure fair and equitable treatment of all employees; and
 6. To resolve grievances at the departmental level before appeal to higher levels.

- B. **DEFINITIONS:** The following terms, as used in this Article, shall have the following meaning:

Grievance: A complaint by an employee, alleging a violation of this MOU, rules and regulations or policies governing personnel practices and working conditions. A grievance may also be filed when the employee believes an injustice has been done because of an unfair application or deviation from a departmental policy.

Day: Calendar day, exclusive of Saturday, Sunday, and Authority holidays.

Employee: Any represented employee currently employed by the Authority, regardless

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of status.

Immediate Supervisor: The person who assigns, reviews, or directs the work of an employee.

Superior: The person to whom an immediate supervisor reports.

Representative: A person who appears on behalf of the employee.

Department Head/Appointing Authority: The officer or employee having charge of the administration of a department of the Authority.

C. EXCLUSIONS

1. Work assignments, unless the complaint arises out of an allegation that the employee was required to work out-of-classification and did not receive out-of-classification pay, or unless there is evidence the assignment of work is a form of disciplinary action.
2. Classification and salary matters relative to classifications.
3. Appeals involving demotions, dismissals, salary increment denials, suspensions, promotions, separations, and recruiting procedures.
4. Authority policy questions, including subjects involving newly established or amendments to existing Board of Governors' resolutions, ordinances, or minute orders, unless the allegation is that they are not uniformly administered or that implementation would violate terms and conditions of the MOU.
5. Work performance evaluations.
6. Impasses in meeting and conferring upon terms of a proposed MOU.
7. Grievances filed after 20 days from date of occurrence, or after 20 days from the date the employee had knowledge of an occurrence (but in no case later than one (1) year from date of occurrence).

D. TIME LIMITS

Time limits are established to settle grievances quickly. Time limits may be extended by agreement of the parties. If the grievant is not satisfied with the decision rendered, it shall be the grievant's responsibility to initiate the action which submits the grievance to the next level of review within the time limits specified. Failure of the employee to submit the grievance within the time limits imposed shall terminate the grievance process, and the matter shall be considered resolved. Failure of the Authority to respond within the time limits specified will allow the grievant to submit the grievance to the next higher step of the grievance procedure.

E. THE PARTIES' RIGHTS AND RESTRICTIONS

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1. A party to the grievance shall have the right to record a formal grievance meeting at the expense of the requesting party.
2. The grievance procedure shall not limit the right of any employee to present a grievance individually.
3. An employee may have a representative present at all steps of the grievance procedure.
4. Reasonable time in processing a grievance will be allowed during regular working hours with advanced supervisor approval. Supervisory approval will not be unreasonably withheld.
5. Only a person selected by the employee from within a recognized employee organization and made known to management prior to a scheduled grievance meeting shall have the right to represent or advocate as an employee's representative.
6. Nothing within this grievance procedure shall be construed as limiting the right of management to manage the affairs of the Authority.
7. Grievances of an identical nature concerning the same subject matter may be consolidated.
8. No employee shall be disciplined or discharged without just cause.

F. INFORMAL GRIEVANCE DISPOSITION

Within 20 days from the occurrence of the issue that gave rise to the complaint, or within 20 days from the employee's knowledge of the occurrence (but no later than one (1) year from the date of occurrence), an employee will promptly and informally meet to discuss the complaint with his/her immediate supervisor. In those circumstances where the nature of the complaint involves the immediate supervisor, the employee may informally discuss the complaint with the next higher level of supervision. Such initial discussion shall precede the use of the formal grievance procedure. If the supervisor fails to reply to the employee within five (5) days of the meeting, or if the employee is not satisfied with the decision, the employee may utilize the formal grievance procedure.

Grievance forms are available in the department for this purpose.

G. FORMAL GRIEVANCE PROCEDURE

Step 1. The grievance form and any supporting documents shall be delivered to the supervisor with whom the informal meeting was held no later than five (5) days from receipt of the supervisor's informal response or within 10 days from the close of the informal meeting if no decision is rendered. The formal grievance procedure shall be initiated by the employee, stating the nature of the grievance, the alleged violation by section or number, if any, and the desired solution, in writing on the grievance form, together with any supporting documents attached to the grievance form.

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The supervisor shall hold a formal meeting with the employee within five (5) days of the receipt of the formal grievance to review the facts, gather all supporting documents, discuss the complaint and desired solution, and discuss the proper appeal procedure.

The supervisor will issue a written decision on the original grievance form within five (5) days of the close of the formal meeting.

