

Memorandum of Understanding

Between The



Santa Clara County Health Authority

And The



**Service Employees International Union,
Local 521**

July 23, 2015 - June 30, 2018

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ARTICLE 1: MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“Agreement”) is made and entered into this ___ day of April, 2016, between the Santa Clara County Health Authority, a California public entity pursuant to Welfare and Institutions Code Section 14087.38 (“Employer”) and Service Employees International Union, Local 521 (“Union”).

ARTICLE 2: RECOGNITION

The Employer confirms its recognition of the Union on July 23, 2015, as the exclusive representative for all full-time and part-time non-managerial, non-supervisory, non-confidential employees. The bargaining unit shall exclude all other employees, including managers, supervisors, confidential employees, third party temporary employees, and contractors.

ARTICLE 3: NO DISCRIMINATION

The Employer and Union agree that no unit member shall be unlawfully discriminated against because of race, age, sex, color, disability, creed, national origin or ancestry, religion, Union activity, sexual orientation, gender identity, military and veteran status, marital status, registered domestic partner status, pregnancy (including childbirth and related medical conditions including medical conditions related to lactation), physical or mental disability, medical condition, genetic characteristic, or any other consideration made unlawful by federal, state or local laws. Unit members will also not be discriminated against on the basis of constitutionally protected political associations, speech, and expressive activity.

ARTICLE 4: MANAGEMENT RIGHTS

The exercise of the powers, rights, authority, duties and responsibilities by the Employer as set forth below, and the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in the connection therewith, shall be limited only by the specific and expressed terms of this Memorandum of Understanding, and then only to the extent such specific and express terms are in conformance with law.

It is understood and agreed that the Employer retains all of its powers and authority to direct, manage and control to the full extent of the law. Included in this retained authority, but not limited to, are the exclusive right to: determine its organization; direct the work of its employees; determine the times and hours of operation; determine the kinds and levels of services to be provided and the methods and means of providing them; establish its policies, strategies, goals, and objectives; ensure the rights of members and compliance with grant and funding requirements; determine staffing patterns; determine the number and kinds of personnel required; maintain the efficiency of Employer operations; establish budget procedures and determine budgetary allocation; determine the methods of raising revenue; contract out work; hire, classify, assign, evaluate, promote, terminate, and discipline employees; and take action on any matter in the event of an emergency. (An emergency is

defined as any act of God or other unforeseen occurrence that has a significant impact on the Employer's operations.)

The Employer retains its right to amend, modify or rescind policies and practice referred to in this Agreement in cases of emergency. If the Employer determines that an emergency exists and it intends to modify or suspend any portion of this Agreement, it shall notify the exclusive representative prior to declaring any emergency. The determination of an emergency may be subject to the grievance procedure by the Union.

ARTICLE 5: UNION RIGHTS

5.1 Right of Access and Communication

a. The Union shall have the right to access at reasonable times areas in which employees work. Authorized representative(s) of the Union shall have the right to access Employer property at reasonable times provided that such access does not interfere with Employer operations or with unit member performance of work. The Union representative shall provide prior notice to the Human Resources department of their intended dates and times of being in the facility.

b. Access To Unit Members

Union representatives may meet with any unit member at times which do not interrupt or interfere with job responsibilities, such as the times before and after work, lunch time, and rest periods.

c. Bulletin Board

The Union shall have the right to post notices of activities and matters of Union concern on the designated bulletin board.

5.2 Use of Facilities

The Union may request the use of Employer facilities for meetings during periods of time when such facilities are not needed for Employer operations. Appropriate use of facility forms and procedures shall be followed. Requests for facility use shall be made in writing to the Vice President or Manager of Human Resources and shall not be unreasonably denied. In the event any cost accrues to the Employer under this provision, the Union shall reimburse the Employer for that cost.

5.3 Non-Confidential Information

Non-confidential information pertaining to employment relations will be provided to the Union within 15 days of any request.

5.4 The Union has the right, under the Meyers-Milias-Brown Act, to represent bargaining unit members in their employment relations with the Employer. Nothing in this Agreement shall be construed as a waiver of such rights.

5.5 The Employer shall supply the Union with:

a. A monthly electronic file of the names, home and mobile numbers, email address, status as either Union member/nonmember, home address, job title, department, monthly base pay, pay period number, and the last four digits of the Social Security number of all bargaining unit members.

i. This provision will not apply to those unit members who file written notice with the Human Resources Department objecting to release of addresses, in which case, unit member information will be transmitted without the home address.

b. A list of all new hires, terminations and retirements in the bargaining unit which occurred during the previous month. This list will include job title, department, seniority, wage/salary rate, date of hire. The Employer will also send the Union each month a list of titles for newly-created non-bargaining unit positions during the previous month.

c. A list of all newly created and deleted bargaining unit positions and their accompanying job descriptions, and pay rates during the previous month.

5.6 Agency Shop

a. Every unit member in the bargaining unit covered by this Memorandum of Agreement shall:

i. remain a member in good standing of the Union; or

ii. pay to the Union a monthly service fee, to be set by the Union in accordance with applicable law, in an amount not to exceed the periodic dues, and general assessments of the organization; or,

iii. in the case of a unit member who certifies that he/she is a member of a recognized religion, body or sect which has historically held conscientious objection to joining or financially supporting public employee organizations, pay a "Charity Fee," equal to the service fee, to a non-religious, non-labor charitable fund exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code. The charitable organizations will be agreed to by the Employer and the Union (or any successor organization(s) agreed to by the Employer and the Union).

b. Unit members who are newly hired into or who join the bargaining unit shall elect one of the above payment deduction options by completing and submitting the Union-provided Election form within ten (10) calendar days of being hired into a classification covered by this MOU.

c. To qualify for deduction of the Charity Fee, the unit member must certify to the Union that he/she is a member of a bona fide religious body or sect that has historically held conscientious objection to joining or financially supporting public employee organizations. The unit member is required to submit to the Employer and the Union a notarized letter signed by an official of the bona fide religion, body, or sect certifying that person's membership. Quarterly, the Employer shall provide to the Union a report of payments made by unit members who qualify for the Charity Fee option in this subsection.

d. Maintenance of Dues Check-Off: The Employer will continue to deduct a unit member's membership check-off authorizations until notified in writing by the Union of any changes in deductions.

e. Involuntary Service Fee Deduction Process: The Employer shall deduct a service fee from the salary of each unit member who has not authorized a dues deduction, service fee deduction or charity fee in writing within the time stated in this Section, above. The Union certifies that it has consulted with knowledgeable legal counsel and has thereby determined that this involuntary service fee deduction process satisfies all constitutional and statutory requirements.

f. Indemnification, Defense and Hold Harmless: Union agrees to indemnify and hold harmless the Employer and all officials, employees, and agents acting on its behalf, from any and all claims, actions, damages, costs, or expenses including all attorney's fees and costs of defense in actions against the Employer, its officials, employees or agents as a result of actions taken or not taken by the Employer pursuant to the agency shop arrangement. The Union will pay all legal costs that may be incurred in implementing or defending this agency shop arrangement, including those costs incurred by the Employer.

g. Sign-up forms for deduction of union dues, service fees and charity fees shall be provided by the Union to the Employer.

5.7 Payroll Deduction

The Employer shall deduct Union membership dues, service fees, charity fees, voluntary COPE check-off, and any other mutually agreed upon payroll deduction, from the bi-weekly pay of bargaining unit employees. The dues deduction must be authorized in writing by the employee on an authorization form acceptable to the Union. The Employer shall remit the deducted dues to the Union as soon as possible after deduction.

5.8 Notification to the Union

a. Unless the result of an urgent situation, the Employer shall inform the Union in writing at least thirty (30) days in advance of any proposed changes in terms and conditions of employment which require Meet and Confer or Meet and Discuss process.

b. The Employer shall inform the Union in writing of significant change in the Employer's financial situation.

5.9 Public Notice of Board Meetings

The Employer shall notify the Union by email when Board meetings agendas and supporting packets become available online via the Employer's website.

5.10 Use of Contractors and Temp Agency Reports

The Employer shall provide to the Union upon request, and no more frequently than quarterly, reports by department on the use of temporary and contract agencies temporarily filling vacant bargaining unit positions or doing work similar to that of bargaining unit members. Reports shall include a summary of the contracts with such providers, including start and end dates, the number of temporary workers used, amount paid for temporary workers on a monthly, quarterly, and yearly basis, and the rationale for use of such workers.

5.11 Stewards and Negotiators

a. Steward Recognition: The Employer agrees to recognize up to ten (10) Union stewards, including alternate stewards. The Union will notify the Employer, in writing, of the names of all duly authorized stewards within 30 working days of an election or change in leadership.

b. Release Time: Recognized stewards will be given a reasonable amount of release time away from their work duties without loss of compensation, on Union business, which includes, but not limited to: representing unit members when requested in meetings with management; grievance processing and investigation. Release time and meetings between stewards and management will be scheduled at mutually agreeable times.

c. Representation in meetings: Unit members have the right to have a Union Steward present at a meeting with supervisors or management representatives that may result in discipline or a grievance. Unit members will be notified in advance if discipline may result from the meeting. Stewards may be accompanied by another Steward or Worksite Organizer for training purposes.

d. Release Time for Negotiations: Up to five (5) workers will be given reasonable release time for contract negotiations with no loss of compensation. The Union shall be allowed to bring in resource people as needed to assist in the negotiations.

5.12 Labor-Management Issues Meetings

a. The Union and the Employer recognize a mutual interest in maintaining a harmonious working relationship in which quality service is provided to the community. In order to address these needs, the Union and the Employer agree to create a monthly meeting at a mutually agreed upon day and time. A Labor-Management meeting may be canceled if mutually agreed.

b. Specific agenda items will be provided by the Union to the Employer seven (7) days prior to the scheduled meeting. This meeting will include four (4) management representatives, and four (4) Union representatives, not including the Union Organizer. Both parties have the right to bring in a SME (subject matter expert) to address an issue regarding a particular matter on the agenda. Union members will experience no loss of pay for attending a labor-management meeting.

5.13 Printing of Agreement

The Employer and Union agree to share equally the cost of printing bound copies of this Agreement. The Union will be the responsible party, printing enough copies for both parties. The Employer will be responsible for informing the Union of the need for more copies for new hires.

5.14 Orientation

The Employer shall notify new-hired unit members that the Union is the exclusive bargaining representative for the bargaining unit and will provide the unit member with a current copy of this Memorandum of Understanding as well as any information packet furnished by the Union. Ordinarily, the Employer will give the Union five (5) working days' notice, prior to a new-hire orientation. A Union representative will be allowed to meet with newly-hired bargaining unit members for fifteen (15) minutes at the beginning of the orientation to make a presentation about the Union. The Employer agrees to provide release time for one (1) designated Union representative to attend the orientation without loss in compensation. The Employer agrees to provide only neutral information concerning the Union.

