



AGENDA

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306**

Special Meeting
Wednesday, April 1, 2026

11:30 A.M.

BOARD TO RECONVENE

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" OR "C" 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!

ITEMS FOR CONSIDERATION

CA

- 2) Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, 6, 7, and 8, effective April 1, 2026 through March 31, 2029, 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

CA

- 3) Proposed resolution in the matter of changes in terms and conditions of employment for unrepresented employees classified as management, mid-management and confidential – APPROVE; ADOPT RESOLUTION; AUTHORIZE CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND HUMAN RESOURCES TO IMPLEMENT CHANGES

ADJOURN AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS; RECONVENE AS KERN MEDICAL SURGERY CENTER, LLC BOARD OF MANAGERS

- C-4) Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, 6, 7, and 8, effective April 1, 2026 through March 31, 2029, with changes to wages, hours, and terms and conditions of employment – APPROVE; AUTHORIZE CHAIRMAN TO SIGN; AUTHORIZE ADMINISTRATOR AND HUMAN RESOURCES TO IMPLEMENT CHANGES

- C-5) Proposed resolution in the matter of changes in terms and conditions of employment for unrepresented employees classified as management – APPROVE; ADOPT RESOLUTION; AUTHORIZE ADMINISTRATOR AND HUMAN RESOURCES TO IMPLEMENT CHANGES

ADJOURN AS KERN MEDICAL SURGERY CENTER, LLC, BOARD OF MANAGERS; RECONVENE AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

ADJOURN TO CLOSED SESSION

CLOSED SESSION

- 6) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1573-M –
- 7) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1815-M –

- 8) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1856-M –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, APRIL 15, 2025 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 SPECIAL MEETING**

April 1, 2026

Subject: Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, 6, 7, and 8, effective April 1, 2026 through March 31, 2029, 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 Kern County Hospital Authority, Kern Medical Surgery Center, LLC, and Service Employees International Union, Local 521 (SEIU), representing employees in bargaining units 1-8. The parties began meeting in September 2025 and met regularly until the parties reached a tentative agreement in March 5, 2026.

The proposed MOU contains changes to wages, automatic step increases, clarifying language for use of Paid Time Off (PTO), Extended Illness Bank (EIB), and the Service Award Program. The agreement also modifies SEIU bargaining units by adding Kern Medical Surgical Center, LLC positions, and adds new bargaining units for the Extra Help and Per Diem positions so there is now a single MOU for SEIU represented employees. These changes and others have been negotiated in good faith between the Authority, LLC 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 2.0% or higher will be provided to all represented employees in 2026. Additionally, the wage increase will be 5% for 20 additional positions listed in the MOU. 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.
- 2) Regular permanent employees will receive a one-time MOU signing bonus in the amount of \$1,500 for full-time employees and \$750 for part-time employees.
- 3) Wage increases in the amount of 2.0% will be provided to all represented employees effective the beginning of the first pay period immediately following April 1, 2027 and April 1, 2028.
- 4) Expanded salary increment scale from 8 steps to 11 steps for non-nursing positions, while nursing, nurse practitioners, and physician assistants remain on the 16- step scale.

Members, Board of Governors

April 1, 2026

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- 5) Reduction in the Extended Illness Bank accrual from 7 to 6 days per year in order to provide an annual floating holiday. This floating holiday is non-transferable, does not roll over to the next calendar year, and does not have any cash value upon separation.
- 6) Expanded nursing service bonus now starting at years 2, 3, and 4 instead of at year 5. This service bonus replaces the new graduate nurse sign-on bonus program.
- 7) A contract reopener will occur within 60 days of your Board's approval of the agreement to propose a change to the compensation structure for employees in the Advanced Practice Provider ("APP") classifications, including incentive pay.

Between March 6 and March 20, 2026, SEIU communicated the terms and conditions of the proposed MOU to represented employees, who voted in favor to ratify the agreement. The results of this vote were communicated to the Authority on March 20, 2026.

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, 6, 7, and 8 effective April 1, 2026 through March 31, 2029, 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.



Kern
Medical

MEMORANDUM
OF
UNDERSTANDING

KERN COUNTY
HOSPITAL AUTHORITY,
KERN MEDICAL
SURGERY CENTER, LLC,
&
SEIU LOCAL 521

April 1, 2026 – March 31, 2029

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

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**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

PREAMBLE

This Memorandum of Understanding ("MOU" or "Agreement") is entered into by the Kern County Hospital Authority ("Authority"), which owns and operates Kern Medical Center ("KMC"), Kern Medical Surgery Center, LLC ("LLC"), and Service Employees International Union, Local 521("SEIU" or "Union"). For the purposes of this Agreement, the term Parties shall be understood to include the Authority, the LLC, and the Union, unless otherwise provided.

This Agreement 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 Authority and LLC employees in the bargaining units described in Article I, Section 2.

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 and the LLC's Board of Managers.

ARTICLE I - RECOGNITION

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

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 and the LLC's Board of Managers.
- 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

Section 2. UNION RECOGNITION

The Authority and LLC recognize SEIU as the exclusive employee organization certified by the Authority's Board of Governors and the LLC's Board of Managers pursuant to the Employer-Employee Relations Resolution ("EERR") and the Meyers-Milias-Brown Act ("MMBA"), and any amendments thereto, for both Authority and LLC employees described below. 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 as follows:

1. Supervisory
2. Professional
3. Technical Services
4. Clerical
5. Administration
6. Trades/Crafts/Labor
7. Extra Help
8. Per Diem

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

Section 3. AUTHORIZED AGENTS

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

- A. The Authority and LLC'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. The Parties agree to notify the other Party in writing within 10 days of any changes to the Authorized Agents.

ARTICLE II - GENERAL PROVISIONS

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein.

Section 1. HEALTH/SAFETY

- A. The Authority and LLC 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
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- B. The Authority and LLC shall endeavor to provide reasonable security for employees entering and exiting Authority and LLC facilities.
- C. The Parties 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/D/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) bargaining unit employee representatives and SEIU representatives 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 committee 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 communications meeting should identify agenda topics for the Labor Management Committee. 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 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 to by the Parties based on availability of those individuals needed to attend and will be scheduled by Human Resources. The UBC 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 representative. 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 Parties 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

- 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 or LLC 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 or LLC will send a follow-up notice to SEIU advising that the Authority or LLC will proceed with implementation if SEIU does not respond within one (1) 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 or LLC 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.

Section 5. SERVICE AWARDS

Extra Help and Per Diem employees are not entitled to the service awards described in this Section.

The Authority and LLC agrees to continue the Service Award Program.

The program will provide awards for active employees who achieve 5 years, 10 years, 15 years, 20 years, 25 years, 30 years, and 35 years of service with the Authority, including service with KMC when it was a County Department, or the LLC.

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 as follows:

Years of Service	Award Amount
5	\$50.00
10	\$100.00
15	\$150.00
20	\$200.00
25	\$250.00
30	\$300.00
35	\$400.00

The Authority possesses the sole and exclusive right to select the Service Award Program provider/administrator and the awards available for selection under the Service Award Program.

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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
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- B. The Union agrees to provide a service fee to the Authority or to the Authority on behalf of the LLC 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, the LLC, and their 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 or LLC'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 or LLC shall be authorized to select legal counsel in its sole discretion to defend its interests in any claim, demand or lawsuit set forth in this Section.

Section 8. DIRECT DEPOSIT

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

Section 9. MOU COPIES

The Authority and LLC agree 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.

Section 11. CONTRACTED SERVICES

- A. The Authority and LLC prefer that Authority or LLC employees in the bargaining units, rather than contractors, provide services to its patients. However, the Authority and LLC reserve 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 Authority or LLC employees in the bargaining units 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 and LLC agree 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 and LLC agree 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

ARTICLE III - RIGHTS OF PARTIES

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. STRIKES AND LOCKOUTS

During the term of this MOU, the Authority and LLC agree 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 and LLC agree that the Union may provide a standard bulletin board (not to exceed 36" x 48") for placement adjacent to existing Authority or LLC 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 Health Care Access and Information ("HCAI") (formally the Office of Statewide Health Planning and Development ("OSHPD")) requirements.

Posting of notices is governed by the provisions of the EERR. Shop stewards may post Union communications dealing with official Union business on Authority- or LLC-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 and LLC reserve 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 the Authority or LLC removed, and the Authority and LLC agree, if requested by the Union, to meet and discuss this removal as soon as it is mutually convenient.
- C. Authority and LLC and Union further agree that the Union may continue to use the Authority or LLC's mail and email system for official Union business in accordance with Authority rules relating to the use of Authority or LLC mail and email. The Authority or LLC's 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 or LLC's officers, executives, representatives, employees, the quality of services, or the Authority or the LLC. The Authority and LLC agree that they 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 or LLC's bulletin boards or mail and email systems in the above manner will result in its revocation as a privilege extended to the Union by the Authority or LLC.

Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029

Section 3. CLAIMS REVIEW

Authority employees who lose or damage their personal property in the course of their employment must file a Government Claim under the Government Claims Act to seek recovery of lost or damaged personal property as a prerequisite to any reimbursement. After the Government Claim has been filed, the Authority will process the claim 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.

LLC employees who lose or damage their personal property in the course of their employment may file a claim for reimbursement to seek recovery of lost or damaged personal property. The LLC will process the claim and, if approved, endeavor to reimburse the employee within 90 days of receiving any necessary documentation and required forms.

Section 4. DISCRIMINATION

The Parties agree not to discriminate against any employee for their activity on behalf of, or membership in, the Union, or their non-membership in the Union, as stated in the EERR. 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 their 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 their personnel file.
- C. The Authority and LLC reserve the right to charge a reasonable fee for duplication of records signed by the employee, which are in the employee's personnel file.
- 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 in their personnel file 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

- 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 and LLC agree to allow authorized shop stewards to assist and represent employees in the grievance process. The Authority and LLC further agree 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 department.
- C. SEIU shall provide the Authority's Human Resources department with a list of shop stewards for the Authority and LLC 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 their 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.
- 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, including on behalf of LLC employees.
- 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 or LLC 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 department prevent the absence of the employee.

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One (1) 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 department prevent the absence of the employee.

- B. Shop stewards may be allowed reasonable use of Authority or LLC 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 their designees or shop stewards, subject to the following conditions:
- C. The hours shall be utilized to attend official SEIU meetings and functions if the meetings occur during their normal work hours.
- D. 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.
- E. 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.
- F. Employees who serve as designated members of the Union's meet and confer team will be allowed reasonable use of Authority or LLC time, when meeting with the Authority on successor MOUs, for meet and confer sessions with the Authority or LLC on other subjects, and for other formal meetings regarding matters within the scope of representation.
- G. 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.

Section 8. NEW EMPLOYEE ORIENTATION

- A. When a new employee is hired into a Union-represented classification, the Authority or LLC shall notify the employee that SEIU, Local 521, is the recognized employee organization for the classification into which the employee has been hired. The Authority or LLC shall provide a copy of the current MOU to all new employees in accordance with Article II, Section 9 of this MOU.
- B. The Union shall be allowed representatives at new employee orientation. These representatives may be an Authority or LLC employee (including but not limited to a shop steward) or a Union employee. The Authority or LLC shall provide paid release time for up to two (2) Authority or LLC employees who are assigned to represent the Union at new employee orientation. Authority or LLC employees who are assigned to represent the Union at new employee orientation must request release time from their supervisor at least three (3) business days in advance.
- C. Union representatives attending new employee orientation shall be allowed forty-five (45) minutes to make a presentation and answer questions.

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- D. The Union agrees to give the Authority or LLC 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 shall provide this information to the Authority and LLC upon request or in the event that there are changes to the materials to be used.
- E. The Authority and LLC agree not to schedule an employee who is assigned to represent the Union for make-up time beyond their regular shift because such employee requires release from their regular shift in order to attend and participate in a new employee orientation. However, the Authority and LLC retain the right to extend the shift of such employee based on operational needs, including unforeseen or urgent staffing issues.
- F. Authority or LLC management representatives shall not be present during Union orientation.
- G. The Authority or LLC shall prepare the new employee orientation sign-in sheet for use during the new employee orientation. That sign-in sheet shall identify the new employees scheduled for the new employee orientation by name and include columns for the employee's signature, cell-phone number and email address. The Union shall be responsible for providing the Authority and LLC a copy of the Union orientation sign-in sheet within one day after the new employee orientation concludes. The Union agrees not to defame the Authority or LLC during its orientation sessions.
- H. As part of onboarding, the Authority or LLC shall schedule each new employee to attend a forty-five (45) minute Union orientation session, and will provide sufficient information and release time to new employees to facilitate their attendance at a scheduled Union orientation session. The new employee shall be assigned no other work during the time they attend the new employee orientation. Human Resources will send the scheduled employee the following notice:

Your job classification is represented by a union, SEIU Local 521, and your terms and conditions of employment are governed by a collective bargaining agreement that is negotiated between SEIU Local 521, Kern County Hospital Authority, and Kern Medical Surgery Center, LLC. Kern County Hospital Authority, Kern Medical Surgery Center, LLC, and the Union have agreed on a process to make sure all new employees have the opportunity to be informed about SEIU Local 521 and the collective bargaining agreement that covers your terms and conditions of employment. Accordingly, you have been authorized to be released on paid time to attend a union orientation session at the following time and place:
- I. The Authority or LLC and the Union agree to schedule Union orientations on a biweekly basis. If an employee misses the initial new employee orientation, the Authority or LLC will schedule the employee for the next scheduled new employee orientation session, according to the same terms provided above in this Agreement.
- J. If there are conflicts with dates, times, and/or locations of such orientation sessions, the Union and the Authority or LLC shall work together to rectify those issues. The Authority or LLC shall have responsibility to secure a room and sufficient tables and chairs, based on the expected number of attendees.

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- K. The Authority or LLC will notify the Union ten (10) business days, or as soon as practical, in advance of each new employee orientation session and to the extent available, shall include a list of new employees in SEIU-represented classifications (and their name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address) scheduled to attend.
- L. Employees shall be paid for their actual attendance time, up to forty-five (45) minutes, to attend one Union orientation. Employees shall be paid for travel time, if the travel time and new employee orientation session takes place during scheduled work time. Time spent traveling to a Union orientation session that is held at the beginning of an employee's shift is not compensable. Time spent traveling from a Union orientation session to the employee's home at the end of their scheduled shift is not compensable.
- M. The Authority or LLC shall provide the Union with new employee information in accordance with Article III, Section 9 of this MOU.
- N. If the Parties mutually agree, the Authority or LLC and the Union will meet to discuss issues or questions related to this section and attempt to reach a common understanding.
- O. Within 30 days of the adoption of this Agreement, the Authority shall schedule a New Orientation for Per Diem employees.

Section 9. EMPLOYEE INFORMATION

- A. The Authority and LLC shall comply with their obligations under Government Code section 3558.
- B. The Authority and LLC will request that newly hired Authority employees provide their contact information in KernLink and LLC employees provide their contact information in Paychex when completing their onboarding module. If a newly hired employee does not provide all contact information in KernLink, Paychex or provide a paper copy of a form with such information to Human Resources within two (2) months of the start of their employment, the Authority or LLC will contact the employee to request such information. If an employee does not provide such information within two (2) weeks of the prior request by the Authority or LLC, the Authority or LLC will send a follow-up request to the employee. The Authority or LLC will provide the Union the names of any employees who did not provide the contact information.
- C. Within 30 days of a new employee being hired into a position represented by SEIU, the Authority or LLC shall provide the Union with the following information regarding the employee, provided that the employee provided relevant personal information in KernLink, Paychex or to Human Resources and did not otherwise submit a written request prohibiting the disclosure of their personal information:
 - 1. Name and employee number
 - 2. Job title
 - 3. Name of the assigned department, work location, and name of the cost center unit
 - 4. Home address and home and personal cell phone numbers
 - 5. Work and personal e-mail addresses
 - 6. Work phone number (provided that the employee has a work extension or a general work number)

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- D. On a monthly basis, the Authority and LLC shall provide the Union with a list of all current employees covered by this MOU, which shall include the information set forth in Subsection C, above as well as the employee's identification number, hourly rates of pay, hours worked, Union dues paid, and membership status. When the Authority or LLC provides such information to the Union, the Authority will state that it has requested that each employee provide their personal cell phone number in KernLink or Paychex and that the absence of an employee's personal cell phone number indicates that the employee failed to provide the Authority or LLC a personal cell phone number.
- E. Notwithstanding the above, the Authority or LLC 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 phone number, or personal email address.
- F. The Authority and LLC will direct employees to review their contact information on an annual basis to ensure information is accurate and complete.
- G. The Authority and LLC will direct employees to notify Human Resources if they have provided their supervisor with a contact number that is different from or in addition to the contact number that the employee provided in KernLink or Paychex.
- H. The cost to the Authority and LLC of providing such addresses shall be borne by the Union through monthly billing.
- I. 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.
- J. 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.

Authorized non-employee Union representatives shall provide the department supervisor or their designee with reasonable prior advance notice of their intent to be present at the work area. The department supervisor or their 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 the Authority or the LLC 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).

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ARTICLE IV - PAID LEAVE

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. PAID TIME OFF (“PTO”) – REGULAR AUTHORITY AND LLC EMPLOYEES (NON-EXTRA HELP OR PER DIEM EMPLOYEES)

Extra Help and Per Diem employees are not entitled to the PTO described in this Section. Extra Help and Per Diem employees are entitled to the paid sick leave as described in Section 2, below.

- 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. For regular, permanent full-time employees, PTO will accrue at the following rates:

Years of Service	Biweekly Accrual	PTO Hours/Year	PTO Days/Year*
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

For regular, permanent part-time employees, PTO will accrue at a prorated rate based on hours worked in the biweekly pay period.

- C. Employees will accrue PTO on a biweekly basis.
- D. New employees are strongly encouraged to limit PTO use to emergencies during the first six (6) months of employment with the Authority and LLC.
- E. PTO may either be 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 and LLC reserve 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.
- F. Requests for scheduled PTO must be in writing in advance. The Authority and the LLC’s annual PTO scheduling practice shall remain in effect during the term of this Agreement.
- G. 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 of PTO requests due to staffing and workload requirements (i.e., potential interruption of Authority or LLC operations) shall not be grievable under the terms of this MOU.

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- H. Unscheduled or unapproved absences are defined as emergencies, and time away from work without the advance notification and prior approval from the supervisor. Unscheduled and unapproved PTO may be considered an occurrence.
- I. An occurrence is defined as one or more consecutive days (shifts) of unscheduled or unapproved absence. Except as provided below, an employee may have up to three (3) occurrences within a rolling 12-month period without penalty. Four (4) or more occurrences in a rolling 12-month period may result in disciplinary action.
- J. An unapproved absence that is a no-call, no-show (i.e., the employee did not schedule PTO and did not call to report their absence and did not show to perform their scheduled duties) may result in disciplinary action, up to and including termination. Prior to such discipline, the Authority or LLC will investigate the circumstances surrounding the no-call, no-show and any mitigating circumstances.
- J. 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).
- K. Employees whose Alternative Work Schedules (“AWS”) permit additional shifts to be made-up within the same workweek without triggering overtime may, with the department manager’s approval, elect to make up a missed shift in lieu of using accrued time without such absence constituting an occurrence.
- L. If an employee is absent due to illness for: (1) more than three (3) consecutive scheduled shifts; (2) 24 consecutive hours, if hired to work three 12-hour days per week (3/12 schedule); or has met the criteria to qualify for the use of the Extended Illness Bank (“EIB”), they become eligible to use the EIB. (See Section 4, below).
- M. The annual PTO scheduling policies of the Authority and LLC shall remain in effect during the term of this MOU. However, where needed, each department's scheduling policy may 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.
- N. Employees may accrue PTO up to the maximum of 550 PTO hours. If an employee reaches the maximum, no additional PTO will accrue until an employee falls below the maximum. The Authority or LLC 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 and LLC will not normally deny more than two (2) time off requests if an employee is approaching the maximum.
- O. 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 and LLC 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 PTO should be submitted within the guidelines outlined in Subsection E above.

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- P. Each December, the Authority and LLC 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 and LLC. These payout requests are irrevocable. Payout requests may not result in any employee falling below 40 hours of PTO. PTO payouts will be processed in accordance with the procedure set forth in the Authority or LLC policy.
- Q. Employees shall not be downgraded on the Employee Performance Report for the use of authorized PTO.

Section 2. PAID SICK LEAVE – EXTRA HELP AND PER DIEM EMPLOYEES

Regular Authority and LLC employees (non-Extra Help and Per Diem employees) are not entitled to the sick leave in this Section. Regular Authority and LLC employees are entitled to PTO as described in Section 1, above.

- A. An employee shall be entitled to paid sick leave after working for the same employer (either the Authority or the LLC) for 30 or more days (measured by days following the start of employment, not days actually worked).
- B. An employee shall accrue paid sick days at the rate of one (1) hour per every 30 hours worked.
- C. An employee shall be entitled to use accrued paid sick days beginning on the 90th day of employment, after which day the employee may use paid sick days as they are accrued.
- D. Accrued paid sick days shall carry over to the following year of employment.
- E. The Authority and LLC may limit an employee's use of accrued paid sick days to 40 hours or five (5) days in each year of employment, calendar year, or 12-month period.
- F. The Authority and LLC shall not provide compensation to an employee for accrued, unused paid sick days upon termination, resignation, retirement, or other separation from employment.
- G. If an employee separates from the Authority or the LLC and is rehired by the employer from which they separated within one (1) year from the date of separation, the Authority or the LLC shall reinstate the previously accrued and unused paid sick days. In such circumstance, the rehired employee shall be entitled to use those previously accrued and unused paid sick days and to accrue additional paid sick days upon rehiring, subject to the use and accrual limitations set forth in this Section.
- H. The Authority and LLC shall cap an employee's total accrual of paid sick leave at 80 hours or 10 days.
- I. An employee may determine how much paid sick leave they need to use in two (2) hour increments.
- K. Requests for scheduled paid sick leave (e.g., scheduled doctor's appointments) must be in writing in advance.

