

Agreement Between
Heath Care Services Group, Inc.
Minneapolis, Minnesota
And
AFSCME Council 5, Local 3532
For the Bargaining Unit of
Housekeeping and Laundry
Effective March 15, 2018
Through March 15, 2020

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AGREEMENT

Health Care Services Group, Inc. (throughout this Agreement referred to as the "Employer", and the American Federation of State, County, and Municipal Employees Union ("AFSCME"), Council 5, AFL-CIO (throughout this Agreement referred to as the "Union"), on behalf of employees of the Housekeeping and Laundry Department covered by this Agreement have, effective XXX, XXXX, agreed as follows:

ARTICLE 1 — GENERAL STATEMENT OF PURPOSE

It is the intent and purpose of the parties to this Agreement that, as provided in the following specific articles, it shall promote and improve industrial relations between the Health Care Services Group and the Union; and between the Health Care Services Group and its employees; accomplish and maintain the highest efficiency of work; provide methods for a prompt and peaceful adjustment of problems concerning which differences of opinion may arise; insure against any interruption of work, slow down, or other interference of work; strengthen goodwill, mutual respect and cooperation; and set forth the basic agreement covering rates of pay, wages, hours of work, and other conditions of employment to be observed between the parties to this Agreement.

ARTICLE 2 — RECOGNITION

2.1 Certified Representative

The National Labor Relations Board, 18th Region, in Case No. 18-RC-201052, on July 20, 2017, certified after a directed election held July 13, 2017, that the Union was selected by a majority of certain employees of the Health Care Services Group within the collective bargaining unit at the facility located at 3737 Bryant Avenue South, Minneapolis, Minnesota 55409, as the sole and exclusive bargaining agency with respect to rates of pay, wages, hours of work, and other general conditions of employment. The Health Care Services Group by this Agreement recognizes the Union as the sole and exclusive bargaining agency for those employees of the Health Care Services Group in the appropriate bargaining unit as set forth in this Article.

2.2 Designated Bargaining Unit

The term "employee" or "employees" as used in this Agreement shall refer to all hourly-paid employees of the Health Care Services Group located at 3737 Bryant Avenue South, Minneapolis, Minnesota 55409 in the following occupations only, and more specifically described in the Certification of Representative dated July 20, 2017 as follows:

All full-time and regular part-time employees employed by the Employer at its 3737 Bryant Ave. So., Minneapolis, Minnesota facility in the following classifications: Housekeeping and Laundry employees, excluding managers, assistant managers, managers in training.

2.3 Respect of Parties' Representatives

In the handling of grievances or contract matters, officer and committee persons (or stewards) of the Union shall duly recognize all representatives of the Health Care Services Group in supervisory capacities as part of Management, extend proper courtesy to them, and at all times give them full cooperation in the interest of mutual understanding and effective and efficient management. Representatives of the Health Care Services Group shall conduct their relations with officers and representatives of the Union with proper courtesy, and in a manner which shall be conducive to good relations between the Union and the Health Care Services Group.

2.4 Harmonious Relationship

It is the purpose of this Labor Contract and the intent of the parties to establish harmonious understandings and relationships between the Employer and the Union. In the spirit of continuing their harmonious and cooperative relationship, the Employer and the Union agree to implement and exercise the provisions of this Labor Contract in a fair and responsible manner. Therefore, the parties agree to comply with the terms set forth in the following Labor agreement.

ARTICLE 3 — UNION ACCESS; UNION BUSINESS; BULLETIN BOARDS

3.1 The Employer agrees to allow access to the worksite to authorized representatives of the Union for the purpose of conducting Union business so long as such access does not interfere with the Employers operations.

3.2 Upon two weeks' notice, prior to the start of the requested Union leave, Healthcare Services Group Inc. agrees to allow unpaid leave to Union officials for the purpose of conducting Union business. This leave shall normally be limited to a maximum of ten (10) business days in any twelve (12) month period. No more than one (1) employee of Healthcare Services Group Inc. may be excused for union business for the same time period, except under special circumstances, at the discretion of the employer.

3.3 Members of this bargaining unit shall have access to utilize the two (2) Union boards that are currently provided by the facility for Union postings.