5.15 Release Time for Board Meetings

The Employer will provide release time for up to four (4) unit members, each from different departments, to attend meetings of the Santa Clara County Health Authority Board, without loss in pay and benefits. Attendance at Board meetings beyond the unit members' regular workday will not result in additional compensation. The Union will give the Employer at least 48 hours' notice before said Board Meeting or 24 hours' notice before a Special Board Meeting of which unit members are requested to be released and for what times of the day. For operational and business reasons, the Employer may deny release time for the individual unit members for whom release time has been requested.

ARTICLE 6: COMPENSATION

6.1 The wage schedule for unit members is in Appendix A attached to this Agreement.

6.2 Expense Reimbursement: The Employer shall reimburse unit members for expenses incurred when required to use their own vehicle to travel for business of the Employer. Expense reimbursement will include the IRS's current non-taxable rate per mile, plus parking fees and bridge tolls. Unit members must document all expenses, attach all original receipts, and submit the expense reimbursement form to their supervisor for written approval.

6.3 Bilingual Differential: Effective April 2016, a unit member who is required as a condition of employment to speak fluently a language in addition to English, is sent for independent testing of proficiency by the Employer, and receives a passing score will receive a bilingual differential of \$85.00 per month through the regular payroll process for each month in which the unit member is required to use such language skills.

6.4 Work Out of Classification

a. Short-Term Special Assignments

From time to time, unit members may be asked by their immediate supervisor to work on a special project or assist with other work necessary or important to the operation of the department or the Employer in general. Provided such special project or assistance with other work does not take more than thirty-two (32) hours of worktime, the assignment will be considered part of the unit member's regular classification.

b. Specific Assignments to a Classification with a Higher Pay Range

In the event a unit member is specifically assigned by his or her immediate supervisor to perform the job duties of a bargaining unit classification that has a higher pay range than his or her regular classification for five (5) or more consecutive workdays, then the unit member will be compensated at the minimum rate of pay for the higher classification or 5% more than the unit member's regular rate of pay, whichever is greater, for all such work specifically assigned.

- i. Should the immediate supervisor's specific assignment be for five (5) or more consecutive workdays in a classification that has a higher pay range within a "family" of classifications (such as Member Services Representative or Claims Analyst) but not including the Lead positions for such classifications, then the unit member will be compensated at the minimum rate of pay for that classification or 3% more than the unit member's regular rate of pay, whichever is greater, for all such work specifically assigned.
- ii. Should the immediate supervisor's specific assignment be for the Lead position within a "family" of classifications, then the unit member will be

compensated at the minimum rate of pay for that classification or 5% more than the unit member's regular rate of pay, whichever is greater, for all such work specifically assigned.

ARTICLE 7: BENEFITS

7.1 Medical Benefits

a. Unit members are provided with a choice of medical plans through the Public Employees' Retirement System (CalPERS). Unless written proof of outside medical coverage is provided, each unit member who works a minimum of 20 hours per week on a regular basis is eligible and required to enroll in one of the plans.

- i. CalPERS determines the open enrollment period which is typically from mid-September to mid-October. Enrollments are effective for the plan year of January 1 through December 31 of the following year.
 1. During the annual open enrollment period, the unit member may change medical plans or add or drop eligible dependents.
 2. To the extent allowed by CalPERS rules, certain life events may allow a unit member to make enrollment changes during the plan year, such as marriage, divorce, death of covered dependent, birth or adoption of a child, or loss of/change in status of an eligible dependent's external coverage.
- ii. Medical coverage for new hires must be requested within sixty (60) days of date of hire. The effective date of enrollment is as provided by CalPERS rules, and is typically the first of the month following the date the unit member's health benefit plan enrollment form is received by the Human Resources department.
- iii. Medical benefit coverage ends as provided by CalPERS rules, and is typically one month beyond the month in which termination of employment occurs.

b. The Employer contributes 90% of medical plan premiums up to a maximum of 90% of the Blue Shield Access + Bay Area plan toward medical premiums for unit members and their eligible dependents as reflected in the rate sheet. If the CalPERS plan rate premiums change, the Employer shall continue to contribute up to a maximum of 90% of the premium per month, not to exceed 90% of the Blue Shield Access + Bay Area region plan premium or up to a maximum of 90% of the premium for the second most expensive HMO plan (on a monthly premium cost basis) offered by CalPERS, whichever is greater.

c. The unit member is responsible for the payment of premiums in excess of the Employer's premium contribution. Any amounts owed by the unit member are deducted from each paycheck on a pre-tax, pro-rata basis.

d. With written proof of eligibility, a unit member's children are eligible for health coverage up to the age of 26, to the extent allowed by federal or state law.

e. Unit members enrolled in an Employer medical plan are eligible to purchase continuation healthcare coverage under COBRA for up to 18 months when coverage ends following termination of employment.

f. Savings Bonus: To the extent permitted by law, unit members with eligible dependents who are already covered under outside medical insurance are eligible to receive a Savings Bonus of \$175 per month, paid on a bi-weekly basis. Participation begins the first full pay period following the date of eligibility. In order to qualify for the Savings Bonus, the unit member needs to complete a Saving Bonus Program Election Form each year and attach written documentation that proves outside medical coverage for eligible dependents. Information concerning acceptable documentation of proof of coverage is available in the Human Resources department.

7.2 Retiree Medical Benefits

a. The Employer offers medical coverage to persons who retire from the Health Plan as long as:

- i. The Employer maintains a contract with CalPERS to provide medical coverage for Employees and Retirees; and,
- ii. The Retiree receives a pension from CalPERS.

b. The Employer contributes to medical premiums for Retirees and their eligible dependents up to:

- i. For Retirees who are not Medicare eligible, the Employer contributes up to a maximum of 90% of premium per month, not to exceed 90% of the Blue Shield Access + Bay Area region plan.
- ii. For Retirees who are eligible for Medicare, the Employer contributes up to a maximum of 90% of the premium per month, not to exceed 90% of the United Healthcare Bay Area region plan.
- iii. The Retiree is responsible for the payment of premiums in excess of Employer's premium contributions. Any amounts owed by the Retiree are deducted from the Retiree's monthly annuity.

c. Retirees are entitled to the same Open Enrollment and Qualifying Event rights and privileges as are unit members. The Retiree medical benefit program as well as the level of premium contributions may be changed or eliminated at any time at the discretion of the Employer. Should the Employer determine that it must eliminate the Retiree medical benefit program it agrees to provide the Union with at least 30 days' advance notice of the effective date.

7.3 Vision Benefits

a. Vision care is available for unit members who work a minimum of 34 hours per week on a regular basis. Based on the contract of insurance with the vision care provider, all unit members and eligible dependents enrolled in an Employer-provided medical plan are required to enroll in the vision plan, including children turning 4 years of age during the plan year.

b. The Employer contributes 90% of vision plan premiums of unit members and their eligible dependents. The unit member is responsible for the payment of premiums in excess of the Employer contribution reflected in the rate sheet. Any amounts owed by the unit member are deducted from each paycheck on a pre-tax, pro-rata basis.

c. The Open Enrollment period is typically between mid-November and mid-December with enrollments effective for the plan year of January 1 through December 31 of the following year.

- i. Coverage begins the first of the month following the date of hire and ceases at the end of the month in which termination of employment occurs.
- ii. During the annual open enrollment period, the unit member may add or drop eligible dependents. All changes become effective on January 1st.
- iii. With written proof of eligibility, dependent children are covered up to the age of 26, to the extent allowed by federal or state law.
- iv. To the extent allowed by the contract of insurance, a unit member may make a change during the plan year when a Qualifying Event occurs.

d. Unit members enrolled in an Employer vision plan are eligible to purchase continuation healthcare coverage under COBRA for up to 18 months when coverage ends following termination of employment.

7.4 Dental Benefits

a. Dental care is available for unit members who work a minimum of 34 hours per week on a regular basis. Unit members may select either a DPO (Dental Provider Organization) plan or a DHMO (Dental Health Maintenance Organization) plan.

b. The Employer contributes toward premiums for unit members enrolled in the plans and their eligible dependents as reflected below:

- i. The Employer contribution toward the DHMO plan is 90% of the premium for all levels of coverage.
- ii. The Employer contribution toward the DPO “employee only” plan is 90% of the premium.
- iii. The Employer contribution toward the DPO “employee + 1 dependent” plan is 90% of the DPO “employee only” plan plus 90% of the difference between the DHMO “employee only” plan and the DHMO “employee + 1 dependent” plan.
- iv. The Employer contribution toward the DPO “employee + 2 dependents” plan is 90% of the DPO “employee only” plan plus 90% of the difference between the DHMO “employee only” plan and the DHMO “employee + 2 dependents” plan.

c. The unit member is responsible for the payment of premiums in excess of the Employer’s contribution rates. Any amounts owed by the unit member are deducted from each paycheck on a pre-tax, pro-rata basis.

d. The Open Enrollment period is typically between mid-November and mid-December with enrollments effective for the plan year of January 1 through December 31 of the following year.

- i. Coverage begins the first of the month following the date of hire and ceases at the end of the month in which termination of employment occurs.
- ii. During the annual open enrollment period, the unit member may add or drop eligible dependents. All changes become effective on January 1st.
- iii. With written proof of eligibility, dependent children are covered up to the age of 26, to the extent allowed or required by federal or state law.
- iv. To the extent allowed by the contract of insurance, unit members may make a change during the plan year when a Qualifying Event occurs.

e. Unit members enrolled in an Employer dental plan are eligible to purchase continuation healthcare coverage under COBRA for up to 18 months when coverage ends following termination of employment.

7.5 Retirement Benefits

a. California Public Employees’ Retirement System (CalPERS) Pension Plan.

- i. Unit members are automatically enrolled in the California Public Employees Retirement System. (Unit members do not make contributions to Social Security.)

- ii. Effective January 1, 2013, there are two categories of CalPERS members (New and Classic).
- iii. Both categories of CalPERS members are vested after 5 years of fully funded service credits.
- iv. New Members (unit members hired on or after January 1, 2013) CalPERS Pension Plan: 2% @ 62 Program
 - 1. The 2% @ 62 benefit formula will be used when calculating retirement benefits.
 - 2. Each pay period 6.25% of a unit member's total compensation (excluding any unused benefit stipend or overtime) is deducted from his/her pay on a pre-tax basis and put into the CalPERS retirement fund on the unit member's behalf;
 - 3. To be eligible for full monthly retirement benefits, a unit member must be vested and reach the age of 62 years.
 - 4. A vested unit member may choose to retire at 52 years of age but will receive a permanently reduced monthly retirement benefit.
 - 5. The monthly annuity is based on the average of the unit member's highest wage over three continuous years of service.
- v. Classic Members (unit members hired prior to January 1, 2013) CalPERS Pension Plan: 2% @ 55 Program
 - 1. The 2% @ 55 benefit formula will be used when calculating retirement benefits.
 - 2. Each pay period 7.0% of an unit member's total compensation (excluding any unused benefit stipend or overtime) is deducted from his/her pay on a pre-tax basis and put into the CalPERS retirement fund on the unit member's behalf.
 - 3. To be eligible for full monthly retirement benefits, a unit member must be vested and reach the age of 55 years.
 - 4. A vested unit member may choose to retire at 50 years of age but will receive a permanently reduced monthly retirement benefit.
 - 5. The monthly annuity is based on the average of the unit member's highest wage over three continuous years of service.

b. 401A Defined Contribution Plan

- i. Unit members are eligible to enroll in the 401A Defined Contribution Plan. As provided in the 401A Plan, unit members are eligible to enroll upon completion of 30 days of employment and must enroll within 60 calendar days after the initial month of employment. If the unit member does not enroll within 60 calendar days after the initial month of employment, there will be no other opportunity to enroll during employment with the Employer.

