

AGREEMENT

between

KOOCHICHING HEALTH SERVICES
dba Littlefork Care Center & Jackpine Chateau

and

THE AMERICAN FEDERATION OF STATE, COUNTY
AND MUNICIPAL EMPLOYEES, AFL-CIO
LOCAL UNION NO. 510

APRIL 1, 2016 to SEPTEMBER 30, 2019

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AGREEMENT

Entered into on this 1st day of April 1, 2016, by and between the Koochiching Health Services dba Littlefork Care Center and Jackpine Chateau of Littlefork, Minnesota, hereinafter referred to as the "Employer", and Local Union No. 510, Minnesota Council #65, American Federation of State, County and Municipal Employees, affiliated with the American Federation of Labor and the Congress of Industrial Organization, hereinafter referred to as the "Union".

ARTICLE I RECOGNITION

Section 1.1

The Employer hereby recognizes the Union as the exclusive representative for collective bargaining purposes of a bargaining unit comprised the following job classifications: Nursing Aides, Activity Aides, Maintenance Assistant, Housekeeping Aides, Laundry Aides, Food Service Aides, Tenant Assistants Ward Clerks and Cooks, excluding all other employees, administrators, managers, supervisors, and guards.

Section 1.2

Present employees shall, as a condition of employment, become and remain members of the Union in good standing thirty (30) days after the effective date of this Agreement. New employees hired after the effective date of this Agreement shall be required to become and remain Union members thirty (30) days after employment begins. Employees who fail to comply with this requirement shall be discharged by the Employer within ten (10) days after receipt of written notice to the Employer from the Union.

Section 1.3

The Union shall notify the Employer of newly accepted Union members. The Employer agrees to deduct Union dues from the wages of each employee covered by this Agreement on the first pay day of each month. Signed authorization for the purpose of withholding Union dues must be made available to the Employer by the Union prior to any payroll deduction. In addition to the deduction of Union dues, the employer shall deduct any Union approved and employee signed authorized deduction. All sums deducted will be remitted to Minnesota Council 65, AFSCME, together with a list of names of the employees who work forty (40) hours or more per month after thirty (30) calendar days has been completed. The president of the Union will receive notification when a new employee's probationary period has been completed.

Section 1.4

The Employer shall not enter into any agreement with the employees coming under the jurisdiction of this Agreement, either individually or collectively, which in any way conflicts with the terms of this Agreement.

Section 1.5

Koochiching Health Services is an equal opportunity employer and will not discriminate against or harass any employee on veteran status, uniform service member status, race, color, religion, creed, sex, national origin, age, physical or mental disability, sexual orientation, marital status, genetic information, familial status or any other protected class under federal, state, or local law.

ARTICLE II INTENT AND PURPOSE

The purpose of this Agreement is to (a) promote and insure harmonious relations, cooperation, and understanding between the Employer and its employees; (b) to encourage economy of operation and the protection of property; (c) to establish standard hours of work, rates of pay, and working conditions; and to these ends, the Employer pledges its employees considerate and courteous treatment, and the employees, directly and through their agent (the Union), pledge the Employer loyal and efficient service.

This agreement is subject to all applicable laws. If any portion of this agreement is adjudged by a court to be in violation of any law, the Employer and Union will make the necessary corrections by special negotiations; in any case, the remainder of this agreement will continue in full force and effect.

ARTICLE III
RIGHTS OF MANAGEMENT

Section 3.1

Except as limited by the provisions of this Agreement, the management of the Koochiching Health Services and the direction of the working forces is vested exclusively in Koochiching Health Services.

Section 3.2

Such management or direction includes but is not limited to:

- a) Hiring, layoff, and the number of individuals employed;
- b) Quality and quantity of work performed, by assignment or delegation;
- c) To maintain or improve economic efficiency or resident care continuity;
- d) To contract for supplies and services;
- e) To approve and maintain rules of facility decorum;
- f) To discipline or discharge for cause;
- g) To determine and schedule the number of hours worked, the days of the week worked, and the start and stop times of shifts;
- h) To establish, continue, modify, reduce, enlarge, discontinue, and eliminate operations, services, functions, departments, processes, systems, buildings, structures, equipment, and fixtures;
- i) To exercise any and all of the traditional rights of management, whether previously exercised or not.

ARTICLE IV
HOURS OF WORK

Section 4.1

Work day shall be defined as 6:00 a.m. of one day until 5:59 a.m. of the following day. The normal hours of work are eight (8) hours per day and eighty (80) hours in a fourteen-day period. All hours worked in excess of eight (8) hours per day or eighty (80) hours in a fourteen (14) day period shall be compensated for at the rate of time and one-half (1-1/2). All overtime must be approved in advance by the employee's supervisor or the employee will be subject to discipline. This Section shall not be construed of a guaranty of any particular number of work hours in a day or in a fourteen-day period.

Section 4.2

There shall be no split shifts nor split days off except in an emergency, unless mutually agreed upon in writing by the Employer and employee.

Section 4.3

All employees are entitled to one (1) fifteen minute rest period with pay during every four (4) hours worked, at times designated by their immediate supervisor. No employee can leave work before the end of his shift in lieu of rest periods.

Section 4.4

When an employee reports for work in accordance with schedule, without having been previously notified not to report, he/she shall receive a minimum of four (4) hours of work, or pay in lieu of, unless a reasonable attempt has been made by the Employer to notify the employee at his/her place of residence at least twelve (12) hours in advance of his or her regular starting time.

When an employee is called to work on his or her scheduled time off, the employee shall receive a minimum of two (2) hours of work, or pay in lieu of, for the call out.

Section 4.5

Four (4) week work schedules to coincide with pay periods shall be posted no later than Wednesday preceding the start of the schedule. Employees whose hours have been reduced below their definition of employee status as defined in Article V shall have three (3) days after the schedule has been posted to request additional hours.

Section 4.6

In the event that through normal procedure a qualified member of this union is unavailable to fill a vacant shift, the Employer shall have the right to offer the shift to a non-bargaining unit employee.