ARTICLE 4 MANAGEMENT RIGHTS

The Union recognizes the right of the Employer to operate and manage its affairs in all respects in accordance with applicable laws and regulations of appropriate authorities. The rights of management shall include, but not be limited to, the right to determine the quality and quantity of work performed, to determine the selection, direction, and number of employees to be employed and increase or decrease that number based on business need, to lay off employees, to assign and delegate work, to transfer, suspend, discharge and discipline bargaining unit employees only for just cause, to maintain and improve efficiency, to require observance of

Employer rules, regulations, and other policies, to schedule work, determine the equipment to be utilized and the type of service to be given, to transfer and relieve from duty, and to change, modify or discontinue existing methods of service and equipment to be used or provided. All rights and authority which the Employer has not officially abridged, delegated or modified by this Agreement are retained by the Employer. This article shall not be used to avoid any provision of this agreement.

ARTICLE 5 — UNION SECURITY

5.1 All employees subject to the terms of this Agreement shall, as a condition of continued employment, become members in the Union or pay to the Union a service charge to reimburse the Union for the cost of negotiating and administering this agreement the first working day following notice to the Employer of a signed union authorization card. The amount of the service charges shall be in accordance with the payment structure established by Minnesota AFSCME Council 5. Employees who fail to comply with this requirement shall be discharged by the Employer within thirty (30) days after receipt of written notice to the Employee and the Employer from the Union. The Union shall indemnify and hold the Employer harmless from any claim of any employee so terminated.

5.2 The Employer agrees to supply the Union a bi-weekly electronic report of employees to include: Employee name, phone number, gross wages per pay period, FTE status or authorized hours and new hires of the bargaining unit.

5.3 The Employer agrees to deduct the Union dues or agency service fees from the pay of those employees covered by this Agreement who sign the Authorization for Payroll Deduction for Union Dues or Fees. The amounts to be deductions shall be certified to the Employer by a representative of the Union, and the aggregate deductions of all employees who authorize payroll deduction shall be remitted together with an itemized statement, to the representative by the Friday following the end of the bi-weekly payroll period, after such deductions are made

5.4 The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article

5.5 The Employer shall provide a payroll deduction for voluntary employee contributions to the Union's Political Action Committee

ARTICLE 6 — NO STRIKE, NO LOCKOUT

6.1 No Strikes: The Union guarantees the Employer, on behalf of itself and each of its

members that there will be no authorized strike of any kind during the life of this agreement..

6.2 No Lockouts: During the term of this Agreement, provided the Union and the employees comply with the provisions of this Article, the Health Center will not lock out the employees.

ARTICLE 7 — SCHEDULING AND HOURS; OVERTIME

7.1 Pay Periods

Pay periods cover a period of 14 consecutive days, ending at 11:59 pm on alternate Saturdays. Pay days are the Thursday following the end of the pay period. An employee may obtain a yearly schedule of pay days to assist with his/her personal financial planning.

7.2 Time Records

Employees have the responsibility to ensure the accuracy of their time records. Under no circumstances may one employee alter and/or falsify a time record of any employee. Altering or falsifying employee's time record would include punching in or out by someone other than the employee or an authorized supervisor.

7.3 All employees who work six (6) or more consecutive hours shall be entitled to thirty (30) minutes for a meal break.

7.4 Work schedules showing the shifts, days and hours of all employees shall be posted at least fourteen (14) calendar days in advance of their effective date. All schedule changes shall require such a fourteen (14) day notice.

7.5 If an employee is tardy (more than 30 minutes late) for 3 shifts in a rolling three-month period, it will be considered an occurrence. If an employee is more than 2 hours late for a scheduled shift without notice, it will be considered one half (1/2) an occurrence. If an employee has a no call no show it will be considered 2 occurrences. Consecutive days in absence for illness is considered one occurrence unless excused with a doctor's note. Employees are allowed 6 occurrences within a rolling 12 month period.

7.6 The Employer will post a bi-weekly signup sheet for employees to express interest in availability for additional shifts and extra hours. The Employer will offer additional shifts/hours to those on the signup sheet based on seniority. Once awarded additional shifts/hours the next available hours would be offered to the next employee on the list in order of seniority.

7.7 An employee who has been scheduled for additional hours beyond their regular schedule will be given a minimum of two (2) hours' notice prior to the start of the additional hours.