- ii. Once a unit member joins the 401A Plan, participation cannot be cancelled and contributions must remain uninterrupted as long as he/she is employed by the Employer.
 - iii. Unit member pre-tax contributions are deducted from each paycheck and are fixed at 6% of gross wages for unit members.
 - iv. Employer-provided matching contributions are fixed at 3% of gross wages for unit members who choose to participate in the Plan.
 - v. The vesting period is two years. After one year of employment, the unit member is 50% vested in the employer's contribution. After two years of employment, the unit member is 100% vested in the Employer's contribution.
 - vi. All funds contributed to the 401A Plan are held in trust by a plan administrator in the Employer's name for the exclusive benefit of the contributing unit members and their named beneficiaries.
- c. 457 Deferred Compensation Plan
- i. Unit members may contribute a portion of their income on a tax-deferred basis as provided in the 457 plan.
 - ii. Unit member participation in the 457 Plan may be elected at any time. Enrollment will be effective during the first full pay period after enrollment.
 - iii. All funds contributed to the 457 Plan are held by a plan administrator in trust in the Employer's name for the exclusive benefit of the contributing unit members and their named beneficiaries.
 - iv. Because the Employer does not match funds contributed to the 457 Plan, unit member contributions are immediately vested.

7.6 Life, AD&D, and Long Term Disability Insurance

- a. Life, AD&D and Long Term Disability Insurance is available for unit members who work a minimum of 34 hours per week on a regular basis.
- b. Premiums for each of these benefits are paid by the Employer.
- c. Benefits are effective the first of the month following the date of hire and cease immediately upon termination of employment.
- d. Life Insurance: Each unit member is covered by \$100,000 of Group Term Life Insurance. Benefits are reduced to 35% at age 75, an additional 15% of the original amount at age 80 and an additional 15% of the original amount at age 85.
- e. Accidental Death & Dismemberment (AD&D) Insurance: Unit members are covered by Accidental Death and Dismemberment (AD&D) insurance which would pay an additional benefit, up to the amount of the Employee's Life benefit, if the unit member suffers

a covered loss due to an accident. Benefits are reduced to 35% at age 75, an additional 15% of the original amount at age 80 and an additional 15% of the original amount at age 85.

f. Long Term Disability (LTD) Insurance: Long term disability insurance is separate from short-term state disability insurance (SDI). The policy pays 60% of earnings up to a maximum of \$5,000.00 per month for all regular Unit members working 34 hours per week or more. All benefits paid are taxable to the unit member. Benefits begin on the 91st day from the start of the short-term disability period.

7.7 Employee Assistance Program (EAP)

a. Bargaining Unit members have access to an Employee Assistance Program to provide confidential counseling to help address the personal issues. This service is staffed by experienced clinicians, and is available by calling a toll-free phone line 24 hours per day, seven days a week. Unit members can access the program at www.guidanceresources.com (user name = LFGsupport; password = LFGsupportl) or by calling (888) 628-4824.

b. Unit members receive up to 3 free sessions per person, per issue, in a six month period.

7.8 Reimbursements for Maintaining Professional License

a. When unit members are required to maintain an active professional license in order to perform their job duties, the Employer will reimburse the cost of license fees paid by such unit members to the State.

b. Continuing education requirements associated with maintaining an active professional license are reimbursed by the Employer to the extent and as provided in Section 7.9.

7.9 Tuition Reimbursement Program

a. The Employer offers an Education Reimbursement Program to reimburse unit members for expenses incurred while continuing their education. Expenses covered include tuition for college credit courses, continuing education units, seminars and certification tests as well as the full cost of course related textbooks, lab fees and materials. Complete details of the program are available in the Human Resources Department.

b. The Employer will reimburse each unit member up to a maximum of \$2,000 per fiscal year for education related expenses provided:

- i. The unit member must be employed for at least one year to be eligible for education reimbursements;

- ii. To be considered, the unit member must have either:
 - A. performance rating of “Meets Expectations” or better in all four major areas of responsibility; or
 - B. Approval of the unit member’s then current immediate supervisor.
- iii. The course(s) must be directly related to the unit member’s development in his/her current position or to the work of the Department or to the Employer in general or career advancement with the Employer;
- iv. In advance of enrollment, the unit member is to complete the Education Reimbursement Form and obtain written approval from his/her Director and member of Senior Staff;
- v. The course must be taken during non-working hours;
- vi. Reimbursement of educational expenses will be paid after proof of the following are presented to the HR Department:
- vii. Satisfactory completion of the approved course(s) (a grade of “C” or better or “Pass” if the course is only offered on a “Pass/Fail” basis);
- viii. Original receipts for all related expenses;
- ix. The unit member must be currently employed by the Employer at the time of the reimbursement.

7.10 Section 125 Plan (Flexible Spending Accounts)

a. This IRS-approved program allows employees to purchase benefits with pre-tax dollars through an employer sponsored payroll reduction program. To participate, the unit member must enroll in this benefit upon employment or renew participation each year during Open Enrollment. Participation begins the first full pay period following the date of eligibility.

b. Each year, the Open Enrollment period is between mid-November and mid-December, and their enrollment is effective: January 1 through December 31 of the following year. New employee deductions begin the first of the month following date of hire.

c. Benefits that may be paid on a pre-tax basis include unit member paid group insurance premiums, un-reimbursed medical expenses, dependent care expenses, and orthodontia expenses.

d. Pre-tax savings fall into two separate categories:

i. Health Care Flexible Spending Account (HCFSAs)

- 1. To be used for out-of-pocket health care expenses;
- 2. The maximum amount of contribution is \$2,550 for the Plan Year.
- 3. Reimbursement for eligible expenses may be processed up to the fully elected annual amount even when all payroll deductions have not yet been withheld.

4. The IRS requires that any designated dollars not used during the Plan Year are to be forfeited. This is referred to as the “Use It Or Lose It” provision.
- ii. Dependent Care Flexible Spending Account (DCFSA)
1. To be used for out of pocket dependent care expenses:
 2. Up to \$5000 may qualify for pre-tax savings per Plan Year
 3. The IRS requires that any designated dollars not used during the Plan Year are to be forfeited. This is referred to as the “Use It Or Lose It” provision.
 4. Unlike the HCFSA, the amount claimed may not exceed the amount accumulated through payroll deductions.

7.11 Section 132 Plan (Flexible Spending Accounts)

a. Unit members may set aside pre-tax dollars for the reimbursement of qualifying transportation and parking expenses you incur while commuting to and from work.

b. The IRS sets a monthly disbursement limit for the transportation and parking accounts, which may change from year to year.

c. Unit members may enroll in the plan at any time and benefits will begin on the first day of the month following enrollment processing. Unit members can change or stop elections at any time.

d. Qualified Transportation Account: Qualifying expenses include mass transit costs incurred for commuting to and from work including rail, bus, subway and ferry. Van Pooling expenses may qualify provided the van is primarily used as a commuting vehicle, and has seating capacity for at least 6 adults not including the driver. Unit members can contribute up to \$130 per month.

e. Qualified Parking Account: Qualifying expenses include costs incurred for parking on or near the business premises of the employer or on or near a location from which the unit members commutes to work by mass transit. Unit members may not use this account for parking expenses at home. Unit members may contribute up to \$250 per month.

7.12 Benefits Required by Law

The employer will continue to provide employment benefits as required by law, including but not limited to:

- a. Workers' Compensation Benefits
 - i. The Employer maintains a Workers' Compensation insurance policy in compliance with California law.
 - ii. Under this policy, benefits are provided to unit members who become ill or injured in the course of performing their regular job duties. Benefits include, but are not limited to, any one or a combination of: medical assessment, treatment, drug therapy, physical therapy, occupational therapy, rehabilitation, home health care, weekly funds to replace lost wages if time off from work is necessary, a protected leave of absence, and a work accommodation if properly authorized. A three-day wait period is mandatory to receive cash benefits.
 - iii. All unit members are required to immediately report any work-related illness or injury to the Human Resources Department staff for evaluation. If a determination is made that medical assessment or treatment is needed, a Workers' Compensation Claim will be initiated.

- b. State Disability Insurance
 - i. Disability insurance benefits for unit members who are unable to work due to physical or mental conditions based on a non-work-related disability are provided by the California State Disability Fund (SDI). Benefits are administered by the California State Employment Development Department (EDD).
 - ii. All claims are to be filed directly with EDD. The Human Resources Department will provide information about SDI benefits upon request. A seven-day wait period is mandatory to receive cash benefits.

- c. State Unemployment Insurance:
 - i. Unemployment insurance (UI) benefits provide unit members with income if they become unemployed through no fault of their own and other work is not available.
 - ii. UI benefits are administered by the California State Employment Development Department (EDD).
 - iii. Eligibility requirements must be met and a seven-day wait period is mandatory before benefits are paid out.

7.13 Additional Benefits

- a. Credit Union: Unit members are eligible to join the Santa Clara County Federal Credit Union to take advantage of favorable interest rates on loans and savings accounts, as

well as other services. Membership in CFCU represents a personal business arrangement between CFCU and the unit member. The Employer bears no responsibility for any personal financial obligations or liabilities agreed to between CFCU and the unit member.

b. Fitness Center: Unit members have access to the Employer provided corporate membership at the City of Campbell Fitness Center.

7.14 Benefit Details

a. For the specific details of Benefits and Plans discussed herein, refer to the Plan Administrator, the Employer HR Portal, or a member of Human Resources.

ARTICLE 8: PERFORMANCE EVALUATIONS

8.1 The parties agree that successful performance of unit members is critical to the success of the Employer. The purpose of performance evaluations is to review and assess performance, clarify current job responsibilities, discuss future goals, including areas for improvement, and opportunities, and reinforce and incentivize continuous improvement of performance.

8.2 Unit members will be evaluated prior to the completion of their probationary period and on a fiscal year basis thereafter. Evaluations are not disciplinary, although performance that does not meet expectations may result in termination. Performance evaluations will be placed in a unit member's personnel file only after the unit member and the supervisor have had an opportunity to review and discuss the contents of the evaluation.