Section 4.7

When there is a call in or open shift on any given day, an effort will be made to replace the shift by calling staff in. If the shift cannot be replaced, staff may be mandated as follows:

- a. The open shift will be scheduled to someone who would not incur overtime, whenever possible.
- b. If the shift is not able to be filled, the staff member whose name is highlighted on the prior shift will be required to stay over four (4) hours to fill in. The staff member whose name is highlighted on the following shift will be called to come in four (4) hours early to fill in. If needed, the RN on call will help with this decision making process.
- c. Refusals to comply with requirements to stay over or be called in will count in attendance tracking as an absence, and may be subject to discipline.
- d. If a shift is exchanged or given away, and that shift is a highlighted shift, the person now assigned that shift may be held over or called in for an open shift.

ARTICLE V DEFINITION OF EMPLOYEES

Full-Time: All employees who are regularly scheduled for eighty (80) hours in a fourteen (14) day period.

Temporary: All employees who fill posted temporary vacancies.

Part-time: All employees who are regularly scheduled for less than eighty (80) hours in a fourteen (14) day period.

Second Scheduled/Casual: an employee who is intermittently scheduled and works when the part time employees have received his or his hours in a 14 day period. Second Scheduled/ Casual are excluded from the bargaining unit and are not covered by this agreement.

Probationary Employees: All new hires shall be on probation during their first five hundred and twenty (520) work hours. The length of probation may be extended by written notification from the Employer before the initial probation period expires. During probation an employee may be disciplined or discharged with or without cause and without recourse to the grievance and arbitration provisions of this Agreement. Probationary employees shall be reimbursed at double time for their hours worked on holidays, but are not eligible for other benefits.

ARTICLE VI HOLIDAY PROVISIONS

Section 6.1

Employees who are required to work on a recognized holiday shall be paid two times their current straight time rate of pay, excluding shift differential, for all hours worked during a recognized holiday.

In order to be eligible for holiday pay, an employee must work the scheduled shift preceding and following the holiday, unless the supervisor gives prior approval to an exchange of those shifts.

- a) If employees are scheduled for a given holiday, they are expected to work hours consistent with their regular schedule.
- b) Employees may apply for holiday schedule exchanges provided that no extra holiday pay is incurred other than what would occur under the regular schedule.
- c) For the Christmas and New Year's holiday, the afternoon (2-10 p.m.) shift on December 24 and 31 will be the first shift of the holiday for purposes of holiday pay.
- d) The holidays recognized by this agreement are:

New Year's Day — 2:00 p.m. December 31 to 2:00 p.m. January 1
Easter Sunday
Memorial Day
Fourth of July
Labor Day
Thanksgiving Day
Christmas Day — 2:00 p.m. December 24 to 6:30 a.m. December 26

ARTICLE VII
PERSONAL LEAVE TIME

Section 7.1

PERSONAL LEAVE TIME (PLT) *

Personal leave time is provided to allow an employee time away from work. Personal leave time may be used for vacations, sick time, holidays or any purpose that the employee desires.

- a) 500 - 10250 hours accrues 6.4 hours personal leave for each 80 hours paid.
This equals approximately 21 days per year for full time employment.
- b) 10251 - 28700 hours accrues 8 hours personal leave time for each 80 hours paid.
This equals approximately 26 days per year for full time employment.
- c) 28701 plus hours accrues at 9.6 hours personal leave time for each 80 hours paid.
This equals approximately 31 days per year for full time employment.

**Please note: PLT accrual commences the pay period following when the minimum requirement is met.*

A regularly scheduled employee begins to earn personal leave time upon completion of 500 hours of service. Employees on second schedule status do not earn PLT.

Koochiching Health Services encourages employees to take time off for rest and relaxation, while also encouraging employees to keep a reserve of PLT hours available for unplanned illnesses and personal emergencies. Therefore, employees are allowed to accrue PLT to a maximum of 480 hours. Any time in excess of 480 hours will be forfeited. Upon the employee's request, Koochiching Health Services will pay out any PLT in excess of 80 hours at 100%.

New regularly scheduled employees and those on second schedule status going to regularly scheduled status are eligible for a bonus of 40 hours of PLT when they have completed both 500 hours and 1 year of employment. The bonus hours will be posted to the employee's PLT bank on the pay period following the completion of both requirements and will be available for use after they are posted. Upon termination, employees who have not completed the 500 hours AND their first year of service are not entitled to the 40 hour bonus.

Personal leave time shall be scheduled throughout the year in order to responsibly staff each department. The administration reserves the right to allocate personal leaves in such a way that not too many people are gone at one time. However, seniority and timeliness of PLT requests are considered as much as possible according to the system outlined in Section 7.2. A two weeks' notice of requested PLT is required.

Anyone taking PLT for any purpose must indicate the time on the appropriate form and obtain supervisor approval. Employees may not be paid for PLT that has not yet been accrued.

Upon termination, employees who give and fulfill a minimum of a two-week notice will be paid for all earned and unused PLT.

Any employee who resigns without giving at least two (2) weeks written notice, and any employee discharged for just cause, will not be paid for earned and unused PLT.