ARTICLE 8 — EMPLOYEE BENEFIT PROGRAM

8.1 Flex Hours, Short Term Disability

Hours for Flex and Short Term Disability accounts are earned based on the number of regular hours scheduled and worked each pay period.

Flex Hours may be used after three months of continuous employment.

For full-time, regular part-time, and part-time employees not on special scheduling plans

Length of Service	Up to the 5th Anniversary Date	From the 5th Anniversary Date to the 11th	From the 11th Anniversary Date & After
Accrual Rate	.0654 Flex Hours/Hours Worked	.0846 Flex Hours/Hours Worked	.1039 Flex Hours/Hours Worked
Maximum Accrual Per Pay Period	5.232 Flex Hrs./80 Hours	6.768 Flex Hrs./80 Hours	8.312 Flex Hrs./80 Hrs.
Total Flex Hours Per Year	136 Flex Hours	176 Flex Hours	216 Flex Hours
Maximum Accumulation **	320 Hours	320 Hours	320 Hours

*** When this maximum is reached, no additional flex hours will accumulate until the balance falls below the maximum*

8.2 Short Term Disability

This program is designed to give employees some income protection in the event of an illness or disability that prevents them from reporting to work for four or more consecutively scheduled work days. Regular part-time and full-time employees earn STD hours up to a maximum of 48 hours per year. Employees may accumulate a maximum of 240 hours in the STD account. Hours earned may be used after six months of continuous employment. Accrued STD hours shall be provided to employees on a monthly basis by the Employer.

8.3 Types of Leaves

- A. The Employer may grant an unpaid leave of absence if justified by illness, accident, or compelling personal reasons, or as required by law. When a leave of absence is granted, it usually is on the premise that regular employment will resume when the absence is no longer required. Other than leaves required by law, a leave of absence is a privilege, not a right, and is granted at the discretion of management. Leaves required by Federal law include Military Duty and FMLA. Leaves allowed by State law include Parental Leave, Sick Child Leave, Organ Donation, and Bone

Marrow Donation.

Employees on unpaid leaves of absence shall not accumulate hours for the purpose of wage progressions or other benefits.

- B. **Jury Duty.** When an employee receives notice of jury duty, he/she shall notify his/her supervisor at once. He/she will be given leave for such jury duty and will be paid for any scheduled hours for lost time due to jury service, up to eight (8) hours a day for five (5) days, provided the employee submits documentation to his/her supervisor of jury service on the dates claimed. When an employee is excused from service, the employee will report to work for any scheduled hours. In addition to receiving jury pay, employees will be compensated by the Employer, based upon their usual scheduled days and hours. Management will make equitable adjustments to schedules for WOSO and night staff employees if necessary. Employee may retain jury duty pay and travel expenses issued by the governmental authority.
- C. **Personal.** A Personal Leave of Absence of up to 30 days may be granted by the employee's supervisor if all available flex hours have been used and the employee needs additional time away from work without terminating employment. Such factors as length of employment, job performance, and department workload will be taken into consideration when granting or not granting the leave. During the leave period, the Employers contribution to the medical, dental, and life insurance plans will continue for up to 30 days. During this time period, employees are responsible for paying their share of the premium cost. For leaves extending beyond 30 days, employees can continue coverage, under COBRA law, by paying the full monthly cost until returning to work or up to 18 months. Note: An employee is eligible for this leave after one (1) year of employment.
- D. **Funeral Leave.** Employees shall be eligible to use funeral leave due to the death of an "immediate family member," as defined in this Section. Employees should notify their supervisor as soon as possible regarding the need for this leave.

Employees shall be eligible for three (3) days of funeral leave and will be paid at their straight-time rate (24 hours at the employee's straight-time rate) for the death of an "immediate family member," defined as follows:

Wife
Husband
Son
Daughter
Mother
Father
Brother

Sister
Step-child
Immediate in-law (father, mother, sister, brother) Grandparent
Grandchild
Life partner
Significant Other
Legal guardian or legal ward

8.4 Cashing-in Flex Hours

- A. Non-exempt employees who achieve perfect attendance for a quarter cycle during a calendar year (January through March, April through June, July through September, and October through December) are eligible to be paid up to 25% of their flex hours balance at 100% value during the first month that begins the next cycle (i.e., April for the first quarter, July for the second quarter, October for the third quarter, and January for the fourth quarter). This payout request may be done one time annually in the quarter designated by the employee.
- B. All non-exempt employees who do not achieve perfect attendance for a quarter cycle during a calendar year (January through March, April through June, July through September, and October through December) are eligible to be paid up to 25% of their flex hours balance at 75% value during the first month that begins the next cycle (i.e., April for the first quarter, July for the second quarter, October for the third quarter, and January for the fourth quarter). This payout request may be done one time annually in the quarter designated by the employee.