8.3 The performance evaluation process will include three documents for regular unit members:

- a. A Self-Review using the Performance Appraisal form completed by the unit member;
- b. A Performance Appraisal form completed by the unit member's supervisor; and
- c. A Goal Setting form for the next review period completed by the supervisor in consultation with the unit member.

8.4 Unit members may appeal an evaluation with an overall rating of less than "meets expectations" they believe to be unwarranted or inaccurate to their supervisor's supervisor. The appeal may be either in writing or in a meeting. A requested meeting with the unit member will be held within ten (10) workdays of the unit member's request. The unit member may also submit a written response to the evaluation which will be placed in the unit member's personnel file with the contested evaluation.

8.5 The Employer will require supervisors to present the unit member with the annual evaluation within thirty (30) workdays of the due date.

ARTICLE 9: LAYOFF

9.1 Seniority Defined

For purposes of this article, seniority shall be defined as length of employment with the Employer based on date of hire. Ties in seniority will be broken by lot.

9.2 Notice of Layoffs

a. If the Employer decides to lay off unit members, the Employer will inform the Union in writing no less than thirty (30) calendar days prior to the effective date of the layoff. Upon request of the Union, the Employer will discuss such topics as: alternatives to the layoff; timing of the layoff; whether a severance payment can be provided; and the impact on the remaining members of the unit. The notice to the Union shall identify the departments in which the layoff will occur, the classifications that will be affected, including the names of the unit members who will be laid off, a list of existing vacancies in the agency, and include a current seniority list by classification.

b. The Employer will inform the Union and the affected unit members in writing to be delivered in person or by certified mail. Personal delivery or deposit in the U.S. mail to be effected no less than fifteen (15) workdays before implementation. The Notice of the layoff shall include, but not limited to Job positions to be eliminated:

- i. Reason for layoff
- ii. Effective date of layoff
- iii. Affected classifications

9.3 Order of Layoff

Unit members shall be laid off by inverse order of seniority within an affected classification. Probationary unit members will be laid off before regular unit members.

9.4 Transfer in Lieu of Layoff

a. In the event of a layoff, any affected unit member will be allowed to transfer to a vacant position with the Employer in which the unit member was previously employed. Unit members will be required to meet the then minimum qualifications for such positions. The Employer shall provide a list of the vacant positions in which the affected unit member has previously been employed. If there is more than one (1) affected unit member selecting transfers to vacant positions, the selection will go in order of seniority.

b. In the event there are no vacancies in positions in which the unit member was previously employed, the unit member shall have the right to displace or bump the least senior unit member from a classification in the bargaining unit in which the unit member was previously employed.

9.5 Recall from Layoff

Recall rights last for one (1) year after the unit member has been laid off. During that period, unit members on the recall list shall be offered vacancies in positions in which the unit member previously served and is currently qualified, before the position is offered for promotions or to new hires. Transfers may occur before recall from layoff. Recall shall be by inverse order of layoff.

9.6 Conditions during Layoff

Seniority will not accrue or diminish while on a recall list. When recalled to a position within the classified from which the unit member was laid off, the unit member will return to the same rate of pay as when laid off.

ARTICLE 10: PROGRESSIVE DISCIPLINE

10.1 Purpose of Progressive Discipline

a. The parties agree that the purpose of progressive discipline is to inform unit members about the failure to comply with Employer expectations of standards of conduct and work performance and to allow them to correct their behavior. Examples of expected standards of conduct and prohibited conduct for unit members are found in the Employee Handbook.

b. Coaching, verbal or written counseling will identify for unit members deficiencies in meeting the Employer's conduct expectations that need to be corrected and will give direction on how to correct the deficiencies.

c. The level of discipline imposed for any misconduct will take into account the nature and seriousness of the offense as well as the unit member's past employment record.

d. For instances of serious misconduct, which are situations in which all unit members can reasonably be expected to know the seriousness of the offense and should expect serious consequences, the Employer may bypass one or more steps to impose more serious disciplinary consequences without the need to first provide less serious disciplinary consequences.

e. The unit member shall have the right to a Union representative during disciplinary or investigative meetings that could lead to discipline.

10.2 Cause Requirement

The Employer shall not discipline or discharge unit members who have successfully completed the probationary period ("regular unit member") except for cause.

10.3 Probationary Period

a. The probationary period for unit members shall be the first twelve (12) months of employment. During the probationary period, the Employer and the unit member will each determine whether the employment relationship will likely be successful. Probationary unit members who do not successfully complete probation may be dismissed with or without cause.

b. Regular unit members who transfer or promote to a position with a different job description shall serve a probationary period of six (6) months. In the event the regular unit member does not successfully complete probation in the new position, the unit member will be returned to a vacant position in the classification the unit member held prior to taking the new position. If a vacancy does not then exist, the returning regular unit member may displace (“bump”) the least senior unit member in the classification.

10.4 Performance Coaching/Counseling

a. Immediate supervisors will regularly communicate with unit members concerning their performance, including one-on-one meetings, debriefing sessions, and staff meetings. These forms of communication are not considered disciplinary. They may include suggestions for improvement, recommendations for further training, changes in work habits, or improvements in skills. They shall include opportunities for dialogue.

b. Coaching Sessions are informal meetings with supervisors and unit members where specific performance issues are addressed. Discussion may include concerns the supervisor has about the unit member’s work assignments, skills, habits, or instructions.

i. These sessions may be documented but will not be placed in a unit member’s personnel file.

ii. The purpose of coaching is different from one-on-one meetings or debriefing sessions. In coaching sessions, a unit member’s performance in particular work assignments or situations as well as the unit member’s progress, training needs, or areas of skill development may be discussed.

iii. The supervisor may give the unit member a written document highlighting the topic(s) discussed in the coaching session.

c. The supervisor may hold a counseling session with the unit member when the unit member’s progress is not acceptable or the unit member’s work needs improvement. Counseling sessions are considered more serious but are not documented in the unit member’s personnel file. The unit member shall have the right to Union representation.

10.5 Progressive Discipline Steps

Disciplinary actions may include written counseling, suspension, demotion, or termination of employment. The Employer may determine the appropriate level of discipline based on the seriousness of the offense.

a. A written warning is an official written notice and discussion that the unit member's work performance is not up to standard or a particular incident of misconduct has occurred that needs to be addressed. It shall include directions for correction and an opportunity for the unit member to respond in writing. The unit member shall have the right to Union representation when receiving a written warning. Written warnings are not subject to the grievance procedure.

b. When warranted by misconduct or poor performance, unit members are subject to demotion, suspension, or termination. These forms of discipline will be given in writing, which will include the discipline imposed, the effective date of discipline, and the reason of the discipline. A meeting will take place to present and discuss the disciplinary action; the unit member shall have the right to Union representation.

c. A unit member may respond in writing within ten (10) workdays to any warning or notice of disciplinary action. If the unit member submits a written response, it shall be attached to the warning or notice of disciplinary action and placed in the unit member's personnel file.

10.6 Notices

All notices shall be sent to the Union as well as the unit member. Such notices may be scanned and emailed, faxed, hand delivered, or mailed through the U.S. Postal Service. If the U.S. Postal Service is used, the notice will also be scanned and emailed to the Union office.

ARTICLE 11: TIME OFF AND LEAVES OF ABSENCE

11.1 Paid Time Off (PTO)

a. Unit members begin accruing PTO on their date of hire and are credited additional PTO based on the proportion of hours worked each pay period. PTO may be used by unit members to relax away from the workplace, recover from illness, or care for personal needs. Unit members will accrue PTO as follows:

Years of Service	Exempt Unit Members		Non-Exempt Unit Members	
	Annual Accrual	Pay Period Accrual	Annual Accrual	Pay Period Accrual
For the first five years of service	23 days	7.08 hours	18 days	5.54 hours

Years of Service	Exempt Unit Members		Non-Exempt Unit Members	
	Days	Hours	Days	Hours
After five years of service	28 days	8.62 hours	23 days	7.08 hours
After ten years of service	31 days	9.54 hours	26 days	8.00 hours

b. Accrual balances carry over from year to year up to a cap of 480 hours for unit members, both exempt and non-exempt. Once the cap maximum is reached, no additional PTO will be earned until PTO is used. Once PTO is used, PTO will begin to accrue again up to the limit of the cap. PTO will not be awarded retroactively to recognize the period of time a unit member's PTO balance was frozen by the cap. PTO is paid at the unit member's regular rate of pay or as otherwise required by law.

c. Accrued PTO may be taken any time after the unit member's first day of employment, whenever work schedules permit.

d. In addition to taking vacation or for other personal reasons, PTO may be used for the following purposes as paid sick time:

- i. Diagnosis, care, or treatment of an existing health condition of, or preventive care for, a unit member or a unit member's family member; or
- ii. For a unit member who is a victim of domestic violence, sexual assault, or stalking, to seek treatment or attend court proceedings.

e. "Family member" includes (1) a child, including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the unit member stands in loco parentis, regardless of age or dependency status; (2) a biological, adoptive, or foster parent, stepparent, or legal guardian of a unit member or the unit member's spouse or registered domestic partner, or a person who stood in loco parentis when the unit member was a minor child; (3) a spouse; (4) a registered domestic partner; (5) a grandparent; (6) a grandchild; and (7) a sibling.

f. If foreseeable, a unit member must provide reasonable advance notification to his or her supervisor or other Company representative orally or in writing of any absence from work for which the unit member intends to use PTO. If use of PTO is unforeseeable, a unit member must provide the notice orally or in writing to his or her supervisor or other Company representative of the need to use PTO as soon as practicable. Except in cases of an emergency or unexpected illness, the Employer prefers that PTO be requested via use of the ADP automated timekeeping system. PTO is not considered as hours worked for the purposes of determining overtime.

g. Requests to take PTO will be approved, subject to the Employer's operational requirements for PTO used in excess of 24 hours per year of time designated as paid sick time. The Employer reserves the right to decline or rescind any request for time off if the action is

based upon operational considerations for PTO used in excess of 24 hours per year of paid sick time.

h. Failure to report an absence may result in disciplinary action, up to and including termination of employment for PTO used in excess of 24 hours per year of paid sick time. If a unit member is absent from work for five (5) business days or more due to illness, the unit member must provide a licensed medical practitioner's verification that he or she may safely return before reporting to work. A unit member who is off work on an extended absence due to illness or injury may integrate PTO with benefits received from State Disability Insurance or Workers' Compensation Benefits or any other available compensation and benefits. Integration of any disability payments with PTO cannot exceed the unit member's normal weekly earnings.

i. PTO hours may not be used to extend employment with the Employer beyond the last day actually worked. Any accrued but unused PTO will be paid upon termination of employment.

j. The Employer's PTO Cash-Out program is available to all unit members. This program allows unit members to receive compensation (minus applicable taxes, reductions, and withholdings) in lieu of taking paid time off from work. A unit member may apply in the month of December to cash out PTO accrued in the next calendar year as long as:

- i. the unit member maintains a minimum PTO balance of at least 40 hours after the cash-out election,
- ii. no more than 80 hours of PTO may be cashed out during a calendar year, and
- iii. no less than 16 hours of PTO may be cashed out during a calendar year.