Employees shall receive PLT pay based upon their current straight time rate of pay excluding shift differential

Section 7.2

- a) Employees will submit their PLT requests to the Employer in writing between December 1st and December 15th for the next calendar year.
- b) An employee may only submit requests for PLT that has been earned by November 30th.
- c) An employee may request PLT on one scheduled weekend per calendar year quarter. If an employee wishes to use additional PLT on their scheduled weekend to work during the same quarter they must find their own replacement.
- d) The employer will approve the employee's first requests (14 consecutive calendar days) in order of seniority and post the list of approved PLT requests by December 20th.
- e) Employees will submit their second PLT requests to the Employer in writing between December 21st and December 31st for the next calendar year.
- f) The Employer will approve the employee's second request (14 consecutive calendar days) in order of seniority

- and post the list of approved PLT requests by January 10th.
- g) Requests received after this process will be granted on a first come first serve basis for PLT that has been earned.
 - h) Requests received after this process for one or more calendar weeks requires thirty (30) days prior notice and must be approved by the supervisor.
 - i) After PLT schedules have been so established, a senior employee shall not be permitted to take the PLT already assigned to a junior employee.
 - j) Upon mutual consent of both the employee and the Employer, changes may be made to the assigned PLT.
 - k) Employees wishing to rescind PLT shall give written notice to the supervisor at least seven (7) days prior to the posting of the affected schedule.
 - l) Planned PLT not requested during the signup process must be requested in writing 1 week prior to the schedule's posting.
 - m) Unplanned occurrences must be submitted in writing with rationale and reason for absence. The employer will have the right to approve or deny. The Employer will not arbitrarily or capriciously withhold approval.
 - n) To accommodate our infection control policies, an employee must, upon return to work, on the approved form, document whether the PLT is taken for illness.
 - o) Management reserves the right to allocate PLT above the minimum to staff each department and meet the needs of the residents.
 - p) PLT approval is limited to one (1) employee per day per job classification unless additional PLT is approved by the employer, excluding NAR'S who will have a minimum of two (2) employees per day.
 - q) An employee requesting PLT within the current posted schedule period must find their own replacement.
 - r) Additional PLT guidelines will be mutually developed by the labor management committee.

ARTICLE VIII BEREAVEMENT LEAVE

A leave of three (3) days without loss of pay will be granted to employees in the case of a death in the employee's family (mother, father, spouse, sister, brother, daughter, son, grandparent, grandchildren, mother/father-in-law, step child and step parent sister/brother-in-law, or son/daughter-in-law). Such leave shall be utilized to attend the memorial service or family gathering. Bereavement leave pay is due an employee only if they are scheduled to work on the days stated.

ARTICLE IX JURY DUTY

Section 9.1

Full and part-time employees are entitled to absence from work for jury duty, but only those who work 80 or more hours per pay period will be paid the difference between their basic earnings at the time of such duty and the amount received from the Court. No jury duty pay shall be given for jury duty in excess of two (2) weeks (10 days) duration. The employees will be responsible for submitting to his/her supervisor a statement of the amount paid from jury duty before payment from the Employer will be made.

Section 9.2

When an employee is required to perform jury duty during only part of his regularly scheduled working hours, it is agreed that he/she will report to work for all of his/her scheduled hours other than those required for jury duty. The employee will be required to furnish evidence of time spent on jury service.

ARTICLE X
BENEFITS

The following fringe benefits will be provided or made available to the indicated eligible employees

Section 10.1

- To be eligible to participate in the Employer's Group Comprehensive Medical Plan, an employee must regularly work 30 hours or more per week.
- The employer will offer a high deductible health plan (HDHP). As of 01/01/16, the single deductible is \$3,000. See benefit summary for plan details.
- The employer's contribution will be equal to 100% of the single HDHP's monthly premium rate.

Section 10.2

- To be eligible to participate in the Employer's Group Health Savings Account (H.S.A.), an employee must:
 - regularly work 30 hours or more per week;
 - be enrolled into at least a single coverage plan under the employer's HDHP health plan;
 - not be claimed as another person's tax dependent; and
 - not be entitled to Medicare benefits;
- The employer will contribute the monthly amount as determined in St. Francis Health Services' group H.S.A. Plan to an eligible participant who is actively employed for that full month. As of 04/01/16, \$150/month will be contributed.

Section 10.3

- All employees who work an average of 70 or more hours per pay period on a regular basis and have completed the 60 day service requirement are eligible to participate in our group life insurance plan. Enrollment is on a monthly basis. The Employer pays the full premium of this life insurance plan

Section 10.4

Koochiching Health Services provides, at employer expense, a 401 (a) Pension Plan for all eligible employees. Eligibility is defined as an employee who:

- Completes one year of service and meets 1000 hours in the first year of employment;
- Meets 1000 hours or more per calendar year; and
- Attains the age of 21.

The Koochiching Health Services' Pension Plan has a vesting schedule as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

The employer's annual contribution is 5% percent of all compensated hours.

To obtain a copy of the Summary Plan Description and Appendix, please contact the Human Resource Department.

Section 10.5

- The Employer has adopted the St. Francis Health Services' Voluntary Benefit Plan. See benefit plan summaries for details.
- To be eligible to participate, an employee must be regularly scheduled to work 60 hours or more a pay period.
- The employee pays 100% of the premium of the benefit plan/s he/she elects.
- The employee cannot modify his/her annual elections unless a change in family status, as defined by the regulations, occurs.

Section 10.6

TAX DEFERRED ANNUITY

All employees are eligible to enroll into the voluntary 403(b) tax deferred annuity plan (TDA). See the Director of Human Resources for further details.

Section 10.7

EMPLOYEE ASSISTANCE PROGRAM

Koochiching Health Services offers its employees access to its Employee Assistance Program (EAP). An EAP can support with education, dependent care and care giving, legal and financial, lifestyle, and access to consult with a professional counselor.

ARTICLE XI
FITNESS FOR DUTY EXAMINATIONS

The Employer shall have the right, at its expense, to require an employee to undergo a physical or mental examination to determine the employee's fitness for duty. The Employer shall invoke this right only if there are reasonable grounds to question the employee's fitness for duty. The Employer will request a doctor's statement verifying fitness for duty. The examiner shall not conduct any drug or alcohol testing unless the Employer has complied with the Minnesota Drug & Alcohol Testing in the Workplace Act.