8.5 Donation of Flex Hours

Employees may donate accumulated Flex Hours to aid another employee with a personal/family crisis. All requests for a donation or to donate shall be made to the Human Resources Department for verification and prior approval by management.

Flex Hours Requests

- A. Workers who submit a request for flex hours at least two (2) months in advance shall receive a written response from management within ten (10) business days.
- Workers who submit a request for flex leave at least two (2) weeks in advance

shall receive a written response from management within three (3) business days.

- C. Workers who request flex leave due to emergencies or unforeseen circumstances or events shall receive a written response from management within one (1) business day.

ARTICLE 9 — HOLIDAYS

9.1 The following days will be considered Holidays:

New Year's Day	January 1st
Memorial Day	The last Monday in May
Independence	July 4th
Day Labor Day	The first Monday in September
Thanksgiving Day	The fourth Thursday in November
Christmas Eve (for all hours 5pm and later)	December 24th
Christmas Day	December 25th

9.1 a. Employees shall be eligible for holiday pay provided that they work on their scheduled day before and their scheduled day after the holiday. An employee who is scheduled to work on a holiday and fails to do so forfeits his or her holiday pay. All employees who are FTE eligible at thirty (30) hours per week, per the terms of this Agreement shall be considered eligible for holiday pay. If employees work on the holiday, they will be paid double time. If employees work overtime on the holiday, they will be paid 2.5x their base rate.

ARTICLE 10 — INSURANCE

10.1 The Employer will continue to provide a Health Insurance benefit through Blue Cross Blue Shield or a comparable plan. An employee who works at least 30 hours per week, or 60 hours per pay period, is eligible for this benefit. The Employee share of the monthly premiums will be the amount set out in the attached schedule.

10.2 In accordance with applicable laws, the employer will maintain a flexible spending account ("Section 125 Plan") for Employees to pay for Insurance premiums and other medical and day care expenses.

10.3 The Employer shall contribute no less than sixty-five percent (65%) of the cost of single coverage for health insurance premiums. Any additional premium cost coverage will be paid by the employee.

ARTICLE 11 — OTHER BENEFITS

11.1 The Employer will provide Employees with \$10,000 Basic Life Insurance coverage for all employees working at least 20 hours per week, with the option to purchase additional coverage at the Employee's expense.

11.2 Healthcare Services Group Inc. does not currently offer a voluntary pre-tax retirement 401k savings plan. If plan or provider changes allow for this opportunity, the employer will offer the benefit to members.

11.3 Eligible employees may participate in the Healthcare Services Group Stock Purchase Plan subject to the eligibility requirements and contribution provision of the Plan. Employees are eligible to enroll in this benefit before January 1st after two (2) full years of service..

11.4 Healthcare Services Group Inc. does not currently offer a 529 College Savings Program. If plan or provider changes allow for this opportunity, Healthcare Services Group Inc. will offer the benefit to members.

11.5 Healthcare Services Group Inc. does not currently offer a Tuition Reimbursement and Student Loan Repayment program. If a plan or provider changes allow for this opportunity, the employer will offer the benefit to members.

ARTICLE 12 — PAY

12.1 The employer and the Union agree to a wage reopener to negotiate wage increases for all bargaining unit members for 2019 wage increases.

12.2 Employees who work the evening shift will be paid an additional \$1.25 per hour shift differential for all hours worked after 5pm.

12.3 Employees working in the Lead role will receive an additional \$.75 per hour differential for all hours worked in that role. Lead roles will be determined by management on an as needed basis and will be designated on the posted schedules. Lead employees do not act in the role of supervisor and are not given any authority for performance evaluations, disciplinary actions, or decisions to hire or fire bargaining unit employees.

12.4 Wage scale for 2018 employees

Wage Scale for Healthcare Services Group Employees
Based on years of service with HCSG

Hire	Year 1	Year 2	Year 3	Year 4	Year 5	Year 18	Year 25
\$10.25	\$10.55	\$10.86	\$11.18	\$12.35	\$13.50	\$13.87	\$15.01

July 1, 2018 all employees below \$11.25 per hour will be adjusted to \$11.25 based on Minneapolis minimum wage increases.