The details of the PTO Cash-Out program can be found on the Resources Page of the HR Portal.

11.2 Holidays

a. Unit members are provided with eleven (11) paid holidays during the year. The Holiday Schedule is approved and distributed annually. It is also available on the HR Portal. When a holiday falls on a Saturday, it is observed on the preceding Friday. Holidays that fall on a Sunday are observed on the following Monday.

b. Paid holidays are:

- i. New Year's Day
- ii. Martin Luther King, Jr. Day
- iii. Presidents' Day
- iv. Memorial Day
- v. Independence Day
- vi. Labor Day
- vii. Veterans' Day
- viii. Thanksgiving Day

- ix. Day After Thanksgiving
- x. Christmas Day
- xi. One holiday scheduled by management each year

c. Unit members are eligible for paid holidays immediately upon hire, prorated on FTE status. Holiday pay is calculated at the unit member's normal hourly rate, exclusive of any other forms of compensation.

d. To be eligible to receive pay for a Holiday, a unit member must either work or be in paid status on the business day immediately preceding the Holiday and on the business day immediately following the Holiday.

i. A unit member is in paid status when receiving regular pay, PTO pay of at least two hours, bereavement leave pay, or paid jury duty leave.

ii. On either the business day immediately preceding the Holiday or the business day immediately following the Holiday, the unit member may be on a leave of absence that includes integrating at least two hours of PTO with State Disability Insurance, Workers' Compensation temporary disability payments, Paid Family Leave, or other government-mandated paid leave.

iii. Unit members will not receive Holiday pay during an unpaid leave of absence.

e. Unless a non-exempt unit member is required to work, Holidays are not considered as hours worked for the purposes of determining overtime.

11.3 Bereavement Leave

a. Leaves of absence with pay shall be granted to employees in order that they may discharge the customary obligations arising from the death of a member of their immediate family.

b. "Immediate family" shall mean the spouse, registered domestic partner, mother, father, grandmother, grandfather, sister, brother, son or daughter of the employee or of the employee's spouse or registered domestic partner; and any person living in the immediate household of the employee who has provided care to the employee or for whom the employee has provided care. Adoption is considered on the same basis as blood relatives.

c. Employees can take up to three (3) days of paid Bereavement Leave that is not chargeable to any leave banks, and up to two (2) days chargeable to PTO. If travel to attend a funeral of 500 miles or more is required, one (1) additional day of paid Bereavement Leave not chargeable to any leave bank will be provided.

d. The Employer will make every effort to allow employees to schedule paid time off or unpaid leave to attend funeral of nonrelatives who have been important to the employee. Bereaved employees must notify their supervisors before taking leave.

11.4 Family Medical Leave

a. Qualifying unit members are those persons employed by the Employer for at least twelve (12) months and who have worked at least 1,250 hours, including overtime, during the twelve (12) month period immediately preceding the commencement of the leave. In addition, unit members may be granted additional leave under other applicable state law or in the sole discretion of the Employer. The Employer provides all eligible unit members with the maximum benefit provided by state and federal law.

b. Qualifying unit members are eligible for up to twelve (12) or twenty-six (26) weeks (depending on the type of leave) of unpaid family leave in a twelve (12)-month period. The twelve (12)-month period is measured backward from the day an unit member uses any FMLA leave other than Military Caregiver Leave.

- i. The maximum amount of FMLA Leave for an unit member wishing to take Military Caregiver Leave will be a combined leave total of twenty-six (26) workweeks in a single twelve-month period.
- ii. A "single twelve-month period" begins on the date of first use of such leave and ends twelve months after that date.
- iii. If both spouses work for the Employer and are eligible for leave under this policy, the spouses will be limited to a total of 26 workweeks off between the two when the leave is for Military Caregiver Leave only or is for a combination of Military Caregiver Leave, Military Emergency Leave, Bonding Leave and/or Family Care Leave taken to care for a parent.

c. A family medical leave may be taken for any of the following reasons:

- i. The birth or adoption of a child or to care for that child;
- ii. The placement of a child with the unit member for adoption or foster care;
- iii. A serious health condition of a child, spouse, registered domestic partner, or parent for whom the unit member will render care;
- iv. A serious health condition of the unit member which renders the unit member unable to perform the functions of his or her position;

d. The Employer complies with federal regulations concerning leave for Military Caregivers. Unit members who are or may be Military Caregivers should contact the Human Resources Department for eligibility and leave rights, including for qualifying exigencies.

e. Under certain circumstances, a unit member may be permitted to take an intermittent or reduced leave schedule. Unit members may contact the Human Resources Department to discuss available options.

f. Requests for unpaid leave as a result of a serious health condition of an unit member or of a family member must include a certification from duly licensed health care provider. The Employer may also require an examination by a Company-selected health care provider if the leave requested is due to a serious health condition of the unit member.

g. Eligible unit members should make requests for family leave with as much advance notice as possible prior to taking leave, but shall give no less than 30 days' advance notice for foreseeable events and as much time as possible for unforeseeable events.

h. A health care provider's statement must be submitted verifying the need for medical leave and its beginning and expected ending dates. Any change in this information should be promptly reported to the Employer. Failure to provide the requested medical certification in a timely manner may result in denial of leave until it is provided. Unit members returning from medical leave must submit a health care provider's verification of their fitness to return to work.

i. The Employer, at its expense, may also require an examination by a second health care provider designated by the Employer if it reasonably doubts the medical certification initially provided by the unit member. If the second health care provider's opinion conflicts with the original medical certification, the Employer, at its expense, may require a third, mutually-agreeable health care provider to conduct an examination and provide a final and binding opinion. The Employer may also require subsequent medical re-certification. Failure to provide requested certification within fifteen (15) days, if such is practicable, may result in delay of further leave until it is provided.

j. Unit members requesting family leave related to the serious health condition of a child, spouse, registered domestic partner, or parent may be required to submit a health care provider's statement verifying the need for family leave to provide care, its beginning and expected ending dates and the estimated time required.

k. Unit member health care coverage will continue during a CFRA or FMLA leave of absence only to the extent required by law.

- i. At all times, unit members are responsible for the unit member paid-portion of the premiums during their leave.
- ii. Failure to pay the unit member-paid portion of the premiums will result in a lapse of coverage.
- iii. If the unit member exhausts his or her twelve workweeks of FMLA/CFRA leave and remains on an approved leave, then the unit member will receive continued coverage on the same basis as unit members taking other leaves

who are not entitled to continue to receive employer-subsidized health care coverage.

- iv. The Employer will not pay any portion of health care premiums for medical, dental or vision coverage or provide any such coverage or benefits to unit members who have exhausted their twelve weeks of leave under a twelve-month FMLA/CFRA period, or otherwise are not entitled to such benefits by law.
- v. Under those circumstances, if the unit member remains on an approved leave of absence, to maintain medical coverage during that leave, the unit member will be placed on direct pay with CalPERS and will be solely responsible for paying all premiums required to maintain coverage under the terms and conditions required by CalPERS.
- vi. In addition, while on such an unprotected leave of absence, the unit member will be notified of his or her right to maintain vision and dental coverage through COBRA and will be solely responsible for electing COBRA benefits in a timely manner and paying all premiums required to maintain vision and/or dental coverage during the leave of absence.

l. Time off on private or state disability, paid family leave under California law, or workers' compensation will be counted as part of the unit member's FMLA and/or CFRA leave periods. Unit members taking family or medical leave will be required to exhaust all accrued unused PTO as part of the unpaid leave period. However, under no circumstances will an unit member be required to use paid leave to supplement pay received from private or state disability, paid family leave or workers' compensation pay during the FMLA and/or CFRA leave period. Benefit accruals, PTO and holiday benefits will not continue during the approved leave period.

m. If an unit member fails to return upon the scheduled expiration of the leave of absence, without obtaining an extension, the Employer may exercise its right to recover from the unit member the premium costs that the Employer paid for the unit member's health insurance coverage during the length of the leave, and will treat the unit member's action as a voluntary resignation of employment. Unit members seeking an extension of an approved leave must submit their request to the Employer at least one week prior to expiration of the approved portion of the leave. The Employer reserves the right to make all decisions regarding requests for extension of a leave within its sole discretion.

n. So that an unit member's return to work can be properly scheduled, an unit member on leave is required to provide the Employer with at least two weeks' advance notice of the date the unit member intends to return to work. Unit members will generally be scheduled to work on the first workday (not a weekend or holiday) after they are fit to return to work and are not eligible for holiday pay under those circumstances.

o. When an unit member returns to work after the family or medical leave period ends, the unit member will be reinstated to the same position he/she held prior to the leave, if

available, or to an equivalent position for which the unit member is qualified, unless the unit member would have been affected by a reduction in force, layoff or restructuring had he or she not gone out on leave. The Employer will not guarantee reinstatement after the applicable leave period unless required by law.

p. Unit members must return to work when the conditions of the leave no longer exist. A unit member's failure to return to work when the conditions for which leave was granted no longer exist or when the period of the leave expires, whichever occurs first, may result in termination. If a unit member fails to return to work promptly at the end of the approved leave period, the Employer will assume that the unit member has voluntarily resigned.

q. The Employer may in its discretion approve extended leaves of absence beyond the time allotted by FMLA, CFRA or pregnancy-related leave laws. In those circumstances, the Employer's practice is to reevaluate the status of any unit member who has been unable to work and remains on a medical leave of absence should that leave last after six months. If it appears that the individual on leave will not be able to return to work in the imminent future, the Employer may elect to terminate employment at that time.