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- J. In the event of unscheduled paid sick leave (e.g., an emergency), the employee is expected to notify their manager before their scheduled shift. If the circumstance of the unscheduled paid sick leave prevents the employee from notifying their manager before their scheduled shift, the employee is expected to notify their manager as soon as practicable.
- K. Employees shall also be entitled to Kin Care leave under Labor Code section 233 and may use accrued paid sick leave for this purpose.

Section 3. PTO WITHDRAWALS FOR FINANCIAL HARDSHIP

Extra Help and Per Diem employees are not entitled to PTO under Section 1 and are not entitled to PTO withdrawals for financial hardship described in this Section.

- A. In the event an employee is faced with an "unforeseeable emergency," as described below, the employee may be eligible to receive a hardship cash-out of PTO, without electing the cash out in the prior year, as required under Authority and LLC policies. In order to receive a PTO hardship cash-out, the employee must substantiate that the employee has a severe financial hardship resulting from an illness or accident suffered by the employee or employee's dependent, a loss of the employee's 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:
 - (1) Through reimbursement or compensation by insurance or otherwise; or
 - (2) 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 lessor of the following:
 - (1) The amount reasonably necessary to satisfy the hardship; or
 - (2) 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 ten (10) 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 set forth in Article VIII.
- D. PTO hardship cash-outs are subject to all applicable tax withholdings.
- E. PTO hardship cash-outs are not pensionable.

Section 4. EXTENDED ILLNESS BANK ("EIB")

Extra Help and Per Diem employees are not entitled to the Extended Illness Bank ("EIB") described in this Section.

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- A. EIB is intended for an illness or injury lasting more than three (3) consecutive scheduled shifts. Employees must use PTO for unscheduled absences of three (3) or fewer shifts unless the absence meets the requirements for approved Kin Care.

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 or injury.

- B. After an employee has been absent due to an illness or injury for more than seven (7) calendar days, regardless of the number of shifts or hours missed, they must complete all required leave of absence documentation including a note from a healthcare provider. 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.
- C. If an employee exhausts all available EIB, they may choose to use accrued PTO or accrued Compensatory Time Off (“CTO”).
- D. For regular permanent full-time employees, EIB will accrue at the rates set forth below:

Years of Service	Biweekly Accrual	EIB Hours/Year	EIB Days/Year*
0-5	1.846	48.0	6
6 or more	2.769	72.0	9

*Based on 8-hours per day

For regular, permanent part-time employees, EIB will accrue at a prorated rate based on the hours worked in the biweekly pay period.

- E. Regular permanent full-time employees may accrue EIB up to the maximum of 640 hours of EIB. For regular, permanent part-time employees, the maximum allowable accrual shall be proportionate to the maximum amount for regular full-time employee prorated by the number of hours worked by the regular, permanent part-time employee in the calendar year.
- F. Employees who accrue the maximum EIB permitted will not accrue additional EIB.
- G. EIB Payoff Schedule – Authority: Upon death or active retirement of an Authority employee from the Authority (with an approved-application for retirement to the Kern County Employees’ Retirement Association (“KCERA”); deferred retirement is not eligible), accrued and unused EIB hours will be cashed out as follows:

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

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.

The amount payable under this subsection shall be calculated based upon the employee's regular rate of compensation and years of uninterrupted continuous service at the time of death or active retirement from the Authority.

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- H. EIB Payoff Schedule – LLC: Upon death or active retirement of an LLC employee from the LLC accrued and unused EIB hours will be cashed out as follows:

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

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

The amount payable under this subsection shall be calculated based upon the employee's regular rate of compensation and years of uninterrupted continuous service at the time of death or active retirement from the LLC.

- I. Employees may be eligible to receive a cash bonus if they have accrued the maximum amount of unused EIB and satisfy the following conditions:
- i. Regular permanent full-time employees (i.e., employees whose units of work are equal to 80 regular working hours per biweekly pay period) 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 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.
 - ii. Regular permanent part-time employees (i.e., employees whose units of work are less than 80 regular working hours per pay period) 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 regular permanent full-time employees (i.e., 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 regular permanent full-time employees) and have used 10 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.
- L. Employees shall not be downgraded on their Employee Performance Reports for being absent pursuant to a leave approved pursuant to governed by the current leave policies.

Section 5. JURY DUTY; COURT APPEARANCES

Extra Help and Per Diem employees are not entitled to Jury Duty or Court Appearance leave described in this Section. Extra Help and Per Diem employees shall be entitled to jury duty and court appearance leave as described in Section 13, below.

- 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.

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- 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 timecard 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.
- 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.

Section 6. SUMMONS TO TESTIFY FOR AUTHORITY

- A. An employee summoned to court or scheduled to testify for the Authority or LLC during their regular shift shall be paid at their 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 their 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 or LLC 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 reporting 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.

Section 7. PERSONAL COURT APPEARANCE

Extra Help and Per Diem employees are not entitled to leave for summons to testify for the Authority or LLC described in this Section.

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- A. An employee summoned to attend any court proceeding due to personal reasons during their scheduled shift shall be required to use PTO or CTO 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.
- B. In the event an employee is legally subpoenaed to appear as a witness in a matter not related to their duties of Authority or LLC employment, the employee should be granted the use of leave time to comply with the directive of the subpoena.

Section 8. BEREAVEMENT LEAVE

Extra Help and Per Diem employees are not entitled to Bereavement Leave described in this Section. Extra Help and Per Diem employees shall be entitled to bereavement leave as described in Section 13, below.

- A. Authority and LLC employees have been employed for at least 30 days prior to the commencement of bereavement leave shall be entitled to Bereavement Leave.
- B. Except as provided below, employees shall be eligible for up to three (3) days of paid Bereavement Leave in the case of the death of an immediate Family Member, including a Spouse, child (including a biological, adopted, or foster child, a step-child, legal ward, child of a domestic partner and child to whom the employee stands in loco parentis), parent (including a biological, foster, or adoptive parent, a stepparent, a legal guardian, or person who stood in loco parentis with the employee), sibling, grandparent, grandchild, domestic partner, grandchild, sibling, in-laws (parent, grandparent, sibling).
- C. 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. This leave will not supplement the leave described above. Such employees are entitled to additional protected, but unpaid, leave, as provided below.
- D. Full- and part-time Authority and LLC employees will be eligible for additional protected, but unpaid, Bereavement Leave to ensure that such employees receive up to a maximum of five (5) days of paid and unpaid bereavement leave total.
- E. Employees may be asked for verification of the death of the immediate Family Member within 30 days of the first day of leave in order to qualify for Bereavement Leave. Documentation of the death includes: (1) a death certificate, (2) a published obituary, or (3) written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency, consistent with applicable law.
- F. Employees must complete the Bereavement Leave within three (3) months of the date of the death of the immediate Family Member.
- G. Bereavement Leave may not be accrued, and shall have no cash value if unused by the employee.

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Section 9. PREGNANCY AND MATERNITY LEAVES

Extra Help and Per Diem employees are not entitled to Pregnancy and Maternity Leave described in this Section. Extra Help and Per Diem employees shall be entitled to pregnancy and maternity leave as described in Section 13, below.

Pregnancy Disability Leave (“PDL”) shall be governed by the Authority and LLC Pregnancy Disability Leave policies and applicable state and federal law.

Section 10. HOLIDAYS

Extra Help and Per Diem employees are not entitled to the leave described in this Section.

- A. During the term of this MOU, the following holiday schedule shall apply to regular full-time employees:

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

Authority and LLC policies govern holidays for regular part-time employees.

- B. 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.
- C. 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.
- D. In a year in which Christmas Eve falls on a Saturday or Sunday, the holiday shall be observed on the preceding Friday.
- E. The actual holiday shall be defined as the day of the week on which the official holiday falls.
- F. A designated holiday shall be the day observed in lieu of the actual holiday.
- G. Full-time, non-exempt employees who work on an actual or designated holiday shall be paid premium pay rate 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.
- H. Employees who do not work on an actual or designated holiday will receive eight (8) hours of Holiday Pay, provided they are eligible. Eligibility criteria are set forth in Authority and LLC Holidays policies.
- I. In no event shall an employee receive Holiday Pay for both the actual and designated holiday.

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- J. 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. FLOATING HOLIDAY

Extra Help and Per Diem employees are not entitled to the leave described in this Section.

- A. The Floating Holiday is available to employees for purposes of rest and relaxation. The Authority encourages employees to use a scheduled Floating Holiday to rejuvenate and enhance the quality of life. The Floating Holiday may also be used for short-term illnesses, personal appointments, doctor appointments, family emergencies, etc.
- B. Requests for a scheduled Floating Holiday must be made in writing in advance in accordance with Authority and LLC Holidays policies, which shall be revised to reference the Floating Holiday.
- C. For regular, permanent full-time employees, the Authority will provide one (1) Floating Holiday following the Authority’s Board of Governors’ and the LLC’s Board of Managers’ adoption of this Agreement and on January 1 of each year of this Agreement. Full-time employees whose regular non-overtime schedule requires that they work more than eight (8) hours in work day shall receive Floating Holiday in an amount equivalent to the time that they most regularly work on a given work day (e.g., employees who work a 4/10 work schedule shall receive 10 hours of Floating Holiday and employees who work a 3/12 work schedules shall receive 12 hours of Floating Holiday, employees who work a 9/80 will receive eight (8) hours of Floating Holiday).
- D. For regular, permanent part-time employees, the Floating Holiday will be provided on a prorated rate based on the hours worked in the biweekly pay period.
- E. The Floating Holiday must be used in the year during which it is provided (e.g., the Floating Holiday provided following the adoption of this Agreement must be used by December 31, 2026, the Floating Holiday provided on January 1, 2027 must be used by December 31, 2027, etc.). The Floating Holiday not used in the year during which it is provided will not carryover to the following year and will be lost, if not used.
- F. The Floating Holiday will not be paid out, if not used during the year it is provided. Personal Leave will not be paid out to employees who separate from the Authority or LLC or are terminated by either the Authority or LLC.
- G. Employees shall not be downgraded on the Employee Performance Report for the use of an authorized Floating Holiday.

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Section 12. CATASTROPHIC (“CAT”) LEAVE PAY

Extra Help and Per Diem employees are not entitled to the leave pay described in this Section.

- A. Catastrophic (“CAT”) leave benefits have been established for Authority and LLC employees governed by this MOU who have exhausted all accumulated PTO, EIB and compensatory time off (“CTO”) to which they are eligible. 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 a leave of absence without pay pursuant to Authority and LLC 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 12 weeks of CAT leave during any 12-month period. CAT leave and approved leaves of absence shall run concurrently. 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 themselves or a family member. Employees may donate PTO to another employee who meets the conditions described above. Employees may not, however, donate EIB or CTO.
- D. 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 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 to the ill or injured family member is required. Leave requests must include the estimated date of return to work.
- E. Upon request by an eligible employee, Human Resources will solicit donations of PTO for the employee's CAT leave 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.
- F. Donations must be a minimum of eight (8) hours. The Authority or LLC 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.
- G. 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.

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- H. Employees must be on an approved leave of absence 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 or LLC employment.
- I. 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 and the LLC in a manner consistent with applicable policy on this subject, the foregoing terms and conditions, and consistent with applicable law. The Authority and LLC agree to notify SEIU of any changes to these policies 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.

Section 13. OTHER LEAVES – EXTA HELP AND PER DIEM EMPLOYEES

Extra Help and Per Diem employees shall be entitled to all leaves, whether paid or unpaid, required under the law for which they are eligible.

Such leaves include, but are not limited to, the following leaves under Labor Code sections 230 (Jury Duty and Witness Leave) and 245-249 (Paid Sick Leave/Health Workplaces, Health Families Act), Government Code sections 12945 (Pregnancy Disability Leave), 12945.2 (California Family Rights Act), 12945.7 (Bereavement Leave), and 12945.8 (Victims of Crime); Election Code section 14000 (Voting Leave) and 29 U.S.C. § 2601, et seq. (Family Medical Leave Act).

ARTICLE V - COMPENSATION AND WORK SCHEDULES

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. COMPENSATION

The Parties desire to make changes to the current salary administration practices and provide equity increases for Authority and LLC employees.

A. REVISED SALARY SCHEDULE – REGULAR AUTHORITY AND LLC EMPLOYEES

Extra Help and Per Diem employees are not entitled to the compensation described in this Subsection. The compensation terms for Extra Help and Per Diem employees are set forth in Subsections B and C, respectively.

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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.
2. The Authority and LLC use a 16-step salary range for employees in the following clinical classifications:
 - (1) Hospital Staff Nurse (“HSN”);
 - (2) Correction Staff Nurse;
 - (3) Correction Juvenile Nurse;
 - (4) Wound & Ostomy Registered Nurse;
 - (5) Nursing Implementation Standards Coordinator;
 - (6) Nurse Midwife
 - (7) Clinical Nurse Specialist;
 - (8) Trauma Nurse Coordinator;
 - (9) Supervisor of Clinical;
 - (10) Lactation Consultant II;
 - (11) Clinical Informatics Specialist;
 - (12) Lead Clinical Nurse;
 - (13) Nurse Practitioner (“NP”);
 - (14) Physician Assistant (“PA”);
 - (15) Utilization Review Nurse;
 - (16) Clinical Document Improvement Specialist;
 - (17) Performance Improvement Coordinator;
 - (18) Professional Development Nurse;
 - (19) Staff Development Education Coordinator; and
 - (20) Vascular Access Specialist.

The Authority and LLC use an eleven (11) step salary range for all other job classifications.

3. Except for the classifications identified in Paragraphs a. and b. below, the Authority and LLC will provide employees in all classifications a two percent (2.0%) increase effective the first day of the biweekly pay period that occurs 30 calendar days after the Authority’s Board of Governors’ and the LLC’s Board of Managers’ adoption of this Agreement.
 - a. The Authority will provide employees in the following classifications a five percent (5.0%) increase the first day of the biweekly pay period that occurs 30 calendar days after the Authority’s Board of Governors’ and the LLC’s Board of Managers’ adoption of this Agreement:
 - (1) Cardiopulmonary Services Clinical Coordinator;
 - (2) Clinical Laboratory Scientist I;
 - (3) Clinical Laboratory Scientist II;
 - (4) Computer Tomography Technologist I;
 - (5) Computer Tomography Technologist II;
 - (6) Lead MRI Technologist;
 - (7) Lead Computed Tomography Technologist;
 - (8) Medical Social Worker I;
 - (9) Medical Social Worker II;
 - (10) Mental Health Therapist I;
 - (11) Mental Health Therapist II;

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- (12) MRI Technologist;
- (13) Pulmonary Function Technician;
- (14) Respiratory Therapist I;
- (15) Respiratory Therapist II;
- (16) Respiratory Therapist III;
- (17) Respiratory Therapist IV;
- (18) Supervisor of Clinical Laboratory Scientist;
- (19) Supervisor of Clinical Microbiologist; and
- (20) Supervisor of Core Laboratory Client Services.

- b. The Authority will provide employees the following classifications a six and one-half percent (6.5%) increase the first day of the biweekly pay period that occurs 30 calendar days after the Authority's Board of Governors' and the LLC's Board of Managers' adoption of this Agreement:

- (1) Medical Social Worker III

- 4. The Authority and LLC will provide employees in all classifications a two percent (2.0%) increase effective the first day of the biweekly pay period following April 1, 2027.
- 5. The Authority and LLC will provide employees in all classifications a two percent (2.0%) increase effective the first day of the biweekly pay period following April 1, 2028.
- 6. Upon the Union's request, the Authority and LLC 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 increases, the Union acknowledges that the Authority and LLC 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. SALARY SCHEDULE – EXTRA HELP EMPLOYEES

Extra Help employees shall be placed on a salary step, as described in Subsection A, Paragraph 2, above, based on their experience and shall be compensated accordingly.

Such employees shall be entitled to the salary increases during the term of this Agreement, as described in Subsection A, Paragraphs 3-5, above.

The Authority and LLC shall comply fully and faithfully with any changes to the minimum wage law that require wage adjustments for Extra Help employees. The Parties agree that any necessary changes to salary ranges to comply with minimum wage law will not require re-opening this MOU.

C. SALARY SCHEDULE – PER DIEM EMPLOYEES

Per Diem employees shall be compensated as set forth below.

Such employees shall be entitled to the salary increases during the term of this Agreement, as described in Subsection A, Paragraphs 3-5, above.

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Per Diem employees in the following classifications shall be compensated at an hourly rate equivalent to 10 percent (10%) more than the rate of regular Authority and LLC employees placed at Step 8, as described in Subsection A, Paragraph 2, above:

- (1) Cardiovascular Sonographer Technician;
- (2) Clinical Laboratory Assistant I/II;
- (3) Clinical Laboratory Scientist I/II;
- (4) Senior Information Technology Infrastructure Engineer;
- (5) MRI Technologist;
- (6) Nuclear Medicine Technologist I/II;
- (7) Nurse Extern;
- (8) Occupational Therapist;
- (9) Clinical Pharmacist;
- (10) Pharmacist;
- (11) Pharmacy Technician I/II/III;
- (12) Physical Therapy Assistant;
- (13) Radiologic Technologist;
- (14) Speech Language Pathologist;
- (15) Simulation Center Standardized Patient;
- (16) Computer Tomography Technologist;
- (17) Ultrasound Technologist I/II;
- (18) Cardiovascular Interventional Technologist; and
- (19) Physical Therapist.

- (1) Per Diem employees in the following Hospital Staff Nurse classifications shall be placed on Steps 1-16, based on their experience, as described in Subsection A, Paragraph 2. Correction Staff Nurse;
- (2) Correction Juvenile Nurse;
- (3) Utilization Review Nurse;
- (4) Trauma Nurse Coordinator;
- (5) Wound & Ostomy RN;
- (6) Vascular Access Specialist.

Per Diem employees in the following classifications shall be placed on Steps 1-10, based on their experience, as described in Subsection A, Paragraph 2, above:

- (1) Nurse Practitioner
- (2) Physician Assistant

Per Diem employees in the following classifications shall be placed on Steps 1-8, based on their experience, as described in Subsection A, Paragraph 2, above:

- (1) Accountant II/III;
- (2) Building Service Worker I/II;
- (3) Cerner A Team Specialist;
- (4) Correction Vocational Nurse I/II;
- (5) Health Information Services Coder I/II/III;
- (6) Information Services Specialist I/II;
- (7) Information Technology Asset Analyst;
- (8) Information Technology Systems Engineer;
- (9) Medical Assistant I/II;
- (10) Medical Transcriptionist;

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- (11) Medical Social Worker I/II/III;
- (12) Network Systems Administrator;
- (13) Orthopedic Technician I/II/III;
- (14) Patient Access Services Representative I/II;
- (15) Perioperative Associate;
- (16) Program Specialist I;
- (17) Radiology Receptionist;
- (18) Hospital Residency Coordinator;
- (19) Registered Nurse First Assist;
- (20) Respiratory Therapist I/II/III/IV;
- (21) Social Services Coordinator;
- (22) Sterile Processing Technician I/II;
- (23) Support Services Associate;
- (24) Surgical Technologist I/II; and
- (25) Transport Services Associate
- (26) Vocational Nurse I/II.

Section 2. MOU SIGNING BONUS

- A. Full-time permanent employees of the Authority or LLC who are actively employed on the date this MOU is ratified by the Union and the date of the payout will receive a one-time signing bonus of \$1,500.00. Full-time part-time employees of the Authority or LLC who are actively employed on the date this MOU is ratified by the Union and the date of the payout will receive a one-time signing bonus of \$750.00.
- B. This bonus will be paid out at the beginning of a pay period approximately 30 days from the date this MOU is approved by the Authority's Board of Governors and the LLC's Board of Managers.
- C. The signing bonus is non-pensionable for purposes of the KCERA defined benefit retirement plan.

Section 3. LONGEVITY PAY

LLC employees are only entitled to longevity pay as described in Subsections A, F, and H of this Section. LLC employees shall be entitled to longevity pay under Subsection A of this Section based on their seniority, as described in Article VI, Section 1, Subsection A. LLC employees are not entitled to longevity pay, except as provided under Subsections A, F, and H of this Section.

Extra Help and Per Diem employees are not entitled to the longevity pay described in this Section.

- A. Permanent full-time and permanent part-time Authority employees who have completed 10 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages. Permanent full-time and permanent part-time LLC employees who have completed 10 years of continuous LLC service shall receive an additional two percent (2%) longevity pay on base wages.

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- B. Permanent full-time and permanent part-time employees of the Authority who have completed 15 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of four percent (4%)).
- C. Permanent full-time and permanent part-time employees of the Authority who have completed 20 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of six percent (6%)).
- D. Permanent full-time and permanent part-time employees of the Authority who have completed 25 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of eight percent (8%)).
- E. Permanent full-time and permanent part-time employees of the Authority who have completed 30 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of 10 percent (10%)).
- F. For subsections A, B, C, and D, continuous Authority service or LLC service shall have the same meaning as “Seniority” as that term is defined in Article VI, Section 1, Subsection A.
- G. For subsection E, above, the term "years of service" shall mean years of service credit, as calculated by KCERA for purposes of determining an employee’s 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 biweekly payroll period following their anniversary date.

Section 4. HOSPITAL STAFF NURSE (“HSN”) SERVICE BONUS

LLC employees are not entitled to the service bonus described in this Section.

Extra Help and Per Diem employees are not entitled to the service bonus described in this Section.

- A. Only Authority employees in the following job classifications shall be eligible for an HSN Service Bonus:

- (1) Hospital Staff Nurse (“HSN”);
- (2) Hospital Staff Nurse (“HSN”) – PT;
- (3) Correction Staff Nurse;
- (4) Correction Juvenile Nurse;
- (5) Utilization Review Nurse; and
- (6) Hospital Staff Nurse Clinical Ladder I and II.

Per diem employees in the above-referenced job classifications shall not be eligible for the HSN Service Bonus.