12.5 The Union and Healthcare Services group agree to meet for a wage reopener negotiations for 2019 wage increases between October 2018 and December 2018 to determine wage increases for the 2nd year of the contract. .

ARTICLE 13 — GRIEVANCE PROCEDURE

13.1 If any disagreement or dispute arises between the parties as to meaning, interpretation or application of the terms of this Agreement, or as to the rights of either party under this Agreement, the matter shall be handled in the simplest and most direct manner and, unless the procedure or any part thereof is waived by mutual consent, the matter shall be taken up immediately as follows:

Step 1: The employee, with or without a Union representative, shall discuss the grievance with his/her immediate supervisor as promptly as possible, but not later than fourteen (14) calendar days after the alleged contract violation. In no case shall the selection of a steward result in undue delay of the meeting. If no mutually satisfactory solution is found within fourteen (14) calendar days after the meeting between the Employee and the Supervisor, and the Employee and the Union desire to pursue the grievance, a written statement of the grievance shall be filed with Healthcare Services Group Inc. within fourteen (14) calendar days of the answer.

Step 2: When the grievance is submitted in writing as provided in Step 1 above, a meeting between the Union and an authorized representative of Health Center will be held within fourteen (14) calendar days of the receipt by Healthcare Services Group Inc of the written grievance. Within fourteen (14) calendar days after the conclusion of this meeting Healthcare Services Group Inc. will provide its written decision to the Union. The Employer will grant a necessary and reasonable amount of time off during working hours to the Union representative for the investigation and presentation of the grievance.

Step 3: If no mutually satisfactory solution is reached in Step 2 as provided above, the Union shall notify Healthcare Services Group Inc. in writing within fourteen (14) calendar days after receipt of Healthcare Services Group Inc. Step 2 answer of its desire to proceed to Step 3. Within fourteen (14) calendar days after Healthcare Services Group Inc. receives the notice of the Union's desire to proceed to Step 3 a meeting will be held between the Union representative and the Administrator of Healthcare Services Group Inc. or his/her representatives. Within fourteen (14) calendar days after the conclusion of this meeting, Healthcare Services Group Inc. will provide its written decision to the Union, unless the time is extended by mutual agreement. If the matter has not been satisfactorily disposed of in this step, then either party may demand arbitration of the grievance by giving written notice to the other party within the next fourteen (14) calendar days. The arbitrator shall be selected from a list of eleven (11) neutral arbitrators to be submitted to the parties by the Federal Mediation

13.2 Grievances To Be Expedited

- A. **Safety.** Any such dispute which alleges a work assignment contrary to safety rules shall be submitted to the grievance procedure at Step 2.
- B. **Policy Grievances.** Grievances of a general or policy nature may be initiated by the Union in Step 3 of the Grievance Procedure, and if no satisfactory answer is given in Step 3, the Union may refer the grievance through the balance of the Grievance Procedure, subject to the terms and conditions thereof.
- C. **Group Grievances.** A grievance which allegedly affects a substantial number or class of employees may be presented at Step 2 of the grievance procedure within fifteen (15) days from the date of occurrence. The class action or group grievance shall identify the employees within the class or group who are affected.

13.3 Decision Final Unless Advanced

Management's reply to a grievance will be considered final at any step of the grievance procedure and the grievance closed, if the grievance is not advanced by the Union to the next step of the grievance procedure within the time limits specified herein for the successive steps of the grievance procedure.

13.5 Mediation Prior to Arbitration if Parties Willing

After a grievance has been appealed to arbitration, but prior to scheduling same, a representative of the Union shall meet with representatives of Healthcare Services Group Inc. in an effort to settle such grievance prior to arbitration. If both parties are willing, such settlement efforts may include non-binding mediation.

13.7 Disciplined Steward May Request Another Union Representative

If the employee to be disciplined is a steward, the steward may request the presence of a different steward as representative. Any steward presenting a disciplinary matter to Healthcare Services Group Inc. must be in good standing and not on disciplinary probation with the Employer.

