



Cornell University
ILR School

BLS Contract Collection – Metadata Header

This contract is provided by the Martin P. Catherwood Library, ILR School, Cornell University. The information provided is for noncommercial educational use only.

Some variations from the original paper document may have occurred during the digitization process, and some appendices or tables may be absent. Subsequent changes, revisions, and corrections may apply to this document.

For more information about the BLS Contract Collection, see
<http://digitalcommons.ilr.cornell.edu/blscontracts/>

Or contact us:

Catherwood Library, Ives Hall, Cornell University, Ithaca, NY 14853
607-254-5370 ilrref@cornell.edu

Contract Database Metadata Elements (for a glossary of the elements see -
<http://digitalcommons.ilr.cornell.edu/blscontracts/2/>)

Title: **Kaiser Foundation Hospital & Kaiser Foundation Health Plan Inc. and UNITE HERE, AFL-CIO, Local 5 (2004)**

K#: **8055**

Employer Name: **Kaiser Foundation Hospital & Health Plan Inc.**

Location: **Honolulu HI**

Union: **UNITE HERE, AFL-CIO**

Local: **5**

SIC: **8062**

NAICS: **62211**

Sector: **P**

Number of Workers: **1300**

Effective Date: **07/01/04**

Expiration Date: **06/30/09**

Number of Pages: **93**

Other Years Available: **N**

For additional research information and assistance, please visit the Research page of the Catherwood website - <http://www.ilr.cornell.edu/library/research/>

For additional information on the ILR School, <http://www.ilr.cornell.edu/>

8055

1,300 ee

AGREEMENT

between



and



KAISER PERMANENTE®

July 1, 2004
through
June 30, 2009



72 pages

Dear Kaiser Member,

This book contains a greatly improved contract covering Local 5 members at Kaiser Permanente. In our negotiations, dozens of contract sections were rewritten, with improvements in contract language covering virtually every aspect of your life at work.

All in all, this contract is the best Kaiser contract in Local 5 history, and is far and away the best health-care worker contract in Hawaii. Local 5 achieved this by running a smart, sophisticated negotiation campaign that was based on the participation of hundreds of union members from Kaiser facilities statewide. This contract is a victory for our membership.

No contract means anything if we don't enforce it and make use of it. Local 5 workers stepped up to win this new contract. We have every confidence that we will do so again.

Congratulations on your victory, now and for what we will achieve in the future.

In Solidarity,



TABLE OF CONTENTS

	<u>Page</u>
PREAMBLE.....	1
ARTICLE I. TERMS AND CONDITIONS OF AGREEMENT.....	2
1.1 Purpose of Agreement	2
1.2 Duration of Agreement	2
1.3 Document Contains Entire Agreement/Modification of Agreement	2
1.4 Successors and Assigns	2
1.5 Saving Clause	2
ARTICLE II. DEFINITIONS	3
2.1 Recognition of Bargaining Unit.....	3
2.2 Bargaining Unit.....	3
2.3 Employee Defined	3
2.4 Classes of Employees	3
Regular Full-Time Employees	4
Regular Part-Time Employees (Predetermined)	4
Regular Part-Time Employees (Quarterly)	4
Part-Time Employees	4
Call-In or Casual Employees.....	4
2.5 Inclusions. Lead Worker	4
2.6 Exclusions	4
2.7 Supervisory Employees.....	5
2.8 Volunteers	5
2.9 Government-Funded Programs.....	5
Summer Youth Program.....	5
2.10 Union Security.....	5
New Employees.....	5
New Hire Orientation	5
2.11 Check-Off.....	6
Deduction of Dues	6
Credit Union Deductions.....	6
Indemnity.....	6
Union Designated Political Action Fund (PAF).....	6
2.12 No Discrimination	6
Feminine Includes Masculine	7
2.13 Rights of Management	7
House Rules.....	7
2.14 Work Stoppages.....	7
2.15 Safety	7
2.16 Subcontracting	7
ARTICLE III. UNION ACTIVITIES	9
3.1 Access of Business Representative of the Union.....	9
3.2 Unit Officers/Shop Stewards	9
Handling Grievances	9
Negotiating Committee	9
Union Officer/Shop Steward Leaves of Absence	8
3.3 Bulletin Boards	9
3.4 Personnel Information	9
Individual Personnel File	9
Seniority Information.....	10
Notification to Union	10

Table of Contents

	<u>Page</u>
Statements	10
Evidence	10
Polygraph Tests	11
3.5 Discipline and Discharge	11
Progressive Discipline	11
Just Cause	11
Disciplinary Action	11
Suspension Pending Discharge	11
Notice to Employee Regarding Discipline	11
Cancellation of Notices	12
3.6 Grievance Procedure	12
Definition	12
Issue Resolution	12
Process/Steps	12
Time Limits	14
Mutually Agreed Upon Mediation	14
3.7 Labor Management Joint Committee	14
3.8 Right to Organize	14
ARTICLE IV. EMPLOYEE ACTIVITIES	15
4.1 Work Schedules	15
Definition	15
Workday Defined	15
Workweek Defined	15
Days Off	15
Posting of Work Schedules	15
Work Schedules, Licensed Practical Nurses	15
Work Schedules, Outpatient Department Employees	15
Workload Distribution	15
Make-up Time	16
Third Shift Premium	16
Work Shift	16
4.2 Probationary and Trial Periods	16
Probationary Period	16
Trial Period	16
Extension of Probationary and Trial Periods	16
Promotion or Transfer Within Probationary Period	17
4.3 Seniority	17
Seniority Defined	17
Termination of Seniority	17
4.4 Seniority in Scheduling	18
Temporary Work Opportunity	18
Assignment of Call-In Hours	18
4.5 Layoff	18
Temporary Layoff	18
Non-Temporary Layoff	19
4.6 Promotions and Transfers	20
Qualifications	20
Posting	20
Advance Bidding	21

Table of Contents

	<u>Page</u>
Temporary Job Vacancy.....	21
Transfer to Higher Classification.....	21
Transfer to Lower Classification.....	22
Combination Jobs.....	22
ARTICLE V. COMPENSATION.....	23
5.1 Wage Schedule.....	23
New Hires.....	23
Promotions.....	23
5.2 Paydays.....	23
5.3 New Classifications.....	23
5.4 No Reduction of Benefits.....	24
5.5 Part-Time and Call-In Rates.....	24
5.6 Red-Circled Employees.....	24
5.7 Overtime.....	24
Overtime Defined.....	24
Overtime Payments.....	24
Authorization of Overtime.....	24
Distribution of Overtime and Standby Duty.....	24
Pyramiding.....	24
5.8 Premium Pay.....	25
Less Than Ten (10) Hours Rest Between Shifts.....	25
Sixth Day.....	25
Seventh Day.....	25
Emergency Call-Out.....	25
Interval Between Shifts.....	25
Reporting Pay.....	25
Stand-By Pay.....	26
5.9 Other Pay.....	26
In-Service Training and Other Meetings.....	26
Shift Differential.....	26
Split Shift.....	27
Training.....	27
Mileage Allowance.....	27
Travel Pay.....	27
ARTICLE VI. INSURED BENEFITS.....	28
6.1 Medical/Drug/Vision Coverage.....	28
Registration and Prescription Fees.....	28
Commencement of Coverage.....	28
6.2 Dental Plan.....	28
Eligibility.....	28
Coverage and Cost.....	29
6.3 Life Insurance and Temporary and Permanent Disability.....	29
Eligibility and Commencement of Coverage.....	29
Coverage for Regular Full-Time and Regular Part-Time Employees.....	29
6.4 Pension Plan.....	29

Table of Contents

	<u>Page</u>
6.5 Health and Welfare Trust Fund.....	30
Eligibility.....	30
Plan Provisions.....	30
Employer Contributions.....	30
Retiree Benefits.....	31
ARTICLE VII. COMPENSATED AND NON-COMPENSATED BENEFITS.....	32
7.1 Vacation.....	32
Vacation Time Earned.....	32
Vacation Accumulation.....	32
Vacation Pay.....	32
Vacation Time Taken.....	32
Vacation Service Credit.....	33
Vacation Pay Upon Termination.....	33
Holiday During Vacation.....	33
Sick Leave During Vacation.....	33
Recall to Work During Vacation.....	34
Overtime Computation.....	34
Serious Family Illness.....	34
7.2 Holidays.....	34
Recognized Holidays.....	34
Observation of Holidays.....	34
Who Is Covered.....	34
Eligibility for Holiday Pay.....	34
Holiday Pay.....	35
Holiday Scheduling.....	35
Holiday Shifts.....	35
Holiday Accumulation.....	36
Overtime Computation.....	36
7.3 Paid Sick Leave.....	36
Eligibility.....	36
Pay During Sick Leave.....	36
Accumulation.....	36
Overtime Computation.....	36
Employee Notice.....	37
Certification of Illness/Injury by Physician.....	37
Workers' Compensation.....	37
Temporary Disability Insurance.....	37
7.4 Leave of Absence Without Pay.....	37
Eligibility.....	37
Employee Not Returning to Work Within Time Limits.....	38
Accrued Vacation in Conjunction With Leave.....	38
Types of Leaves of Absence Without Pay.....	38
Benefits During Leave.....	39
Leave Requests.....	39
7.5 Educational and Professional Improvement.....	39
Eligibility.....	39
Procedure.....	39