11.5 Pregnancy Disability Leave

a. Unit members are disabled by pregnancy when, in the opinion of their healthcare provider, they cannot work at all or are unable to perform any one or more of the essential functions of their job or to perform them without undue risk to themselves, the successful completion of their pregnancy, or to other persons as determined by a health care provider. This term also applies to certain pregnancy-related conditions, such as severe morning sickness or if the unit member needs to take time off for prenatal or postnatal care, bed rest, post-partum depression, and the loss or end of pregnancy (among other pregnancy-related conditions that are considered to be disabling).

b. Any unit member who is affected by pregnancy may also be eligible for a temporary transfer or another accommodation. There is no length of service requirement. The unit member is affected by pregnancy if she is pregnant or has a related medical condition, and because of pregnancy, her health care provider has certified that it is medically advisable for her to temporarily transfer or to receive some other accommodation.

c. The Company will provide a temporary transfer to a less strenuous or hazardous position or duties or other accommodation to an unit member affected by pregnancy if:

- i. She requests a transfer or other accommodation;
- ii. The request is based upon the certification of her health care provider as "medically advisable"; and
- iii. The transfer or other requested accommodation can be reasonably accommodated pursuant to applicable law.

d. No additional position will be created and the Employer will not discharge another unit member, transfer another unit member with more seniority, or promote or transfer any unit member who is not qualified to perform the new job as a part of the accommodation process.

e. Leave taken under this pregnancy disability policy runs concurrently with the federal Family and Medical Leave Act ("FMLA"), but not with the California Family Rights Act ("CFRA").

f. Eligible unit members should make requests for a PDL leave of absence, temporary transfer or other reasonable accommodation with as much advance notice as possible prior to taking leave, temporary transfer or other reasonable accommodation, but shall give no less than 30 days' advance notice for foreseeable events and as much time as practicable for unforeseeable events.

g. A health care provider's statement must be submitted verifying that the unit member is disabled due to pregnancy or that it is medically advisable for her to be temporarily transferred or to receive some other requested accommodation, and the beginning and expected ending dates of the leave, temporary transfer or other reasonable accommodation. Any change in this information should be promptly reported to the Employer. Failure to provide the requested medical certification in a timely manner may result in denial of leave until it is provided. The Employer may require the unit member to provide a new certification if she requests an extension of time for her leave, transfer, or other requested accommodation. Unit members returning from a pregnancy disability leave must submit a health care provider's verification of their fitness to return to work.

h. The Employer will provide eligible unit members with a Pregnancy Disability Leave of Absence for the duration of their pregnancy-related disability for up to four (4) months. This leave may be taken intermittently or on a continuous basis, as certified by the unit member's health care provider. The four months of leave available to an unit member due to her pregnancy related disability is defined as the number of days (and hours) the unit member would normally work within four calendar months or 17.33 workweeks.

i. Any temporary transfer or other reasonable accommodation provided to a unit member affected by pregnancy will not reduce the amount of Pregnancy Disability Leave time the unit member has available to her unless the temporary transfer or other reasonable accommodation involves a reduced work schedule or intermittent absences from work.

j. The Employer will maintain group health insurance coverage for the duration of pregnancy disability leave up to a maximum of four months (as defined above) if such insurance was provided before the leave was taken and on the same terms as if the unit member had continued to work. Unit members remain responsible for the unit member-paid portion of the premiums during the leave, and failure to pay the unit member-paid portion of the premiums will result in a lapse of coverage. The Employer may recover premiums it paid to maintain

health coverage for a unit member who fails to return to work following pregnancy disability leave (including if extended under the California Family Rights Act) and the reason for not returning was within the unit member's control.

k. Pregnancy Disability Leaves of Absence and accommodations that require the unit member to work a reduced work schedule or to take time off from work intermittently are unpaid. Unit members may apply for California State Disability insurance ("SDI") benefits. SDI forms are available from the Company or the unit member's health care provider.

l. Time off on private or state disability will be counted as part of the unit member's PDL leave period. Generally, unit members taking PDL may use all accrued and unused PTO as part of the unpaid leave period. However, under no circumstances will an unit member be required to use PTO to supplement pay received from private or State disability during the PDL leave period.

m. Benefit accruals, such as PTO and holiday benefits will not continue during the approved leave period.

n. If an unit member fails to return upon the scheduled expiration of the pregnancy disability leave of absence without obtaining an extension, the Employer may exercise its right to recover from the unit member the premium costs that the Employer paid for the unit member's health insurance coverage during the length of the leave, and will treat the unit member's action as a voluntary resignation of employment. Unit members seeking an extension of an approved leave must submit their request to the Employer at least one week prior to expiration of the approved portion of the leave. The Employer reserves the right to make all decisions regarding requests for extension of a leave within its sole discretion.

o. A unit member on leave is required to provide the Employer with at least two weeks' advance notice of the date the unit member intends to return to work. Unit members will generally be scheduled to work on the first workday (not a weekend or holiday) after they are fit to return to work and are not eligible for holiday pay under those circumstances.

p. When an unit member returns to work after the PDL and/or CFRA leave ends, the unit member will be reinstated to the same position he/she held prior to the leave, if available, or to an equivalent position she held prior to the leave, if available, unless the unit member would have been affected by a reduction in force, layoff or restructuring had she not gone out on leave. The Employer will not guarantee reinstatement after the applicable leave period unless required by law. If the unit member's position is filled during the leave in order to avoid undermining the Employer's ability to operate safely and efficiently, and there is no equivalent position available, then reinstatement will be denied. Unit members must return to work when the conditions of the leave no longer exist. An unit member's failure to return to work when the conditions for which leave was granted no longer exist or when the period of the leave expires, whichever occurs first, may result in termination. If a unit member fails to

return to work promptly at the end of the approved leave period, the Employer will assume that the unit member has voluntarily resigned.

q. There are some circumstances in which the Employer may approve extended leaves of absence beyond the time allotted by FMLA, CFRA or pregnancy-related leave laws. In those circumstances, the Employer's practice is to reevaluate the status of any unit member who has been unable to work and on a medical leave of absence for six months. If it appears that the individual on leave will not be able to return to work in the imminent future, the Employer may elect to terminate employment at that time. Unit members should contact Human Resources to determine eligibility for leave.

11.6 Work-Related Illness Or Injury

Unit members must report work-related illness or injury to their direct supervisor and Human Resources immediately and complete an Incident Report with their manager or supervisor.

11.7 Uniformed Services Leave Of Absence

a. The Employer complies with the Uniformed Services Employment and Reemployment Rights Act ("USERRA"), and other applicable state and local laws dealing with military leave. The Employer will grant appropriate leaves of absence to a full-time or part-time unit member to complete uniformed service requirements, whether voluntary or involuntary.

b. Under most circumstances, any unit member requesting a service leave of absence must provide advance notice of service. The Employer requests that an unit member submit copies of his or her military orders or other written notice or service requirements to their manager.

c. Upon completion of service, an unit member must apply for reemployment in accordance with federal and state law in a timely manner. The unit member should submit documents providing that his or her reemployment application is timely and service ended under honorable circumstances. The Employer will comply with federal regulations concerning reinstatement of unit members who take a service leave of absence. Unit members should contact their manager and Human Resources whenever they anticipate a service leave of absence for more information including tenure continuance and benefit continuation.

11.8 Paid Family Leave

a. Unit members may use their PTO to care for an ill family member (a child, parent, spouse or domestic partner, and beginning July 1, 2014, also defined to include a sibling, grandparent, grandchild, or parents-in-law) or for the birth or adoption of a new child under California's Paid Family Leave Act or "Kin Care" law. If a unit member suffers a wage loss while taking a PFL, he/she may qualify for up to six weeks of benefits from the State of California. Application forms are available from Human Resources and are to be sent directly to the state for processing.

b. The PFL program does not provide additional leave, job protection or reinstatement rights beyond those provided by our policies or by applicable state or federal law. However, unit members who are not themselves disabled but are designated as the primary care giver for an ill family member (as defined under the Family Medical Leave Act) or for the birth or adoption of a new child may apply separately for a protected FMLA/CFRA leave of absence. Refer to the section: Family Medical Leave Act.

c. A unit member receiving PFL benefits who is also eligible for leave under the federal Family and Medical Leave Act (FMLA) or California Family Rights Act (CFRA) will have the leave designated as FMLA/CFRA. A unit member receiving PFL benefits who is not eligible for FMLA or CFRA will have the leave designated as a Personal Leave. If the leave is protected by FMLA or CFRA, the Employer will provide job protection and benefits according to those policies. If the leave is not protected by FMLA or CFRA, or if FMLA and CFRA leaves have been exhausted, the unit member will receive continued coverage on the same basis as unit members taking other leaves who are not entitled to continue to receive employer-subsidized health care coverage. The Employer will not pay any portion of health care premiums for medical, dental or vision coverage or provide any such coverage or benefits to unit members who are not on an FMLA or CFRA leave, or who otherwise are not entitled to such benefits by law. Under those circumstances, if the unit member remains on an approved leave of absence, to maintain medical coverage during that leave, the unit member will be placed on direct pay with CalPERS and will be solely responsible for paying all premiums required to maintain coverage under the terms and conditions required by Cal-Pers. In addition, while on an unprotected leave of absence, the unit member will be notified of his or her right to maintain vision and dental coverage through COBRA and will be solely responsible for electing COBRA benefits in a timely manner and paying all premiums required to maintain vision and/or dental coverage during the leave of absence.

11.9 Inactive Status

Unit members on any type of leave of absence are placed on an Inactive Status. For unit members on certain legally-protected leaves, all of their health coverage will continue in accordance with the Employer's established sponsorship levels, to the extent mandated under the law. Inactive unit members do not earn additional PTO. Also, they are not paid for any Holidays that occur while they are on a leave of absence. If the leave of absence lasts more than thirty days, seniority will be adjusted and merit consideration will be pro-rated to the extent permissible by law.

ARTICLE 12: WORK SCHEDULE

12.1 The Employer's normal business hours are 8:30 a.m. to 5:00 p.m. Monday through Friday. The customer service hours are 7 days a week, 8:00 a.m. to 8:00 p.m., including holidays. Work schedules are determined by the department manager or supervisor to meet Employer's business needs. Unit members are expected to be at their desks or workstations at

the start of their scheduled day, ready to perform their work. A trade or change in work schedule must be approved by the department supervisor before it occurs.

12.2 The work schedule for unit members may vary depending on specific job responsibilities. Various factors such as workloads, operational efficiencies and staffing requirements may require variations in start and end times and in the total hours worked each week.

12.3 The Employer may, in its discretion, and with 48 hours' notice, change a unit member's work schedule to meet its business needs. The supervisor will first ask for volunteers before changing work schedules. If the work schedule change is envisioned to continue for five (5) or more workdays, the Employer will notify the Union.

12.4. Overtime Exempt Classifications

a. Positions classified as "exempt" do not qualify for overtime.

b. Unit members in exempt positions primarily perform administrative, sales or professional duties. Compensation for exempt unit members is based on their job responsibilities and is not determined by the number of hours worked. Exempt Unit members are expected to work as much of each work day as is necessary to complete their job responsibilities. No overtime or additional compensation beyond their salaries is provided to exempt unit members.

c. Exempt unit members are paid on a salary basis because they must work as many hours as needed to perform the work required. Ordinarily, exempt unit members will receive their full salary for any week in which they perform any work – without regard to the number of days or hours worked, except as allowed by law, including:

i. The beginning and final week of work.

ii. If an exempt unit member works less than 8 hours in a single day, such as 6 hours, the unit member will be paid full salary and no PTO will be used.

iii. If an exempt unit member works four days and takes one day off, as long as that unit member has at least 8 hours of PTO available, 8 hours of PTO will be used and the unit member will receive his/her full salary for that week.

iv. If an exempt unit member takes an entire day off, and has no remaining PTO available, the unit member's salary will be reduced by 20% for that workweek (one day).

v. Deductions from pay of exempt unit members may be made for unpaid disciplinary suspensions of one or more full days imposed for violations of the Employer's workplace conduct rules.

vi. Deductions from pay may be made when an exempt unit member is absent from work for one or more full days for personal reasons (including vacation, sickness or disability pursuant to the Employer's PTO, disability, and/or workers' compensation policies), and has no accrued PTO available.