- B. To qualify for an HSN Service Bonus, continuous Authority service shall have the same meaning as “Seniority” as that term is defined in Article VI, Section 1, Subsection A.
- C. Eligible employees who have completed two, three, four or five years of continuous service in one of the above-referenced classifications, as described above, shall receive an HSN Service Bonus in the amount of \$2,000, which will be paid out according to Subsection F, below.

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- D. Eligible employees who have completed 10 years of continuous service in one of the above-referenced classifications, as described above, shall receive an HSN Service Bonus in the amount of \$2,000, which will be paid out according to Subsection F, below.
- E. Eligible employees who have completed 16 or more years of continuous service in one of the above-referenced classifications, as described above, shall receive an annual HSN Service Bonus in the amount of \$2,000, which will be paid out according to Subsection F, below.
- F. The Authority will pay HSN Service Bonus as a lump sum, less applicable deductions, in the biweekly pay period that follows the eligible employee's qualification for the HSN Service Bonus, which is determined by the date upon which the employee assumed permanent status in one of the job classifications enumerated in Subsection A, above.
- G. The Authority agrees to notify SEIU of any proposed changes to the list of classifications eligible to receive an HSN Service Bonus and to meet and confer with SEIU consistent with Article II, Section 4. Any change to the list of classifications eligible to receive an HSN Service Bonus will not require a re-opener of this MOU.
- H. For Authority employees, the HSN Service Bonus is not pensionable for purposes of the KCERA defined benefit retirement plan.

Section 5. NIGHT SHIFT DIFFERENTIAL

- A. A "night 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. Shift differential pay in the amount of 10 percent (10%) of the employee's base rate of pay for all eligible employees who qualify for such differential.
- D. Only actual hours worked between the hours of 7:00 p.m. and 7:30 a.m. count for shift differential. In counting hours worked, the following are excluded:
 - (1) Any time off work, with or without pay (e.g., mealtime, vacation, sick leave, compensatory time off, etc., except rest periods).
 - (2) Time for which CTO or overtime is earned/accrued.
- E. Employees must work at least two (2) hours within the designated shift times (i.e., between the hours of 7:00 p.m. and 7:30 a.m.) to be eligible for shift differential pay.

Section 6. ON-CALL PAY (AVAILABILITY PAY IN KERLINK)

- A. Due to 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.

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- B. As compensation for being on-call, to respond to such situations, those employees shall receive one-quarter (1/4) of their base hourly rate of pay for the hours they are on-call as On-Call Pay. Employees actually called back to work shall not receive the one-quarter (1/4) pay for hours in which they receive full compensation, including any two (2) hour minimum Call Back Pay.
- C. Employees who are called back to work shall be paid a two (2) hour minimum Call-Back Pay, but if called back multiple times within the two (2) hours, will only receive compensation for the two (2) 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 (1/4) of their base hourly rate of 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 (1/10) of an hour.
- 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 for on-call work that day.
- F. On-call compensation for exempt employees in the Advanced Practice Provider (“APP”) classifications (i.e., Nurse Practitioner (“NP”) and Physician Assistant (“PA”)) will be paid at a flat rate of \$11.00 per hour. If called into work, an APP will be compensated at their base hourly rate of pay for actual time worked while on-call. Employees called back to work shall not receive the on-call rate for hours for which they receive full compensation due to actually working.
- 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 and LLC 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 7. CHARGE PAY, NURSE CERTIFICATION PAY, HIGH-RISK DELIVERY PAY, CHEMOTHERAPY PAY AND PIC PAY

LLC employees are not entitled to the special pays described in this Section.

Extra Help and Per Diem employees are not entitled to the special pays described in this Section, unless otherwise provided.

- A. Authority employees, including Per Diem employees, who are officially assigned the role of "Charge" by the KMC Chief Executive Officer or their designee, on any given shift or any position shall receive premium Charge Pay in addition to their regular rate for every hour worked during that shift as follows:

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- Hospital Staff Nurse (“HSN”) Charge Pay = \$3.00 per hour
- Licensed Vocational Nurse (“LVN”), Medical Assistant (“MA”), Respiratory Therapist (“RT”) Charge Pay or other approved Charge Pay = \$2.00 per hour

Only Authority employees in the HSN, LVN, MA and RT classifications are eligible for Charge Pay.

This pay shall not be combined with other special nurse pays for work performed on the same shift, unless otherwise approved by management. If multiple special pays apply, the employee shall receive only the highest applicable special pay for the shift.

- B. Authority employees, including Per Diem employees, in a Registered Nurse (“RN”) classification shall receive Certification Pay equal to three percent (3%) of their regular base rate of pay for each hour actually worked in a medical specialty if they possess and maintain 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 (1) certification.

If an Authority employee assigned to a medical specialty for which they possess a nationally recognized certificate is transferred from such position to an assignment in another medical specialty for which the employee lacks a nationally recognized certificate, the Authority will, upon the effective date of the transfer, discontinue the provision of Certification Pay to the employee.

- C. Except as provided below, an Authority employee, including a Per Diem employee, in a RN classification in the Neonatal Intensive Care Unit (“NICU”) who the department manager officially assigns the role of High-Risk Delivery Nurse (“HRDN”), shall receive High-Risk Delivery Nurse Pay in the amount of \$2.00 per hour for each hour actually worked on a designated high-risk delivery case, subject to the limitations described below.

In the event that the RN assigned as the HRDN is also assigned the role of “Charge” nurse, the RN will only receive the premium Charge Pay.

A Lead Clinical Nurse is not eligible for High-Risk Delivery Nurse Pay.

This pay shall not be combined with other special nurse pays in the same shift, unless otherwise approved by management. Except as provided above, if multiple special pays apply, employees shall receive only the highest applicable rate per shift.

- D. Authority employees, including Per Diem employees, in the HSN classifications who are certified and assigned to administer chemotherapy drugs shall be eligible for Chemotherapy Pay.

Eligible Authority employees shall receive an additional \$2.50 per hour for the entire shift during which an employee administers chemotherapy drugs.

- E. Authority employees in the Pharmacist classification who are designated by the KMC Chief Executive Officer or their designee as Pharmacist In Charge (“PIC”) shall receive PIC Pay equal to five percent (5%) of their base hourly rate of pay for time actually worked as the PIC.

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Section 8. ACCOUNTANT CERTIFICATION PAY

Extra Help and Per Diem employees are not entitled to the certification pay described in this Section.

Biweekly Accountant Certification Pay in the amount of five percent (5%) of base hourly rate of pay shall be paid to eligible employees in the Accountant I/II/III and Senior Accountant job classifications 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 Accountant Certification Pay shall not be paid for obtaining more than one (1) certification.

Section 9. SECURITY CLEARANCE PAY

Employees, including Per Diem 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.

- (1) Adult Justice Facilities listed in the contract for services between the Authority and the County of Kern
- (2) Juvenile Justice Facilities listed in the contract for services between the Authority and the County of Kern

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 Security Clearance 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.

- A. This Security Clearance 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 10. BILINGUAL PAY

In accordance with applicable 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 and LLC reserve 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.

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Section 11. NEW EMPLOYEE PREMIUM PAY

LLC employees shall not be entitled to New Employee Premium Pay described in this section.

Extra Help and Per Diem employees are not entitled to the New Employee Premium Pay described in this Section.

- A. New Employee Premium Pay equal to six percent (6%) of base hourly rate of pay will be paid to Authority 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 Authority employee's base hourly rate of pay times the amount of hours for which the employee received compensation during the pay period, including hours actually worked and paid time off, but excluding overtime. Notwithstanding the foregoing and in addition to the provisions contained in Article VI, Section 3, Authority 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. Authority employees who choose to defer all or part of their six percent (6%) New Employee Premium Pay to the deferred compensation 457(b) plan will receive an employer match equal to the percentage deferred, up to six percent (6%).

Section 12. REFERRAL BONUSES

Extra Help and Per Diem employees are not entitled to the referral bonuses described in this Section.

- A. A permanent full- or part-time employee who refers a Registered Nurse (“RN”) to the Authority or LLC shall be paid a Referral Bonus of \$500 when the referred RN commences work as a full-time or part-time RN, provided that the nurse who was referred identifies the employee who referred them in the application for employment or other accompanying document.
- B. An employee who has received the Referral Bonus listed in Section 12, Subsection A. shall be paid an additional Referral Bonus of \$1,000 when the RN who was referred successfully completes one (1) 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 “Seniority” as that term is defined in Article VI, Section 1.
- C. In the event more than one employee is identified as the referring employee in the manner described in Section 12, Subsection A., the Referral Bonuses described in Sections 12, Subsection A. and 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 or LLC employee when the Referral Bonus is due shall be ineligible to receive the Referral Bonus.
- E. For Authority employees, the referral bonus is not pensionable for purposes of the KCERA defined benefit retirement plan.

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Section 13. NURSING CLINICAL EXCELLENCE PAY

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees and LLC, Extra Help or Per Diem employees shall not be entitled to Nursing Clinical Excellence Pay under this Section.

The KMC Chief Executive Officer may authorize Nursing Clinical Excellence Pay only to employees in the following classifications:

- (1) Hospital Staff Nurse (“HSN”);
- (2) Correctional Staff Nurse;
- (3) Utilization Review Nurse; and
- (4) Professional Development Nurse.

Nursing Clinical Excellence Pay shall not exceed 10 percent (10%) of the nurse's base salary. The Authority will provide SEIU with written notice of any proposed changes to the applicable policy for the 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 14. NURSE PRECEPTOR PAY

The terms in this Section shall not apply to LLC and Extra Help employees and LLC and Extra Help employees shall not be entitled to Nurse Preceptor pay under this Section.

Per Diem employees are entitled to the Nurse Preceptor pay described in this Section.

- A. For purposes of this section, precepting shall be defined as time spent by experienced nurses orienting, instructing and supervising another nurse.
- B. Only employees in a Registered Nurse (“RN”) classification and the Licensed Vocational Nurse (“LVN”) classification who have been designated for the Nurse Preceptor Program shall receive Nurse Preceptor Pay in the amount of \$1.50 per hour while precepting, as define above.

Section 15. EDUCATION EXPENSE REIMBURSEMENT PROGRAM

Extra Help and Per Diem employees are not entitled to the benefits described in this Section.

- A. The Expense Reimbursement Program is available to employees who satisfy the following criteria:
 - (1) Is enrolled in an Associate Degree, Bachelor Degree, or Master's Degree nursing program; or
 - (2) Is enrolled in a class that is a prerequisite 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 Authority or LLC. Correspondence schools belonging to the Western Association of Schools and Colleges (“WASC”) may also qualify.

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- 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 applicable education expense reimbursement policy, and which may be amended from time to time.
- F. The Authority and LLC each will designate an individual who will be responsible to administer the investment in nursing initiative in accordance with the terms set forth in this MOU.

Section 16. OTHER CERTIFICATION PAY

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

Section 17. OVERTIME COMPENSATION – NON-EXEMPT POSITIONS

- A. For purposes of this section, unless otherwise specified below, non-exempt employees shall be eligible to earn overtime at the rate of one and one-half times the employee's regular rate of pay 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 when the employee is not actively working), but shall include rest periods and PTO-Flex, as described below.
- B. During the term of this MOU, the Authority's and LLC's policies and procedures regarding overtime, as they apply to non-exempt employees, shall be observed and non-exempt employees shall continue to be eligible to receive CTO in lieu of cash, up to the maximum of 120 hours of CTO.
- C. Full-time non-exempt employees who are regularly scheduled to work eight (8) hours per day, five (5) days a week will be eligible for daily overtime. This overtime is contractual and not required by the Fair Labor Standards Act ("FLSA").
- D. Except as provided below, full-time non-exempt employees will be eligible for overtime pay for hours worked in excess of 40 hours per workweek. Employees on an Alternative Work Schedule ("AWS") may not be eligible for overtime in excess of 40 per week. (See Section 18.)
- E. Limitations on Mandatory Overtime:

The Authority, LLC 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 Authority or LLC operations, including but not limited to patient care, may be compromised,

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or when there is an internal or external emergency declared by state, local or federal government, or declared by an Administrator. For the purposes of this section, an internal or external emergency is defined as an unexpected situation or sudden occurrence of a serious and urgent nature that demands immediate action.

Department managers will, when feasible, maintain a sign-up list of employees who desire to be given overtime or additional hours. When practicable, department managers will first offer additional hours to employees in order of Seniority, as that term is defined in Article VI, Section 1, who would not incur overtime.

Section 18. EXEMPT POSITIONS

- A. Exempt employees shall be determined in accordance with applicable wage and hour laws, including, but not limited to, the Fair Labor Standards Act (“FLSA”) and California labor law provisions governing exempt status. The Authority and LLC retain the right to review and adjust exempt classifications to ensure compliance with applicable legal requirements.
- B. The Authority or LLC and SEIU agree to meet and confer regarding the effects or impacts of the Authority’s or LLC’s exemption of any classification(s) from overtime eligibility under the FLSA. In no instance will the Authority or LLC designate a classification as exempt if it does not qualify under the FLSA.
- C. The positions of Nurse Practitioner and Physician Assistant (Advanced Practice Providers (“APPs”)) are classified as exempt from overtime, reflecting their professional status under the FLSA. 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.
- D. The Union and the Authority and LLC 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 19. ALTERNATIVE WORK SCHEDULES (“AWS”)

The terms of this Section shall not apply to Extra Help or Per Diem employees.

- 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.
- B. The Union and the Authority and LLC agree that the Authority or LLC may implement Alternative Work Schedules in any unit based on business needs. The Authority and LLC agree to maintain all existing alternative workweek schedules currently in effect unless the Authority or LLC determines that there is a business need to modify the schedule. The Authority or LLC agree to provide 14 days’ written notice to employees when modifying an AWS, with a copy to SEIU.

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- C. In departments where business needs do not drive the need for the Authority or LLC 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 two-thirds (2/3) of the eligible employees must be willing to work the AWS. 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 AWS. Once implemented, an elective AWS may not be revoked for 12 months unless the Authority or LLC 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 (e.g., Pharmacists and Clinical Lab Scientists (“CLS”)) may be assigned a 7/70 schedule, with approval from the KMC Chief Executive Officer or their 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 20. FLEXING OF CLINICAL STAFF

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees.

Extra Help and Per Diem employees shall be subject to the flexing as described NRS-LD-1160.00.

- A. All Authority 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. Authority 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 work week. Eligible Authority 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 Authority 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. Authority 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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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

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.

- D. 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. FLEXING OF NON-CLINICAL STAFF

The terms of this Section shall not apply to Extra Help or Per Diem employees.

Extra Help and Per Diem employees shall be subject to the flexing as described NRS-LD-1160.00.

- 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.
- B. 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 PTO-Flex 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 and LLC 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.
- C. 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.
- D. 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 22. REST AND MEAL PERIODS

- A. To the best of its ability, the Authority and LLC 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 practicable, a paid rest period of 15

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minutes during each four (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 23. POSTING OF SCHEDULES

The terms of this Section shall not apply to Extra Help or Per Diem employees.

- 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 and LLC shall provide a hard copy of the posted schedule to the employee.
- C. The Authority and LLC shall attempt to schedule employees off on two (2) consecutive days each week when feasible. The Authority and LLC 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 24. REPORT PAY

An employee required by the Authority or LLC to report to work and who does report, but is notified by the Authority or LLC that they are being flexed will be utilized and receive Report Pay for no fewer than two (2) hours at the employee's regular hourly rate of pay. If the employee is offered work and elects not to work, then the employee shall not receive Report Pay. In such circumstances, the employee may take the day off without pay or elect to use accrued and available PTO or CTO (where applicable) to provide for their compensation.

Section 25. SHIFT TRADES

- A. Scheduled employees may trade shifts or days provided that the manager approves the trade and that the trade does not result in increased overtime or extra shift premium costs for the Authority. The employee shall not be required to provide the reason why the employee desires to trade shifts and the manager will only consider whether trade will result in increased overtime or extra shift premium costs for the Authority or LLC and whether the employee who will now assume the shift can perform all the duties required of the employee seeking to trade shifts.
- 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 extra help employees will be allowed.

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Section 26. UTILIZATION OF NURSING STAFF

The terms of this Section shall not apply to LLC employees.

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 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 27. OUT OF CLASS PAY

The terms of this Section shall not apply to Extra Help or Per Diem employees.

- A. Employees may be temporarily assigned to perform duties in a higher or lower job 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 that extend beyond the two (2) full pay periods must have approval of the Vice President, Human Resources or their designee and must be in the operational interest of the Authority or LLC. 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 duration of the assignment. Departments shall not use out-of-class assignments in lieu of filling vacant positions through the normal recruitment and hiring process, unless the Authority or LLC intends to eliminate the vacant position at issue. However, out-of-class assignments may be used while the department is actively recruiting to fill a vacancy.
- 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 there is prior approval from the Vice President, Human Resources or their designee for an extension beyond the six (6) month period. 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 base salary for the position to which the employee is assigned for a higher job classification. The compensation shall be at least one (1) step level increment higher than the employee's current base hourly salary (i.e., at least three percent (3%) more than their current base hourly salary). If the out-of-class assignment is in a position with a lower base salary, the employee will continue to receive their regular pay. The employee returns to their regular position and salary range when the temporary assignment ends.
- F. Employee anniversary dates will not be impacted by an out-of-class assignment.

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- G. An employee who serves in an out-of-class assignments in a higher job classification may receive credit for the out-of-class assignment against the probationary period in such classification following the employee's promotion to the higher job classification, if the following criteria are satisfied:
1. The out-of-class assignment was in the same classification as the classification to which the employee promoted;
 2. The employee performed at a "Standard" or better rating while serving in the out-of-class assignment; and
 3. At least some portion of the out-of-class assignment took place within one (1) year of the employee's promotion to the higher job classification

If such criteria are satisfied, the Authority or LLC shall credit the employee with time against the promotional probationary period in the higher job classification equal to the time served in the out-of-class assignment, up to one-half the promotional probationary period.

ARTICLE VI - BENEFITS

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. SENIORITY

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the benefits described in this Section.

A. Definition

1. For Authority employees, 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.

2. For LLC employees, seniority shall be defined as the length of uninterrupted service with the LLC.

B. Termination of Seniority - An employee's seniority shall be terminated by one of the following:

- (1) Resignation, or
- (2) Termination for any reason.

Section 2. MEDICAL/DENTAL/VISION/PRESCRIPTION DRUG/LIFE INSURANCE/RETIREE HEALTH – REGULAR AUTHORITY EMPLOYEES

The terms in this Section shall not apply to LLC employees and LLC employees shall not be entitled to the benefits described in this Section. The terms and conditions related to such benefits for LLC employees are set forth in Article VI, Section 3, below.

- A. All Authority employees MOU shall be required to pay, by payroll deduction, 20 percent (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").

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(All insurance premiums referenced in this subsection shall equal 98 percent (98%) of the applicable COBRA premium.)

- B. Authority 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. Authority employees who decline coverage may not enroll in the Authority's health insurance program until the next open enrollment period or a "qualifying event". Authority employees who have not declined coverage shall have the option of obtaining Authority health insurance for the 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, twenty percent (20%) of the appropriate premium for dependents. The health insurance program offered to 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 Authority 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 ("RHPS")
 - 1. Participation in the RHPS is discontinued for employees hired on or after March 15, 2016.
 - 2. Employees who discontinued participation in the RHPS prior to March 15, 2016, are eligible, solely upon retirement from the Authority, to receive an employer contribution to a Health Reimbursement Arrangement ("HRA") managed by the County of Kern in the following manner:
 - a. The employer contribution is equivalent to the amount the employee has had deducted from his or her pay to RHPS since payroll period 12-16 (August 11-24, 2012) until the last payroll period for which a deduction was made for such purpose.
 - b. Employees who opt out and retire at or after age 70 will not receive any employer contribution for the HRA.
 - 3. Employees hired prior to March 15, 2016, who do not opt-out of the RHPS, shall continue to participate in the RHPS under the following terms:
 - a. Employees shall contribute to RHPS at the contribution rate of two and twelve-one hundredths of a percent (2.12%) of base salary.
 - b. Employees hired at age 45 years or older continue to be excluded from participation in the RHPS because they could never receive a benefit.

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- 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 (5) 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 ("CERL"), will become eligible for 100 percent (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 Authority 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.

Section 3. MEDICAL/DENTAL/VISION/PRESCRIPTION DRUG/LIFE INSURANCE/RETIREE HEALTH – REGULAR LLC EMPLOYEES

The terms in this Section shall not apply to Authority employees and Authority employees shall not be entitled to the benefits described in this Section. The terms and conditions related to such benefits for Authority employees are set forth in Article VI, Section 2, above.

- A. The health insurance program offered to LLC employees and their dependents shall consist of four components: (1) medical; (2) dental; (3) vision; and (4) prescription drug coverage. That program must be accepted or declined in its entirety. It is not permissible to pick and choose among those components.
- B. All LLC employees who elect to be covered by the LLC's health insurance program shall be required to pay, by payroll deduction, 20 percent (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"), unless the employee elects to opt out of such health insurance coverage. (All insurance premiums referenced in this subsection shall equal 98 percent (98%) of the applicable COBRA premium.)
- C. LLC employees may decline coverage under the LLC's health insurance provided that the employee executes a declaration, in a form acceptable to the LLC, in which the employee: (i) declares that the employee has medical insurance coverage for the employee; and (ii) declines coverage under the LLC's health insurance program for the employee and the employee's dependents. New LLC employees may decline coverage upon employment. Existing LLC

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employees may decline coverage during an open enrollment period or in the applicable period following a “qualifying event”.

LLC employees who decline coverage may not enroll in the LLC's health insurance program until the next open enrollment period or a “qualifying event”.

- D. The LLC will continue to provide an annual open enrollment for LLC employees to change health insurance plans, enroll eligible dependents, or decline coverage (with submission of declination form and proof of other employer-provided medical care coverage).
- E. The LLC 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.
- F. The LLC will provide life insurance coverage for LLC employees covered by the LLC's health insurance program in the amount of \$10,000 per employee. The LLC may solicit Requests For Proposals (“RFP”) in order to maintain the life insurance coverage. The LLC's decision to solicit RFPs shall not be subject to any meet and confer, whether on the decision or the effects or impacts related to such a decision.