Table of Contents

	<u>Page</u>
7.6 Tuition Reimbursement	40
Eligibility.....	40
Eligible Charges	40
Reimbursement Guide.....	40
Off-Island Travel.....	40
Reimbursement	40
Continued Employment	41
Procedure	41
7.7 Leaves of Absence With Pay	41
Funeral Absence With Pay	41
Jury Duty	41
7.8 Meal and Rest Periods	42
Meal Periods.....	42
Rest Periods.....	42
7.9 Uniforms and Laundry	43
Special Work Clothes	43
Insignia	43
7.10 Tax-Sheltered Annuity (TSA) Plan	43
EXHIBIT "A" - Wage Schedule	45
EXHIBIT "B" - Probationary Rates and Job Rates by Labor Grades	58
EXHIBIT "C" - Location Codes.....	59
EXHIBIT "D" - Panel of Arbitrators.....	60
EXHIBIT "E" - Maximum Sick Leave Accumulation for Regular Part-Time	61
ADDENDUM I - Progressive Discipline	62
ADDENDUM II - Ten (10)-Hour Shifts	63
ADDENDUM III - Twelve (12)-Hour Shifts.....	64
ADDENDUM IV - Letter of Agreement	65
LETTER OF UNDERSTANDING	69
LETTER OF UNDERSTANDING - Medical Coverage for Local 5 Regular Retirees	76
LETTER OF UNDERSTANDING - Computation of Employer's Contribution	77
LETTER OF UNDERSTANDING - Regular Part-Time (Quarterly) Employees.....	79
LETTER OF UNDERSTANDING - Facility Dispatcher and Linen Room Attendant Positions	81
INDEX	82

AGREEMENT

PREAMBLE

THIS AGREEMENT, made and entered into by and between KAISER FOUNDATION HOSPITAL and KAISER FOUNDATION HEALTH PLAN, INC., at Honolulu, Hawaii, their respective assigns or successors, hereinafter referred to as the "Employer," and UNITE HERE LOCAL 5, AFL-CIO, its assigns or successors, hereinafter referred to as the "Union."

WITNESSETH:

ARTICLE I. TERMS AND CONDITIONS OF AGREEMENT

Sections:

1.1 Purpose of Agreement. It is the intent and purpose of the parties hereto to set forth herein the basic Agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties.

1.2 Duration of Agreement. The terms and conditions of the Agreement shall become effective as of the first (1st) day of July, 2004, except where other effective dates are specifically indicated, and shall remain in full force and effect to and including midnight, June 30, 2009. It shall be deemed renewed thereafter from year to year unless either party gives written notice to the other party of its desire to amend or terminate the same. Such written notice shall be given at least ninety (90) calendar days and not more than one hundred twenty (120) calendar days prior to the last day of its original term or the last day of any yearly extended term, as the case may be. If the aforesaid notice of termination or modification is served by either party, this Agreement terminates upon the expiration of its original term or its yearly extended term.

1.3 Document Contains Entire Agreement/Modification of Agreement

A. This document contains the entire agreement of the parties and neither party has made any representations to the other which are not contained herein or in covering letters attached hereto.

B. This Agreement shall not be amended, modified, changed, altered or waived except by written document executed by the parties hereto.

1.4 Successors and Assigns. In the event that the Employer sells, transfers, or assigns all or any part of its right, title, or interest in the operation covered by this Agreement or substantially all of the assets used in such operation, or in the event there is a change in the form of ownership of the Employer, the Employer shall give the Union reasonable advance notice thereof in writing, and the Employer further agrees that as a condition to any sale, assignment, or transfer, the Employer will obtain from its successor or successors in interest a written assumption of this Agreement and furnish a copy thereof to the Union, in which event the assignor shall be relieved of its obligations hereunder to the extent that the assignor has fully transferred its right, title, or interest. The Union shall not be required to post a bond or other security as a condition to obtaining an injunction or other equitable relief against a violation or threatened violation of this Section.

1.5 Saving Clause

A. If any provision of this Agreement is found to be in conflict with the laws of the State of Hawaii or of the United States of America, the remaining provisions of the Agreement shall remain in full force and effect.

B. The parties further agree that this Agreement may be reopened by either party upon thirty (30) days' written notice only for negotiations and agreement regarding the provisions invalidated.

ARTICLE II. DEFINITIONS

Sections:

2.1 Recognition of Bargaining Unit. The Employer recognizes the Union as the sole and exclusive representative for the purpose of collective bargaining as to rates of pay, wages, hours, and other conditions of employment for those employees of the Employer in the bargaining unit as defined in Section 2.2, Bargaining Unit, including part-time and call-in employees as defined herein.

2.2 Bargaining Unit. Included in the bargaining unit are all employees of the Employer with the exceptions noted in Section 2.6, Exclusions. The bargaining unit as presently constituted includes:

Dietary Department;

Housekeeping Department;

Maintenance Department;

Storeroom employees including Driver/Stock Clerks;

Nursing Department, including Licensed Practical Nurses;

Unregistered and unlicensed technicians;

Clerical employees in all departments, including Chart Clerks and Clerk-Typists in the Chart Room with the exceptions noted in Section 2.6, Exclusions;

Insurance Department;

Guards and Watchmen.

2.3 Employee Defined. The term "Employee" or "Employees" as used in this Agreement shall mean and include all employees of the Employer at the medical clinics, hospitals, and business offices of the Employer located in the State of Hawaii, except for those employees definitely excluded from the bargaining unit.

2.4 Classes of Employees.

A. Regular Employee Defined. Regular employees are those who work a predetermined work schedule of between twenty (20) and forty (40) hours per week.

1. Regular Full-Time Employees. A regular full-time employee is one who works a predetermined work schedule amounting to forty (40) hours per week.

2. Regular Part-Time Employees. A regular part-time employee is one who works a predetermined work schedule amounting to twenty (20) hours or more per week but less than forty (40) hours per week.

B. Part-Time Employees. A part-time employee is one who works a predetermined work schedule amounting to fewer than twenty (20) hours per week.

C. Call-In or Casual Employees. A call-in or casual employee is one who works on an intermittent basis as the business warrants.

Effective the end of the first quarter, September 12, 2004:

A. Regular Full-Time Employees. A regular full-time employee is one who works a predetermined work schedule amounting to forty (40) hours per week.

B. Regular Part-Time Employees (Predetermined). A regular part-time employee (predetermined) is one who works a predetermined work schedule amounting to twenty (20) hours or more per week but less than forty (40) hours per week.

C. Regular Part-Time Employees (Quarterly). A regular part-time employee (quarterly) is one who does not work a predetermined work schedule but who is paid for at least two hundred sixty (260) hours in a payroll quarter.

D. Part-Time Employees. A part-time employee is one who works a predetermined work schedule amounting to fewer than twenty (20) hours per week.

E. Call-in or Casual Employees. A call-in or casual employee is one who works on an intermittent basis as the business warrants.

2.5 Inclusions. Lead Worker. A lead worker is an employee included in the bargaining unit who, while continuing to perform duties normally performed by employees within the bargaining unit, directs and assigns work to other employees, but does not have the authority to hire, promote, discipline, discharge, or otherwise effect changes in the status of employees or effectively recommend such action.

2.6 Exclusions. The following employees of the Employer are excluded from the bargaining unit:

Persons employed in an executive or supervisory capacity as defined by the Hawaii Employment Relations Act;

Confidential employees, dealing with labor-management relations, as defined by decisions of the National Labor Relations Board;

Professional employees;

Registered Nurses;

Registered or licensed technicians in the Radiology Department and Laboratory;

Physical Therapists;

Anesthetists;

Employees in the Medical Records Department with the exceptions noted in Section 2.2, Bargaining Unit;

Health Plan field representatives;

Membership service representatives in the Health Plan Office;

Bio-Med employees;

Security Guards.

2.7 Supervisory Employees. The Employer recognizes that bona-fide supervisory employees are only those who have the authority to hire, promote, discipline, discharge, or otherwise effect changes in the status of employees or effectively recommend such action, and it is not the Employer's policy to establish jobs or job titles for the purpose of excluding such employees from the bargaining unit. Supervisory employees will not perform duties normally performed by employees falling within the scope of this Agreement, except for training, in emergencies or under circumstances that are beyond the control of the Employer.

2.8 Volunteers. The volunteer's role is to provide services to patients that may not otherwise be offered. The Employer agrees that it will not replace or displace bargaining unit personnel by the use of volunteers.

2.9 Government-Funded Programs

A. Prior to implementation of any government-funded employment programs which may have an impact on bargaining unit work, the Employer agrees to discuss implementation of said programs with the Union.

B. Summer Youth Program. The Employer agrees that it will not replace or displace bargaining unit personnel by the use of participants in the "summer youth program."