ARTICLE XII
DRUG AND ALCOHOL POLICY AND TESTING

No employee shall use, sell, solicit, possess, or transfer illegal drugs or be under the influence of alcohol while working or while on any Employer premises (including parking lots) or Employer work sites, wherever located. No employee shall report to or be at work under the influence of drugs or alcohol, wherever such work is being performed, including off Employer property. No employee shall operate any Employer vehicle, machinery, equipment, or property at any time, or any private vehicle while used in furtherance of the Employer's business, while using or under the influence of drugs or alcohol. The Employer may conduct drug and alcohol testing of employees according to the provisions of the Minnesota Drug and Alcohol Testing in the Workplace Act.

ARTICLE XIII
WAGE ADMINISTRATION

Payroll will be processed on a bi-weekly basis. The payroll cut-off period is every other Sunday at 11:59 p.m. (Note – the full night shift on Sunday of the pay period end date are hours worked in that pay period.) Payday will be the Friday following the cut-off period. If a holiday is on a Friday of a paycheck week, the pay date will be moved to the Thursday of that week for all employees. The amount of pay is determined by the number of hours entered into the timekeeping system.

Section 13.1

Enrollment into direct deposit is completed upon hire; however, the employee may object and must submit the reason in writing to the HR Department. An employee may have his/her paycheck automatically deposited into a checking and/or savings account on payday. Benefits of direct deposit include:

- Each check date, payroll checks are automatically deposited directly into the employee's bank account or on a pay card, or other available options.
- Payroll checks will not be delayed due to being lost, held up in the mail or stolen. *(If mailed, we cannot guarantee delivery of paychecks on the check date.)*

If an employee requests a stop payment on his/her payroll check and a new one be issued, the employee is responsible for the processing fee, which will be deducted from the reissued paycheck.

After each payroll, the employee will obtain a pay statement via his/her employee self-service online account with the payroll system which shows information such as gross salary, taxes, deductions, contributions, PLT and net pay. The employee's money will already have been deposited in his/her account. The amount of the deposit will appear on the employee's bank statement. *Please note, the first time payroll is processed after enrolling into direct deposit, a test is performed and the employee will receive a paper check. The following payroll, the earnings will be automatically deposited into his/her account.

Section 13.2

At no time shall there be pyramiding of overtime pay and/or other benefits.

ARTICLE XIV
SENIORITY

Section 14.1

Seniority standing for all employees shall be determined on the basis of paid hours of employment.

Section 14.2

All new employees shall be placed on the seniority list after the completion of the probationary period, provided these hours have been worked in a consecutive twelve (12) month period. Seniority benefits will accumulate during the probationary period.

Section 14.3

Seniority shall be lost in any of the following circumstances:

- a) Discharge for just cause;
- b) A quit, resignation, or retirement;
- c) Whenever some other provision of this Agreement expressly provides for a loss of seniority in a particular circumstance;
- d) Continuous layoff of greater than twelve (12) months;
- e) Failure of the employee to return to work from a leave of absence of any kind;
- f) Engaging in new employment without the Employer's permission while on a leave of absence;
- g) Failure to apply for work within the statutory time limit, or within ten (10) days, whichever is longer, following completion of a military leave of absence;
- h) Continuous absence from work of greater than twelve (12) months in any circumstance not otherwise addressed in this Agreement.

Section 14.4

When a layoff or reduction of work below the normal scheduled hours is necessary, employees with the greatest seniority shall be retained within each department and classification of work. An employee who is laid off may exert his/her seniority preference over a junior employee in another department or classification of work, provided he/she has the necessary qualifications to perform the duties of the job involved. The Administrator or other appropriate department head shall make the determination as to whether or not the employee possesses the necessary qualifications. In the event the Union does not concur in the determination, the employee shall have the right of appeal through the normal grievance procedure.

Section 14.5

Employees shall be recalled according to seniority in the inverse order of layoffs, whenever possible.

Section 14.6

A seniority list shall be presented to the Union not more than twice a year upon request by its officers.

Section 14.7

Notice of all vacancies and newly-created positions occurring in the positions covered by the bargaining agreement shall be posted on employee bulletin board, and the employees shall be given seven (7) days in which to make application to fill said vacancy or new position. Such notices shall include description of job qualifications, starting wage, etc. The senior employee making application shall be transferred to fill the vacancy or new position, provided he/she has the necessary qualifications to perform the duties of the job involved. The Administrator or other appropriate department head shall make the determination as to whether or not an applicant possesses the necessary qualifications. If such transferred employee works for a thirty-day (30) trial period and such employee proves not to be qualified, the Employer may re-transfer such employee to his/her original department. Also, during the thirty (30) day trial period, an employee shall have the option to go back to his/her former position provided the new position is a new classification for the employee involved and one the employee has not worked in previously. If so transferred, such employee shall be restored with full seniority and pay in such employee's former position in the original department.

Section 14.8

Employees who transfer from one department to another shall accumulate seniority in the new department only for the hours worked in the new department. Institutional-wide seniority shall be used for the computation of PLT and pension vesting.

- a) For purposes of establishing a seniority date for all current employees, the seniority list established by the parties and dated, April 01, 2016 shall be considered the correct list.

- b) If an employee transfers to a new job classification, they shall start accruing seniority all over again in the new job classification (i.e., they shall start with zero seniority in the new job classification). However, their seniority in the old job classification shall be frozen at however much seniority they had accrued prior to transferring to the new job classification.
- c) An employee who transfers back to a job classification previously held, for whatever reason, shall be paid according to his/her previously accrued seniority within that job classification.

**ARTICLE XV
LEAVES OF ABSENCE**

Section 15.1

Family and Medical Leave Act (FMLA): It is the policy of Koochiching Health Services to grant leave in accordance with the federal Family and Medical Leave Act.

Section 15.2

A leave of absence or time off shall not be counted as working time for the purpose of computing PLT or any other benefits.

Section 15.3

Leaves of absence may be granted by the Employer ~~in~~ at its discretion for a legitimate reason, provide that work schedules are not interrupted. Replacements for leaves of absence shall be temporary and may be terminated when the regular employee returns.

The Administrator has the discretion to approve a leave of absence. When possible, five (5) business days' notice should be given the Administrator to consider the request. All accrued PLT must be used prior to consideration of a leave of absence being granted by the Administrator.