13.8 Parties May Agree to Waive Steps or Proceed to Arbitration

Nothing herein shall prevent Healthcare Services Group Inc. or the Union from agreeing in writing to waive one or more steps of the procedure or from agreeing to submit a grievance directly to the Board of Arbitration.

13.9 All Contractual Controversies Settled by Grievance Procedure

Any controversy arising out of the interpretation or application of the terms and provisions of this Agreement shall be settled by the grievance and arbitration procedure.

13.10 Grievance Representatives in General

For grievance purposes, the Employer will recognize Union Stewards provided the Union has furnished Healthcare Services Group Inc. in writing the names of the stewards. The number of stewards necessary to adequately represent the employees of Healthcare Services Group Inc will be determined by mutual agreement of both parties to this Agreement.

13.11 Settlement of Grievances

Any settlement or agreement reached in resolution of a grievance after its written submission shall be reduced to writing and signed by both parties.

13.13 Expenses of Arbitration

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.

13.14 Authority of Arbitrator

A. The Arbitrator shall have power to rule upon the full merits of the dispute between the parties and shall have the power to order performance either prospectively or retroactively.

B. The arbitrator shall require compliance with the procedural requirements of this Article and the arbitrator's jurisdiction shall be limited to the interpretation of the provisions of this Agreement as applied to the facts. The arbitrator shall have no authority to alter, modify, eliminate or add to the terms of this Agreement unless mutually agreed upon in writing by the two parties.

ARTICLE 14 — DISCIPLINE AND DISCHARGE

14.1 Healthcare Services Group Inc. shall not discipline an employee without just cause. A written notice of any discipline shall be given to the employee during all discipline meetings and a copy thereof sent to the Union upon request. An employee shall be entitled to review the employee's personnel file.

14.2 Discipline shall normally be administered in a progressive fashion. Discipline shall include documented counseling, coaching, oral, written, suspension and termination.

14.3 Should the Employer feel the need to suspend an Employee from his/her regular work schedule pending an investigation, the Employee will be made whole for any loss of regularly scheduled work time in the event the Employer does not find cause for discipline. Investigatory suspension shall not exceed three (3) days.

14.4 In connection with investigatory interviews of an employee conducted by the Employer in which an employee reasonably believes that such investigation could result in disciplinary action, an employee upon his/her request shall be entitled to have a steward or business agent of the Union present.

14.5 An employee may request in writing for any formal discipline to be removed from their file, if the employee has received no further discipline in 12 months from the last issued discipline. The employer shall remove that said discipline.

14.6 Healthcare Services Group Inc. shall disregard as progressive disciplinary actions any discipline issued to an employee outside of the preceding twelve (12) months, unless severity of the incident warrants use of historical documentation. This process would be eligible for the grievance process established in the collective bargaining unit.

ARTICLE 15 — SENIORITY, LAYOFF AND BREAKS IN SERVICE

15.1 Seniority shall be continuous service with the Employer calculated from the first day of regular employment or reemployment following a break in continuous service. In the case of employees hired through an outside agency or "pool;" such service shall not be included.

15.2 In the event layoffs are necessary, Healthcare Services Group Inc. shall lay off by department, in inverse order of seniority within the classification, after first seeking volunteers for layoff. Healthcare Services Group Inc. will give at least 45 days of it intention. An employee suffering layoff will have the right to exercise their seniority rights to return to any previously held classification, provided they meet the current qualifications for that classification and held that position within the preceding six (6) months.

15.3 Layoff shall be considered employees whose regular FTE appointment is reduced below benefit eligible status. Employees on layoff shall be recalled from layoff in order of seniority. An

employee recalled from layoff must report to work within seven (7) calendar days after date of written notice of recall, given by the Company by certified mail and addressed to the employee at the employee's last address appearing in the records of the Company (the letter of the Company shall be considered as received if it is marked "undeliverable" by the U.S. Postal Service).

15.4 The seniority date of each employee shall be as it is shown in the personnel records of the Employer as of the date of the signing of this Agreement. From and after such date, the seniority record of all employees covered by this Agreement shall be maintained by the Employer. Within sixty (60) calendar days from the date of the signing of this Agreement, the Health Center will post a list showing the seniority of each employee covered by this Agreement. A copy of the seniority list shall be given to the Union. The seniority of each employee on the list shall be considered as correct and accepted by the Union and each employee listed unless objection is made to such seniority list within thirty (30) calendar days after the date of posting. A seniority list, revised, according to changes, if any, that have occurred, shall thereafter be furnished to the Union on a semi-annual basis.