2.10 Union Security

A. The Employer agrees to retain in its employ only Union members in good standing. New employees and those who are newly covered by the terms of this Agreement shall perfect their membership in the Union no later than the thirty- first (31st) day of employment or no later than the thirty-first (31st) day following the execution of this Agreement.

B. Five (5) days after receipt of written notice from the Union that an employee has failed to tender his uniform dues and initiation fees in accordance with the provisions of the Labor Management Relations Act of 1947, as amended, the Employer shall discharge such employee.

C. The Employer shall furnish the Union monthly with the names, addresses and classifications of newly hired employees covered by the terms of this Agreement by the fifteenth (15th) of the month following date of hire. This list shall be broken down by facility and department.

D. New Employees. The Employer shall provide newly hired employees with a copy of this Agreement.

E. New Hire Orientation. The Employer will allow the Union an opportunity to meet on the Employer's premises with newly hired employees covered by this collective bargaining agreement at the end of the first day of New Hire Orientation for one-half (1/2) hour to present Union information. Employee attendance is voluntary and unpaid. The Employer shall provide the Union with a listing of dates and times of new hire orientation sessions.

2.11 Check-Off

A. Deduction of Dues

1. Upon receipt from an employee of a written authorization on a form provided by the Union, and consistent with provisions of the Labor Management Relations Act of 1947, as amended, the Employer agrees to deduct monthly from her wages and transmit to the Union all dues (including all arrearages from incumbent Employer), assessments and initiation fees uniformly required as a condition of acquiring and maintaining membership in the Union under the Act, after other deductions required by law.

2. The Union agrees to supply the Employer with a statement of deductions to be made each month. The Employer shall remit once a month to the Union the total amount of deductions together with an alphabetical list of employees and their social security numbers for whom deductions have been made.

B. Credit Union Deductions. Upon receipt from an employee of a written authorization on a proper form, the Employer agrees to deduct the amount due to and transmit said amount to the Hotel and Travel Industry Federal Credit Union.

C. Indemnity. The Union shall indemnify the Employer and hold it harmless against any and all suits, claims, demands, and liabilities that shall arise out of or by reason of any actions that shall be taken by the Employer for the purpose of complying with this Section.

D. Union Designated Political Action Fund (PAF).

1. During the period of this Agreement, the Employer agrees to deduct from the paycheck of employees covered by this Agreement, voluntary contributions to the Union designated Political Action Fund (PAF). The Union shall notify the Employer of the authorized amounts designated by each contributing employee that are to be deducted from her paycheck. These amounts shall be deducted and transmitted together with Union dues.

2. The Union shall reimburse the Employer annually, for the Employer's actual cost, if any, for the expense incurred in administering this payroll deduction plan. The Union shall indemnify, defend, and save the Employer harmless against any and all claims, demands, suits, and other terms of liability that shall arise out of or by reason of action taken by the Employer in reliance upon payroll deduction authorization cards submitted to the Employer.

2.12 No Discrimination

A. No employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union, and the Union agrees that employees covered hereby shall be admitted to membership without discrimination.

B. The Employer and the Union agree that there shall be no discrimination by either of the parties on account of race, color, creed, age, sex, sexual orientation, handicap (as specifically defined by Section 504 of the Rehabilitation Act), Vietnam-era veteran status, disabled veteran status or because of any other reason protected by federal or state statute.

C. There shall be no distinction between the wages paid to men and the wages paid to women for the performance of work which bears identical job descriptions, except as specifically limited by legal statute.

D. Feminine Includes Masculine. Whenever in this Agreement the feminine gender is used, it shall be deemed to include the masculine gender.

2.13 Rights of Management

A. The Union recognizes that the Employer has the duty and the right to manage the hospital and clinics and to direct the working force. This includes the right to hire, transfer, promote, demote, layoff, discipline and discharge employees, subject to the terms of this Agreement.

B. The Union agrees with the objective of achieving the highest level of employee performance and production consistent with safety, good health, and sustained effort, and the Union and the Employer will use their best efforts to effectuate this objective, subject to the terms of this Agreement.

C. House Rules. The Union recognizes that the Employer has the right to establish rules of conduct for employees on the Employer's property and to determine reasonable penalties for violation of such rules. The Employer's house rules shall be conspicuously posted, and an employee's failure to observe the posted house rules shall be sufficient cause for disciplinary action. House rules shall not be in conflict with the provisions of this Agreement. The Union shall be given a copy of such rules and regulations, and subsequent amendments shall also be posted and discussed with the Union prior to implementation.

2.14 Work Stoppages. The Employer and the Union realize that a hospital is different in its operation from industries because of the services it renders to the community and, for humanitarian reasons, both agree that there shall be no lockouts on the part of the Employer, nor suspension of work on the part of the employees, it being one of the purposes of this Agreement to guarantee that there will be no strikes, lockouts, sympathy strikes, or work stoppages. The Union agrees that it will do everything in its power to ensure that employees observe the provisions of this Section.

2.15 Safety. The Employer shall provide reasonable and safe working conditions consistent with accepted standards for the nature of the process and work performed. Work assignments shall be made in accordance with this principle. The Employer, employees and the Union will cooperate in order to avoid or minimize hazards by following all safety regulations.

A. No employee shall be required to use a ladder or any equipment that does not conform to OSHA standards. Also, assistance may be requested in any situation where it can be reasonably determined that a hazard exists.

2.16 Subcontracting

A. The Union recognizes that the Employer has the obligation to provide health care in an efficient manner. The Employer recognizes that the Union has the obligation to protect the rights and jobs of Union members.

B. It is understood and agreed between all parties that the Employer continues to have the right to subcontract work providing such subcontracting does not result in the layoff of existing bargaining unit employees.

C. Exceptions in the above paragraph may occur only for bonafide economic reasons or to increase operating efficiency. At least thirty (30) days prior to such subcontracting, the Employer shall notify and meet with the Union to discuss the impact of such subcontracting on bargaining unit employees.

D. The Employer will notify the Union in writing of its decision which the Union may appeal directly to Step III of the grievance procedure within the contractual time limit. If arbitration results, the arbitrator shall determine if the Employer's decision to subcontract was in compliance with the paragraphs above.

ARTICLE III. UNION ACTIVITIES

Sections:

3.1 Access of Business Representative of the Union

A. Duly authorized business representatives of the Union shall be permitted at all reasonable times to enter the facilities operated by the Employer for the purpose of conducting Union business and observing conditions under which employees are employed; provided, however, that no interference with the work of employees shall result. The Union representative shall, upon arrival at the facility notify the office of Administration, or its designee of her presence.

B. The Employer shall submit to the Union a list of designees by title.

3.2 Unit Officers/Shop Stewards. The Union shall have the right to designate an unlimited number of shop stewards provided that no more than one (1) shop steward is away from the department and location at any time for union business, except by management approval. Each shop steward shall have seniority only for the purposes of layoff and recall after layoff over all other employees in her department. The Union may also appoint assistant shop stewards, not to exceed one (1) to each department, who shall have no special seniority rights. The Union shall notify the Employer in writing of the names of all shop stewards and assistant shop stewards and the departments they represent prior to posted notice of appointment but within thirty (30) days after the date of signature of this Agreement and within thirty (30) days from the dates of vacancies occurring during the term of this Agreement.

A. Handling Grievances. Shop stewards shall be allowed a reasonable amount of time during working hours to report violations of this Agreement and to assist members in the handling of grievances or alleged grievances, provided the supervisor has been notified in advance and the department's operations will not be adversely impacted. If such time cannot be allowed, the Employer will attempt to accommodate the shop steward's request during other normal working hours. Shop stewards shall not interfere with the management of the Employer's operations or direct the work of any employee.

B. Negotiating Committee. The Employer shall make reasonable adjustments to negotiating committee members' schedules to allow them to participate in negotiations, subject to operating requirements. A member of the negotiating committee who participates in negotiations during her regular schedule shall not be compensated for time lost by the Employer.

C. Unit Officer/Shop Steward Leave of Absence. Upon receipt of a written request at least thirty (30) calendar days prior to the leave, unit officers and shop stewards may be granted up to one (1) week of unpaid leave of absence to participate in Union functions subject to operational needs.

3.3 Bulletin Boards. The Employer shall provide space at each facility for a bulletin board, and the Union shall furnish such bulletin boards for its own use.

3.4 Personnel Information

A. Individual Personnel File

1. An employee, upon request, at reasonable intervals and by appointment, shall be permitted to examine at the Human Resources Office all documents in her personnel file with the exception of confidential references from outside sources.

2. An employee shall be informed of any commendation or derogatory material placed in her personnel file and shall be provided a copy of such material upon request. The employee shall be given an opportunity to submit explanatory remarks for the record.

3. Any evaluations of an employee shall be in writing and a copy given to the employee upon request. No employee shall be required to sign blank evaluation forms or evaluation reports on any other bargaining unit employee.

B. Seniority Information

1. The Employer shall make available to the Union any seniority information that may be required in the processing of a grievance.

2. The Employer shall furnish the Union with a seniority list which shall include the following information: date of hire, adjusted date of hire, classification, status, location and department and shall furnish a revised list within a reasonable period when requested, but not sooner than six (6) months from the last issued list.