Section 4. HEALTH AND MEDICAL BENEFITS – EXTRA HELP AND PER DIEM EMPLOYEES

The terms in this Section shall not apply to regular Authority or LLC employees and regular Authority and LLC employees shall not be entitled to the medical benefits described in this Section.

Extra Help and Per Diem employees shall be entitled to health medical benefits described in Health Benefits Policy for Full-Time Extra Help and Temporary Employees depending on their eligibility and qualification for such benefits, as described in the Policy.

Extra Help and Per Diem employees hired to work more than an average of fifty-nine (59) hours per biweekly pay period shall become eligible for benefits effective the first day of the biweekly pay period following one month of continuous service, beginning on the day the employee physically reports to duty in the benefits eligible position.

Extra Help and Per Diem employees hired to work fewer than fifty-nine (59) hours per biweekly pay period shall be evaluated upon completion of three (3) months of employment to determine whether their average hours worked during that three-month period meet the minimum hours requirement for benefits eligibility.

Employees determined to be eligible shall be permitted to elect medical and prescription drug coverage for themselves and eligible dependents by completing the required enrollment forms within the designated enrollment period.

Eligible employees shall pay, through payroll deduction, their required share of health benefit premiums in accordance with applicable Kern County Benefits Department policies. Additional coverage for dental and vision benefits may be available in accordance with County of Kern benefit policies in effect at the time of enrollment.

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Section 5. RETIREMENT – AUTHORITY EMPLOYEES

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees and LLC, Extra Help and Per Diem employees shall not be entitled to the retirement benefits described in this Section.

The terms and conditions related to retirement benefits for LLC employees are set forth in Article VI, Section 6, below.

- 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 Authority 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 eligible Authority employees hired or rehired by the County or the Authority on or after August 7, 2004 (hereinafter "Post August 7, 2004 Employees") shall pay 100% of the employees' normal contributions to retirement, as set forth in Government Code Section 31621. Employees who have accrued years of service prior to being hired or rehired by the County or the Authority on or after August 7, 2004, shall pay 100% of the employees' normal contribution to retirement.
- D. Post October 27, 2007 new Authority employees 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 provide a biweekly amount ("match") as follows:
 - 3. Subject to the limitation contained in paragraph 2. below, the Authority shall contribute a biweekly amount, equal to the biweekly amount that the Authority employee contributes to the Kern County Deferred Compensation Plan.
 - 4. The six percent (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 Authority employee to exceed any applicable IRS limitations of contributions to the Kern County's Deferred Compensation Plan.

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5. This MOU does not create a vested right to a continued match beyond expiration of this Agreement. However, the benefit will continue beyond the expiration date of this MOU subject to the then current collective bargaining laws and rules.
 6. If for any reason, including but not limited to a redeposit under current law, a new Authority employee becomes eligible for the defined retirement benefit set forth in Subsection A, above, the new employee shall repay the Authority the amount of the match received plus the amount of six percent (6%) premium pay received, under Article V, Section 7, Subsection (E) of this Agreement for the period of service during which the Authority employee is credited under the higher benefit formula. It is the purpose of this Subsection 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.
- E. 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.
 - F. Notwithstanding subsections A and C, eligible Authority 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 by the Authority or County 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 No. 2007-420 (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 ("KCERA").
 - G. 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 KCERA and the Government Code.
 - H. 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.
 - I. Authority 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 KCERA 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.
 - J. 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

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Human Resources department may, at its sole discretion, waive the April 1 filing deadline for any employee.

- K. 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 6. RETIREMENT – LLC EMPLOYEES

The terms in this Section shall not apply to Authority employees and Authority employees shall not be entitled to the retirement benefits described in this Section. The terms and conditions related to retirement benefits for Authority employees are set forth in Article VI, Section 5, above.

This Section shall not apply to Authority employees.

LLC employees shall be entitled to the following:

A 401(k) plan that provides the following:

- (1) 100% employer match of employee contributions up to a maximum of six percent (6%) of the employee's base salary, and
- (2) A non-elective employer contribution equal to four percent (4%) of the employee's base salary to the 401(k) plan, subject to the governing IRS regulations.

The LLC will arrange for informational meetings to be conducted by the 401(k) plan administrator to inform LLC employees about their rights and benefits under the 401(k) plan.

If at some time in the future the LLC employees become ineligible to participate in a 401(k) plan and become eligible to participate in a 457(b) plan, the Authority shall allow LLC employees to participate in the 457(b) plan and KCERA (as described in Article VI, Section 5, above), and the New Employee Premium Pay (as described in Article V, Section 11) shall apply, the pension contributions described in Article VI, Section 4 shall apply, and the non-elective four percent (4%) contribution to the 401(k) plan shall be discontinued.

Section 7. RETIREMENT – EXTRA HELP AND PER DIEM EMPLOYEES

The terms in this Section shall not apply to regular Authority or LLC employees and regular Authority and LLC employees shall not be entitled to the retirement benefits described in this Section.

Extra Help and Per Diem employees shall be entitled to deferred compensation benefits described in the Deferred Compensation Plan - Part Time Seasonal Temporary depending on their eligibility and qualification for such benefits, as described in the Deferred Compensation Plan - Part Time Seasonal Temporary.

Section 8. GOLDEN HANDSHAKE

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees and LLC, Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

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The Authority recognizes that, if a revenue shortfall occurs during the term of this MOU, it may require a reduction in the number of Authority employees and cause the layoff of permanent Authority employees represented by SEIU. Consequently, the Parties 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 Authority employees that must be laid off.

A. Criteria

The Parties 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 Authority employees 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 Authority 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 Authority 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 Authority 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.

B. Paid Leave Balances for Golden Handshake Participants

The Parties 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:

- (1) Earned EIB payoffs, in the same manner as provided in Article IV, Section 2, Subsection G 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

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credit in the KCERA retirement system. Any remaining balance of accumulated EIB or PTO credit shall be paid out according to the terms of this Agreement.

C. 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 this Article.

- (1) A three (3) person panel comprised of the KMC Chief Executive Officer, the Vice President of Human Resources or their designee, and the Regional Director of the SEIU, will be formed to adjudicate disputes.
- (2) An employee who believes they have been aggrieved by execution of this Section may submit their complaint in writing to the Vice President of Human Resources, who will call a meeting of the above-referenced panel.
- (3) The complainant and their representative may appear before the panel and present relevant evidence and/or argument to support their claim.
- (4) A complaint must be submitted within five (5) calendar days of the employee's belief that they have 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 9. PROFESSIONAL FEES

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

The Authority and LLC agree to pay 100% of a required fee, not to exceed \$500, to each Authority or LLC 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 (1) year, the Authority or LLC will pay the required fee, except that the Authority and LLC shall not pay any amount in excess of the total of \$500 per year for each year of the license or registration.

Section 10. UNIFORMS

- A. Certain permanent full-time and part-time employees (including Extra Help and Per Diem employees) are required by Authority or LLC policies, practices and procedures to wear specific uniforms. The Authority or LLC will determine the number of uniforms, and methods and amounts of procurement.
- B. The Authority or LLC will provide replacement uniforms, or portions thereof, whenever a change in the required uniform makes it necessary for employees to purchase new uniforms or portions thereof.

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- 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 Authority or LLC shall provide patches and chevrons for uniforms.
- E. The following classifications shall be provided \$100 per year for a boot allowance:

Groundskeeper I/II	Maintenance Carpenter
Maintenance Electrician	Stationary Engineer
Maintenance Plumber	Maintenance Worker Series
HVAC Mechanic I/II	

- F. Such allowance shall not accrue and may not roll-over from one year to the next. Such allowance shall have no cash value and may not be cashed out.

Section 11. TRAVEL EXPENSES

Employees who are required to travel on business for the Authority or LLC will be reimbursed in accordance with the applicable Employee Travel and Business Expense Reimbursement policy.

Section 12. TOOLS

The Authority or LLC will provide any tools required to be used.

Section 13. FLEXIBLE SPENDING ACCOUNT

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

- A. Employees are eligible to participate in the Flexible Spending Account (“FSA”) Cafeteria Plan, which the Authority and LLC maintains in compliance with the requirements of Sections 105, 106, and 129 of the Internal Revenue Code of 1986, as amended. FSA plan options include an FSA 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. Administration of the FSA is regulated by the Plan Document, as adopted, and periodically amended, by the Authority’s Board of Governors and the LLC’s Board of Managers and by the applicable state and federal laws.

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Section 14. CONTINUING EDUCATION REQUIREMENTS

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

- A. The Authority and LLC 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 the following criteria are satisfied:
- (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 would be beneficial to the operations of the department in which the employee works.
- 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. Additionally, APPs shall be provided up to four (4) days of paid leave per year to attend in-person continuing education courses that are not offered by the Authority or LLC. Such leave shall not accrue and may not roll-over from one year to the next. Such leave shall have no cash value and may not be cashed-out.
- C. The Authority or LLC will reimburse employees for costs associated with pre-approved, mandatory off-site education. 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, LLC or employee.

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

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

- 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 or LLC by one of the following methods after the employee elects solely in their 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 or LLC 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 or LLC, after due

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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 or LLC 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 determined by the Authority or LLC, 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 or LLC.

If, as a result of an administrative error, any employee of the Authority or LLC receives payment of monies or benefits less than that legally due, the Authority or LLC will reimburse the employee as soon as practicable, including, if possible, in an off-cycle payment to the employee. If this is not practicable, the Authority or LLC 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.

In the event an employee is underpaid a substantial portion of monies or benefits legally due on a paycheck, the Authority or LLC may issue a salary advance at the request of the employee.

Disputes regarding application of this Article shall be resolved pursuant to the Grievance and Arbitration Procedure set forth in Article VIII. Collection of the disputed amount will be held in abeyance until such grievance is adjudicated.

ARTICLE VIII - GRIEVANCE AND ARBITRATION PROCEDURE

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

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;

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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 and LLC holidays.

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

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 or LLC policy questions, including subjects involving newly established or amendments to existing Board of Governors' or Board of Managers' resolutions, ordinances, or minute orders, unless the allegation is that they are not uniformly administered or that implementation would violate terms and conditions of this 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).

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8. Grievances filed after an employee's Extra Help or Per Diem appointment has terminated or expired.

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 or LLC 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

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 approval of the department manager. Management 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 or LLC.
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 and, in the case of Extra Help and Per Diem employees, not later than the expiration or termination of their Extra Help or Per Diem appointment), an employee may promptly and informally meet to discuss the complaint with their immediate supervisor.

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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 ten (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.

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 the 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 their representative, if requested, within 10 days from the receiving the appeal, 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, the employee may appeal the decision to the Employee Relations Representative (“ERR”) within five (5) days from receipt of the department head's decision. In their 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.

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

If the employee is not satisfied with the decision of the ERR or their 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, their representative, if any, and the ERR, or their designee, shall, within five (5) days of receipt of the grievant's request, set a date for a meeting to undertake the following:

- (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.

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 ("SMCS"), or the American Arbitrator's Association. The Parties shall mutually agree on the service used for purposes of requesting an arbitrator.
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 or LLC.
5. The arbitrator will confine themselves and any order and award to the issue submitted.
6. The arbitrator's decision shall be binding upon all parties. 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 or LLC 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 their decision within 30 days from the close of the hearing.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

ARTICLE IX – OTHER TERMS

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, including Extra Help and Per Diem employees.

Section 1. SEVERABILITY

If any provision 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.

Section 2. REOPENER

Within 60 days of the adoption of this Agreement by the Authority’s Board of Governors and the LLC’s Board of Managers, the Authority and LLC will propose a change to the compensation structure for employees in Advanced Practice Provider (“APP”) classifications (Physician Assistant (“PA”), Nurse Practitioner (“NP”)) that are exempt from the FLSA (i.e., who are not entitled to overtime), including incentive pay. The reopener shall be limited to the terms and conditions of this Agreement implicated by such a proposal and shall not result in reopening any terms that do not relate to such a proposal. Following the Authority’s and LLC’s proposal, the Parties will meet and confer in good faith, as required by law and pursuant to Article II, Section 4 of this Agreement, to discuss such a proposal.

ARTICLE X - DURATION OF THE MOU

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, including Extra Help and Per Diem employees.

- A. Upon ratification by the SEIU membership and approval by the Authority's Board of Governors and the LLC’s Board of Managers, this MOU shall become effective and binding upon the Parties in accordance with Section II, Article 14, of the EERR.
- B. The term of this MOU shall be from April 1, 2026 through March 31, 2029.

This Memorandum of Understanding is executed this ___ day of April, 2026.

SERVICE EMPLOYEES' INTERNATIONAL
UNION LOCAL 521:

KERN COUNTY HOSPITAL AUTHORITY:

KERN MEDICAL SURGERY CENTER, LLC:



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

April 1, 2026

Subject: Proposed resolution in the matter of changes in terms and conditions of employment for unrepresented employees classified as management, mid-management and confidential (MMC)

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

Summary: The Authority requests your Board approve changes to the terms and conditions of employment for MMC employees as outlined below. These employees are unrepresented and include Directors, Managers, Mid-level Managers and Confidential employees.

The following is a brief overview of the recommended changes:

- 1) Effective with the pay received on April 14, 2026, regular permanent MMC employees will receive a one-time MOU signing bonus in the amount of \$1,500 for full-time employees and \$750 for part-time employees.
- 2) All unrepresented employees classified as confidential will be compensated in accordance with approved salary ranges and eleven step levels, denoted as Steps 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11, effective April 4, 2026. Advancement between steps is not based upon employee performance.
- 3) All unrepresented employees classified as confidential shall receive a salary increase of 2.0% effective on the first day of the first pay period following the adoption of this resolution (April 4, 2026).
- 4) All unrepresented employees classified as confidential shall receive a salary increase of 2.0% effective on the first day of the first pay period following April 1, 2027 and April 1, 2028.
- 5) Effective April 1, 2026, there will be a reduction in the extended illness bank accrual from 7 to 6 days per year. In exchange, MMC employees will be provided one floating holiday annually. The floating holiday not used in the year during which it is provided will not carry over to the following year and will be lost, if not used.
- 6) Effective April 1, 2026, MMC employees will be subject to the changes in the Service Award Program, which clarifies eligibility and includes increases in the award amount depending upon an employee's years of service.

Therefore, it is recommended that your Board approve the proposed changes to the terms and conditions of employment for MMC employees as outlined above, adopt the attached resolution, and authorize the Chief Executive Officer, Chief Financial Officer and Human Resources to implement the changes.

**BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY**

In the matter of:

Resolution No. 2026-____

**CHANGES IN TERMS AND CONDITIONS OF
EMPLOYMENT FOR UNREPRESENTED
EMPLOYEES CLASSIFIED AS MANAGEMENT,
MID-MANAGEMENT AND CONFIDENTIAL**

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 1st day of April, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 101855, subdivision (a)(6), the Board of Governors is authorized to prescribe the compensation and other terms and conditions of employment for all employees; and

(b) All employees classified as management, mid-management and confidential are not represented by a recognized employee organization; and

(c) The Board of Governors desires to implement changes to the terms and conditions of employment for all unrepresented employees classified as management, mid-management and confidential.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority (“Authority”), as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. Effective with the pay received on April 14, 2026 (Pay Period 26-06), all permanent full-time unrepresented employees classified as management, mid-management and confidential employed as of April 1, 2026, shall receive a one-time bonus of one thousand five hundred dollars (\$1,500), less all applicable federal and state taxes and withholdings. The bonus is non-pensionable for purposes of the Kern County Employees’ Retirement Association (“KCERA”) defined benefit retirement plan.

3. Effective with the pay received on April 14, 2026 (Pay Period 26-06), all permanent part-time unrepresented employees classified as management, mid-management and confidential employed as of April 1, 2026, shall receive a one-time bonus of seven hundred fifty dollars (\$750), less all applicable federal and state taxes and withholdings. The bonus is non-pensionable for purposes of the Kern County Employees’ Retirement Association (“KCERA”) defined benefit retirement plan.

4. All unrepresented employees classified as confidential will be compensated in accordance with approved salary ranges and eleven step levels, denoted as Steps 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11, effective April 4, 2026 (Pay Period 26-07). Advancement between steps is based upon employee performance.

5. All unrepresented employees classified as confidential shall receive a salary increase of two percent (2.0%) effective on the first day of the first pay period following the adoption of this resolution (April 4, 2026; Pay Period 26-07).

6. All unrepresented employees classified as confidential shall receive a salary increase of two percent (2.0%) effective on the first day of the first pay period following April 1, 2027.

7. All unrepresented employees classified as confidential shall receive a salary increase of two percent (2.0%) effective on the first day of the first pay period following April 1, 2028.

8. Except as otherwise provided herein, all unrepresented employees classified as management, mid-management and confidential hired on or after April 1, 2026, shall have available the service award program benefit as follows:

a) The service award program will provide awards for all permanent full-time and part-time unrepresented employees classified as management, mid-management and confidential who achieve 5 years, 10 years, 15 years, 20 years, 25 years, 30 years, and 35 years of service with the Authority, including service with KMC when it was a County Department or Kern Medical Surgery Center, LLC;

b) The average cost of service awards for all unrepresented employees classified as management, mid-management and confidential is as follows:

Years of Service	Award Amount
5 Years	\$50.00
10 Years	\$100.00
15 Years	\$150.00
20 Years	\$200.00
25 Years	\$250.00
30 Years	\$300.00
35 Years	\$400.00

c) The Authority has the sole and exclusive right to select the service award program provider/administrator and the awards available for selection under the program.

d) All Extra Help and Per Diem employees classified as management, mid-management and confidential are not eligible to participate in the service award program;

9. Except as otherwise provided herein, effective on the first day of the first pay period following the adoption of this resolution (April 4, 2026; Pay Period 26-07), all unrepresented employees classified as management, mid-management and confidential hired on or after April 1, 2026, shall have available the extended illness bank benefit (“EIB”) as follows:

a) EIB is intended for an illness or injury lasting more than three (3) consecutive scheduled shifts. Employees must use PTO for unscheduled absences of three (3) or fewer shifts unless the absence meets the requirements for approved Kin Care

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 or injury.

c) After an employee has been absent due to an illness or injury for more than seven (7) calendar days, regardless of the number of shifts or hours missed, they must complete all required leave of absence documentation including a note from a healthcare provider. 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 or accrued Compensatory Time Off (“CTO”).

e) For regular permanent full-time employees, EIB will accrue at the rates set forth below:

Years of Service	Biweekly Accrual	EIB Hours/Year	EIB Days/Year
0-5	1.846	48.0	6
6 or more	2.769	72.0	9

f) For regular, permanent part-time employees, EIB will accrue at a prorated rate based on the hours worked in the biweekly pay period.

g) Regular permanent full-time employees may accrue EIB up to the maximum of 640 hours of EIB. For regular, permanent part-time employees, the maximum allowable accrual shall be proportionate to the maximum amount for regular full-time employee prorated by the number of hours worked by the regular, permanent part-time employee in the calendar year.

h) Upon death or active retirement of an employee (with an approved-application for retirement to the Kern County Employees’ Retirement Association (“KCERA”); deferred retirement is not eligible), accrued and unused EIB hours will be cashed out as follows:

Years of Continuous Service	Payoff Rate
0 through 19	50 percent
20 through 24	75 percent
25 or more	100 percent

For the purposes of this subsection, continuous 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

The amount payable under this subsection shall be calculated based upon the employee's regular rate of compensation and years of uninterrupted continuous service at the time of death or active retirement from the Authority.

i) Employees may be eligible to receive a cash bonus if they have accrued the maximum amount of unused EIB and satisfy the following conditions:

- 1) Regular permanent full-time employees (i.e., employees whose units of work are equal to 80 regular working hours per biweekly pay period) 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 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.

- 2) Regular permanent part-time employees (i.e., employees whose units of work are less than 80 regular working hours per pay period) 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 regular permanent full-time employees (i.e., 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 regular permanent full-time employees) and have used 10 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.

j) All Extra Help and Per Diem employees classified as management, mid-management and confidential are not eligible for the extended illness bank benefit.

10. Except as otherwise provided herein, all unrepresented employees classified as management, mid-management and confidential shall have available the floating holiday benefit as follows:

a) The floating holiday is available to employees for purposes of rest and relaxation. The Authority encourages employees to use a scheduled floating holiday to rejuvenate and enhance the quality of life. The floating holiday may also be used for short-term illnesses, personal appointments, doctor appointments, family emergencies, etc.;

b) Requests for a scheduled floating holiday must be made in writing in advance in accordance with the Authority holiday policy, which shall be revised to reference the "Floating Holiday";

c) Effective April 1, 2026, permanent full-time employees shall receive one (1) floating holiday following the adoption of this resolution and on each January 1 thereafter. Full-time employees whose regular non-overtime schedule requires that they work more than eight (8) hours in work day shall receive the floating holiday in an amount equivalent to the time that they most regularly work on a given work day (e.g., employees who work a 4/10 work schedule shall receive ten (10) hours of floating holiday; employees who work a 3/12 work schedule shall receive twelve (12) hours of floating holiday; and employees who work a 9/80 will receive eight (8) hours of floating holiday);

d) For permanent part-time employees, the floating holiday will be prorated based on the number of hours worked in the biweekly pay period;

e) The floating holiday must be used in the year during which it is provided (e.g., the floating holiday provided following the adoption of this resolution must be used by December 31, 2026, the floating holiday provided on January 1, 2027 must be used by December 31, 2027, etc.). The floating holiday not used in the year during which it is provided will not carry over to the following year and will be lost, if not used;

f) The floating holiday will not be paid out if not used during the year it is provided nor will it be paid out if not used prior to separation of employment, regardless of the reason;

g) Employees shall not be downgraded on the Employee Performance Report for the use of an authorized floating holiday;

h) Extra Help and Per Diem employees classified as management, mid-management and confidential are not eligible for the floating holiday benefit described in this section.