Section 15.4

A personal leave of absence is an authorized leave from a position without pay and may be granted for a good reason with the privilege of returning at the same employment status. A written request must be made to the Employer. The Administrator has the discretion to approve a leave of absence. This leave is normally granted up to one month maximum in duration. If unable to return from personal leave on the date required, the employee must complete and submit to the Employer another written leave request before the original leave expires. Extensions may be granted only up to the maximum of an additional thirty (30) days at the Employer's discretion. Nothing within this policy is intended to reduce or alter any rights an employee may have under the Americans with Disabilities Act (ADA), which supersedes this policy if it controls.

Section 15.5

A medical leave of absence may be granted to an employee having an illness or injury that prevents the employee from performing essential job functions for up to twelve (12) months. The Administrator has the discretion to approve a leave of absence. This leave must be authorized by the Employer prior to commencement.

At reasonable intervals, upon request by the Employer the employee shall provide medical verification of the need for the on-going leave. Failure to do so shall terminate seniority. The employee shall also provide medical verification of the ability to return to work, and shall give a return-to-work notice at least one (1) week before the applicable schedule is posted. Any FMLA or other applicable leave shall run concurrently with a medical leave.

**Article XVI
GENERAL BEHAVIOR AND DISCIPLINE**

Discipline is used to correct behavior that detracts from resident care, staff relations or the Employer's rules and regulations. All discipline will be for just cause. Discipline is progressive, following this procedure:

Section 16.1

All bargaining unit members will notify the Employer of any change of name, address, telephone number, number of dependents, marital status or information affecting insurance or other benefits and within twenty-four (24) hours of the change if possible.

Section 16.2

Bargaining unit members are required to give the Employer at least fourteen calendar days' notice of their intention to quit employment. Time off during this notice period may only be scheduled and taken at the discretion of the administrator.

Section 16.3

Discipline is used to correct behavior that detracts from resident care, staff relations or the Employer's rules and regulations. Discipline is progressive, following this procedure:

1. Verbal Discussion between the employee and supervisor;
2. Written Warning to the employee from the supervisor, stating the problem, and consequences. The employee shall be allowed to offer a response;
3. Unpaid Suspension from work for a period NOT to exceed seven (7) consecutive, scheduled days. A written notice of suspension stating the problem, history, and further consequences must be completed during the suspension period. The employee shall be allowed to offer a response;
4. Termination of Employment with a written notice including the problem and history.

Section 16.4

One or more steps of progressive discipline may be skipped for serious misconduct, including but not limited to:

- a) dishonesty or theft
- b) falsification of records
- c) failure to notify an absence from work
- d) arrive at work chemically intoxicated
- e) violating the Patient's Bill of Rights (Minnesota Statutes Section 144.651)
- f) verbal or physical violence to other staff or visitors
- g) abuse or neglect of residents unless found unsubstantiated by a OHFC Vulnerable Adult Investigation
- h) HIPPA violation
- i) Violation of the Article titled Drug and Alcohol Policy and Testing

ARTICLE XVII GRIEVANCE PROCEDURE

Any grievance or dispute which may arise between the parties concerning the application or interpretation of this Agreement shall be settled in accordance with the four-step procedure set forth below.

Step One: The employee, either individually or with a Union representative, shall discuss the matter with the employee's immediate supervisor. If no settlement is reached the grievant or the Union may, within ten (10) days after receipt of the supervisor's answer, appeal to Step Two.

Step Two: The grievance shall be reduced to writing by the grievant or the Union on an official grievance form and filed with the Administrator or his or her authorized representative who shall then have ten (10) days after receipt of the grievance to give a written answer. If no settlement is reached the grievant or the Union may, within ten (10) days after receipt of Union's answer, appeal the matter to Step Three.

Step Three: By mutual agreement, the parties may petition the Minnesota Bureau of Mediation Services or the Federal Mediation and Conciliation Services to conduct non-binding grievance mediation. The mediation shall be conducted within sixty (60) days after the Union's receipt of the Administrator's Step Two answer to the grievance. The time limitation may be extended by mutual agreement.

Step Four: If Steps One, Two, and Three fail to settle the grievance, the parties shall submit the grievance to an arbitrator for resolution. The parties shall request from the Minnesota Bureau of Mediation Services or the Federal Mediation and Conciliation Service a list of the names of seven (7) potential arbitrators. The arbitrator shall be selected by the Employer and the Union alternately striking names from the list until only one (1) name remains. The order of striking shall be determined by the flip of a coin. The arbitrator's fees and expenses and the cost of any hearing room jointly selected shall be shared equally by the parties. For discharge cases, the arbitration hearing shall be conducted within six (6) months after the date of discharge. For other kinds of cases, the deadline shall be nine (9) months after the occurrence giving rise to the grievance. The arbitrator's decision shall be rendered within forty-five (45) days after the hearing of the dispute, unless extended by mutual

agreement. The award of the arbitrator shall be final and binding upon the Employer, the Union, the grievant, and all other employees. The arbitrator shall have jurisdiction only over grievances or disputes which may arise between the parties concerning the application or interpretation of this Agreement. All arbitration decisions shall be rendered only in accordance with the language of this Agreement and any written interpretations of this Agreement signed by the parties. The arbitrator shall have no power to add to, subtract from, or modify in any way any of the provisions of this Agreement.

No grievance, other than wage claims, shall be filed or processed if based on an event occurring more than twenty (20) days before the written Step Two grievance was filed. A written Step Two grievance based on a wage claim shall be filed within twenty (20) days after the pay day on which the claim is based. A grievance shall be considered resolved on the basis of the last answer of the Employer if not timely appealed to the next step or if the sixty (60) day, six (6) month, or nine (9) month mediation or arbitration deadline is not met, as the case may be. Saturdays, Sundays, and holidays shall be excluded from the computation of time limitations under this grievance and arbitration Article, except the sixty (60) day mediation deadline shall be measured by calendar days and the six (6) and nine (9) month arbitration deadlines shall be measured by calendar months. Deadlines in this grievance and arbitration Article may be extended only by written agreement of the parties. An oral agreement to extend a deadline promptly followed by a confirming letter or email from one party to the other shall suffice.