12.5 Overtime

a. Non-exempt unit members must obtain approval for overtime before it is worked. Unit members who fail to obtain authorization for overtime will be paid for all time worked, but they may be disciplined for failure to obtain authorization up to and including termination.

b. Non-exempt unit members may be required to work overtime or hours other than those normally scheduled as needed.

i. If overtime is needed, the supervisor will first ask for volunteers among unit members who are qualified to do the work. Among qualified volunteers, overtime will be assigned on a rotation basis, beginning with the most senior volunteer.

ii. If no unit member volunteers to work overtime, the overtime work will be assigned on a rotation basis, beginning with the least senior unit member in the designated classification and department. When it is necessary for the supervisor to mandate and assign overtime, the supervisor will provide unit members with as much advance notice as possible.

iii. If a unit member refuses to work mandated overtime, the supervisor may take disciplinary action.

c. Non-exempt unit members will be paid for all time that is considered work hours, including approved training required for the unit member's current position.

d. Overtime consists of any hours worked in excess of 40 hours in one workweek. Hours worked on Saturdays and/or Sundays qualify for overtime pay only if they qualify as overtime hours under this standard. Time off, with or without pay, for any reason, e.g., holidays or PTO, do not count as hours worked for the purposes of calculating or crediting overtime. Non-exempt unit members are paid overtime at the rate of one and one-half times their regular hourly rate.

e. Any non-exempt unit member who works on a recognized holiday shall be paid at the overtime rate only if the hours worked exceed 40 hours in the workweek. Otherwise, the unit member will receive the straight-time rate of pay for hours actually worked on the holiday.

f. For purposes of calculating overtime, the workday begins at 12:01 a.m. and ends at midnight. The work week begins at 12:01 a.m. Sunday and ends at 12:00 midnight Saturday.

12.6 Meal Periods

a. Each work day, all non-exempt unit members are permitted to take a meal break for at least 30 minutes. A one-hour meal break may be permitted on approval by the supervisor and scheduled to meet the business needs of the department. On any day when the unit member is scheduled to work 6 hours or less, the unit member may elect not to take a meal period.

b. Non-exempt unit members will be relieved of duties during the meal break. Unit members may leave the work site during a meal break. If the unit member travels off-site, any time used to travel is considered to be part of the meal break.

c. Non-exempt unit members are required to accurately record in the automated timekeeping system on a daily basis the exact time when they begin their meal break and the exact time that they return to work.

d. If it is not possible to take any meal break, the non-exempt unit member shall immediately inform the supervisor before working through the meal break. The break should be re-scheduled to occur as soon as possible.

12.7 Rest Periods

a. Non-exempt unit members may take two fifteen (15) minute rest breaks during a normal eight-hour workday. Part-time non-exempt unit members working six hours a day may also take two fifteen minute rest breaks during their assigned workday.

b. Breaks should be taken as near as possible to the middle of each four-hour period, one in the morning and one in the afternoon, as approved by the department supervisor. Unit members are paid for these rest periods, therefore rest periods are not recorded in the automated timekeeping system.

c. Unit members may not be absent from their workstations beyond the time allotted for the break.

d. Rest breaks and meal periods may not be combined, nor may breaks or meal periods be used to make up time due to late arrival or to permit early departure.

e. If a non-exempt unit member cannot take a break as scheduled due to business needs, the unit member is to inform his or her supervisor and take the break as soon as is possible.

12.8 Timekeeping Requirements

a. Every non-exempt (hourly) unit member is responsible for accurately recording all time worked in the automated timekeeping system. Federal and state laws require that the Employer maintain accurate records of time worked in order to calculate unit member pay and benefits.

b. Non-exempt unit members must record the time they begin and end their work day, the beginning and ending of each meal period, and any absences. Non-exempt unit members may not work without reporting the time worked.

ARTICLE 13: HIRING PROCEDURES

13.1 Job Announcements

Job announcements for new positions or vacancies in classifications in the bargaining unit, whether posted internally and externally, will include the following information:

- a. a description of the job duties and required education, experience, and skills;
- b. pay range for the classification (minimum and maximum); and
- c. a statement that the classification is represented by the Union.

13.2 Job Posting

A position vacancy shall be posted internally in a manner accessible to all unit members for a period of five (5) business days before posting externally. In the event of an urgent need to fill a position, the Union and the Employer shall meet to discuss the need for the position and an exception allowing the Employer to post the vacancy internally and externally at the same time.

13.3 Application Process

a. Unit members will be allowed to apply for vacant positions before external applicants.

b. Internal applicants who satisfy the minimum qualifications for the posted position will be interviewed and considered.

c. Internal applicants and external applicants may be interviewed in the same pool of candidates.

d. Internal applicants who did not receive the applied-for position shall have the right to meet with a Human Resources representative to discuss the application, the interviewing techniques and possible reasons they did not receive the position.

ARTICLE 14: GRIEVANCE PROCEDURE

14.1 Definitions

a. Grievance

- i. A grievance is defined as an alleged violation, misinterpretation, or misapplication of the provisions of this Memorandum of Understanding or Employer policy.
- ii. Matters Excluded From Consideration Under the Grievance Procedure
 - A. Release of unit members in probationary period;
 - B. Items within the scope of representation and subject to the meet and confer process.
- iii. No grievance settlement may be made in violation of any provision of this Agreement, nor shall any settlement be made which affects the rights or conditions of other unit members represented by the Union without notification of and agreement with the Union.
- iv. The Union shall be provided copies of individual or group grievances and responses to same. Such grievances may not proceed beyond Step One without written concurrence of the Union.

b. Grievant

A grievant is defined as a bargaining unit member, a group of bargaining unit members, or the Union.

14.2 Time Limits

Time Limits may be extended or waived only by written agreement of the parties.

- a. If the grievant or Union fails to submit a grievance or appeal of a denial within the time limits provided in this Article, the grievance shall be waived.
- b. If a management representative fails to respond to a grievance or appeal within the grievance time limits, the grievant shall be considered to have prevailed on the merits; provided, however, that at the time of submitting the grievance or appeal the grievant or Union also emailed a copy of the grievance or appeal to the Employer's Human Resources Department email distribution list.

c. If the grievant prevails as a result of the failure of a management representative to respond on time as provided in 15.2(b) above, the parties will meet to discuss the appropriate remedy. If the parties are unable to reach an agreement on an appropriate remedy, the Union may submit the issue of the remedy to an arbitrator consistent with Step 4 of this grievance procedure.

14.3 Informal Grievance Step—Immediate Supervisor

a. The parties agree that the best resolutions of workplace concerns occur between unit members and their immediate supervisors.

b. Unit members must act promptly by meeting informally with their immediate supervisor on any decision, condition, or circumstance that is causing dissatisfaction and to seek resolution to the cause of dissatisfaction before it serves as the basis for a formal grievance. The unit member may be accompanied by her/his steward or chief steward at the informal meeting.

c. Any resolution reached at the Informal Step must be in accordance with the provisions of this agreement and shall not set precedent.

14.4 Formal Grievance Steps

a. Step One—Immediate Supervisor

- i. Within twenty (20) workdays of the occurrence or discovery of an alleged grievance, the grievance shall be presented in writing to the immediate supervisor and to the Employer’s Human Resources Department email distribution list.
- ii. The grievance form shall contain information on which identifies:
 - A. The grievant;
 - B. The specific nature of the grievance;
 - C. The time or place of its occurrence;
 - D. The Memorandum of Understanding section or Employer policy alleged to have been violated, improperly interpreted, or misapplied;
 - E. The consideration given or steps taken to secure informal resolution;
 - F. The corrective action desired; and
 - G. The name of the grievant’s representative.
- iii. The immediate supervisor shall provide a written response to the grievant within twenty (20) workdays of receipt of the grievance. A copy shall be sent to the Union.

- b. Step Two—Vice President of Human Resources or Designee
 - i. If the grievant is not satisfied with the Step One decision, the grievant may, within fifteen (15) workdays after receipt of the Step One decision, present a written appeal to the Vice President of Human Resources or designee specifying the areas of continued disagreement.
 - ii. At this step a meeting shall be held if requested by either party. The grievant may be accompanied by her/his steward and/or Chief Steward. All parties meet and disclose the theory of the grievance and the theory of denial as well as the facts upon which these theories are based.
 - iii. The Vice President of Human Resources or designee shall provide a written response to the grievant within twenty (20) workdays of receipt of the Step Two appeal. A copy shall be sent to the Union.
- c. Step Three—Grievance Mediation
 - i. In the event the grievant is not satisfied with the decision at Step Two, the Union may within fifteen (15) workdays submit the grievance to mediation by notifying the Vice President of Human Resources of its intent to request a mediator.
 - ii. The Union must notify the California Mediation and Conciliation Service within twenty (20) workdays of receiving the Step Two response to request the appointment of a State Mediator to assist the parties in resolving the grievance.
 - iii. The grievant must mediate the grievance at Step Three before going to Step Four. In the event that a State Mediator is not available to mediate the grievance within forty-five (45) workdays of the request or that the State requires a fee to be paid for grievance mediation, then the parties agree to meet and confer concerning possible resolutions to the grievance.
 - iv. Settlement in mediation shall be voluntary on the part of both parties and upon mutual agreement may be non-precedential.
- d. Step Four—Arbitration
 - i. In the event the grievance is not resolved at Step Three, the Union may within fifteen (15) workdays of the mediation date submit to the Vice

President of Human Resources a written appeal of the grievance to arbitration.

- ii. The parties agree to meet prior to arbitration in an attempt to stipulate to all facts, disclose all pertinent information, and agree on the question or questions to be submitted to an arbitrator. The Union shall be entitled to have released for the pre-arbitration meeting:
 - A. the grievant, and in the case of a group grievance, no more than two (2) of the affected unit members, and
 - B. the Chief Steward, or in her/his absence, the steward.
- iii. The Union will submit a request to the California Mediation and Conciliation Service for a panel of five (5) experienced labor arbitrators located in Northern California. Each party will alternately strike from the list until only one (1) name remains, who will be deemed selected as arbitrator by the parties. The order of striking will be determined by the year the grievance was filed; on odd numbered years, the Employer will strike first, and on even numbered years, the Union will strike first.
- iv. The arbitrator shall hold a hearing as soon as possible. Written notice will be given to all parties of the time and place of the hearing. The arbitrator shall render the decision in writing and shall set forth the findings of fact, reasoning, and conclusions on the issues submitted, which shall be final and binding on the parties.
- v. If any question arises as to the arbitrability of the grievance, such question shall be ruled upon by the arbitrator. It shall be the first order of business at the hearing. The arbitrator shall confer with Employer and Union representatives and shall render a decision before proceeding to any other issue. If the grievance is found not to be arbitrable, no further proceeding shall take place.
- vi. The arbitrator shall be without power or authority to make any decision that requires the commission of an act prohibited by law, or which violates the terms of this Agreement. However, it is agreed that the arbitrator is empowered to include in any decision recommendations for reimbursement for financial loss of wages or fringe benefits, or other non-financial remedies as judged to be proper.
- vii. Nothing in the foregoing shall be construed to empower the arbitrator to make any decision amending, changing, modifying, subtracting from, or adding to the provisions of this Agreement.