11. All existing unrepresented employees classified as management, mid-management and confidential shall retain all other existing benefits.

12. The terms and conditions of employment adopted by this Resolution shall apply to all existing employees classified as management, mid-management and confidential, effective upon adoption of this Resolution.

13. The terms and conditions of employment adopted by this Resolution shall apply to all newly hired employees classified as management, mid-management and confidential, effective upon commencement of their employment.

14. The Chief Executive Officer, Chief Financial Officer and Human Resources Department are hereby directed to implement the provisions of this Resolution.

15. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Executive Officer
Chief Financial Officer
Human Resources Department
Legal Services Department



**BOARD OF MANAGERS
SPECIAL MEETING
KERN MEDICAL SURGERY CENTER, LLC**

April 1, 2026

Subject: Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, 6, 7, and 8, effective April 1, 2026 through March 31, 2029, with changes to wages, hours, and terms and conditions of employment

Recommended Action: Approve; Authorize Chairman to sign; Authorize Administrator and Human Resources to implement changes

Summary:

The LLC requests your Board approve the Memorandum of Understanding (MOU) between the Kern County Hospital Authority, Kern Medical Surgery Center, LLC, and Service Employees International Union, Local 521 (SEIU), representing employees in bargaining units 1-8. The parties began meeting in September 2025 and met regularly until the parties reached a tentative agreement in March 5, 2026.

The proposed MOU contains changes to wages, automatic step increases, clarifying language for use of Paid Time Off (PTO), Extended Illness Bank (EIB), and the Service Award Program. The agreement also modifies SEIU bargaining units by adding LLC positions, and adds new bargaining units for the Extra Help and Per Diem positions so there is now a single MOU for SEIU represented employees. These changes and others have been negotiated in good faith between the Authority, LLC 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 2.0% or higher will be provided to all represented employees in 2026. Additionally, the wage increase will be 5% for certain additional positions listed in the MOU. 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.
- 2) Regular permanent employees will receive a one-time MOU signing bonus in the amount of \$1,500 for full-time employees and \$750 for part-time employees.
- 3) Wage increases in the amount of 2.0% will be provided to all represented employees effective the beginning of the first pay period immediately following April 1, 2027 and April 1, 2028.

- 4) Expanded salary increment scale from 8 steps to 11 steps for non-nursing positions, while nursing, nurse practitioners, and physician assistants remain on the 16- step scale.
- 5) Reduction in the Extended Illness Bank accrual from 7 to 6 days per year in order to provide an annual floating holiday. This floating holiday is non-transferable, does not roll over to the next calendar year, and does not have any cash value upon separation.
- 6) A contract reopener will occur within 60 days of your Board's approval of the agreement to propose a change to the compensation structure for employees in the Advanced Practice Provider ("APP") classifications, including incentive pay.

Between March 6 and March 20, 2026, SEIU communicated the terms and conditions of the proposed MOU to represented employees, who voted in favor to ratify the agreement. The results of this vote were communicated to the Authority on March 20, 2026.

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, 6, 7, and 8 effective April 1, 2026 through March 31, 2029, with changes to wages, hours, and terms and conditions of employment, authorize the Chairman to sign, and authorize the Administrator and Human Resources to implement the proposed changes.



Kern
Medical

MEMORANDUM
OF
UNDERSTANDING

KERN COUNTY
HOSPITAL AUTHORITY,
KERN MEDICAL
SURGERY CENTER, LLC,
&
SEIU LOCAL 521

April 1, 2026 – March 31, 2029

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

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**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

PREAMBLE

This Memorandum of Understanding ("MOU" or "Agreement") is entered into by the Kern County Hospital Authority ("Authority"), which owns and operates Kern Medical Center ("KMC"), Kern Medical Surgery Center, LLC ("LLC"), and Service Employees International Union, Local 521("SEIU" or "Union"). For the purposes of this Agreement, the term Parties shall be understood to include the Authority, the LLC, and the Union, unless otherwise provided.

This Agreement 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 Authority and LLC employees in the bargaining units described in Article I, Section 2.

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 and the LLC's Board of Managers.

ARTICLE I - RECOGNITION

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

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 and the LLC's Board of Managers.
- 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

Section 2. UNION RECOGNITION

The Authority and LLC recognize SEIU as the exclusive employee organization certified by the Authority's Board of Governors and the LLC's Board of Managers pursuant to the Employer-Employee Relations Resolution ("EERR") and the Meyers-Milias-Brown Act ("MMBA"), and any amendments thereto, for both Authority and LLC employees described below. 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 as follows:

1. Supervisory
2. Professional
3. Technical Services
4. Clerical
5. Administration
6. Trades/Crafts/Labor
7. Extra Help
8. Per Diem

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

Section 3. AUTHORIZED AGENTS

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

- A. The Authority and LLC'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. The Parties agree to notify the other Party in writing within 10 days of any changes to the Authorized Agents.

ARTICLE II - GENERAL PROVISIONS

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein.

Section 1. HEALTH/SAFETY

- A. The Authority and LLC 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

- B. The Authority and LLC shall endeavor to provide reasonable security for employees entering and exiting Authority and LLC facilities.
- C. The Parties 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/D/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) bargaining unit employee representatives and SEIU representatives 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 committee 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 communications meeting should identify agenda topics for the Labor Management Committee. 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 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 to by the Parties based on availability of those individuals needed to attend and will be scheduled by Human Resources. The UBC 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 representative. 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 Parties 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.

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- 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 or LLC 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 or LLC will send a follow-up notice to SEIU advising that the Authority or LLC will proceed with implementation if SEIU does not respond within one (1) 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 or LLC 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.

Section 5. SERVICE AWARDS

Extra Help and Per Diem employees are not entitled to the service awards described in this Section.

The Authority and LLC agrees to continue the Service Award Program.

The program will provide awards for active employees who achieve 5 years, 10 years, 15 years, 20 years, 25 years, 30 years, and 35 years of service with the Authority, including service with KMC when it was a County Department, or the LLC.

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 as follows:

Years of Service	Award Amount
5	\$50.00
10	\$100.00
15	\$150.00
20	\$200.00
25	\$250.00
30	\$300.00
35	\$400.00

The Authority possesses the sole and exclusive right to select the Service Award Program provider/administrator and the awards available for selection under the Service Award Program.

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.

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- B. The Union agrees to provide a service fee to the Authority or to the Authority on behalf of the LLC 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, the LLC, and their 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 or LLC'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 or LLC shall be authorized to select legal counsel in its sole discretion to defend its interests in any claim, demand or lawsuit set forth in this Section.

Section 8. DIRECT DEPOSIT

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

Section 9. MOU COPIES

The Authority and LLC agree 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.

Section 11. CONTRACTED SERVICES

- A. The Authority and LLC prefer that Authority or LLC employees in the bargaining units, rather than contractors, provide services to its patients. However, the Authority and LLC reserve 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 Authority or LLC employees in the bargaining units 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 and LLC agree 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 and LLC agree 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.

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ARTICLE III - RIGHTS OF PARTIES

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. STRIKES AND LOCKOUTS

During the term of this MOU, the Authority and LLC agree 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 and LLC agree that the Union may provide a standard bulletin board (not to exceed 36" x 48") for placement adjacent to existing Authority or LLC 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 Health Care Access and Information ("HCAI") (formally the Office of Statewide Health Planning and Development ("OSHPD")) requirements.

Posting of notices is governed by the provisions of the EERR. Shop stewards may post Union communications dealing with official Union business on Authority- or LLC-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 and LLC reserve 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 the Authority or LLC removed, and the Authority and LLC agree, if requested by the Union, to meet and discuss this removal as soon as it is mutually convenient.
- C. Authority and LLC and Union further agree that the Union may continue to use the Authority or LLC's mail and email system for official Union business in accordance with Authority rules relating to the use of Authority or LLC mail and email. The Authority or LLC's 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 or LLC's officers, executives, representatives, employees, the quality of services, or the Authority or the LLC. The Authority and LLC agree that they 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 or LLC's bulletin boards or mail and email systems in the above manner will result in its revocation as a privilege extended to the Union by the Authority or LLC.

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Section 3. CLAIMS REVIEW

Authority employees who lose or damage their personal property in the course of their employment must file a Government Claim under the Government Claims Act to seek recovery of lost or damaged personal property as a prerequisite to any reimbursement. After the Government Claim has been filed, the Authority will process the claim 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.

LLC employees who lose or damage their personal property in the course of their employment may file a claim for reimbursement to seek recovery of lost or damaged personal property. The LLC will process the claim and, if approved, endeavor to reimburse the employee within 90 days of receiving any necessary documentation and required forms.

Section 4. DISCRIMINATION

The Parties agree not to discriminate against any employee for their activity on behalf of, or membership in, the Union, or their non-membership in the Union, as stated in the EERR. 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 their 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 their personnel file.
- C. The Authority and LLC reserve the right to charge a reasonable fee for duplication of records signed by the employee, which are in the employee's personnel file.
- 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 in their personnel file 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.

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- 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 and LLC agree to allow authorized shop stewards to assist and represent employees in the grievance process. The Authority and LLC further agree 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 department.
- C. SEIU shall provide the Authority's Human Resources department with a list of shop stewards for the Authority and LLC 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 their 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.
- 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, including on behalf of LLC employees.
- 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 or LLC 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 department prevent the absence of the employee.

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One (1) 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 department prevent the absence of the employee.

- B. Shop stewards may be allowed reasonable use of Authority or LLC 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 their designees or shop stewards, subject to the following conditions:
- C. The hours shall be utilized to attend official SEIU meetings and functions if the meetings occur during their normal work hours.
- D. 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.
- E. 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.
- F. Employees who serve as designated members of the Union's meet and confer team will be allowed reasonable use of Authority or LLC time, when meeting with the Authority on successor MOUs, for meet and confer sessions with the Authority or LLC on other subjects, and for other formal meetings regarding matters within the scope of representation.
- G. 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.

Section 8. NEW EMPLOYEE ORIENTATION

- A. When a new employee is hired into a Union-represented classification, the Authority or LLC shall notify the employee that SEIU, Local 521, is the recognized employee organization for the classification into which the employee has been hired. The Authority or LLC shall provide a copy of the current MOU to all new employees in accordance with Article II, Section 9 of this MOU.
- B. The Union shall be allowed representatives at new employee orientation. These representatives may be an Authority or LLC employee (including but not limited to a shop steward) or a Union employee. The Authority or LLC shall provide paid release time for up to two (2) Authority or LLC employees who are assigned to represent the Union at new employee orientation. Authority or LLC employees who are assigned to represent the Union at new employee orientation must request release time from their supervisor at least three (3) business days in advance.
- C. Union representatives attending new employee orientation shall be allowed forty-five (45) minutes to make a presentation and answer questions.

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- D. The Union agrees to give the Authority or LLC 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 shall provide this information to the Authority and LLC upon request or in the event that there are changes to the materials to be used.
- E. The Authority and LLC agree not to schedule an employee who is assigned to represent the Union for make-up time beyond their regular shift because such employee requires release from their regular shift in order to attend and participate in a new employee orientation. However, the Authority and LLC retain the right to extend the shift of such employee based on operational needs, including unforeseen or urgent staffing issues.
- F. Authority or LLC management representatives shall not be present during Union orientation.
- G. The Authority or LLC shall prepare the new employee orientation sign-in sheet for use during the new employee orientation. That sign-in sheet shall identify the new employees scheduled for the new employee orientation by name and include columns for the employee's signature, cell-phone number and email address. The Union shall be responsible for providing the Authority and LLC a copy of the Union orientation sign-in sheet within one day after the new employee orientation concludes. The Union agrees not to defame the Authority or LLC during its orientation sessions.
- H. As part of onboarding, the Authority or LLC shall schedule each new employee to attend a forty-five (45) minute Union orientation session, and will provide sufficient information and release time to new employees to facilitate their attendance at a scheduled Union orientation session. The new employee shall be assigned no other work during the time they attend the new employee orientation. Human Resources will send the scheduled employee the following notice:

Your job classification is represented by a union, SEIU Local 521, and your terms and conditions of employment are governed by a collective bargaining agreement that is negotiated between SEIU Local 521, Kern County Hospital Authority, and Kern Medical Surgery Center, LLC. Kern County Hospital Authority, Kern Medical Surgery Center, LLC, and the Union have agreed on a process to make sure all new employees have the opportunity to be informed about SEIU Local 521 and the collective bargaining agreement that covers your terms and conditions of employment. Accordingly, you have been authorized to be released on paid time to attend a union orientation session at the following time and place:
- I. The Authority or LLC and the Union agree to schedule Union orientations on a biweekly basis. If an employee misses the initial new employee orientation, the Authority or LLC will schedule the employee for the next scheduled new employee orientation session, according to the same terms provided above in this Agreement.
- J. If there are conflicts with dates, times, and/or locations of such orientation sessions, the Union and the Authority or LLC shall work together to rectify those issues. The Authority or LLC shall have responsibility to secure a room and sufficient tables and chairs, based on the expected number of attendees.

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- K. The Authority or LLC will notify the Union ten (10) business days, or as soon as practical, in advance of each new employee orientation session and to the extent available, shall include a list of new employees in SEIU-represented classifications (and their name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address) scheduled to attend.
- L. Employees shall be paid for their actual attendance time, up to forty-five (45) minutes, to attend one Union orientation. Employees shall be paid for travel time, if the travel time and new employee orientation session takes place during scheduled work time. Time spent traveling to a Union orientation session that is held at the beginning of an employee's shift is not compensable. Time spent traveling from a Union orientation session to the employee's home at the end of their scheduled shift is not compensable.
- M. The Authority or LLC shall provide the Union with new employee information in accordance with Article III, Section 9 of this MOU.
- N. If the Parties mutually agree, the Authority or LLC and the Union will meet to discuss issues or questions related to this section and attempt to reach a common understanding.
- O. Within 30 days of the adoption of this Agreement, the Authority shall schedule a New Orientation for Per Diem employees.

Section 9. EMPLOYEE INFORMATION

- A. The Authority and LLC shall comply with their obligations under Government Code section 3558.
- B. The Authority and LLC will request that newly hired Authority employees provide their contact information in KernLink and LLC employees provide their contact information in Paychex when completing their onboarding module. If a newly hired employee does not provide all contact information in KernLink, Paychex or provide a paper copy of a form with such information to Human Resources within two (2) months of the start of their employment, the Authority or LLC will contact the employee to request such information. If an employee does not provide such information within two (2) weeks of the prior request by the Authority or LLC, the Authority or LLC will send a follow-up request to the employee. The Authority or LLC will provide the Union the names of any employees who did not provide the contact information.
- C. Within 30 days of a new employee being hired into a position represented by SEIU, the Authority or LLC shall provide the Union with the following information regarding the employee, provided that the employee provided relevant personal information in KernLink, Paychex or to Human Resources and did not otherwise submit a written request prohibiting the disclosure of their personal information:
 - 1. Name and employee number
 - 2. Job title
 - 3. Name of the assigned department, work location, and name of the cost center unit
 - 4. Home address and home and personal cell phone numbers
 - 5. Work and personal e-mail addresses
 - 6. Work phone number (provided that the employee has a work extension or a general work number)

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- D. On a monthly basis, the Authority and LLC shall provide the Union with a list of all current employees covered by this MOU, which shall include the information set forth in Subsection C, above as well as the employee's identification number, hourly rates of pay, hours worked, Union dues paid, and membership status. When the Authority or LLC provides such information to the Union, the Authority will state that it has requested that each employee provide their personal cell phone number in KernLink or Paychex and that the absence of an employee's personal cell phone number indicates that the employee failed to provide the Authority or LLC a personal cell phone number.
- E. Notwithstanding the above, the Authority or LLC 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 phone number, or personal email address.
- F. The Authority and LLC will direct employees to review their contact information on an annual basis to ensure information is accurate and complete.
- G. The Authority and LLC will direct employees to notify Human Resources if they have provided their supervisor with a contact number that is different from or in addition to the contact number that the employee provided in KernLink or Paychex.
- H. The cost to the Authority and LLC of providing such addresses shall be borne by the Union through monthly billing.
- I. 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.
- J. 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.

Authorized non-employee Union representatives shall provide the department supervisor or their designee with reasonable prior advance notice of their intent to be present at the work area. The department supervisor or their 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 the Authority or the LLC 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).

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ARTICLE IV - PAID LEAVE

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. PAID TIME OFF (“PTO”) – REGULAR AUTHORITY AND LLC EMPLOYEES (NON-EXTRA HELP OR PER DIEM EMPLOYEES)

Extra Help and Per Diem employees are not entitled to the PTO described in this Section. Extra Help and Per Diem employees are entitled to the paid sick leave as described in Section 2, below.

- 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. For regular, permanent full-time employees, PTO will accrue at the following rates:

Years of Service	Biweekly Accrual	PTO Hours/Year	PTO Days/Year*
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

For regular, permanent part-time employees, PTO will accrue at a prorated rate based on hours worked in the biweekly pay period.

- C. Employees will accrue PTO on a biweekly basis.
- D. New employees are strongly encouraged to limit PTO use to emergencies during the first six (6) months of employment with the Authority and LLC.
- E. PTO may either be 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 and LLC reserve 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.
- F. Requests for scheduled PTO must be in writing in advance. The Authority and the LLC’s annual PTO scheduling practice shall remain in effect during the term of this Agreement.
- G. 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 of PTO requests due to staffing and workload requirements (i.e., potential interruption of Authority or LLC operations) shall not be grievable under the terms of this MOU.

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- H. Unscheduled or unapproved absences are defined as emergencies, and time away from work without the advance notification and prior approval from the supervisor. Unscheduled and unapproved PTO may be considered an occurrence.
- I. An occurrence is defined as one or more consecutive days (shifts) of unscheduled or unapproved absence. Except as provided below, an employee may have up to three (3) occurrences within a rolling 12-month period without penalty. Four (4) or more occurrences in a rolling 12-month period may result in disciplinary action.
- J. An unapproved absence that is a no-call, no-show (i.e., the employee did not schedule PTO and did not call to report their absence and did not show to perform their scheduled duties) may result in disciplinary action, up to and including termination. Prior to such discipline, the Authority or LLC will investigate the circumstances surrounding the no-call, no-show and any mitigating circumstances.
- J. 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).
- K. Employees whose Alternative Work Schedules (“AWS”) permit additional shifts to be made-up within the same workweek without triggering overtime may, with the department manager’s approval, elect to make up a missed shift in lieu of using accrued time without such absence constituting an occurrence.
- L. If an employee is absent due to illness for: (1) more than three (3) consecutive scheduled shifts; (2) 24 consecutive hours, if hired to work three 12-hour days per week (3/12 schedule); or has met the criteria to qualify for the use of the Extended Illness Bank (“EIB”), they become eligible to use the EIB. (See Section 4, below).
- M. The annual PTO scheduling policies of the Authority and LLC shall remain in effect during the term of this MOU. However, where needed, each department's scheduling policy may 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.
- N. Employees may accrue PTO up to the maximum of 550 PTO hours. If an employee reaches the maximum, no additional PTO will accrue until an employee falls below the maximum. The Authority or LLC 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 and LLC will not normally deny more than two (2) time off requests if an employee is approaching the maximum.
- O. 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 and LLC 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 PTO should be submitted within the guidelines outlined in Subsection E above.

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- P. Each December, the Authority and LLC 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 and LLC. These payout requests are irrevocable. Payout requests may not result in any employee falling below 40 hours of PTO. PTO payouts will be processed in accordance with the procedure set forth in the Authority or LLC policy.
- Q. Employees shall not be downgraded on the Employee Performance Report for the use of authorized PTO.

Section 2. PAID SICK LEAVE – EXTRA HELP AND PER DIEM EMPLOYEES

Regular Authority and LLC employees (non-Extra Help and Per Diem employees) are not entitled to the sick leave in this Section. Regular Authority and LLC employees are entitled to PTO as described in Section 1, above.

- A. An employee shall be entitled to paid sick leave after working for the same employer (either the Authority or the LLC) for 30 or more days (measured by days following the start of employment, not days actually worked).
- B. An employee shall accrue paid sick days at the rate of one (1) hour per every 30 hours worked.
- C. An employee shall be entitled to use accrued paid sick days beginning on the 90th day of employment, after which day the employee may use paid sick days as they are accrued.
- D. Accrued paid sick days shall carry over to the following year of employment.
- E. The Authority and LLC may limit an employee's use of accrued paid sick days to 40 hours or five (5) days in each year of employment, calendar year, or 12-month period.
- F. The Authority and LLC shall not provide compensation to an employee for accrued, unused paid sick days upon termination, resignation, retirement, or other separation from employment.
- G. If an employee separates from the Authority or the LLC and is rehired by the employer from which they separated within one (1) year from the date of separation, the Authority or the LLC shall reinstate the previously accrued and unused paid sick days. In such circumstance, the rehired employee shall be entitled to use those previously accrued and unused paid sick days and to accrue additional paid sick days upon rehiring, subject to the use and accrual limitations set forth in this Section.
- H. The Authority and LLC shall cap an employee's total accrual of paid sick leave at 80 hours or 10 days.
- I. An employee may determine how much paid sick leave they need to use in two (2) hour increments.
- K. Requests for scheduled paid sick leave (e.g., scheduled doctor's appointments) must be in writing in advance.

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- J. In the event of unscheduled paid sick leave (e.g., an emergency), the employee is expected to notify their manager before their scheduled shift. If the circumstance of the unscheduled paid sick leave prevents the employee from notifying their manager before their scheduled shift, the employee is expected to notify their manager as soon as practicable.
- K. Employees shall also be entitled to Kin Care leave under Labor Code section 233 and may use accrued paid sick leave for this purpose.

Section 3. PTO WITHDRAWALS FOR FINANCIAL HARDSHIP

Extra Help and Per Diem employees are not entitled to PTO under Section 1 and are not entitled to PTO withdrawals for financial hardship described in this Section.