C. Notification to Union. The Employer shall notify the Union promptly by the fifteenth (15th) of every month of all hirings, terminations from payroll, promotions, change of status and transfers together with the reason for any terminations.

D. Statements

1. No employee shall be required by the Employer to sign a confession, resignation or statement concerning her conduct. The Employer recognizes the right of an employee to demand the presence of a Union representative prior to signing a confession, resignation or statement concerning her conduct.

2. The Employer and the Union agree that its representative will cooperate to obtain true factual statements from employees giving information.

3. The Employer recognizes the right of an employee to have a Union representative present in any investigatory meeting which, as a result of the information provided by the employee, could lead to discipline or discharge.

E. Evidence

1. Upon request by the Union, the Employer will send to the Union office copies of all documents relied upon by the Employer in issuing verbal warnings, written warnings, suspension or discharge notices (including copies of any written complaints or reports concerning the employee, either by the patient, an outside agency, or by the Employer's own employees). Release of any confidential medical information shall be done in accordance with applicable state and federal privacy laws. An employee shall not be disciplined or discharged solely on the basis of unsubstantiated verbal complaints.

2. In addition, at any time when necessary for processing a grievance, the employee and her representative may examine such documents together with any other documents in the employee's personnel file relevant to the subject matter of the grievance.

F. Polygraph Tests. An employee shall not be required by the Employer to submit to a polygraph or lie detector test as a condition of employment or continued employment, but may voluntarily agree to do so provided a Union business representative is present.

3.5 Discipline and Discharge

A. Progressive Discipline. Both the Union and Employer agree in general with the concept of appropriate progressive discipline.

B. Just Cause. An employee may be disciplined or discharged for just and sufficient cause.

C. Disciplinary Action

1. An employee, who in the judgment of the Employer merits written discipline, shall be given the details and reason for discipline and any subsequent actions in a Notice of Disciplinary Action form within a reasonable amount of time, but in any case no later than twenty-one (21) calendar days after the date of discovery by the supervisor of the incident. In extenuating circumstances and by mutual agreement, the deadline for issuing discipline may be extended.

2. The Employer recognizes the right of an employee to demand the presence of a Union representative if she is to be disciplined or discharged. If the Employer intends to issue a Notice of Disciplinary Action, suspend or terminate an employee, the Employer shall, prior to taking such action, notify the employee so that she may exercise her right to have Union representation.

3. The Notice will be signed by the supervisor and discussed with the employee prior to distribution.

4. The Employer will mail a copy of the Notice to the Union within seven (7) calendar days after date of issuance, and a copy will go into the employee's file.

D. Suspension Pending Discharge. An employee, who in the judgment of the Employer merits discharge, shall be suspended for seven (7) calendar days pending discharge and given the reason for her discharge in writing on a Notice of Disciplinary Action either in person or by certified mail if the employee is not available. A copy of the Notice will also be mailed to the Union within seven (7) calendar days.

E. Notice to Employee Regarding Discipline

1. Any employee who is called back on her day off or while on any authorized leave to be disciplined or discharged will receive four (4) hours' pay for so reporting.

2. Any employee who is to be suspended or discharged must be notified before the end of her shift. If this is not done and she reports to work the next day and is not placed at work, she shall receive four (4) hours' pay for so reporting.

F. Cancellation of Notices. Any formal disciplinary notices shall be null and void after three (3) years with the exception that any disciplinary notices related to situations involving an EEO charge, serious HIPAA violations, patient abuse, workplace violence, theft or substance

abuse shall be retained. It is also understood that any disciplinary notices required by law or court order to be retained for a longer period shall be retained accordingly.

3.6 Grievance Procedure

A. Definition. A grievance, within the meaning of this Agreement, shall be any dispute between the parties involving interpretations or application of any provision of this Agreement.

B. Issue Resolution. The parties are committed to trying to resolve complaints and problems before they become grievances. To this end, they will meet and discuss issues that may result in grievances. However, it is understood that a lack of discussion will not preclude a grievance being filed at Step 1.

C. Process. When an employee covered by this Agreement or the Union believes that the Employer has violated one of the employee's or the Union's rights under this Agreement, the affected party shall be required to follow the procedure hereinafter set forth in presenting the grievance. Grievances dealing with discharge cases shall commence at Step III by presenting the grievance, in writing, to the Human Resources Manager [or her designated representative] within seven (7) calendar days of Union's receipt of notice of discharge. In grievances concerning compensation, retroactive payment shall not exceed sixty (60) calendar days.

1. Step I. The employee and Union representative, or the employee individually, shall, within twenty-one (21) calendar days of the Union's receipt of a Notice of Disciplinary Action or any alleged breach of the terms and conditions of this Agreement, complete and sign a written grievance and the section of the contract violated, and present the written grievance to the immediate supervisor under whom the employee worked at the time the grievance occurred. The supervisor shall give her answer in writing within seven (7) calendar days after presentation.

2. Step II. Failing agreement at Step I, the grievance shall be presented in writing to the department head within seven (7) calendar days. The department head shall provide the grievant with a written reply within seven (7) calendar days after presentation.

3. Step III. Failing agreement at Step II, the written grievance shall be presented to the Human Resources Manager [or her designated representative] within seven (7) calendar days. Upon receipt of such notice, a meeting shall be held to discuss the grievance between the grievant, the Union representative, and the Human Resources Manager [or her designated representative] within seven (7) calendar days. The Human Resources Manager [or her designated representative] shall respond in writing within seven (7) calendar days after presentation.

4. Step IV. Arbitration. If the grievance is not adjusted at Step III, the Union shall notify the Employer in writing within seven (7) calendar days of the intent to submit the grievance to arbitration.

(a) The arbitrator shall be chosen by mutual agreement between the parties from the panel of arbitrators listed in Exhibit D, Panel of Arbitrators. In the event mutual agreement cannot be reached within seven (7) calendar days of the receipt of notice to arbitrate, one (1) representative for both sides shall receive from the American Arbitration Association a list of five (5) names based on availability, willingness, and knowledge. The parties shall by a flip of a coin decide the first

choice to alternately strike names from the list until one (1) name remains. The one remaining will serve as arbitrator in the case.

(b) Following the selection of an arbitrator, the parties will send a joint letter to the arbitrator notifying him/her of his/her selection and enclosing a copy of the original written grievance and a copy of the collective bargaining Agreement in effect at the time that the grievance took place.

(c) The arbitrator shall have jurisdiction and authority only to interpret, apply or determine compliance with specific terms of the Agreement and shall not have jurisdiction to add to, detract from or alter in any way the provisions of this Agreement. If briefs or memoranda are to be submitted after the close of the hearing, such briefs or memoranda shall be submitted no later than three (3) weeks from the receipt of the transcripts; replying briefs or memoranda, if any, shall be submitted no later than one (1) week from the submission of the closing briefs or memoranda. In conducting the hearing, the arbitrator shall allow only such postponements as are absolutely essential in the proper presentation of the case unless extensions are mutually agreed upon by both parties. The arbitrator shall render his/her decision no later than thirty (30) calendar days from the adjournment of the hearing or submission of briefs or memoranda, whichever is later.

(d) In any case of discipline where the arbitrator finds that such discipline was without cause or improper, the arbitrator may set aside, reduce or modify the action taken by the Employer. If the discipline is set aside, reduced or otherwise changed, the arbitrator may award back pay to compensate the employee wholly or partially for any wages lost because of the discipline but in no event to exceed sixty (60) calendar days. In determining the amount of award for back pay, the arbitrator shall deduct from the award sums received from unemployment compensation and other compensation received while the discipline was in effect. All decisions of the arbitrator shall be in writing, and a copy thereof shall be submitted to each of the parties. The arbitrator shall receive for his/her services such remuneration as shall be acceptable to him/her and agreed upon by the parties. All fees and expenses of the arbitrator shall be borne equally by the Union and the Employer. Each party shall bear the expenses of the presentation of its own case.

5. Informal Hearing

(a) After requesting Step IV, (Arbitration) in accordance with Section 3.6(B), Process, the parties may by mutual agreement request the arbitrator, as selected in Section 3.6(B), Process, to conduct an informal hearing. Informal hearings shall be conducted without attorneys, reporters or transcriptions. There shall be no briefs filed by either party. The arbitrator shall issue a decision within twenty-one (21) calendar days from the adjournment of the hearing. The decision of the arbitrator shall be limited to a written statement of his/her conclusion setting forth briefly the factual basis for his/her decision.

(b) Any decision of the arbitrator shall be final and binding upon the parties--whether the process be formal or informal.

D. Time Limits

1. By mutual written agreement, certain steps may be waived. Where an extension of the time limits at any step is desired by either party, it must be requested in writing and shall stipulate the period of time the extension is needed—which shall be of a reasonably short duration.

2. Once a timely grievance has been filed, if at any step the time limits of the grievance procedure are not met by either party, the grievance shall proceed to the next step.