ARTICLE XIII **BULLETIN BOARD**

The Employer will erect and maintain a bulletin board of reasonable size to be placed in such part of the institution as may be mutually agreed upon between the Union and the Employer, which bulletin board shall be for the use of the Union to post any notice or document relating to Union affairs.

ARTICLE XIX **UNION ACCESS TO PREMISES**

The representative of the Union who customarily handles Union business shall have access to the premises of the Employer, with advance Administrator permission, at reasonable times and subject to reasonable rules to conduct Union business with which he/she is concerned. Such activity shall be confined to non-patient areas, and there shall be no interference with the assigned duties of any employee.

ARTICLE XX **LABOR MANAGEMENT COMMITTEE**

The employer has agreed to establish a labor-management committee that will meet on a quarterly basis, or as necessary, to discuss problems and concerns relative to Koochiching Health Services and the employees covered under this agreement. Due to the changing membership of the Labor Management Committee, either party may request annually, formal training through the Federal Mediation and Conciliation Services.

ARTICLE XXI **TIME OFF FOR UNION ACTIVITIES**

The Employer agrees to grant the necessary time off without pay and without discrimination to any employee designated by the Union to attend a labor convention or serve in any official Union capacity with a maximum of ~~seven (7)~~ sixty (60) days per calendar year for the bargaining unit as a whole, without losing his seniority rights or any other rights granted by the Employer to any employee. The employee shall give the Employer as much advance notice as possible, but in no case less than forty-eight (48) hours' notice.

ARTICLE XXII
WAGES

Section 22.1

All new employees covered by this Agreement shall start at the minimum wage for their classification, as listed in Appendix A, attached, and shall be granted the appropriate increment at the end of each two thousand eighty (2080) hours until a maximum is reached.

Section 22.2

An employee temporarily assigned to a higher classification for eight (8) or more hours shall be compensated at the wage rate for that classification.

Section 22.3

The wage of an employee who is transferred to a higher classification shall be increased to the minimum wage rate for the classification; but in the event said minimum wage rate is less than or the same as the rate the employee is receiving before promotion, the employee so promoted shall be paid the wage step next above that which he/she is receiving, and the employee will qualify for additional step increases in the new position according to the length of service in the class.

Section 22.4

The wage of an employee transferred to a lower classification shall be placed at the step equal to their current rate of pay or the next step higher, and the employee will qualify for additional step increase in the new position according to the length of service in the new class.

Section 22.5

- a. Regularly scheduled employees called in to work on their scheduled day off shall be paid twenty-five (\$25.00) in addition to their pay for that day.
- b. Koochiching Health Services agrees to the twenty five (\$25.00) dollars for any employee who doubles out or is mandated, exclusive of those employees who voluntarily agree to the shift in advance on a sign-up sheet.
- c. In order to receive "call-in" bonus pay, the employee must work four (4) or more hours of the shift.

Section 22.6

A twenty (\$20.00) dollar bonus will be paid to the Maintenance Employee who is designated on-call for a weekend.

Section 22.7

Full time employees scheduled to work more than two (2) weekends in a four (4) week scheduled period will be paid time and one-half (1.5) for each extra weekend day worked. Employees may be required to sign a waiver to exclude them from time and one-half (1.5) if they are available only on weekends.

Section 22.8

At no time should there be a pyramiding of pay for overtime and premium pay.

Section 22.9

Wage increases listed in Addendum A for 2016 will be implemented by the employer effective the date of the first full pay period following the ratification of this agreement. . Annual increases for the remaining years of the contract will be effective on the 1st of October each year.

ARTICLE XXIII
NO STRIKE NO LOCKOUT

During the term of this Agreement, no employee shall engage in any strike; or picketing or boycott. The Employer shall not lock out employees during the term of this Agreement. If this Agreement expires prior to the execution of a replacement agreement, and if the parties are at that time engaged in good faith negotiations, this Article shall survive expiration of this Agreement and shall remain in full force and effect unless and until either party gives the other ten (10) days' written notice of cancellation of this Article.

ARTICLE XXIV
DURATION OF AGREEMENT

This agreement shall be effective as of April 1, 2016 through September 30th, 2019, and shall continue in full force and effect from year to year thereafter.

Either party with ninety (90) days written notice to the other party, and in the event the Value-Based Reimbursement (VBR), MN statutes, section 256B.441, Laws of Minnesota 2015, chapter 71, article 6, sections 9, 11-35, and 41-44, is repealed or modified in regard to the rate setting procedures for Care Related Costs, Other Operating Costs and External Fixed Costs, this agreement may be re-opened for purposes of bargaining for modifications of the Wages and Health and Welfare benefits.

Such reopener shall be contingent upon the event the Value-Based Reimbursement (VBR), MN statutes, section 256B.441, Laws of Minnesota 2015, chapter 71, article 6, sections 9, 11-35, and 41-44, is repealed or modified in regard to the rate setting procedures for Care Related Costs, Other Operating Costs and External Fixed Costs.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date first above stated.

KOOCHICHING HEALTH SERVICES dba Littlefork Care Center and Jackpine Chateau, WITNESSETH:

By: Carrie Claybundy
Carrie Claybundy, Administrator

By: Geoffrey Ryan
Geoffrey Ryan, Regional Director North

BY: Scot Allen
Scot Allen, Vice President – Senior Services

LOCAL #510, MINNESOTA COUNCIL 65, AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO WITNESSETH:

By: William Fairchild
President, William Fairchild

By: Leann Stoll
Staff Representative, Leann Stoll

By: Mary J. Thorpe
Bargaining Team Member, Mary Thorpe

**ADDENDUM A
WAGE RATE SCHEDULE**

Differentials:

TMA:..... \$.50 per hour (Care Center Only) PM Shift: \$.40 per hour (Nursing Only)
 Dietary Aide Working as Cook: \$.55 per hour Night Shift: \$.50 per hour (Nursing Only)

"PM Shift" means a shift beginning at or after 12 pm but before 10 pm.