15.5 Continuous service shall be broken and the employment relationship terminated when:

- A. An employee voluntarily leaves the employ of the Health Care Services Group;
- B. An employee is discharged for just cause,
- C. An employee fails to report to work within seven (7) calendar days after date of written notice of recall to work after a layoff, given by the Health Center by certified mail, mail with a delivery receipt or other tracking feature, delivery by courier or by personal delivery, and addressed to the employee at the employee's last address appearing in the records of the Health Center (the letter of the Health Center shall be considered as received if it is marked "undeliverable" by the U.S. Postal Service);
- D. An employee is absent due to a layoff which continues for more than twelve (12) months;
- E. An employee fails to return at the appointed time from any leave of absence;
- F. An employee is retired.

ARTICLE 16 — APPLICABLE LAW

The parties recognize that this Agreement is subject to the Constitution and laws of the United States and the State of Minnesota. To the extent that any provisions of this Agreement conflict

with the provisions of any such law, it shall be modified only to the extent necessary to comply with such law.

ARTICLE 17 SAVINGS CLAUSE

Savings Clause: This Agreement is intended to be in conformity with all applicable and valid federal and state laws and those rules or regulations promulgated there under having the force and effect of law which are in effect on the effective date of this Agreement. Should any Article, Section or portion thereof, of this Agreement, be held unlawful and unenforceable by any court of competent jurisdiction, such decision of the court shall apply only to the specific Article, Section, or portion thereof, directly specified in the decision, and all other valid provisions shall remain in full force and effect. Upon the issuance of such a decision, the parties agree immediately to negotiate regarding the invalidated Article, Section, or portion thereof. Should the implementation of any provision or portion of this Agreement be delayed or withheld because of an applicable state or federal law, Executive Order or Regulation dealing with wage or price controls, then only such specific provisions or portion shall be affected and the remainder of this Agreement shall continue in full force and effect for the term of this Agreement. Any portion or provisions of this Agreement thus delayed or withheld shall become effective and be implemented at such time, in such amounts, and for such periods retroactively and prospectively, as will be permitted by law at any time during the life of this Agreement or any extension thereof.

ARTICLE 18 — MAINTENANCE OF BENEFITS

The employer agrees not to decrease or reduce the aggregate value of any existing benefits not specifically addressed in this agreement.

ARTICLE 19 — SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon any successors or assigns of Healthcare Services Group Inc. Healthcare Services Group Inc. agrees to give written notice to the Union sixty (60) days prior to the sale or transfers of its contract. The successor or assigns shall be bound by the terms of this contract and must keep in its employ all employees currently employed at the time of the sale or transfer for a minimum of sixty (60) days. The successor or assigns may not change any conditions of this contract without negotiating those change with the Union first.

ARTICLE 20 — LABOR-MANAGEMENT COOPERATION COMMITTEE

A Labor-Management Cooperation Committee shall be established for the following purposes:

- A. To improve communication between representatives of Labor and Management;
- B. To discuss matters pertaining to scheduling or staffing;

- C. To provide a forum for discussion of the problems of the industry;
- D. To assist employees and employers in solving problems of mutual concern that lie outside the normal grievance procedure and to resolve minor problems before they become formal grievances; and
- E. To study and explore ways of eliminating potential problems which reduce the competitiveness and inhibit the economic development of the industry.

This Committee is not intended to circumvent, replace or modify the grievance procedure.

ARTICLE 21 — DURATION AND RENEWAL

This Agreement shall be in full force and effect from and after March 15, 2018 through March 15, 2020. This Agreement shall continue in full force and effect from year to year thereafter unless written notice to change or modify or terminate the Agreement is given by either party to the other at least ninety (90) days prior to the expiration date of the Agreement.

IN WITNESS WHEREOF, the parties' duly authorized representatives, as evidenced by their signatures below, hereby express their intent to be bound by the terms of this Agreement.

COMPANY:
Healthcare Services Group, Inc.

UNION:
AMERICAN FEDERATION OF STATE,
COUNTY, AND MUNICIPAL
EMPLOYEES UNION ("AFSCME"),
COUNCIL 5, AFL-CIO



Joseph Broge, Field Representative