E. Mutually Agreed Upon Mediation. The Employer and the Union may agree to use the services of the Federal Mediation and Conciliation Services (FMCS) in an attempt to resolve the grievance. Both parties must mutually agree to use mediation and neither party may require that grievance be sent to mediation. Mediation shall not be considered a step in the grievance process and may be pursued concurrently with the filing, selection and processing of an arbitration submission.

3.7 Labor Management Joint Committee

A. In an effort to maintain harmonious labor-management relations under this Agreement, the Union and the Employer agree to establish a joint committee of the Medical Center and other locations.

B. This Committee shall meet on notice from either party (but not less frequently than quarterly) to discuss and attempt to resolve any problems pertaining to labor-management relations which may be raised by either party to this Agreement. The Committee shall consist of the shop stewards and the local Union business representative and Employer representatives, one (1) of whom shall be the Human Resources Manager [or her designee]. Decisions reached by this Committee shall be final and binding.

C. This Committee shall not add to, delete from, or modify any provision of this Agreement except as provided by Section 1.3, Document Contains Entire Agreement/Modification of Agreement, of this Agreement. The intent and interpretation of this section will not be subject to the grievance and arbitration procedures. In the event the Committee discusses a matter which is grievable under the terms and conditions of this Agreement, however, and it is not resolved by the Committee, the Union reserves the right to grieve under the provisions of Section 3.6, Grievance Procedure.

3.8 Right to Organize. The Employer will continue its longstanding philosophy of maintaining neutrality concerning its employees' desire to be represented by a labor union.

ARTICLE IV. EMPLOYEE ACTIVITIES

Sections:

4.1 Work Schedules

A. Definition. This Section is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week.

B. Workday Defined. A regular workday shall be defined as any work performed by an employee for shifts of four (4) hours or more up to eight (8) hours in a day. A regular workday shall not exceed eight (8) hours except as outlined in a separate letter of agreement between the parties. A workday shall commence at 12:01 a.m. and end at midnight. Any shift that begins before 12:00 midnight and ends after midnight shall be deemed to fall in the workday in which such shift begins. Shifts exceeding five (5) consecutive hours in duration shall include thirty (30) uninterrupted minutes off for a meal without pay.

C. Workweek Defined. The workweek shall begin at 12:01 a.m. on Sunday and end at 12:00 midnight the following Saturday. The Employer has the right to change the workweek and shall give the Union thirty (30) days' notice. A regular workweek shall not exceed forty (40) hours.

D. Days Off. The Employer will endeavor, wherever possible, to schedule all regular employees for two (2) consecutive days of rest each workweek.

1. All regular employees who work in the clinics will receive the equivalent of two (2) days off per workweek.

E. Posting of Work Schedules. Work schedules on a department basis will be posted two (2) consecutive weeks in advance; such schedules shall not preclude emergency changes in hours of work. If the schedule is not posted according to the requirements of this Section, each employee scheduled to work on the first day of the new schedule shall be paid one and one-half (1-1/2) times their regular straight time rate for all hours worked on the first day of the new schedule, provided the employee's number of scheduled hours or start time differed from the prior posted work schedule. An emergency shall be defined as an immediate and urgent nature that could not have been reasonably anticipated.

F. Work Schedules, Licensed Practical Nurses. The Employer will schedule licensed practical nurses on a basis of a normal workweek of forty (40) hours, the eight (8)-hour workdays to fall in rotation so that each employee has five (5) or six (6) consecutive workdays, and days of rest need not fall within the same weeks as defined in Section 4.1(C), Workweek Defined. Departures from this schedule may be made by mutual agreement between the Employer and the Union.

G. Work Schedules, Outpatient Department Employees. The Employer may schedule Outpatient Department employees to work two (2) four (4)-hour days and four (4) eight (8)-hour days.

H. Workload Distribution. The Employer will maintain adequate staffing in each area as well as an adequate number of Call-ins to support efficient operations. When an employee is absent for any reason and if a replacement cannot be obtained in time, it is the intention of the

Employer to distribute the workload equitably among the employees in the work unit so that no undue hardship may be placed on an individual worker. It is further the intent of the Employer, subject to the dispute section of the Agreement, to distribute the workloads equitably among employees in both single work units and departments. Grievances over distribution of workload shall take precedence over all other grievances except discharges, so as to be settled expeditiously.

I. Make-up Time. An employee who is absent for any reason in any workweek may request work on her regularly scheduled day off within the workweek at her regular straight-time rate of pay. Where a request is made in a department/location that would normally not be in operations on the employee's day off, such employee may request to extend her working hours on her regularly scheduled day of work, provided she waives any and all daily overtime and/or premium provisions. The decision to grant such a request shall be at the discretion of the Employer. The provisions of this paragraph shall not be applicable in cases where an employee receives holiday pay (except in the case where employees are either on Ten (10)-Hour and/or Twelve (12)-Hour Shifts as outlined in Addendums II and III) or sick leave pay for such absences.

J. Third Shift Premium. It is not the intent of the Employer to schedule regular employees to work three (3) different shifts within a workweek (day, evening, and night shifts) on a regular basis. In the event this becomes necessary, all hours worked by regular employees on the third (3rd) shift of that workweek shall be paid at one and one-half (1 ½) times the regular straight time rate of pay. This provision is not applicable to regular employees who may end up working three (3) shifts due to their working "double shifts" during the workweek, or as a result of switching shifts with a co-worker, or as a result of a work schedule requested by an employee.

K. Work Shift. The day shift will begin at or after 4:30 a.m. but before 12:00 noon. The evening shift will begin at or after 12:00 noon but before 10:30 p.m. The night shift will begin at or after 10:30 p.m. but before 4:30 a.m.

4.2 Probationary and Trial Periods

A. Probationary Period. All newly-hired employees shall serve a probationary period from their most recent date of hire for a period equivalent to three (3) months (five hundred twenty [520] hours) during which time they shall have, after thirty (30) days, all the rights and privileges of this Agreement except that they shall have no recourse to the grievance procedure in case of termination. Upon completion of the probationary period, the employee shall acquire seniority retroactive to the last date of hire.

B. Trial Period. All employees who are promoted or transferred to a different job classification either within or outside the bargaining unit or to a different department shall serve a trial period from the date of promotion or transfer for a period equivalent to three (3) months (five hundred twenty [520] hours). If during such trial period the employee's work is not satisfactory or the employee chooses to return to her former job, she shall be returned to her former job and rate of pay without loss of and with accrual of bargaining unit seniority. When an employee enters a job classification where automatic progression is required as part of the classification requirements, the right to return to the former classification as outlined above shall apply only when the employee originally enters the classification.

C. Extension of Probationary and Trial Periods. One extension of the probationary period and/or the trial period shall be allowed provided that the Employer notifies the Union and supplies justification for said extension. The extension shall not exceed three (3) months (five

hundred twenty [520] hours) and may be for a lesser, specified period. The employee shall be notified of the extension, its length, and the reasons therefore, and the notice shall be discussed with the employee. Until the employee successfully passes the extended probationary or trial period, she shall continue to be paid at the start rate of pay. If the employee successfully completes the extended probationary period or trial period, she shall be paid the appropriate rate of pay retroactive to the expiration date of the original probationary period.

D. Promotion Or Transfer Within Probationary Period. If an employee is promoted or transferred to a different job classification or to a different department within the employee's original or extended probationary period, the employee shall begin a new probationary period from the date of promotion or transfer for a period equivalent to three (3) months (five hundred twenty [520] hours).

4.3 Seniority

A. Seniority Defined. The purpose of seniority is to accord consideration under the provisions of this section to senior employees in recognition of their length of service to their Employer. Seniority shall mean the period of continuous employment less any absences from work totaling one (1) month or more for which no wages are received.

1. Bargaining Unit Seniority. Bargaining Unit seniority is an employee's length of continuous service in years, months and days from her most recent date of hire by the Employer in the bargaining unit.

2. Status Seniority. Regular full-time employees shall be deemed to have more seniority than regular part-time employees. Regular part-time employees shall be deemed to have more seniority than part-time employees. Part-time employees shall be deemed to have more seniority than call-in employees.

3. Classification Seniority. Classification seniority refers to an employee's seniority in a specific job classification. An employee transferring from one job classification to another shall earn seniority in the new classification from the date of transfer.

4. Departmental Seniority. Departmental seniority refers to an employee's length of continuous service within a department. It shall begin from her date of employment or transfer into the department. The term "department" refers to an Employer designated operating unit.

5. Location Seniority. Location seniority refers to an employee's length of continuous service at a location. It shall begin from her date of employment or transfer to that location. The term "location" refers to the Kaiser facilities throughout the State of Hawaii as defined in Exhibit "C."

B. Termination of Seniority. Seniority shall be terminated by discharge, resignation, retirement, transfer out of the bargaining unit (subject to the provisions of Section 4.2(B), Trial Period), one hundred eighty (180) calendar days of continuous layoff, or failure to return from an authorized leave of absence.

4.4 Seniority in Scheduling

A. While it is agreed that the Employer establishes employees' work schedules, subject to operational needs of the Employer, if an option of shifts and/or days off becomes open within a department, the senior qualified employee will be given preference as long as it does not impair the operation of the Employer's business.