"Night Shift" means a shift beginning at or after 10 pm but before 6:00 am.

Experience Credit: A new hire or transfer having recent, verifiable, relevant experience may be placed at a wage step consistent with that experience, but not above the 10,400 hour step. This credit shall be for wage purposes only and shall not be for seniority or benefits.

Mentor Pay: Mentor(s) selected by the facility under a mentoring program shall receive one dollar (\$1.00) per hour for all compensated hours while holding the position of mentor.

Hours Paid	NAR 8/1/16	NAR 10/1/17	NAR 10/1/18
START-2079	\$ 11.49	\$ 11.84	\$ 12.19
2080-4159	\$ 11.75	\$ 12.10	\$ 12.47
4160-6239	\$ 12.01	\$ 12.37	\$ 12.74
6240-8319	\$ 12.27	\$ 12.64	\$ 13.02
8320-10399	\$ 12.53	\$ 12.91	\$ 13.30
10400-12479	\$ 12.79	\$ 13.18	\$ 13.57
12480-14559	\$ 13.05	\$ 13.44	\$ 13.85
14560-16639	\$ 13.31	\$ 13.71	\$ 14.12
16640-18719	\$ 13.57	\$ 13.98	\$ 14.40
18720-20799	\$ 13.83	\$ 14.25	\$ 14.67
20800-22879	\$ 14.09	\$ 14.51	\$ 14.95
22880-24959	\$ 14.35	\$ 14.78	\$ 15.23
24960-27039	\$ 14.61	\$ 15.05	\$ 15.50
27040-29119	\$ 14.87	\$ 15.32	\$ 15.78
29120-31199	\$ 15.13	\$ 15.59	\$ 16.05
31200-41599	\$ 15.39	\$ 15.85	\$ 16.33
41600+	\$ 15.65	\$ 16.12	\$ 16.61

Hours Paid	COOK 8/1/16	COOK 10/1/17	COOK 10/1/18
START-2079	\$ 11.36	\$ 11.70	\$ 12.05
2080-4159	\$ 11.62	\$ 11.97	\$ 12.33
4160-6239	\$ 11.88	\$ 12.23	\$ 12.60
6240-8319	\$ 12.13	\$ 12.50	\$ 12.87
8320-10399	\$ 12.39	\$ 12.76	\$ 13.15
10400-12479	\$ 12.65	\$ 13.03	\$ 13.42
12480-14559	\$ 12.91	\$ 13.29	\$ 13.69
14560-16639	\$ 13.16	\$ 13.56	\$ 13.97
16640-18719	\$ 13.42	\$ 13.82	\$ 14.24
18720-20799	\$ 13.68	\$ 14.09	\$ 14.51
20800-22879	\$ 13.94	\$ 14.35	\$ 14.78
22880-24959	\$ 14.19	\$ 14.62	\$ 15.06
24960-27039	\$ 14.45	\$ 14.88	\$ 15.33
27040-29119	\$ 14.71	\$ 15.15	\$ 15.60
29120-31199	\$ 14.97	\$ 15.41	\$ 15.88
31200-41599	\$ 15.22	\$ 15.68	\$ 16.15
41600+	\$ 15.48	\$ 15.95	\$ 16.42

Hours Paid	AIDES ACTIVITY DIETARY HSKPG LNDRY 8/1/16	AIDES ACTIVITY DIETARY HSKPG LNDRY 10/1/17	AIDES ACTIVITY DIETARY HSKPG LNDRY 10/1/18
START-2079	\$ 10.79	\$ 11.12	\$ 11.45
2080-4159	\$ 11.05	\$ 11.38	\$ 11.72
4160-6239	\$ 11.31	\$ 11.65	\$ 12.00
6240-8319	\$ 11.57	\$ 11.91	\$ 12.27
8320-10399	\$ 11.82	\$ 12.18	\$ 12.54
10400-12479	\$ 12.08	\$ 12.44	\$ 12.82
12480-14559	\$ 12.34	\$ 12.71	\$ 13.09
14560-16639	\$ 12.60	\$ 12.97	\$ 13.36
16640-18719	\$ 12.85	\$ 13.24	\$ 13.64
18720-20799	\$ 13.11	\$ 13.51	\$ 13.91
20800-22879	\$ 13.37	\$ 13.77	\$ 14.18
22880-24959	\$ 13.63	\$ 14.04	\$ 14.46
24960-27039	\$ 13.88	\$ 14.30	\$ 14.73
27040-29119	\$ 14.14	\$ 14.57	\$ 15.00
29120-31199	\$ 14.40	\$ 14.83	\$ 15.28
31200-41599	\$ 14.66	\$ 15.10	\$ 15.55
41600+	\$ 14.91	\$ 15.36	\$ 15.82

Hours Paid	ENVIR ASST 8/1/16	ENVIR ASST 10/1/17	ENVIR ASST 10/1/18
START-2079	\$ 12.49	\$ 12.86	\$ 13.25
2080-4159	\$ 12.74	\$ 13.13	\$ 13.52
4160-6239	\$ 13.00	\$ 13.39	\$ 13.79
6240-8319	\$ 13.26	\$ 13.66	\$ 14.07
8320-10399	\$ 13.52	\$ 13.92	\$ 14.34
10400-12479	\$ 13.77	\$ 14.19	\$ 14.61
12480-14559	\$ 14.03	\$ 14.45	\$ 14.89
14560-16639	\$ 14.29	\$ 14.72	\$ 15.16
16640-18719	\$ 14.55	\$ 14.98	\$ 15.43
18720-20799	\$ 14.80	\$ 15.25	\$ 15.71
20800-22879	\$ 15.06	\$ 15.51	\$ 15.98
22880-24959	\$ 15.32	\$ 15.78	\$ 16.25
24960-27039	\$ 15.58	\$ 16.04	\$ 16.53
27040-29119	\$ 15.83	\$ 16.31	\$ 16.80
29120-31199	\$ 16.09	\$ 16.57	\$ 17.07
31200-41599	\$ 16.35	\$ 16.84	\$ 17.34
41600+	\$ 16.61	\$ 17.10	\$ 17.62