- A. In the event an employee is faced with an "unforeseeable emergency," as described below, the employee may be eligible to receive a hardship cash-out of PTO, without electing the cash out in the prior year, as required under Authority and LLC policies. In order to receive a PTO hardship cash-out, the employee must substantiate that the employee has a severe financial hardship resulting from an illness or accident suffered by the employee or employee's dependent, a loss of the employee's 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:
 - (1) Through reimbursement or compensation by insurance or otherwise; or
 - (2) 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 lessor of the following:
 - (1) The amount reasonably necessary to satisfy the hardship; or
 - (2) 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 ten (10) 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 set forth in Article VIII.
- D. PTO hardship cash-outs are subject to all applicable tax withholdings.
- E. PTO hardship cash-outs are not pensionable.

Section 4. EXTENDED ILLNESS BANK ("EIB")

Extra Help and Per Diem employees are not entitled to the Extended Illness Bank ("EIB") described in this Section.

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- A. EIB is intended for an illness or injury lasting more than three (3) consecutive scheduled shifts. Employees must use PTO for unscheduled absences of three (3) or fewer shifts unless the absence meets the requirements for approved Kin Care.

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 or injury.

- B. After an employee has been absent due to an illness or injury for more than seven (7) calendar days, regardless of the number of shifts or hours missed, they must complete all required leave of absence documentation including a note from a healthcare provider. 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.
- C. If an employee exhausts all available EIB, they may choose to use accrued PTO or accrued Compensatory Time Off (“CTO”).
- D. For regular permanent full-time employees, EIB will accrue at the rates set forth below:

Years of Service	Biweekly Accrual	EIB Hours/Year	EIB Days/Year*
0-5	1.846	48.0	6
6 or more	2.769	72.0	9

*Based on 8-hours per day

For regular, permanent part-time employees, EIB will accrue at a prorated rate based on the hours worked in the biweekly pay period.

- E. Regular permanent full-time employees may accrue EIB up to the maximum of 640 hours of EIB. For regular, permanent part-time employees, the maximum allowable accrual shall be proportionate to the maximum amount for regular full-time employee prorated by the number of hours worked by the regular, permanent part-time employee in the calendar year.
- F. Employees who accrue the maximum EIB permitted will not accrue additional EIB.
- G. EIB Payoff Schedule – Authority: Upon death or active retirement of an Authority employee from the Authority (with an approved-application for retirement to the Kern County Employees’ Retirement Association (“KCERA”); deferred retirement is not eligible), accrued and unused EIB hours will be cashed out as follows:

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

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.

The amount payable under this subsection shall be calculated based upon the employee's regular rate of compensation and years of uninterrupted continuous service at the time of death or active retirement from the Authority.

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- H. EIB Payoff Schedule – LLC: Upon death or active retirement of an LLC employee from the LLC accrued and unused EIB hours will be cashed out as follows:

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

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

The amount payable under this subsection shall be calculated based upon the employee's regular rate of compensation and years of uninterrupted continuous service at the time of death or active retirement from the LLC.

- I. Employees may be eligible to receive a cash bonus if they have accrued the maximum amount of unused EIB and satisfy the following conditions:
- i. Regular permanent full-time employees (i.e., employees whose units of work are equal to 80 regular working hours per biweekly pay period) 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 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.
 - ii. Regular permanent part-time employees (i.e., employees whose units of work are less than 80 regular working hours per pay period) 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 regular permanent full-time employees (i.e., 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 regular permanent full-time employees) and have used 10 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.
- L. Employees shall not be downgraded on their Employee Performance Reports for being absent pursuant to a leave approved pursuant to governed by the current leave policies.

Section 5. JURY DUTY; COURT APPEARANCES

Extra Help and Per Diem employees are not entitled to Jury Duty or Court Appearance leave described in this Section. Extra Help and Per Diem employees shall be entitled to jury duty and court appearance leave as described in Section 13, below.

- 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.

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- 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 timecard 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.
- 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.

Section 6. SUMMONS TO TESTIFY FOR AUTHORITY

- A. An employee summoned to court or scheduled to testify for the Authority or LLC during their regular shift shall be paid at their 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 their 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 or LLC 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 reporting 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.

Section 7. PERSONAL COURT APPEARANCE

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Extra Help and Per Diem employees are not entitled to leave for summons to testify for the Authority or LLC described in this Section.

- A. An employee summoned to attend any court proceeding due to personal reasons during their scheduled shift shall be required to use PTO or CTO 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.
- B. In the event an employee is legally subpoenaed to appear as a witness in a matter not related to their duties of Authority or LLC employment, the employee should be granted the use of leave time to comply with the directive of the subpoena.

Section 8. BEREAVEMENT LEAVE

Extra Help and Per Diem employees are not entitled to Bereavement Leave described in this Section. Extra Help and Per Diem employees shall be entitled to bereavement leave as described in Section 13, below.

- A. Authority and LLC employees have been employed for at least 30 days prior to the commencement of bereavement leave shall be entitled to Bereavement Leave.
- B. Except as provided below, employees shall be eligible for up to three (3) days of paid Bereavement Leave in the case of the death of an immediate Family Member, including a Spouse, child (including a biological, adopted, or foster child, a step-child, legal ward, child of a domestic partner and child to whom the employee stands in loco parentis), parent (including a biological, foster, or adoptive parent, a stepparent, a legal guardian, or person who stood in loco parentis with the employee), sibling, grandparent, grandchild, domestic partner, grandchild, sibling, in-laws (parent, grandparent, sibling).
- C. 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. This leave will not supplement the leave described above. Such employees are entitled to additional protected, but unpaid, leave, as provided below.
- D. Full- and part-time Authority and LLC employees will be eligible for additional protected, but unpaid, Bereavement Leave to ensure that such employees receive up to a maximum of five (5) days of paid and unpaid bereavement leave total.
- E. Employees may be asked for verification of the death of the immediate Family Member within 30 days of the first day of leave in order to qualify for Bereavement Leave. Documentation of the death includes: (1) a death certificate, (2) a published obituary, or (3) written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency, consistent with applicable law.
- F. Employees must complete the Bereavement Leave within three (3) months of the date of the death of the immediate Family Member.
- G. Bereavement Leave may not be accrued, and shall have no cash value if unused by the employee.

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Section 9. PREGNANCY AND MATERNITY LEAVES

Extra Help and Per Diem employees are not entitled to Pregnancy and Maternity Leave described in this Section. Extra Help and Per Diem employees shall be entitled to pregnancy and maternity leave as described in Section 13, below.

Pregnancy Disability Leave (“PDL”) shall be governed by the Authority and LLC Pregnancy Disability Leave policies and applicable state and federal law.

Section 10. HOLIDAYS

Extra Help and Per Diem employees are not entitled to the leave described in this Section.

- A. During the term of this MOU, the following holiday schedule shall apply to regular full-time employees:

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

Authority and LLC policies govern holidays for regular part-time employees.

- B. 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.
- C. 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.
- D. In a year in which Christmas Eve falls on a Saturday or Sunday, the holiday shall be observed on the preceding Friday.
- E. The actual holiday shall be defined as the day of the week on which the official holiday falls.
- F. A designated holiday shall be the day observed in lieu of the actual holiday.
- G. Full-time, non-exempt employees who work on an actual or designated holiday shall be paid premium pay rate 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.
- H. Employees who do not work on an actual or designated holiday will receive eight (8) hours of Holiday Pay, provided they are eligible. Eligibility criteria are set forth in Authority and LLC Holidays policies.
- I. In no event shall an employee receive Holiday Pay for both the actual and designated holiday.

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- J. 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. FLOATING HOLIDAY

Extra Help and Per Diem employees are not entitled to the leave described in this Section.

- A. The Floating Holiday is available to employees for purposes of rest and relaxation. The Authority encourages employees to use a scheduled Floating Holiday to rejuvenate and enhance the quality of life. The Floating Holiday may also be used for short-term illnesses, personal appointments, doctor appointments, family emergencies, etc.
- B. Requests for a scheduled Floating Holiday must be made in writing in advance in accordance with Authority and LLC Holidays policies, which shall be revised to reference the Floating Holiday.
- C. For regular, permanent full-time employees, the Authority will provide one (1) Floating Holiday following the Authority’s Board of Governors’ and the LLC’s Board of Managers’ adoption of this Agreement and on January 1 of each year of this Agreement. Full-time employees whose regular non-overtime schedule requires that they work more than eight (8) hours in work day shall receive Floating Holiday in an amount equivalent to the time that they most regularly work on a given work day (e.g., employees who work a 4/10 work schedule shall receive 10 hours of Floating Holiday and employees who work a 3/12 work schedules shall receive 12 hours of Floating Holiday, employees who work a 9/80 will receive eight (8) hours of Floating Holiday).
- D. For regular, permanent part-time employees, the Floating Holiday will be provided on a prorated rate based on the hours worked in the biweekly pay period.
- E. The Floating Holiday must be used in the year during which it is provided (e.g., the Floating Holiday provided following the adoption of this Agreement must be used by December 31, 2026, the Floating Holiday provided on January 1, 2027 must be used by December 31, 2027, etc.). The Floating Holiday not used in the year during which it is provided will not carryover to the following year and will be lost, if not used.
- F. The Floating Holiday will not be paid out, if not used during the year it is provided. Personal Leave will not be paid out to employees who separate from the Authority or LLC or are terminated by either the Authority or LLC.
- G. Employees shall not be downgraded on the Employee Performance Report for the use of an authorized Floating Holiday.

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Section 12. CATASTROPHIC (“CAT”) LEAVE PAY

Extra Help and Per Diem employees are not entitled to the leave pay described in this Section.

- A. Catastrophic (“CAT”) leave benefits have been established for Authority and LLC employees governed by this MOU who have exhausted all accumulated PTO, EIB and compensatory time off (“CTO”) to which they are eligible. 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 a leave of absence without pay pursuant to Authority and LLC 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 12 weeks of CAT leave during any 12-month period. CAT leave and approved leaves of absence shall run concurrently. 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 themselves or a family member. Employees may donate PTO to another employee who meets the conditions described above. Employees may not, however, donate EIB or CTO.
- D. 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 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 to the ill or injured family member is required. Leave requests must include the estimated date of return to work.
- E. Upon request by an eligible employee, Human Resources will solicit donations of PTO for the employee's CAT leave 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.
- F. Donations must be a minimum of eight (8) hours. The Authority or LLC 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.
- G. 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.

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- H. Employees must be on an approved leave of absence 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 or LLC employment.
- I. 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 and the LLC in a manner consistent with applicable policy on this subject, the foregoing terms and conditions, and consistent with applicable law. The Authority and LLC agree to notify SEIU of any changes to these policies 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.

Section 13. OTHER LEAVES – EXTA HELP AND PER DIEM EMPLOYEES

Extra Help and Per Diem employees shall be entitled to all leaves, whether paid or unpaid, required under the law for which they are eligible.

Such leaves include, but are not limited to, the following leaves under Labor Code sections 230 (Jury Duty and Witness Leave) and 245-249 (Paid Sick Leave/Health Workplaces, Health Families Act), Government Code sections 12945 (Pregnancy Disability Leave), 12945.2 (California Family Rights Act), 12945.7 (Bereavement Leave), and 12945.8 (Victims of Crime); Election Code section 14000 (Voting Leave) and 29 U.S.C. § 2601, et seq. (Family Medical Leave Act).

ARTICLE V - COMPENSATION AND WORK SCHEDULES

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. COMPENSATION

The Parties desire to make changes to the current salary administration practices and provide equity increases for Authority and LLC employees.

A. REVISED SALARY SCHEDULE – REGULAR AUTHORITY AND LLC EMPLOYEES

Extra Help and Per Diem employees are not entitled to the compensation described in this Subsection. The compensation terms for Extra Help and Per Diem employees are set forth in Subsections B and C, respectively.

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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.
2. The Authority and LLC use a 16-step salary range for employees in the following clinical classifications:
 - (1) Hospital Staff Nurse (“HSN”);
 - (2) Correction Staff Nurse;
 - (3) Correction Juvenile Nurse;
 - (4) Wound & Ostomy Registered Nurse;
 - (5) Nursing Implementation Standards Coordinator;
 - (6) Nurse Midwife
 - (7) Clinical Nurse Specialist;
 - (8) Trauma Nurse Coordinator;
 - (9) Supervisor of Clinical;
 - (10) Lactation Consultant II;
 - (11) Clinical Informatics Specialist;
 - (12) Lead Clinical Nurse;
 - (13) Nurse Practitioner (“NP”);
 - (14) Physician Assistant (“PA”);
 - (15) Utilization Review Nurse;
 - (16) Clinical Document Improvement Specialist;
 - (17) Performance Improvement Coordinator;
 - (18) Professional Development Nurse;
 - (19) Staff Development Education Coordinator; and
 - (20) Vascular Access Specialist.

The Authority and LLC use an eleven (11) step salary range for all other job classifications.

3. Except for the classifications identified in Paragraphs a. and b. below, the Authority and LLC will provide employees in all classifications a two percent (2.0%) increase effective the first day of the biweekly pay period that occurs 30 calendar days after the Authority’s Board of Governors’ and the LLC’s Board of Managers’ adoption of this Agreement.
 - a. The Authority will provide employees in the following classifications a five percent (5.0%) increase the first day of the biweekly pay period that occurs 30 calendar days after the Authority’s Board of Governors’ and the LLC’s Board of Managers’ adoption of this Agreement:
 - (1) Cardiopulmonary Services Clinical Coordinator;
 - (2) Clinical Laboratory Scientist I;
 - (3) Clinical Laboratory Scientist II;
 - (4) Computer Tomography Technologist I;
 - (5) Computer Tomography Technologist II;
 - (6) Lead MRI Technologist;
 - (7) Lead Computed Tomography Technologist;
 - (8) Medical Social Worker I;
 - (9) Medical Social Worker II;
 - (10) Mental Health Therapist I;
 - (11) Mental Health Therapist II;

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- (12) MRI Technologist;
- (13) Pulmonary Function Technician;
- (14) Respiratory Therapist I;
- (15) Respiratory Therapist II;
- (16) Respiratory Therapist III;
- (17) Respiratory Therapist IV;
- (18) Supervisor of Clinical Laboratory Scientist;
- (19) Supervisor of Clinical Microbiologist; and
- (20) Supervisor of Core Laboratory Client Services.

- b. The Authority will provide employees the following classifications a six and one-half percent (6.5%) increase the first day of the biweekly pay period that occurs 30 calendar days after the Authority's Board of Governors' and the LLC's Board of Managers' adoption of this Agreement:

- (1) Medical Social Worker III

- 4. The Authority and LLC will provide employees in all classifications a two percent (2.0%) increase effective the first day of the biweekly pay period following April 1, 2027.
- 5. The Authority and LLC will provide employees in all classifications a two percent (2.0%) increase effective the first day of the biweekly pay period following April 1, 2028.
- 6. Upon the Union's request, the Authority and LLC 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 increases, the Union acknowledges that the Authority and LLC 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. SALARY SCHEDULE – EXTRA HELP EMPLOYEES

Extra Help employees shall be placed on a salary step, as described in Subsection A, Paragraph 2, above, based on their experience and shall be compensated accordingly.

Such employees shall be entitled to the salary increases during the term of this Agreement, as described in Subsection A, Paragraphs 3-5, above.

The Authority and LLC shall comply fully and faithfully with any changes to the minimum wage law that require wage adjustments for Extra Help employees. The Parties agree that any necessary changes to salary ranges to comply with minimum wage law will not require re-opening this MOU.

C. SALARY SCHEDULE – PER DIEM EMPLOYEES

Per Diem employees shall be compensated as set forth below.

Such employees shall be entitled to the salary increases during the term of this Agreement, as described in Subsection A, Paragraphs 3-5, above.

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Per Diem employees in the following classifications shall be compensated at an hourly rate equivalent to 10 percent (10%) more than the rate of regular Authority and LLC employees placed at Step 8, as described in Subsection A, Paragraph 2, above:

- (1) Cardiovascular Sonographer Technician;
- (2) Clinical Laboratory Assistant I/II;
- (3) Clinical Laboratory Scientist I/II;
- (4) Senior Information Technology Infrastructure Engineer;
- (5) MRI Technologist;
- (6) Nuclear Medicine Technologist I/II;
- (7) Nurse Extern;
- (8) Occupational Therapist;
- (9) Clinical Pharmacist;
- (10) Pharmacist;
- (11) Pharmacy Technician I/II/III;
- (12) Physical Therapy Assistant;
- (13) Radiologic Technologist;
- (14) Speech Language Pathologist;
- (15) Simulation Center Standardized Patient;
- (16) Computer Tomography Technologist;
- (17) Ultrasound Technologist I/II;
- (18) Cardiovascular Interventional Technologist; and
- (19) Physical Therapist.

- (1) Per Diem employees in the following Hospital Staff Nurse classifications shall be placed on Steps 1-16, based on their experience, as described in Subsection A, Paragraph 2. Correction Staff Nurse;
- (2) Correction Juvenile Nurse;
- (3) Utilization Review Nurse;
- (4) Trauma Nurse Coordinator;
- (5) Wound & Ostomy RN;
- (6) Vascular Access Specialist.

Per Diem employees in the following classifications shall be placed on Steps 1-10, based on their experience, as described in Subsection A, Paragraph 2, above:

- (1) Nurse Practitioner
- (2) Physician Assistant

Per Diem employees in the following classifications shall be placed on Steps 1-8, based on their experience, as described in Subsection A, Paragraph 2, above:

- (1) Accountant II/III;
- (2) Building Service Worker I/II;
- (3) Cerner A Team Specialist;
- (4) Correction Vocational Nurse I/II;
- (5) Health Information Services Coder I/II/III;
- (6) Information Services Specialist I/II;
- (7) Information Technology Asset Analyst;
- (8) Information Technology Systems Engineer;
- (9) Medical Assistant I/II;
- (10) Medical Transcriptionist;

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- (11) Medical Social Worker I/II/III;
- (12) Network Systems Administrator;
- (13) Orthopedic Technician I/II/III;
- (14) Patient Access Services Representative I/II;
- (15) Perioperative Associate;
- (16) Program Specialist I;
- (17) Radiology Receptionist;
- (18) Hospital Residency Coordinator;
- (19) Registered Nurse First Assist;
- (20) Respiratory Therapist I/II/III/IV;
- (21) Social Services Coordinator;
- (22) Sterile Processing Technician I/II;
- (23) Support Services Associate;
- (24) Surgical Technologist I/II; and
- (25) Transport Services Associate
- (26) Vocational Nurse I/II.

Section 2. MOU SIGNING BONUS

- A. Full-time permanent employees of the Authority or LLC who are actively employed on the date this MOU is ratified by the Union and the date of the payout will receive a one-time signing bonus of \$1,500.00. Full-time part-time employees of the Authority or LLC who are actively employed on the date this MOU is ratified by the Union and the date of the payout will receive a one-time signing bonus of \$750.00.
- B. This bonus will be paid out at the beginning of a pay period approximately 30 days from the date this MOU is approved by the Authority's Board of Governors and the LLC's Board of Managers.
- C. The signing bonus is non-pensionable for purposes of the KCERA defined benefit retirement plan.

Section 3. LONGEVITY PAY

LLC employees are only entitled to longevity pay as described in Subsections A, F, and H of this Section. LLC employees shall be entitled to longevity pay under Subsection A of this Section based on their seniority, as described in Article VI, Section 1, Subsection A. LLC employees are not entitled to longevity pay, except as provided under Subsections A, F, and H of this Section.

Extra Help and Per Diem employees are not entitled to the longevity pay described in this Section.

- A. Permanent full-time and permanent part-time Authority employees who have completed 10 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages. Permanent full-time and permanent part-time LLC employees who have completed 10 years of continuous LLC service shall receive an additional two percent (2%) longevity pay on base wages.

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- B. Permanent full-time and permanent part-time employees of the Authority who have completed 15 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of four percent (4%)).
- C. Permanent full-time and permanent part-time employees of the Authority who have completed 20 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of six percent (6%)).
- D. Permanent full-time and permanent part-time employees of the Authority who have completed 25 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of eight percent (8%)).
- E. Permanent full-time and permanent part-time employees of the Authority who have completed 30 years of continuous Authority service shall receive an additional two percent (2%) longevity pay on base wages (for a total of 10 percent (10%)).
- F. For subsections A, B, C, and D, continuous Authority service or LLC service shall have the same meaning as “Seniority” as that term is defined in Article VI, Section 1, Subsection A.
- G. For subsection E, above, the term "years of service" shall mean years of service credit, as calculated by KCERA for purposes of determining an employee’s 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 biweekly payroll period following their anniversary date.

Section 4. HOSPITAL STAFF NURSE (“HSN”) SERVICE BONUS

LLC employees are not entitled to the service bonus described in this Section.

Extra Help and Per Diem employees are not entitled to the service bonus described in this Section.

- A. Only Authority employees in the following job classifications shall be eligible for an HSN Service Bonus:

- (1) Hospital Staff Nurse (“HSN”);
- (2) Hospital Staff Nurse (“HSN”) – PT;
- (3) Correction Staff Nurse;
- (4) Correction Juvenile Nurse;
- (5) Utilization Review Nurse; and
- (6) Hospital Staff Nurse Clinical Ladder I and II.

Per diem employees in the above-referenced job classifications shall not be eligible for the HSN Service Bonus.

- B. To qualify for an HSN Service Bonus, continuous Authority service shall have the same meaning as “Seniority” as that term is defined in Article VI, Section 1, Subsection A.
- C. Eligible employees who have completed two, three, four or five years of continuous service in one of the above-referenced classifications, as described above, shall receive an HSN Service Bonus in the amount of \$2,000, which will be paid out according to Subsection F, below.