Step 2. If the employee feels the immediate supervisor has not resolved the grievance, the employee may appeal to the next higher level of supervision and department head jointly. At this time, all supporting documents and evidence relative to the grievance shall be included with the appeal and made known to both parties. The person occupying the next higher level of supervision (identified by the department), together with the department head, shall hold a formal meeting with the employee and his/her representative, if requested, within 10 days from the date of the appeal receipt, and attempt to settle the grievance.

A decision shall be made, in writing, on the original grievance form to the employee by the department head within ten (10) days from the close of the formal meeting.

Step 3. If the employee is not satisfied with the decision of the department head, he may appeal the decision to the Employee Relations Representative (ERR) within five (5) days from receipt of the department head's decision. In his/her appeal to the ERR, all supporting documents must be attached to the grievance form, together with the grievant's reason for appeal and stated remedy requested.

The ERR or his/her designee will review the original grievance, all supporting documents, the department head's response, and the remedy requested, and issue a written decision within 10 days of receipt of the grievance.

If the employee is not satisfied with the decision of the ERR or his/her designee, the employee may, within 30 days of receipt of the decision, submit the grievance through the Union to arbitration by written request to the ERR. In the event the Union determines not to advance a matter to arbitration, the employee shall have no independent right to advance the matter to arbitration.

If the grievance is submitted to arbitration, the grievant, his/her representative, if any, and the ERR, or his/her designee, shall, within five (5) days of receipt of the grievant's request, set a date for a meeting to:

- 1) Attempt to settle the grievance.
- 2) Agree to any stipulations.
- 3) Agree upon the issue statement. (Issue statement will reflect issue as presented in original grievance as written on grievance form.)
- 4) Select an impartial arbitrator.

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H. SELECTION OF THE ARBITRATOR

1. If the parties fail to agree on an arbitrator, a list of five (5) neutrals will be jointly requested from either the Federal Mediation Service, the State Mediation and Conciliation Service, or the American Arbitrator's Association. The agency will be mutually selected.
2. The parties shall select a neutral by alternately striking a name from the list, with the remaining name being the selected neutral. Should both parties agree that the first list submitted is unsatisfactory; the parties may request a second list.
3. The arbitration procedure will be informal and private. The arbitration procedure shall not be bound by any of the rules of evidence governing trial procedure in state courts.
4. The arbitrator will not have the power to add to, subtract from, or otherwise modify the provisions of any MOU, Rules, Regulations, policies or procedures of the Authority.
5. The arbitrator will confine himself/herself to the issue submitted.
6. The arbitrator's decision shall be binding upon all parties and any monetary settlement awarded to the employee by the arbitrator shall be limited to no more than 12 months of the employee's lost earnings from the date the grievance was filed.
7. The cost of the arbitrator shall be borne equally between the Authority and the grievant. Each party shall bear its own costs relating to arbitration including, but not limited to, witness fees, transcriptions and attorney fees.
8. The arbitrator shall be requested to submit his/her decision within 30 days from the close of the hearing.

ARTICLE IX – SEVERABILITY

If any provisions of this MOU, or the application of such provision shall be rendered or declared invalid by any court action, or by reason of any existing or subsequently enacted legislation, the remaining parts or portions shall remain in full force and effect.

ARTICLE X - DURATION OF THE MOU

- A. Upon ratification by the SEIU membership and approval by the Authority's Board of Governors, this MOU shall become effective and binding upon the parties in accordance with Section II, Article 14, of the Employer-Employee Relations Resolution.
- B. The term of this MOU shall be from August 1, 2022 through July 31, 2025.

This Memorandum of Understanding is executed this 1st day of August, 2022.

**SERVICE EMPLOYEES' INTERNATIONAL
UNION LOCAL 521:**




Riko Mendez, Chief Elected Officer



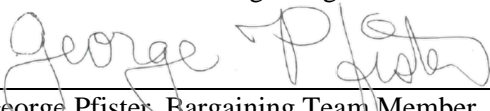
Yvonne Davila, Chief Negotiator




Gabriel Garcia Barajas, Bargaining Team Member




Kenneth Hutchins, Bargaining Team Member



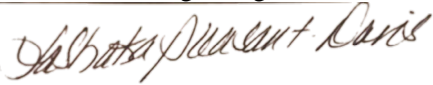
George Pfister, Bargaining Team Member




Laronda Dillard-Smith, Bargaining Team Member



Robin Heber, Bargaining Team Member



Lashaka Pleasant-Davis, Bargaining Team Member



Eva Dominguez, Bargaining Team Member

KERN COUNTY HOSPITAL AUTHORITY:

Russell E. Bigler, Chairman
Board of Governors

Scott Thygerson, Chief Executive Officer

Lisa Hockersmith, Vice President, Human
Resources

APPROVED AS TO FORM:

Karen S. Barnes
Vice President & General Counsel