- viii. The fees and expenses of the arbitrator shall be shared equally by the Employer and the Union. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expenses of witnesses called by the other. If any grievance meeting or hearing shall be scheduled during the workday, the grievant and any unit member required by either party to participate as a witness in such hearing shall be released from regular duties without loss of pay for a reasonable amount of time.
- ix. Either party may request a court reporter to make a written record of the entire arbitration hearing. The cost of the services and expense of the court reporter shall be paid by the requesting party or shared by the parties upon mutual agreement.

ARTICLE 15: PERSONNEL FILES

15.1 The Employer will maintain one official personnel file for each bargaining unit member.

15.2 Employees, former employees, or employee representatives may submit a written request to inspect their personnel file in the presence of a representative of Human Resources. Employee representative shall mean a person authorized in writing by the employee to inspect, or receive a copy of, the employee's personnel records.

15.3 Employees may request copies from their file of all documents, except letters of reference, pre-employment ratings, and records relating to the investigation of a possible criminal offense. The Employer may charge the requesting employee or employee representative for the actual cost of reproduction of personnel file documents.

15.4 Requests to inspect or receive copies of personnel files from current unit members shall be limited to once per calendar month.

15.5 Employees may add a written statement to their file explaining any disputed item. Such written statement will be attached to the disputed item and become a part of the personnel file.

15.6 Requests for copies and inspection are to be sent in writing to the attention of the Human Resources Department. The Employer will comply with all requests for inspection of personnel files as quickly as operationally possible but in no event longer than 15 business days.

15.7 The Employer will restrict disclosure of the contents of personnel files to only authorized persons within the Employer and others with a need to know. Only Human Resources is authorized to release information about current or former employees. Such disclosure of personnel information to outside sources will be limited and released upon receipt of written authorization from the current or former employee. However, the Employer will

cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations and as otherwise required by law.

15.8 Health/medical records are confidential and are not included in employee personnel files. The Company will safeguard such records from disclosure and will release such information only as allowed by law or to the employee's personal physician upon written request or permission of the employee.

15.9 All performance evaluations for a unit member will be included in the unit member's personnel file. Unit members will be provided prior notice when written disciplinary actions are included in the unit member's personnel file.

15.10 The Employer will not use performance evaluations, performance improvement plans, or written disciplinary actions in a unit member's personnel file that are more than three (3) years old as the basis for a suspension or termination or in consideration for promotional positions.

ARTICLE 16: NO STRIKE, NO LOCKOUT

The Union and the Employer agree that the differences between the parties hereto shall be settled by peaceful means as provided in this Agreement. During the term of this Agreement, it is agreed and understood that there will be no strike, work stoppage, willful absence from assigned work station, refusal to fully and faithfully perform job functions and responsibilities or other interference with the operations of the Employer by the Union or its officers, agents or members during the term of this Agreement, including compliance with the request of other labor organizations to engage in such activity.

The Union recognizes the duty and obligation of its representatives to comply with the provisions of this Agreement and to make every effort toward inducing all unit members to do so. In the event of a strike, work stoppage, slowdown or other interference with the operations of the Employer by unit members who are represented by the Union, the Union agrees in good faith to take all reasonable steps to cause those unit members to cease such action, such as personally informing bargaining unit members that the job action violates this Agreement and notifying them of their responsibility to return to work.

In the event that in order to perform his or her work a unit member would be required to cross a picket line in a labor dispute (not between the parties to this Agreement) that has been sanctioned by the Central Labor Council and if doing so would conflict with the unit member's conscience, the unit member must immediately contact his or her supervisor to discuss other options for performing the work. Should there be an immediate need for the work to be performed and there is no other acceptable option, the Employer and Union shall meet and confer within 24 hours to develop a resolution.

During the term of this Agreement, the Employer, in consideration of the terms and conditions of this Agreement will not authorize or permit any lockout of bargaining unit members covered by this Agreement.

ARTICLE 17: CONTRACT CLAUSES

The terms and conditions set forth in this Agreement represent the full and complete understanding between the parties hereto. The terms and conditions may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the parties in a written amendment executed according to the provisions of this Agreement. This Agreement terminates and supersedes those past practices, agreements, procedures, traditions, and rules or regulations inconsistent with any matters covered herein. The parties agree that during the negotiations which culminated in this Agreement, each party enjoyed and exercised without restraint, coercion, intimidation, or other limitation, the right and opportunity to make demands and proposals or counter proposals with respect to any matter not reserved by policy or law from compromise through negotiations and that the understandings and agreements arrived at after the exercise of that right and opportunity are set forth herein. No further negotiations shall take place on any item within the scope of bargaining during the term of this Agreement except as specifically authorized herein.

ARTICLE 18: SAVINGS PROVISION

If any provisions of this Agreement are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect. The parties shall meet not later than thirty (30) calendar days after such court decision to renegotiate the provision or provisions affected.

ARTICLE 19: EFFECT OF AGREEMENT

It is understood and agreed that the specific provisions contained in this Agreement shall prevail over Employer practices and procedures and over State and local laws to the extent permitted by State and local law. In the absence of specific provisions in this Agreement, Employer policies are subject to change by action of the Governing Board. In the event the Employer proposes any negotiable change in working conditions or new practice affecting working conditions of unit members, the Union will be provided prior notification and the right to meet and confer upon request.

ARTICLE 20: TERM

This Agreement shall be effective on the 23rd day of July, 2015, and shall remain in effect until the 30th day of June, 2018, and shall be automatically renewed from year to year, thereafter, unless either party serves the other party written notice of intention to terminate said Agreement at least ninety (90) days prior to the expiration of the term or any extended term of the Agreement.

For the 2017-2018 fiscal year, the parties agree that either or both parties may reopen negotiations on compensation and one (1) other article of each party's choosing; provided, however, that the party desiring to reopen negotiations must notify the other party in writing of its intent to reopen negotiations and provide initial proposals no later than February 28, 2017.

**On Behalf of the Santa Clara County
Health Authority**

By: Christine M. Tomcala
Christine Tomcala, CEO

Dated: April 28, 2016

**On Behalf of the Service Employees
International Union, Local 521**

By: Isabel Olazcoaga
Isabel Olazcoaga, Chief Negotiator

Dated: April 28, 2016

By: Lili M. Wing
Lili Marquez Wing, Worksite Organizer

Dated: 4/28/2016

By: April T. Pitt
April Pitt

Dated: April 28, 2016

By: Maria Bejarano
Maria Bejarano

Dated: 4/28/16

By: Stacy Renteria
Stacy Renteria

Dated: 4-28-16

By: Gloria Ramirez
Gloria Ramirez

Dated: April 28, 2016

**Side Letter of Agreement
Between The
Santa Clara County Health Authority
And
SEIU, Local 521**

This Side Letter of Agreement is between the Santa Clara County Health Authority ("Employer") and SEIU, Local 521 ("Union"), collectively referred to as the "parties." The parties to this Agreement hereby agree as follows:

1. The parties agree to a 2.5% wage increase for each bargaining unit member effective July 1, 2016.
2. The parties share an interest in an equitable and fiscally sustainable wage schedule for bargaining unit members.
3. Within 30 days of ratification of the Memorandum of Understanding, the parties agree to form a wage schedule development committee comprised of representatives of the bargaining unit and of the Employer. Each party shall choose up to five (5) representatives (not including the Union Worksite Organizer or Researcher) to serve on the committee. Reasonable release time without loss of compensation will be provided. The committee will endeavor to prepare a wage schedule acceptable to both parties that may be ratified and implemented by July 1, 2016. The committee shall meet at least weekly in an effort to accomplish this objective.
4. The first objective the committee will undertake is a comprehensive review and updating of job descriptions for classifications in the bargaining unit. The parties agree that CBIZ, an outside consultant, may be engaged by the Employer to assist with this review and updating, although final approval will remain with the parties.
 - a. This review will review and ensure that job descriptions for all existing bargaining unit classifications clearly define the scope of work, tasks and duties.
 - b. Where relevant, the job descriptions will define minimum requirements for progression between job classifications in a series.
 - c. Unit members of each classification and immediate supervisors will be consulted in this review.
 - d. The Union and the Employer shall meet and confer on all new job descriptions for classifications within the bargaining unit.
 - e. Upon completion of the review and updating of the job descriptions, the Employer may engage CBIZ compensation specialists to re-benchmark the job descriptions using comparable positions and employers in an appropriate geographic area.

5. The wage schedule shall be developed in accordance with the following principles:
 - a. The current hourly rate of pay for any bargaining unit member shall not be decreased;
 - b. Performance that meets or exceeds expectations would be expected for movement within the wage schedule and additional compensation may be used by the Employer to reward and incentivize unit member performance that meets or exceeds expectations;
 - c. Years of service (seniority) with the Employer will be recognized;
 - d. Wages for comparable employers (public agencies providing MediCal and Medicare managed care health plans as well as other entities from which the employer recruits) will be taken into consideration;
 - e. Mutually agreed upon changes to the wage schedule shall be retroactive to July 1, 2016.
 - i. As a result of developing the new wage schedule, bargaining unit members shall be placed on the wage schedule based on classification and recognized years of service.
 - ii. The compensation for unit members will be adjusted according to their placement on the wage schedule; however, as a result of implementing the new wage schedule for the 2016-2017 fiscal year, no unit member shall receive an increase in pay of more than six percent (6%) over his or her pay for the 2015-2016 fiscal year (which for the 2016-2017 fiscal year would include the across the board wage increase provided in Paragraph 1 of this Side Letter).
 - iii. If the placement of any unit member on the wage schedule for the 2016-2017 fiscal year would result in an increase in pay of more than six percent (6%) over his or her pay for the 2015-2016 fiscal year (including the across the board wage increase provided in Paragraph 1 of this Side Letter), then the unit member will receive three and a half (3.5%) in addition to the increase in Paragraph 1 of this Side Letter. The parties agree to meet and confer about whether any percentage above six percent (6%) as a result of implementing the wage schedule should be deferred and implemented in the 2017-2018 fiscal year, provided that the unit member remains employed in the same classification or wage range as of July 1, 2017.
 - f. The wage schedule will comply with applicable federal and state equal pay laws;
 - g. The wage schedule will be designed to provide incentives for employee recruitment and retention.

**On Behalf of the Santa Clara
County Health Authority**

**On Behalf of the Service Employees
International Union, Local 521**

By: Christine M. Fonseca

By: Isabel Olazcoaga
Isabel Olazcoaga, Chief Negotiator

Dated: April 28, 2016

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