B. Temporary Work Opportunity. When additional work opportunity becomes available on a temporary basis, the Employer will offer work to regular qualified employees on the basis of bargaining unit seniority within the classification, department and location whose availability meets the needs of the operation. The Employer will then offer work to qualified non-regular employees on the basis of bargaining unit seniority within the classification, department and location whose availability meets the needs of the operation. Additional work opportunity will first be offered to those employees within the department or location who would not incur overtime or premium pay, if any. When additional work opportunity becomes available on an ongoing basis, it will be offered in 4.6, Promotions and Transfers.

C. Assignment of Call-In Hours. When scheduling call-in hours, the Employer will offer work on the basis of bargaining unit seniority to qualified call-in employees within the department and location whose availability meets the needs of the operation.

4.5 Layoff

A. Temporary Layoff. A temporary layoff is defined as any elimination of work opportunity (from an employee's regular work schedule as noted on her most current Personnel Action Notice [PAN]) which is expected not to exceed thirty (30) calendar days in duration.

1. Seniority During Temporary Layoff. In cases of temporary layoff and recall from layoff, qualifications to satisfactorily perform the remaining work shall be considered. If qualifications to perform the work are satisfactory, the following order of seniority shall govern:

- a. All non-regular employees by reverse order of bargaining unit seniority.
- b. All regular employees by reverse order of bargaining unit seniority.

2. No Displacement. An employee who is displaced from her position due to a temporary layoff shall not have the right to displace other employees.

3. Recall. In making recalls from layoff, employees shall be recalled in reverse order of layoff, i.e., the last laid off shall be the first one recalled, provided that recalled employees are qualified for the position and can satisfactorily perform the work required. In recalling the laid-off employee, the Employer shall notify her by the most expeditious method. The Employer shall also provide the Union with a list of affected employees. It shall be the responsibility of the employee to keep the Employer informed in writing of her current address and telephone number. Employees who fail to return to work within forty-eight (48) hours of the date and time of their receipt of such notification or within forty-eight (48) hours of the date and time of receipt by the Union of the list of affected employees shall be considered terminated unless such failure is determined by the Employer to be a valid reason. In such cases, the employee shall advise the Employer at the time she receives notification of the reason she is unable to return to work within the forty-eight (48) hours, and an availability date for her return shall be established.

B. Non-Temporary Layoff. A non-temporary layoff is defined as any elimination of work opportunity (from an employee's regular work schedule as noted on her most current Personnel Action Notice [PAN]) which is expected to exceed thirty (30) calendar days in duration or is deemed to be permanent in nature with no reasonable expectancy of being recalled in the future.

1. Notification to Union. In the event that the Employer finds it necessary to permanently reduce its staff by laying off employees, it shall notify the Union of its intention as soon as possible.

2. Seniority During Non-Temporary Layoff. In cases of permanent layoff and recall from layoff, qualifications to satisfactorily perform the remaining work shall be considered. If qualifications to perform the work are satisfactory the following order of seniority shall govern:

- a. All non-regular employees by reverse order of bargaining unit seniority.
- b. All regular employees by reverse order of bargaining unit seniority.

3. Displacement

(a) An employee who is displaced from her position due to a non-temporary layoff shall have the right to displace the least senior employee of equal or lower status in her classification if she is qualified to perform the job. Within the classification, seniority shall be determined by bargaining unit seniority. Should all positions within the classification at a location be exhausted, the employee shall have the right to displace the least senior employee of equal or lower status in her classification on the island where the non-temporary layoff is occurring.

(b) Should the employee desire to remain at the location where she is presently stationed but where all positions in her classification are being exhausted due to a non-temporary layoff, she shall have the right to displace the least senior employee of equal or lower status in any equal or lower classification for which she is qualified at that location.

(c) Should all positions within a classification on an island be exhausted, the employee shall have the right to displace the least senior employee of equal or lower status in any equal or lower classification for which she is qualified on the island where the non-temporary layoff is occurring. An employee who transfers to a lower classification as the result of a non-temporary layoff shall receive the job rate of that classification or, if she has not reached job rate, the appropriate rate for that classification.

(d) Any employee who moves into another position in the same classification or a different classification as the result of a non-temporary layoff shall serve a trial period from the date of transfer for a period equivalent to three (3) months (five hundred twenty (520) hours). If during such trial period the employee's work is not satisfactory, she shall be placed on lay-off status.

(e) One extension of the trial period shall be allowed provided that the Employer notifies the Union and supplies justification for said extension. The extension shall not exceed the equivalent of three (3) months (five hundred twenty (520) hours) and may be for a lesser, specified period. The employee shall be

notified of the extension, its length, and the reasons therefore, and the notice shall be discussed with the employee.

4. Notice. An employee permanently laid off for lack of work shall receive fourteen (14) days' notice, or pay in lieu of notice, except for layoffs caused by acts of God, disasters or emergencies outside the control of the Employer.

5. Recall. In making recalls from layoff, employees shall be recalled in reverse order of layoff, i.e., the last laid off shall be the first one recalled, provided that recalled employees are qualified for the position and can satisfactorily perform the work required. In recalling the laid-off employee, the Employer shall notify her by certified letter to the address last given to the Employer by the employee. The Employer shall also provide the Union with a list of affected employees. It shall be the responsibility of the employee to keep the Employer informed in writing of her current address. Employees who fail to return to work within one (1) calendar week of receipt of a recall letter shall be considered terminated unless such failure is determined by the Employer to be a valid reason. In such case, the employee shall notify the Employer as soon as she receives the recall letter of the reason she is unable to return to work within the one (1) calendar week, and an availability date for her return shall be established.

4.6 Promotions and Transfers

A. Qualifications. In cases of transfer and promotion, merit and ability to satisfactorily perform the work shall be considered; if merit and ability are approximately equal, the principle of bargaining unit seniority shall govern. In the event that the bargaining unit seniority date is the same, the earliest date of application for the posted position shall govern.

To assure that vacancies are filled with the best qualified, service oriented applicants resulting in a good fit for both employees and the Employer, the following selection criteria will be used to evaluate and select candidates:

1. Relevant knowledge, job skills, special skills, education, training, and required credentials to perform the job;
2. Overall work record and previous experience; and
3. Diversity, references and information gathered during the interview process.

B. Posting. All job vacancies within the bargaining unit shall be posted on the Employer's bulletin board at the location where the vacancy occurs at the time it is determined that a vacancy will exist. The Employer agrees to post job vacancies for each island's positions at all locations on each island where there are bargaining unit positions. Such notices shall include job title, labor grade and a brief description of the job duties, including the required qualifications and skills. Such notices shall remain posted for seven (7) calendar days. Only those employees who apply for the position via the job bid system during the seven (7) calendar day period will be considered and be permitted to grieve the Employer's final selection. Among qualified applicants, the provisions of Section 4.6(A), Qualifications, shall determine the selection. Each applicant for the position shall be notified in writing as to her selection or non-selection. Upon request, each applicant shall be given the reason for the non-selection.

1. Any employee selected for a promotional transfer shall be placed in the new position within thirty (30) working days of her acceptance or paid the new rate from the first (1st) day of the pay period closest to the thirty-first (31st) working day after her acceptance. The thirty (30) working day period shall begin when the hiring supervisor notifies the employee's current supervisor in writing or via e-mail.

2. Where an employee is selected for a transfer which is considered a downgrade, said employee shall continue to receive her current rate of pay until such time the transfer occurs.

3. The probationary or trial period shall begin upon the employee's effective date of transfer to her new position.

C. Advance Bidding. Employees who wish to transfer from island to island shall be permitted to submit requests in advance on a form provided by the Employer. Such request shall be considered as a bid for future vacancies in the requested job under Section 4.6(B), Posting, for a period of one (1) year following submission of the request form. Transfer request forms will be available at all locations.

1. Employees who wish to bid for job vacancies while on vacation or on an authorized leave of absence for more than three (3) working days, shall be permitted to submit requests in advance on a form provided by the Employer. Such request shall become null and void at the completion of such leave. Such employees must make arrangements so that they can be readily contacted in the event they are selected for the position and must be available to fill the position when required. In the event the Employer is unable to contact the employee after a reasonable attempt, the bid shall be invalidated. Transfer requests forms will be available at all locations.

D. Temporary Job Vacancy

1. A temporary job vacancy of two (2) months or less shall be filled by a temporary transfer of a qualified employee or by hiring from the outside. Preferences expressed by qualified employees to fill such temporary vacancies shall be taken into consideration by the Employer prior to hiring an outside applicant as long as it does not impair the operation of the Employer's business.

2. A temporary job opening or vacancy of more than two (2) months shall be posted and filled by the same procedure as that for a regular job opening or vacancy.

3. An employee who takes a temporary job opening or vacancy shall, upon completion of her temporary job, be transferred back to the job from which she came and in chain reaction all others shall also return to the job from which they came and if necessary, to the logical end of a layoff.

E. Transfer to Higher Classification. When an employee is required to work temporarily in a job of a higher classification for one (1) hour or more in one (1) day, she shall be paid at the start rate of such classification for those hours actually worked in the higher classification, except that if no increase over her existing rate is realized, she shall be paid at the next higher step in that higher job classification; if for less than one (1) hour, she shall be paid at her regular rate.