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- D. Eligible employees who have completed 10 years of continuous service in one of the above-referenced classifications, as described above, shall receive an HSN Service Bonus in the amount of \$2,000, which will be paid out according to Subsection F, below.
- E. Eligible employees who have completed 16 or more years of continuous service in one of the above-referenced classifications, as described above, shall receive an annual HSN Service Bonus in the amount of \$2,000, which will be paid out according to Subsection F, below.
- F. The Authority will pay HSN Service Bonus as a lump sum, less applicable deductions, in the biweekly pay period that follows the eligible employee's qualification for the HSN Service Bonus, which is determined by the date upon which the employee assumed permanent status in one of the job classifications enumerated in Subsection A, above.
- G. The Authority agrees to notify SEIU of any proposed changes to the list of classifications eligible to receive an HSN Service Bonus and to meet and confer with SEIU consistent with Article II, Section 4. Any change to the list of classifications eligible to receive an HSN Service Bonus will not require a re-opener of this MOU.
- H. For Authority employees, the HSN Service Bonus is not pensionable for purposes of the KCERA defined benefit retirement plan.

Section 5. NIGHT SHIFT DIFFERENTIAL

- A. A "night 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. Shift differential pay in the amount of 10 percent (10%) of the employee's base rate of pay for all eligible employees who qualify for such differential.
- D. Only actual hours worked between the hours of 7:00 p.m. and 7:30 a.m. count for shift differential. In counting hours worked, the following are excluded:
 - (1) Any time off work, with or without pay (e.g., mealtime, vacation, sick leave, compensatory time off, etc., except rest periods).
 - (2) Time for which CTO or overtime is earned/accrued.
- E. Employees must work at least two (2) hours within the designated shift times (i.e., between the hours of 7:00 p.m. and 7:30 a.m.) to be eligible for shift differential pay.

Section 6. ON-CALL PAY (AVAILABILITY PAY IN KERLINK)

- A. Due to 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.

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- B. As compensation for being on-call, to respond to such situations, those employees shall receive one-quarter (1/4) of their base hourly rate of pay for the hours they are on-call as On-Call Pay. Employees actually called back to work shall not receive the one-quarter (1/4) pay for hours in which they receive full compensation, including any two (2) hour minimum Call Back Pay.
- C. Employees who are called back to work shall be paid a two (2) hour minimum Call-Back Pay, but if called back multiple times within the two (2) hours, will only receive compensation for the two (2) 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 (1/4) of their base hourly rate of 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 (1/10) of an hour.
- 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 for on-call work that day.
- F. On-call compensation for exempt employees in the Advanced Practice Provider (“APP”) classifications (i.e., Nurse Practitioner (“NP”) and Physician Assistant (“PA”)) will be paid at a flat rate of \$11.00 per hour. If called into work, an APP will be compensated at their base hourly rate of pay for actual time worked while on-call. Employees called back to work shall not receive the on-call rate for hours for which they receive full compensation due to actually working.
- 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 and LLC 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 7. CHARGE PAY, NURSE CERTIFICATION PAY, HIGH-RISK DELIVERY PAY, CHEMOTHERAPY PAY AND PIC PAY

LLC employees are not entitled to the special pays described in this Section.

Extra Help and Per Diem employees are not entitled to the special pays described in this Section, unless otherwise provided.

- A. Authority employees, including Per Diem employees, who are officially assigned the role of "Charge" by the KMC Chief Executive Officer or their designee, on any given shift or any position shall receive premium Charge Pay in addition to their regular rate for every hour worked during that shift as follows:

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- Hospital Staff Nurse (“HSN”) Charge Pay = \$3.00 per hour
- Licensed Vocational Nurse (“LVN”), Medical Assistant (“MA”), Respiratory Therapist (“RT”) Charge Pay or other approved Charge Pay = \$2.00 per hour

Only Authority employees in the HSN, LVN, MA and RT classifications are eligible for Charge Pay.

This pay shall not be combined with other special nurse pays for work performed on the same shift, unless otherwise approved by management. If multiple special pays apply, the employee shall receive only the highest applicable special pay for the shift.

- B. Authority employees, including Per Diem employees, in a Registered Nurse (“RN”) classification shall receive Certification Pay equal to three percent (3%) of their regular base rate of pay for each hour actually worked in a medical specialty if they possess and maintain 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 (1) certification.

If an Authority employee assigned to a medical specialty for which they possess a nationally recognized certificate is transferred from such position to an assignment in another medical specialty for which the employee lacks a nationally recognized certificate, the Authority will, upon the effective date of the transfer, discontinue the provision of Certification Pay to the employee.

- C. Except as provided below, an Authority employee, including a Per Diem employee, in a RN classification in the Neonatal Intensive Care Unit (“NICU”) who the department manager officially assigns the role of High-Risk Delivery Nurse (“HRDN”), shall receive High-Risk Delivery Nurse Pay in the amount of \$2.00 per hour for each hour actually worked on a designated high-risk delivery case, subject to the limitations described below.

In the event that the RN assigned as the HRDN is also assigned the role of “Charge” nurse, the RN will only receive the premium Charge Pay.

A Lead Clinical Nurse is not eligible for High-Risk Delivery Nurse Pay.

This pay shall not be combined with other special nurse pays in the same shift, unless otherwise approved by management. Except as provided above, if multiple special pays apply, employees shall receive only the highest applicable rate per shift.

- D. Authority employees, including Per Diem employees, in the HSN classifications who are certified and assigned to administer chemotherapy drugs shall be eligible for Chemotherapy Pay.

Eligible Authority employees shall receive an additional \$2.50 per hour for the entire shift during which an employee administers chemotherapy drugs.

- E. Authority employees in the Pharmacist classification who are designated by the KMC Chief Executive Officer or their designee as Pharmacist In Charge (“PIC”) shall receive PIC Pay equal to five percent (5%) of their base hourly rate of pay for time actually worked as the PIC.

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Section 8. ACCOUNTANT CERTIFICATION PAY

Extra Help and Per Diem employees are not entitled to the certification pay described in this Section.

Biweekly Accountant Certification Pay in the amount of five percent (5%) of base hourly rate of pay shall be paid to eligible employees in the Accountant I/II/III and Senior Accountant job classifications 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 Accountant Certification Pay shall not be paid for obtaining more than one (1) certification.

Section 9. SECURITY CLEARANCE PAY

Employees, including Per Diem 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.

- (1) Adult Justice Facilities listed in the contract for services between the Authority and the County of Kern
- (2) Juvenile Justice Facilities listed in the contract for services between the Authority and the County of Kern

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 Security Clearance 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.

- A. This Security Clearance 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 10. BILINGUAL PAY

In accordance with applicable 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 and LLC reserve 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.

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Section 11. NEW EMPLOYEE PREMIUM PAY

LLC employees shall not be entitled to New Employee Premium Pay described in this section.

Extra Help and Per Diem employees are not entitled to the New Employee Premium Pay described in this Section.

- A. New Employee Premium Pay equal to six percent (6%) of base hourly rate of pay will be paid to Authority 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 Authority employee's base hourly rate of pay times the amount of hours for which the employee received compensation during the pay period, including hours actually worked and paid time off, but excluding overtime. Notwithstanding the foregoing and in addition to the provisions contained in Article VI, Section 3, Authority 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. Authority employees who choose to defer all or part of their six percent (6%) New Employee Premium Pay to the deferred compensation 457(b) plan will receive an employer match equal to the percentage deferred, up to six percent (6%).

Section 12. REFERRAL BONUSES

Extra Help and Per Diem employees are not entitled to the referral bonuses described in this Section.

- A. A permanent full- or part-time employee who refers a Registered Nurse (“RN”) to the Authority or LLC shall be paid a Referral Bonus of \$500 when the referred RN commences work as a full-time or part-time RN, provided that the nurse who was referred identifies the employee who referred them in the application for employment or other accompanying document.
- B. An employee who has received the Referral Bonus listed in Section 12, Subsection A. shall be paid an additional Referral Bonus of \$1,000 when the RN who was referred successfully completes one (1) 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 “Seniority” as that term is defined in Article VI, Section 1.
- C. In the event more than one employee is identified as the referring employee in the manner described in Section 12, Subsection A., the Referral Bonuses described in Sections 12, Subsection A. and 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 or LLC employee when the Referral Bonus is due shall be ineligible to receive the Referral Bonus.
- E. For Authority employees, the referral bonus is not pensionable for purposes of the KCERA defined benefit retirement plan.

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Section 13. NURSING CLINICAL EXCELLENCE PAY

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees and LLC, Extra Help or Per Diem employees shall not be entitled to Nursing Clinical Excellence Pay under this Section.

The KMC Chief Executive Officer may authorize Nursing Clinical Excellence Pay only to employees in the following classifications:

- (1) Hospital Staff Nurse (“HSN”);
- (2) Correctional Staff Nurse;
- (3) Utilization Review Nurse; and
- (4) Professional Development Nurse.

Nursing Clinical Excellence Pay shall not exceed 10 percent (10%) of the nurse's base salary. The Authority will provide SEIU with written notice of any proposed changes to the applicable policy for the 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 14. NURSE PRECEPTOR PAY

The terms in this Section shall not apply to LLC and Extra Help employees and LLC and Extra Help employees shall not be entitled to Nurse Preceptor pay under this Section.

Per Diem employees are entitled to the Nurse Preceptor pay described in this Section.

- A. For purposes of this section, precepting shall be defined as time spent by experienced nurses orienting, instructing and supervising another nurse.
- B. Only employees in a Registered Nurse (“RN”) classification and the Licensed Vocational Nurse (“LVN”) classification who have been designated for the Nurse Preceptor Program shall receive Nurse Preceptor Pay in the amount of \$1.50 per hour while precepting, as define above.

Section 15. EDUCATION EXPENSE REIMBURSEMENT PROGRAM

Extra Help and Per Diem employees are not entitled to the benefits described in this Section.

- A. The Expense Reimbursement Program is available to employees who satisfy the following criteria:
 - (1) Is enrolled in an Associate Degree, Bachelor Degree, or Master's Degree nursing program; or
 - (2) Is enrolled in a class that is a prerequisite 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 Authority or LLC. Correspondence schools belonging to the Western Association of Schools and Colleges (“WASC”) may also qualify.

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- 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 applicable education expense reimbursement policy, and which may be amended from time to time.
- F. The Authority and LLC each will designate an individual who will be responsible to administer the investment in nursing initiative in accordance with the terms set forth in this MOU.

Section 16. OTHER CERTIFICATION PAY

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

Section 17. OVERTIME COMPENSATION – NON-EXEMPT POSITIONS

- A. For purposes of this section, unless otherwise specified below, non-exempt employees shall be eligible to earn overtime at the rate of one and one-half times the employee's regular rate of pay 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 when the employee is not actively working), but shall include rest periods and PTO-Flex, as described below.
- B. During the term of this MOU, the Authority's and LLC's policies and procedures regarding overtime, as they apply to non-exempt employees, shall be observed and non-exempt employees shall continue to be eligible to receive CTO in lieu of cash, up to the maximum of 120 hours of CTO.
- C. Full-time non-exempt employees who are regularly scheduled to work eight (8) hours per day, five (5) days a week will be eligible for daily overtime. This overtime is contractual and not required by the Fair Labor Standards Act ("FLSA").
- D. Except as provided below, full-time non-exempt employees will be eligible for overtime pay for hours worked in excess of 40 hours per workweek. Employees on an Alternative Work Schedule ("AWS") may not be eligible for overtime in excess of 40 per week. (See Section 18.)
- E. Limitations on Mandatory Overtime:

The Authority, LLC 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 Authority or LLC operations, including but not limited to patient care, may be compromised,

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or when there is an internal or external emergency declared by state, local or federal government, or declared by an Administrator. For the purposes of this section, an internal or external emergency is defined as an unexpected situation or sudden occurrence of a serious and urgent nature that demands immediate action.

Department managers will, when feasible, maintain a sign-up list of employees who desire to be given overtime or additional hours. When practicable, department managers will first offer additional hours to employees in order of Seniority, as that term is defined in Article VI, Section 1, who would not incur overtime.

Section 18. EXEMPT POSITIONS

- A. Exempt employees shall be determined in accordance with applicable wage and hour laws, including, but not limited to, the Fair Labor Standards Act (“FLSA”) and California labor law provisions governing exempt status. The Authority and LLC retain the right to review and adjust exempt classifications to ensure compliance with applicable legal requirements.
- B. The Authority or LLC and SEIU agree to meet and confer regarding the effects or impacts of the Authority’s or LLC’s exemption of any classification(s) from overtime eligibility under the FLSA. In no instance will the Authority or LLC designate a classification as exempt if it does not qualify under the FLSA.
- C. The positions of Nurse Practitioner and Physician Assistant (Advanced Practice Providers (“APPs”)) are classified as exempt from overtime, reflecting their professional status under the FLSA. 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.
- D. The Union and the Authority and LLC 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 19. ALTERNATIVE WORK SCHEDULES (“AWS”)

The terms of this Section shall not apply to Extra Help or Per Diem employees.

- 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.
- B. The Union and the Authority and LLC agree that the Authority or LLC may implement Alternative Work Schedules in any unit based on business needs. The Authority and LLC agree to maintain all existing alternative workweek schedules currently in effect unless the Authority or LLC determines that there is a business need to modify the schedule. The Authority or LLC agree to provide 14 days’ written notice to employees when modifying an AWS, with a copy to SEIU.

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- C. In departments where business needs do not drive the need for the Authority or LLC 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 two-thirds (2/3) of the eligible employees must be willing to work the AWS. 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 AWS. Once implemented, an elective AWS may not be revoked for 12 months unless the Authority or LLC 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 (e.g., Pharmacists and Clinical Lab Scientists (“CLS”)) may be assigned a 7/70 schedule, with approval from the KMC Chief Executive Officer or their 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 20. FLEXING OF CLINICAL STAFF

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees.

Extra Help and Per Diem employees shall be subject to the flexing as described NRS-LD-1160.00.

- A. All Authority 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. Authority 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 work week. Eligible Authority 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 Authority 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. Authority 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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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
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.

- D. 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. FLEXING OF NON-CLINICAL STAFF

The terms of this Section shall not apply to Extra Help or Per Diem employees.

Extra Help and Per Diem employees shall be subject to the flexing as described NRS-LD-1160.00.

- 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.
- B. 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 PTO-Flex 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 and LLC 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.
- C. 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.
- D. 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 22. REST AND MEAL PERIODS

- A. To the best of its ability, the Authority and LLC 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 practicable, a paid rest period of 15

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minutes during each four (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 23. POSTING OF SCHEDULES

The terms of this Section shall not apply to Extra Help or Per Diem employees.

- 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 and LLC shall provide a hard copy of the posted schedule to the employee.
- C. The Authority and LLC shall attempt to schedule employees off on two (2) consecutive days each week when feasible. The Authority and LLC 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 24. REPORT PAY

An employee required by the Authority or LLC to report to work and who does report, but is notified by the Authority or LLC that they are being flexed will be utilized and receive Report Pay for no fewer than two (2) hours at the employee's regular hourly rate of pay. If the employee is offered work and elects not to work, then the employee shall not receive Report Pay. In such circumstances, the employee may take the day off without pay or elect to use accrued and available PTO or CTO (where applicable) to provide for their compensation.

Section 25. SHIFT TRADES

- A. Scheduled employees may trade shifts or days provided that the manager approves the trade and that the trade does not result in increased overtime or extra shift premium costs for the Authority. The employee shall not be required to provide the reason why the employee desires to trade shifts and the manager will only consider whether trade will result in increased overtime or extra shift premium costs for the Authority or LLC and whether the employee who will now assume the shift can perform all the duties required of the employee seeking to trade shifts.
- 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 extra help employees will be allowed.

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Section 26. UTILIZATION OF NURSING STAFF

The terms of this Section shall not apply to LLC employees.

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 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 27. OUT OF CLASS PAY

The terms of this Section shall not apply to Extra Help or Per Diem employees.

- A. Employees may be temporarily assigned to perform duties in a higher or lower job 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 that extend beyond the two (2) full pay periods must have approval of the Vice President, Human Resources or their designee and must be in the operational interest of the Authority or LLC. 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 duration of the assignment. Departments shall not use out-of-class assignments in lieu of filling vacant positions through the normal recruitment and hiring process, unless the Authority or LLC intends to eliminate the vacant position at issue. However, out-of-class assignments may be used while the department is actively recruiting to fill a vacancy.
- 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 there is prior approval from the Vice President, Human Resources or their designee for an extension beyond the six (6) month period. 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 base salary for the position to which the employee is assigned for a higher job classification. The compensation shall be at least one (1) step level increment higher than the employee's current base hourly salary (i.e., at least three percent (3%) more than their current base hourly salary). If the out-of-class assignment is in a position with a lower base salary, the employee will continue to receive their regular pay. The employee returns to their regular position and salary range when the temporary assignment ends.
- F. Employee anniversary dates will not be impacted by an out-of-class assignment.

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- G. An employee who serves in an out-of-class assignments in a higher job classification may receive credit for the out-of-class assignment against the probationary period in such classification following the employee's promotion to the higher job classification, if the following criteria are satisfied:
1. The out-of-class assignment was in the same classification as the classification to which the employee promoted;
 2. The employee performed at a "Standard" or better rating while serving in the out-of-class assignment; and
 3. At least some portion of the out-of-class assignment took place within one (1) year of the employee's promotion to the higher job classification

If such criteria are satisfied, the Authority or LLC shall credit the employee with time against the promotional probationary period in the higher job classification equal to the time served in the out-of-class assignment, up to one-half the promotional probationary period.

ARTICLE VI - BENEFITS

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

Section 1. SENIORITY

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the benefits described in this Section.

A. Definition

1. For Authority employees, 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.

2. For LLC employees, seniority shall be defined as the length of uninterrupted service with the LLC.

B. Termination of Seniority - An employee's seniority shall be terminated by one of the following:

- (1) Resignation, or
- (2) Termination for any reason.

Section 2. MEDICAL/DENTAL/VISION/PRESCRIPTION DRUG/LIFE INSURANCE/RETIREE HEALTH – REGULAR AUTHORITY EMPLOYEES

The terms in this Section shall not apply to LLC employees and LLC employees shall not be entitled to the benefits described in this Section. The terms and conditions related to such benefits for LLC employees are set forth in Article VI, Section 3, below.

- A. All Authority employees MOU shall be required to pay, by payroll deduction, 20 percent (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").

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(All insurance premiums referenced in this subsection shall equal 98 percent (98%) of the applicable COBRA premium.)

- B. Authority 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. Authority employees who decline coverage may not enroll in the Authority's health insurance program until the next open enrollment period or a "qualifying event". Authority employees who have not declined coverage shall have the option of obtaining Authority health insurance for the 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, twenty percent (20%) of the appropriate premium for dependents. The health insurance program offered to 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 Authority 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 ("RHPS")
 - 1. Participation in the RHPS is discontinued for employees hired on or after March 15, 2016.
 - 2. Employees who discontinued participation in the RHPS prior to March 15, 2016, are eligible, solely upon retirement from the Authority, to receive an employer contribution to a Health Reimbursement Arrangement ("HRA") managed by the County of Kern in the following manner:
 - a. The employer contribution is equivalent to the amount the employee has had deducted from his or her pay to RHPS since payroll period 12-16 (August 11-24, 2012) until the last payroll period for which a deduction was made for such purpose.
 - b. Employees who opt out and retire at or after age 70 will not receive any employer contribution for the HRA.
 - 3. Employees hired prior to March 15, 2016, who do not opt-out of the RHPS, shall continue to participate in the RHPS under the following terms:
 - a. Employees shall contribute to RHPS at the contribution rate of two and twelve-one hundredths of a percent (2.12%) of base salary.
 - b. Employees hired at age 45 years or older continue to be excluded from participation in the RHPS because they could never receive a benefit.

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- 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 (5) 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 ("CERL"), will become eligible for 100 percent (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 Authority 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.

Section 3. MEDICAL/DENTAL/VISION/PRESCRIPTION DRUG/LIFE INSURANCE/RETIREE HEALTH – REGULAR LLC EMPLOYEES

The terms in this Section shall not apply to Authority employees and Authority employees shall not be entitled to the benefits described in this Section. The terms and conditions related to such benefits for Authority employees are set forth in Article VI, Section 2, above.

- A. The health insurance program offered to LLC employees and their dependents shall consist of four components: (1) medical; (2) dental; (3) vision; and (4) prescription drug coverage. That program must be accepted or declined in its entirety. It is not permissible to pick and choose among those components.
- B. All LLC employees who elect to be covered by the LLC's health insurance program shall be required to pay, by payroll deduction, 20 percent (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"), unless the employee elects to opt out of such health insurance coverage. (All insurance premiums referenced in this subsection shall equal 98 percent (98%) of the applicable COBRA premium.)
- C. LLC employees may decline coverage under the LLC's health insurance provided that the employee executes a declaration, in a form acceptable to the LLC, in which the employee: (i) declares that the employee has medical insurance coverage for the employee; and (ii) declines coverage under the LLC's health insurance program for the employee and the employee's dependents. New LLC employees may decline coverage upon employment. Existing LLC

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employees may decline coverage during an open enrollment period or in the applicable period following a “qualifying event”.

LLC employees who decline coverage may not enroll in the LLC's health insurance program until the next open enrollment period or a “qualifying event”.

- D. The LLC will continue to provide an annual open enrollment for LLC employees to change health insurance plans, enroll eligible dependents, or decline coverage (with submission of declination form and proof of other employer-provided medical care coverage).
- E. The LLC 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.
- F. The LLC will provide life insurance coverage for LLC employees covered by the LLC's health insurance program in the amount of \$10,000 per employee. The LLC may solicit Requests For Proposals (“RFP”) in order to maintain the life insurance coverage. The LLC's decision to solicit RFPs shall not be subject to any meet and confer, whether on the decision or the effects or impacts related to such a decision.

Section 4. HEALTH AND MEDICAL BENEFITS – EXTRA HELP AND PER DIEM EMPLOYEES

The terms in this Section shall not apply to regular Authority or LLC employees and regular Authority and LLC employees shall not be entitled to the medical benefits described in this Section.