Hours Paid	TENANT ASST 8/1/16	TENANT ASST 10/1/17	TENANT ASST 10/1/18
START-2079	\$ 10.61	\$ 10.93	\$ 11.26
2080-4159	\$ 10.87	\$ 11.19	\$ 11.53
4160-6239	\$ 11.12	\$ 11.46	\$ 11.80
6240-8319	\$ 11.38	\$ 11.72	\$ 12.07
8320-10399	\$ 11.64	\$ 11.99	\$ 12.35
10400-12479	\$ 11.90	\$ 12.25	\$ 12.62
12480-14559	\$ 12.15	\$ 12.52	\$ 12.89
14560-16639	\$ 12.41	\$ 12.78	\$ 13.17
16640-18719	\$ 12.67	\$ 13.05	\$ 13.44
18720-20799	\$ 12.93	\$ 13.31	\$ 13.71
20800-22879	\$ 13.18	\$ 13.58	\$ 13.99
22880-24959	\$ 13.44	\$ 13.84	\$ 14.26
24960-27039	\$ 13.70	\$ 14.11	\$ 14.53
27040-29119	\$ 13.96	\$ 14.38	\$ 14.81
29120-31199	\$ 14.21	\$ 14.64	\$ 15.08
31200-41599	\$ 14.47	\$ 14.91	\$ 15.35
41600+	\$ 14.73	\$ 15.17	\$ 15.63

Hours Paid	WARD CLERK 8/1/16	WARD CLERK 10/1/17	WARD CLERK 10/1/18
START-2079	\$ 10.87	\$ 11.19	\$ 11.53
2080-4159	\$ 11.12	\$ 11.46	\$ 11.80
4160-6239	\$ 11.38	\$ 11.72	\$ 12.07
6240-8319	\$ 11.64	\$ 11.99	\$ 12.35
8320-10399	\$ 11.90	\$ 12.25	\$ 12.62
10400-12479	\$ 12.15	\$ 12.52	\$ 12.89
12480-14559	\$ 12.41	\$ 12.78	\$ 13.17
14560-16639	\$ 12.67	\$ 13.05	\$ 13.44
16640-18719	\$ 12.93	\$ 13.31	\$ 13.71
18720-20799	\$ 13.18	\$ 13.58	\$ 13.99
20800-22879	\$ 13.44	\$ 13.84	\$ 14.26
22880-24959	\$ 13.70	\$ 14.11	\$ 14.53
24960-27039	\$ 13.96	\$ 14.38	\$ 14.81
27040-29119	\$ 14.21	\$ 14.64	\$ 15.08
29120-31199	\$ 14.47	\$ 14.91	\$ 15.35
31200-41599	\$ 14.73	\$ 15.17	\$ 15.63
41600+	\$ 14.99	\$ 15.44	\$ 15.90

KOOCHICHING HEALTH SERVICES
dba Littlefork Care Center & Jackpine Chateau

And

**THE AMERICAN FEDERATION OF STATE, COUNTY
AND MUNICIPAL EMPLOYEES, AFL-CIO
LOCAL UNION NO. 510**

Letter of Understanding – 10/06/2016

The Employer and the Union are parties to a written collective bargaining agreement in effect from April 1, 2016 through September 30, 2019, (CBA). The parties recently agreed to changes in Article XXII and arrived at an agreement to amend the CBA as follows:

Article 22 Wage Rates (Appendix A):

Replace Appendix A with the following new wage rate scale:

NAR Wage Scale				
HOURS PAID	8/1/2016	10/24/2016	10/1/2017	10/1/2018
START-2079	\$ 11.49	\$ 15.00	\$ 15.00	\$ 15.00
2080-4159	\$ 11.75	\$ 15.25	\$ 15.25	\$ 15.25
4160-6239	\$ 12.01	\$ 15.50	\$ 15.50	\$ 15.50
6240-8319	\$ 12.27	\$ 15.75	\$ 15.75	\$ 15.75
8320-10399	\$ 12.53	\$ 16.00	\$ 16.00	\$ 16.00
10400-12479	\$ 12.79	\$ 16.15	\$ 16.15	\$ 16.15
12480-14559	\$ 13.05	\$ 16.30	\$ 16.30	\$ 16.30
14560-16639	\$ 13.31	\$ 16.45	\$ 16.45	\$ 16.45
16640-18719	\$ 13.57	\$ 16.60	\$ 16.60	\$ 16.60
18720-20799	\$ 13.83	\$ 16.75	\$ 16.75	\$ 16.75
20800-22879	\$ 14.09	\$ 16.90	\$ 16.90	\$ 16.90
22880-24959	\$ 14.35	\$ 17.10	\$ 17.10	\$ 17.10
24960-27039	\$ 14.61	\$ 17.25	\$ 17.25	\$ 17.25
27040-29119	\$ 14.67	\$ 17.40	\$ 17.40	\$ 17.40
29120-31199	\$ 15.13	\$ 17.55	\$ 17.55	\$ 17.55
31200-41599	\$ 15.39	\$ 17.70	\$ 17.70	\$ 17.70
41600+	\$ 15.65	\$ 17.85	\$ 17.85	\$ 17.85

This Letter of Understanding shall be considered part of the CBA as fully set forth in the CBA.

For the Employer

Carolyn H. Anderson 10/6/16
Date

[Signature] 10-13-16
Date

For the Union:

[Signature] 10/6/16
Date

[Signature] 10-6-16
Date