F. Transfer to Lower Classification. When an employee is required to work temporarily in a job of a lower classification, she shall receive the pay of her regular wage classification unless such change is made permanent.

G. Combination Jobs

1. Vacation Benefit for Employees Working Combination Jobs. If the Employer finds that it is necessary to schedule a full shift in a higher classification to an employee on a weekly basis for a minimum of one (1) year, any such employee shall be paid vacation pay at the rate she would have been paid for her regularly scheduled day of work had she not been absent due to vacation.

2. Sick Leave Benefits for Employees Working Combination Jobs. If the Employer finds that it is necessary to schedule a full shift in a higher classification to an employee on a weekly basis, any such employee shall be paid sick leave at the rate she would have been paid for her regularly scheduled day of work had she not been absent due to illness.

ARTICLE V. COMPENSATION

Sections:

5.1 Wage Schedule. Attached hereto, marked Exhibits "A" and "B" and made a part of this Agreement, are the minimum wage rates which shall apply effective the dates indicated thereon.

A. New Hires. New employees in any of the classifications listed in Exhibit "A" shall move through the following progression rates:

First six (6) months - ninety percent (90%) of Job Rate

Second six (6) months (starting on the first (1st) day of the pay period closest to six (6) months - ninety-five percent (95%) of Job Rate

Thereafter - Job Rate (starting on the first (1st) day of the pay period closest to one (1) year) (Employee must have passed the Probationary Period to move to the Job Rate)

B. Promotions. Employees with a minimum of one (1) year of employment who are promoted or transferred to a different Labor Grade shall be paid at the Exhibit "B" probationary rate until the first (1st) day of the pay period closest to five hundred twenty (520) work hours before progressing to the job rate.

5.2 Paydays. The Employer agrees to pay all employees on a bi-weekly basis (every two [2] weeks). The normal payday shall be every other Friday following the end of each two (2)-week period. Checks will be available by noon on payday in the employee's department. Along with the paycheck, an itemized stub shall be given. The stub shall provide information on pay period date, regular gross pay, other compensation (with identification of overtime premium, differential pay, vacation and holiday pay) and all other deductions such as Union dues and fees and credit union allocations.

5.3 New Classifications

A. In the event the Employer creates a new job title or substantially alters the contents of an existing job within this bargaining unit, the Employer shall notify the Union of the wage rate and attach a copy of the new job description.

B. Should the Union not be satisfied with the wage rate because it is not in line with other jobs in the Schedule of Classifications and Basic Hourly Rates, Exhibits "A" and "B" the Union may request a meeting within thirty (30) days of the Employer's notice to negotiate the wage rate.

C. Should the parties not be in agreement within sixty (60) calendar days of the Employer's notice, the Union may waive the dispute or take it to arbitration in accordance with Section 3.6, Grievance Procedure (Arbitration).

D. The Human Resources Department shall continue to provide the Union with copies and revisions of job descriptions for all bargaining unit positions.

E. Employees whose job duties have significantly changed may request a review of their position. Said review may result in a change in grade.

5.4 No Reduction of Benefits. No employee covered by this Agreement shall, as a result hereof, suffer a reduction in wages or other benefits since the wage scales and overtime benefits herein set forth are intended to constitute minimum scales only.

5.5 Part-Time and Call-In Rates. Employees who are classified as part-time or call-in shall be paid the start rate until such time as they have worked the equivalent hours (five hundred twenty (520) hours) required to go to the job rate, see Exhibit "A." Call-in employees shall be paid forty-five cents (\$.45) per hour premium in lieu of benefits.

5.6 Red-Circled Employees. A red-circled employee is one whose current rate of pay for her classification is higher than the maximum rate of pay in effect for her job classification. During the life of this Agreement, red-circled employees shall receive the same wage increases as given to their job classification.

5.7 Overtime

A. Overtime Defined. For the purpose of this Agreement, overtime is defined as work performed in excess of eight (8) hours in a workday or forty (40) hours in a workweek. The overtime rate shall be one and one-half (1-1/2) times the straight-time base rate. The straight-time base rate shall include the shift differential where applicable.

B. Overtime Payments. Overtime payments shall be made on the basis of either daily or weekly overtime hours worked, but an employee shall not be paid for both daily or weekly overtime for the same overtime hours worked.

C. Authorization of Overtime. No employee shall work overtime unless such overtime worked has been authorized previously by her department head, supervisor or designated representative. Overtime shall be verified by the department head, supervisor or designated representative on the employee's time record.

D. Distribution of Overtime and Standby Duty. The Employer will attempt to distribute stand-by duty and required overtime equitably among qualified employees in any one classification concerned. If, when offered the choice, overtime or stand-by duty is declined, it will be counted as overtime or stand-by duty worked.

E. Pyramiding. Except as outlined in Section 5.9, (Other Pay), overtime or premium payments as outlined in Sections 5.7 and 5.8, (Overtime and Premium Pay), shall not be duplicated for the same hours worked under any of the terms of this Agreement, and to the extent that hours are compensated for at overtime or premium rates under one provision, they shall not be counted as hours worked in determining overtime or premium payments under the same or any other provision.

F. Regardless of whether the hours worked are at the regular straight time, overtime or premium rate of pay, an employee shall be compensated at the rate of two (2) times the regular straight time hourly rate for all work time exceeding twelve (12) consecutive hours in a workday. A break of two (2) hours or less shall not be considered an interruption in the computation of the twelve (12) consecutive hours of work. Scheduled meal periods shall not be counted as part of the consecutive hours worked.

5.8 Premium Pay

A. Less Than Ten (10) Hours Rest Between Shifts. Notwithstanding the provisions of Section 5.7(E), Pyramiding, regular employees who are required to work without a ten (10)-hour rest period between shifts as defined in Section 5.8(E), Interval Between Shifts, shall be entitled to premium pay for the shift immediately following the less-than-ten (10)-hour rest period regardless of whether the previous shift was paid at an overtime, premium or straight-time rate.

B. Sixth Day. In the event a full-time or regular part-time employee actually works a forty (40)-hour schedule and such schedule extends over a six (6)-day period in a workweek, such employee shall be compensated one and one-half (1-1/2) times her basic classification rate for actual hours worked on such sixth day of work in that workweek except such premium shall not be paid where an employee makes written request to work the six (6)-day schedule for her convenience. All hours worked within the six (6)-day, forty (40)-hour schedule shall count toward forty (40) hours for the purpose of overtime computation.

C. Seventh Day. Work on a seventh consecutive day shall be paid for at the overtime rate except where a request has been made by the employee in writing for an extended work period. Time worked on the seventh (7th) consecutive day and on each succeeding consecutive calendar day thereafter shall be paid at the rate of one and one-half (1-1/2) times the employee's regular straight time hourly rate, provided the employee works four (4) hours or more on each consecutive day. The Employer has the right to schedule an employee off in order to break the consecutive days of work to avoid payment of the premium.

D. Emergency Call-Out. When a regular employee (not on stand-by status) is called at home for work that requires her immediate services and she promptly undertakes to respond to such call-out, she shall be paid one (1) hour at her overtime rate for responding to the call and shall be paid time and one-half (1- 1/2) for actual hours worked with a minimum guarantee of one (1) hour at time and one-half (1-1/2). (This will yield three (3) times her basic classification rate for the first hour, or fraction thereof, worked).

E. Interval Between Shifts. An employee who is scheduled to report for work to a regular shift after completing a shift of four (4) or more hours without at least ten (10) consecutive hours of rest shall be paid at the rate of one and one half (1 ½) times the employee's regular straight time hourly rate for all hours worked until a period of ten (10) consecutive hours of rest is provided, regardless of whether the hours worked during the previous shift are at the regular straight time, overtime or premium rate of pay, except where such schedule results from a request of the employee.

F. Reporting Pay. Any employee who is ordered or scheduled to work and reports to work at the starting time scheduled without receiving prior notice that no work is available shall receive payment for four (4) hours' work at the regular rate of pay. It shall be the responsibility of the employees to notify the Employer of their current addresses and telephone numbers. Failure to do so shall excuse the Employer from the notification requirements. The four (4) hours' time must be shown on the employee's timecard. The Employer shall attempt to notify the employee within a reasonable amount of time of schedule changes. In the event the Employer is unsuccessful in notifying the employee, the Employer shall notify the designated Union representative or any available shop steward and this shall meet the requirement of prior notice.

G. Stand-By Pay

1. Employees on stand-by status shall be paid a fixed fee of four dollars and seventy-five cents (\$4.75) for each hour on stand-by duty. If an employee is called back to work while on stand-by status, the employee shall be guaranteed two (2) hours of work or pay for each call to work and shall be paid at one and one-half (1-1/2) times the employee's regular rate of pay for all hours actually worked during the stand-by period, excluding the fixed stand-by fee. Actual work time shall begin when the employee arrives at the hospital or clinic where the employee was called and shall end when the employee completes the assigned work.