Extra Help and Per Diem employees shall be entitled to health medical benefits described in Health Benefits Policy for Full-Time Extra Help and Temporary Employees depending on their eligibility and qualification for such benefits, as described in the Policy.

Extra Help and Per Diem employees hired to work more than an average of fifty-nine (59) hours per biweekly pay period shall become eligible for benefits effective the first day of the biweekly pay period following one month of continuous service, beginning on the day the employee physically reports to duty in the benefits eligible position.

Extra Help and Per Diem employees hired to work fewer than fifty-nine (59) hours per biweekly pay period shall be evaluated upon completion of three (3) months of employment to determine whether their average hours worked during that three-month period meet the minimum hours requirement for benefits eligibility.

Employees determined to be eligible shall be permitted to elect medical and prescription drug coverage for themselves and eligible dependents by completing the required enrollment forms within the designated enrollment period.

Eligible employees shall pay, through payroll deduction, their required share of health benefit premiums in accordance with applicable Kern County Benefits Department policies. Additional coverage for dental and vision benefits may be available in accordance with County of Kern benefit policies in effect at the time of enrollment.

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Section 5. RETIREMENT – AUTHORITY EMPLOYEES

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees and LLC, Extra Help and Per Diem employees shall not be entitled to the retirement benefits described in this Section.

The terms and conditions related to retirement benefits for LLC employees are set forth in Article VI, Section 6, below.

- 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 Authority 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 eligible Authority employees hired or rehired by the County or the Authority on or after August 7, 2004 (hereinafter "Post August 7, 2004 Employees") shall pay 100% of the employees' normal contributions to retirement, as set forth in Government Code Section 31621. Employees who have accrued years of service prior to being hired or rehired by the County or the Authority on or after August 7, 2004, shall pay 100% of the employees' normal contribution to retirement.
- D. Post October 27, 2007 new Authority employees 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 provide a biweekly amount ("match") as follows:
 - 3. Subject to the limitation contained in paragraph 2. below, the Authority shall contribute a biweekly amount, equal to the biweekly amount that the Authority employee contributes to the Kern County Deferred Compensation Plan.
 - 4. The six percent (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 Authority employee to exceed any applicable IRS limitations of contributions to the Kern County's Deferred Compensation Plan.

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5. This MOU does not create a vested right to a continued match beyond expiration of this Agreement. However, the benefit will continue beyond the expiration date of this MOU subject to the then current collective bargaining laws and rules.
 6. If for any reason, including but not limited to a redeposit under current law, a new Authority employee becomes eligible for the defined retirement benefit set forth in Subsection A, above, the new employee shall repay the Authority the amount of the match received plus the amount of six percent (6%) premium pay received, under Article V, Section 7, Subsection (E) of this Agreement for the period of service during which the Authority employee is credited under the higher benefit formula. It is the purpose of this Subsection 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.
- E. 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.
 - F. Notwithstanding subsections A and C, eligible Authority 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 by the Authority or County 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 No. 2007-420 (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 ("KCERA").
 - G. 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 KCERA and the Government Code.
 - H. 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.
 - I. Authority 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 KCERA 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.
 - J. 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

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Human Resources department may, at its sole discretion, waive the April 1 filing deadline for any employee.

- K. 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 6. RETIREMENT – LLC EMPLOYEES

The terms in this Section shall not apply to Authority employees and Authority employees shall not be entitled to the retirement benefits described in this Section. The terms and conditions related to retirement benefits for Authority employees are set forth in Article VI, Section 5, above.

This Section shall not apply to Authority employees.

LLC employees shall be entitled to the following:

A 401(k) plan that provides the following:

- (1) 100% employer match of employee contributions up to a maximum of six percent (6%) of the employee's base salary, and
- (2) A non-elective employer contribution equal to four percent (4%) of the employee's base salary to the 401(k) plan, subject to the governing IRS regulations.

The LLC will arrange for informational meetings to be conducted by the 401(k) plan administrator to inform LLC employees about their rights and benefits under the 401(k) plan.

If at some time in the future the LLC employees become ineligible to participate in a 401(k) plan and become eligible to participate in a 457(b) plan, the Authority shall allow LLC employees to participate in the 457(b) plan and KCERA (as described in Article VI, Section 5, above), and the New Employee Premium Pay (as described in Article V, Section 11) shall apply, the pension contributions described in Article VI, Section 4 shall apply, and the non-elective four percent (4%) contribution to the 401(k) plan shall be discontinued.

Section 7. RETIREMENT – EXTRA HELP AND PER DIEM EMPLOYEES

The terms in this Section shall not apply to regular Authority or LLC employees and regular Authority and LLC employees shall not be entitled to the retirement benefits described in this Section.

Extra Help and Per Diem employees shall be entitled to deferred compensation benefits described in the Deferred Compensation Plan - Part Time Seasonal Temporary depending on their eligibility and qualification for such benefits, as described in the Deferred Compensation Plan - Part Time Seasonal Temporary.

Section 8. GOLDEN HANDSHAKE

The terms in this Section shall not apply to LLC, Extra Help or Per Diem employees and LLC, Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

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The Authority recognizes that, if a revenue shortfall occurs during the term of this MOU, it may require a reduction in the number of Authority employees and cause the layoff of permanent Authority employees represented by SEIU. Consequently, the Parties 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 Authority employees that must be laid off.

A. Criteria

The Parties 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 Authority employees 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 Authority 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 Authority 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 Authority 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.

B. Paid Leave Balances for Golden Handshake Participants

The Parties 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:

- (1) Earned EIB payoffs, in the same manner as provided in Article IV, Section 2, Subsection G 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

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credit in the KCERA retirement system. Any remaining balance of accumulated EIB or PTO credit shall be paid out according to the terms of this Agreement.

C. 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 this Article.

- (1) A three (3) person panel comprised of the KMC Chief Executive Officer, the Vice President of Human Resources or their designee, and the Regional Director of the SEIU, will be formed to adjudicate disputes.
- (2) An employee who believes they have been aggrieved by execution of this Section may submit their complaint in writing to the Vice President of Human Resources, who will call a meeting of the above-referenced panel.
- (3) The complainant and their representative may appear before the panel and present relevant evidence and/or argument to support their claim.
- (4) A complaint must be submitted within five (5) calendar days of the employee's belief that they have 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 9. PROFESSIONAL FEES

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

The Authority and LLC agree to pay 100% of a required fee, not to exceed \$500, to each Authority or LLC 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 (1) year, the Authority or LLC will pay the required fee, except that the Authority and LLC shall not pay any amount in excess of the total of \$500 per year for each year of the license or registration.

Section 10. UNIFORMS

- A. Certain permanent full-time and part-time employees (including Extra Help and Per Diem employees) are required by Authority or LLC policies, practices and procedures to wear specific uniforms. The Authority or LLC will determine the number of uniforms, and methods and amounts of procurement.
- B. The Authority or LLC will provide replacement uniforms, or portions thereof, whenever a change in the required uniform makes it necessary for employees to purchase new uniforms or portions thereof.

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- 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 Authority or LLC shall provide patches and chevrons for uniforms.
- E. The following classifications shall be provided \$100 per year for a boot allowance:

Groundskeeper I/II	Maintenance Carpenter
Maintenance Electrician	Stationary Engineer
Maintenance Plumber	Maintenance Worker Series
HVAC Mechanic I/II	

- F. Such allowance shall not accrue and may not roll-over from one year to the next. Such allowance shall have no cash value and may not be cashed out.

Section 11. TRAVEL EXPENSES

Employees who are required to travel on business for the Authority or LLC will be reimbursed in accordance with the applicable Employee Travel and Business Expense Reimbursement policy.

Section 12. TOOLS

The Authority or LLC will provide any tools required to be used.

Section 13. FLEXIBLE SPENDING ACCOUNT

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

- A. Employees are eligible to participate in the Flexible Spending Account (“FSA”) Cafeteria Plan, which the Authority and LLC maintains in compliance with the requirements of Sections 105, 106, and 129 of the Internal Revenue Code of 1986, as amended. FSA plan options include an FSA 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. Administration of the FSA is regulated by the Plan Document, as adopted, and periodically amended, by the Authority’s Board of Governors and the LLC’s Board of Managers and by the applicable state and federal laws.

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Section 14. CONTINUING EDUCATION REQUIREMENTS

The terms in this Section shall not apply to Extra Help or Per Diem employees and Extra Help and Per Diem employees shall not be entitled to the terms set forth in this Section.

- A. The Authority and LLC 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 the following criteria are satisfied:
- (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 would be beneficial to the operations of the department in which the employee works.
- 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. Additionally, APPs shall be provided up to four (4) days of paid leave per year to attend in-person continuing education courses that are not offered by the Authority or LLC. Such leave shall not accrue and may not roll-over from one year to the next. Such leave shall have no cash value and may not be cashed-out.
- C. The Authority or LLC will reimburse employees for costs associated with pre-approved, mandatory off-site education. 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, LLC or employee.

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

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

- 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 or LLC by one of the following methods after the employee elects solely in their 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 or LLC 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 or LLC, after due

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

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 or LLC 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 determined by the Authority or LLC, 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 or LLC.

If, as a result of an administrative error, any employee of the Authority or LLC receives payment of monies or benefits less than that legally due, the Authority or LLC will reimburse the employee as soon as practicable, including, if possible, in an off-cycle payment to the employee. If this is not practicable, the Authority or LLC 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.

In the event an employee is underpaid a substantial portion of monies or benefits legally due on a paycheck, the Authority or LLC may issue a salary advance at the request of the employee.

Disputes regarding application of this Article shall be resolved pursuant to the Grievance and Arbitration Procedure set forth in Article VIII. Collection of the disputed amount will be held in abeyance until such grievance is adjudicated.

ARTICLE VIII - GRIEVANCE AND ARBITRATION PROCEDURE

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, unless otherwise provided herein. The terms under this Article shall apply with equal force and effect to Extra Help and Per Diem employees, unless otherwise provided herein.

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;

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

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 and LLC holidays.

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

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 or LLC policy questions, including subjects involving newly established or amendments to existing Board of Governors' or Board of Managers' resolutions, ordinances, or minute orders, unless the allegation is that they are not uniformly administered or that implementation would violate terms and conditions of this 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).

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8. Grievances filed after an employee's Extra Help or Per Diem appointment has terminated or expired.

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 or LLC 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

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 approval of the department manager. Management 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 or LLC.
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 and, in the case of Extra Help and Per Diem employees, not later than the expiration or termination of their Extra Help or Per Diem appointment), an employee may promptly and informally meet to discuss the complaint with their immediate supervisor.

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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 ten (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.

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 the 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 their representative, if requested, within 10 days from the receiving the appeal, 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, the employee may appeal the decision to the Employee Relations Representative (“ERR”) within five (5) days from receipt of the department head's decision. In their 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.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

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

If the employee is not satisfied with the decision of the ERR or their 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, their representative, if any, and the ERR, or their designee, shall, within five (5) days of receipt of the grievant's request, set a date for a meeting to undertake the following:

- (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.

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 ("SMCS"), or the American Arbitrator's Association. The Parties shall mutually agree on the service used for purposes of requesting an arbitrator.
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 or LLC.
5. The arbitrator will confine themselves and any order and award to the issue submitted.
6. The arbitrator's decision shall be binding upon all parties. 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 or LLC 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 their decision within 30 days from the close of the hearing.

**Service Employees International Union, Local 521 and Kern County Hospital Authority
Memorandum of Understanding April 1, 2026 – March 31, 2029**

ARTICLE IX – OTHER TERMS

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, including Extra Help and Per Diem employees.

Section 1. SEVERABILITY

If any provision 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.

Section 2. REOPENER

Within 60 days of the adoption of this Agreement by the Authority’s Board of Governors and the LLC’s Board of Managers, the Authority and LLC will propose a change to the compensation structure for employees in Advanced Practice Provider (“APP”) classifications (Physician Assistant (“PA”), Nurse Practitioner (“NP”)) that are exempt from the FLSA (i.e., who are not entitled to overtime), including incentive pay. The reopener shall be limited to the terms and conditions of this Agreement implicated by such a proposal and shall not result in reopening any terms that do not relate to such a proposal. Following the Authority’s and LLC’s proposal, the Parties will meet and confer in good faith, as required by law and pursuant to Article II, Section 4 of this Agreement, to discuss such a proposal.

ARTICLE X - DURATION OF THE MOU

The terms under this Article shall apply with equal force and effect to Authority and LLC employees, including Extra Help and Per Diem employees.

- A. Upon ratification by the SEIU membership and approval by the Authority's Board of Governors and the LLC’s Board of Managers, this MOU shall become effective and binding upon the Parties in accordance with Section II, Article 14, of the EERR.
- B. The term of this MOU shall be from April 1, 2026 through March 31, 2029.

This Memorandum of Understanding is executed this ___ day of April, 2026.

SERVICE EMPLOYEES' INTERNATIONAL
UNION LOCAL 521:

KERN COUNTY HOSPITAL AUTHORITY:

KERN MEDICAL SURGERY CENTER, LLC:



**BOARD OF MANAGERS
SPECIAL MEETING
KERN MEDICAL SURGERY CENTER, LLC**

April 1, 2026

Subject: Proposed resolution in the matter of changes in terms and conditions of employment for unrepresented employees classified as management

Recommended Action: Approve; Adopt Resolution; Authorize Administrator and Human Resources to implement changes

Summary: The LLC requests your Board approve changes to the terms and conditions of employment for unrepresented management employees as outlined below.

The following is a brief overview of the recommended changes:

- 1) Effective with the pay received on April 10, 2026, regular permanent management employees will receive a one-time MOU signing bonus in the amount of \$1,500 for full-time employees and \$750 for part-time employees.
- 2) Effective April 1, 2026, there will be a reduction in the extended illness bank accrual from 7 to 6 days per year. In exchange, management employees will be provided one floating holiday annually. The floating holiday not used in the year during which it is provided will not carry over to the following year and will be lost, if not used.
- 3) Effective April 1, 2026, management employees will be subject to the changes in the Service Award Program, which clarifies eligibility and includes increases in the award amount depending upon an employee's years of service.

Therefore, it is recommended that your Board approve the proposed changes to the terms and conditions of employment for management employees as outlined above, adopt the attached resolution, and authorize the Administrator and Human Resources to implement the changes.

**BEFORE THE BOARD OF GOVERNORS
OF THE KERN MEDICAL SURGERY CENTER, LLC**

In the matter of:

Resolution No. 2026-____

**CHANGES IN TERMS AND CONDITIONS OF
EMPLOYMENT FOR UNREPRESENTED
EMPLOYEES CLASSIFIED AS MANAGEMENT**

I, MONA A. ALLEN, Clerk of the Board for the Kern Medical Surgery Center, LLC, hereby certify that the following Resolution, on motion of Manager _____, seconded by Manager _____, was duly and regularly adopted by the Board of Managers of the Kern Medical Surgery Center, LLC at an official meeting thereof on the 1st day of April, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Managers.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Clerk of the Board
Kern Medical Surgery Center, LLC

Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to the Operating Agreement of Kern Medical Surgery Center, LLC, a California Limited Liability Company, Dated and Effective as of August 18, 2026, the Board of Managers shall have full, complete and exclusive authority, power, and discretion to control the business, property and affairs of the Company, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of [Kern Medical Surgery Center, LLC's] business, property and affairs; and

(b) All employees classified as management are not represented by a recognized employee organization; and

(c) The Board of Managers desires to implement changes to the terms and conditions of employment for all unrepresented employees classified as management.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Managers of the Kern Medical Surgery Center, LLC (“LLC”), as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. Effective with the pay received on April 10, 2026 (Pay Period 26-06), all permanent full-time unrepresented employees classified as management employed as of April 1, 2026, shall receive a one-time bonus of one thousand five hundred dollars (\$1,500), less all applicable federal and state taxes and withholdings.

3. Effective with the pay received on April 10, 2026 (Pay Period 26-06), all permanent part-time unrepresented employees classified as management employed as of April 1, 2026, shall receive a one-time bonus of seven hundred fifty dollars (\$750), less all applicable federal and state taxes and withholdings.

8. Except as otherwise provided herein, all unrepresented employees classified as management hired on or after April 1, 2026, shall have available the service award program benefit as follows:

a) The service award program will provide awards for all permanent full-time and part-time unrepresented employees classified as management who achieve 5 years, 10 years, 15 years, 20 years, 25 years, 30 years, and 35 years of service with the LLC, including service with Kern County Hospital Authority or KMC when it was a County Department;

b) The average cost of service awards for all unrepresented employees classified as management is as follows:

Years of Service	Award Amount
5 Years	\$50.00
10 Years	\$100.00
15 Years	\$150.00
20 Years	\$200.00
25 Years	\$250.00
30 Years	\$300.00
35 Years	\$400.00

c) The LLC has the sole and exclusive right to select the service award program provider/administrator and the awards available for selection under the program.

d) All Extra Help and Per Diem employees classified as management are not eligible to participate in the service award program;

9. Except as otherwise provided herein, effective on the first day of the first pay period following the adoption of this resolution (April 4, 2026; Pay Period 26-07), all unrepresented employees classified as management hired on or after April 1, 2026, shall have available the extended illness bank benefit (“EIB”) as follows:

a) EIB is intended for an illness or injury lasting more than three (3) consecutive scheduled shifts. Employees must use PTO for unscheduled absences of three (3) or fewer shifts unless the absence meets the requirements for approved Kin Care.

b) After an employee has been absent due to an illness or injury for more than seven (7) calendar days, regardless of the number of shifts or hours missed, they must complete all required leave of absence documentation including a note from a healthcare provider. 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.

c) If an employee exhausts all available EIB, they may choose to use accrued PTO.

d) For regular permanent full-time employees, EIB will accrue at the rates set forth below:

Years of Service	Biweekly Accrual	EIB Hours/Year	EIB Days/Year
0-5	1.846	48.0	6
6 or more	2.769	72.0	9

e) For regular, permanent part-time employees, EIB will accrue at a prorated rate based on the hours worked in the biweekly pay period.

f) Regular permanent full-time employees may accrue EIB up to the maximum of 640 hours of EIB. For regular, permanent part-time employees, the maximum allowable accrual shall be proportionate to the maximum amount for regular full-time employee prorated by the number of hours worked by the regular, permanent part-time employee in the calendar year.

g) Upon death or active retirement of an employee, accrued and unused EIB hours will be cashed out as follows:

Years of Continuous Service	Payoff Rate
0 through 19	50 percent
20 through 24	75 percent
25 or more	100 percent

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

The amount payable under this subsection shall be calculated based upon the employee's regular rate of compensation and years of uninterrupted continuous service at the time of death or active retirement from the LLC.

h) Employees may be eligible to receive a cash bonus if they have accrued the maximum amount of unused EIB and satisfy the following conditions:

- 1) Regular permanent full-time employees (i.e., employees whose units of work are equal to 80 regular working hours per biweekly pay period) 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 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.
- 2) Regular permanent part-time employees (i.e., employees whose units of work are less than 80 regular working hours per pay period) 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 regular permanent full-time employees (i.e., 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 regular permanent full-time employees) and have used 10 or fewer hours of unscheduled PTO during the previous payroll periods during that calendar year.

i) All Extra Help and Per Diem employees classified as management are not eligible for the extended illness bank benefit.

10. Except as otherwise provided herein, all unrepresented employees classified as management shall have available the floating holiday benefit as follows:

a) The floating holiday is available to employees for purposes of rest and relaxation. The Authority encourages employees to use a scheduled floating holiday to rejuvenate and enhance the quality of life. The floating holiday may also be used for short-term illnesses, personal appointments, doctor appointments, family emergencies, etc.;

b) Requests for a scheduled floating holiday must be made in writing in advance in accordance with the Authority holiday policy, which shall be revised to reference the "Floating Holiday";

c) Effective April 1, 2026, permanent full-time employees shall receive one (1) floating holiday following the adoption of this resolution and on each January 1 thereafter.;

d) For permanent part-time employees, the floating holiday will be prorated based on the number of hours worked in the biweekly pay period;

e) The floating holiday must be used in the year during which it is provided (e.g., the floating holiday provided following the adoption of this resolution must be used by December 31, 2026, the floating holiday provided on January 1, 2027 must be used by December 31, 2027, etc.). The floating holiday not used in the year during which it is provided will not carryover to the following year and will be lost, if not used;

f) The floating holiday will not be paid out if not used during the year it is provided nor will it be paid out if not used prior to separation of employment, regardless of the reason;

g) Employees shall not be downgraded on the Employee Performance Report for the use of an authorized floating holiday;

h) Extra Help and Per Diem employees classified as management are not eligible for the floating holiday benefit described in this section.

11. All existing unrepresented employees classified as management shall retain all other existing benefits.

12. The terms and conditions of employment adopted by this Resolution shall apply to all existing employees classified as management, effective upon adoption of this Resolution.

13. The terms and conditions of employment adopted by this Resolution shall apply to all newly hired employees classified as management, effective upon commencement of their employment.

14. The Administrator and Human Resources Department are hereby directed to implement the provisions of this Resolution.

15. The Clerk of the Board shall provide copies of this Resolution to the following:

Kern Medical Surgery Center, LLC

Human Resources Department

Legal Services Department

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Government Code Section 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on April 1, 2026, to confer with, or receive advice from Counsel regarding pending litigation, because discussion in open session concerning this matter would prejudice the position of the authority in the litigation. The closed session involves:

 X CONFERENCE WITH LEGAL COUNSEL – FORMALLY INITIATED LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Service Employees
International Union, Local 521, Charging Party, v. Kern County Hospital Authority,
Respondent, Public Employment Relations Board Case No. LA-CE-1573-M –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
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 X CONFERENCE WITH LEGAL COUNSEL – FORMALLY INITIATED LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Service Employees
International Union, Local 521, Charging Party, v. Kern County Hospital Authority,
Respondent, Public Employment Relations Board Case No. LA-CE-1815-M –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Government Code Section 54956.9

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Respondent, Public Employment Relations Board Case No. LA-CE-1856-M –