2. If an employee is called back to work a second time during a twenty-four (24) hour period (from the time the employee is placed on stand-by status), the employee will be paid at double time, regardless of previous hours worked. Designated O.R. stand-by employees who take a call at the end of their scheduled shift (prior to going home) shall be considered as taking the first call.

5.9 Other Pay

A. In-Service Training and Other Meetings

1. If the Employer directs the employee to participate in an in-service training program or other mandatory meeting, the employee shall receive the applicable rate of pay for the time spent in attendance at such program. Time spent at such mandatory programs shall be considered time worked. If participation in an in-service training program or other voluntary meeting is at the initiation and request of the employee, the Employer shall not be required to pay for the time spent in attendance and the time spent at such programs shall not be considered time worked.

2. Employees attending mandatory in-service training or other mandatory meetings shall receive a minimum of two (2) hours' pay, unless the in-service training or other mandatory meeting is connected with their regular shift, in which case they shall be paid for actual time spent, at the applicable rate of pay.

3. An in-service training program or other mandatory meeting not connected to an employee's regular shift shall not be considered a regular scheduled shift for purposes of determining interval between shifts.

B. Shift Differential. When an employee's shift begins on or after 12:00 noon but before 4:30 a.m., she shall receive a shift differential of ninety cents (\$0.90) per hour in addition to her basic hourly rate.

1. Regular Evening and Night Shift Employees. Employees who are on the regular evening or night shift shall receive the appropriate shift differential as part of their regular straight-time hourly rate and shall receive such differential for all hours paid as long as they remain regularly scheduled evening or night shift employees.

2. Other Employees. Employees who are not on the regular evening or night shift shall receive shift differential for hours worked as provided in Section 5.9.B. Shift Differential.

C. Split Shift. There shall be no split shifts for regular employees except in case of acute emergency. A regular employee working a split shift shall be entitled to two dollars (\$2.00) per day, except where such schedule results from a request of the employee.

D. Training. When a non-lead employee is assigned by her supervisor to do bona-fide training (rather than orientation) that is normally the responsibility of the supervisor or lead, she shall be paid at the appropriate rate of the lead position for the classification for those hours actually worked in the higher classification. If a lead position for the classification has not been previously developed, the employee shall be paid at the job rate for the next higher grade. Training occurs when the Employer specifically assigns an employee to teach specific skills and be responsible for monitoring the results. Orientation shall include items normally included on the department's orientation checklist and shall not exceed eight (8) working hours. If orientation exceeds eight (8) hours, the employee who is giving the orientation will be paid the training differential.

E. Mileage Allowance. If the Employer requires an employee to use her own automobile to conduct the Employer's business, such employee shall be paid a mileage allowance in accordance with the Employer's mileage reimbursement policy.

F. Travel Pay. When an employee is required to work off-island, she will be paid from the time she is required to report to the airport in accordance with then-current airline policies or from the time she reports to the airport, whichever is later.

ARTICLE VI. INSURED BENEFITS

Sections:

6.1 Medical/Drug/Vision Coverage

A. The Employer shall provide each regular full-time and regular part-time employee and the employee's eligible dependents with Hospital-Medical and Surgical coverage under the Kaiser Foundation Health Plan (known as Plan B) with a Drug Plan, plus Optical and Psychiatric Riders and shall pay the cost of such coverage. Eligible dependents shall include unmarried children 19 through 24 years of age, providing they have the same legal address as the employee, are attending an accredited school or university as full-time students and are dependent upon the employee for support and maintenance. Employees who elect family coverage shall pay ten percent (10%) of the family premium for the first three (3) years of their employment. Upon completion of three (3) years of continuous service, the Employer will pay one hundred percent (100%) of the family premium.

B. Employees shall have the option to enroll in Kaiser Foundation Health Plans XC or Added Choice. The Employee shall pay the difference of monthly premiums between Plan B and Plan XC or Added Choice on a pre-tax basis. The employee share per month for Plan XC shall not exceed \$25.00 for employee coverage, \$45.00 for employee plus one (1) dependent coverage, and \$65.00 for employee plus two (2) or more dependents.

C. Registration and Prescription Fees.

1. The registration and drug prescription user fee for Plan B shall be eight dollars (\$8.00) per office visit and five dollars (\$5.00) per drug prescription.

2. The Employer shall provide Plan XC with no cost for an office visit and three dollars (\$3.00) per drug prescription.

3. The Employer shall offer an additional Plan with no cost for an office visit and a five dollar (\$5.00) per prescription drug fee. The employee monthly cost shall be as follows:

	<u>1/1/04</u>
Employee only	\$3.25
Employee + 1 dep.	\$6.50
Employee + 2+ deps	\$9.75

D. Commencement of Coverage. Hospital-Medical-Surgical coverage shall commence on the first (1st) day of the month following one (1) month of continuous employment. The Employee and her dependents (if any) may change from one hospital-medical-surgical coverage to another during the open enrollment period, provided the employee submits a notice in writing to the Employer's Human Resources Department prior to the end of the open enrollment period of her desire to change plans.

6.2 Dental Plan

A. Eligibility. After six (6) months of employment, the Employer shall provide each regular full-time and regular part-time employee with single coverage for the dental plan with the Employer paying one hundred percent (100%) of the premium up to the applicable cap listed in

Section 6.2B.1. If the employee elects dependent coverage for the dental plan, the employee shall pay fifty percent (50%) of the difference between the single and family plan premiums with the Employer paying the other fifty percent (50%). After the completion of one (1) year of employment, if the employee elects dependent coverage for the dental plan, the Employer shall provide such coverage with the Employer paying ninety percent (90%) of the premium up to the applicable cap listed in Section 6.2B.1.

B. Coverage and Cost. The Employer shall provide a 70/30 \$900 maximum per year Dental Plan. The premiums are one hundred percent (100%) Employer paid for all employees and ninety percent (90%) Employer paid for dependents.

1. The Plan will have a \$30.00 cap for employee coverage, \$54.00 for employee plus one (1) dependent coverage, and/or \$66.00 for employee plus two (2) or more dependents. The caps mean that if in the future the Employer's share of the monthly premium exceeds \$30.00, \$54.00, and/or \$66.00, the employee will pay the difference.

2. If at any time during the life of the Agreement the caps are reached or exceeded, the parties agree to commence discussions with the intent of finding or providing other coverage acceptable to the parties that would be equivalent or better at no additional cost to the Employer.

6.3 Life Insurance and Temporary and Permanent Disability

A. Eligibility and Commencement of Coverage. The Employer shall provide group life insurance and Temporary & Permanent Disability (T&PD) insurance for all regular full-time and regular part-time employees as outlined below. Such coverage will become effective ninety-one (91) days after the employee's date of hire.

B. Coverage for Regular Full-Time and Regular Part-Time Employees

1. The Employer will provide each regular full-time and regular part-time employee with \$5,000 group life insurance coverage and \$5,000 T&PD coverage and will pay the premiums during the active service of the employee's tenure.

2. A regular full-time and regular part-time employee shall have the option of purchasing an additional \$5,000/\$5,000 coverage for group life insurance and T&PD (total coverage of \$10,000/\$10,000) at her own expense.

6.4 Pension Plan. A non-contributory pension plan covers all regular employees who have completed one (1) year of continuous service. As a participant in the pension plan, the employee's first (1st) year of continuous service will be recognized in computing benefits.

A. The formula for computing the normal monthly pension benefit shall be: On a calendar year, 1.4% of the final average wages of the highest sixty (60) consecutive months of employment. Effective January 1, 2006, 1,900 hours will be considered a year of credited service under the pension plan for employees covered by this Agreement; effective January 1, 2007, 1,800 hours will be considered a year of credited service.

B. Details of this Plan will be distributed to each employee.

6.5 Health and Welfare Trust Fund

A. Subject to timely approval by the Trustees of the AFL HOTEL AND RESTAURANT WORKERS HEALTH AND WELFARE FUND (hereinafter referred to as the Trust Fund), the Employer agrees to join the Trust Fund effective January 1, 2005. The purpose of this Trust Fund is to provide medical coverage, dental coverage, prescription drug coverage, vision care coverage, and death benefit coverage for all eligible participants as determined by the Trustees.

B. The terms and conditions of Sections 6.1, Medical/Drug/Vision Coverage, 6.2, Dental Plan, and 6.3.B.1, Life Insurance, shall cease effective January 1, 2005 at 12:01 a.m. Employees may continue to elect to purchase group life insurance and T&PD coverage under Section 6.3.B.2 of the Agreement.

C. Eligibility. Effective January 1, 2005 and thereafter, the Trust Fund will provide health coverage for all regular full-time, regular part-time (pre-determined) and regular part-time (quarterly) eligible employees covered by this agreement on the first day of the month following one (1) month of continuous employment as a regular full-time, regular part-time (pre-determined) or regular part-time (quarterly) employee and their eligible dependents in accordance with eligibility rules adopted by the Board of Trustees and contributions made by the employer.

D. Plan Provisions. All benefits offered through the Trust Fund and the plan design will be determined by the Board of Trustees except for the following:

1. During the term of this agreement, the parties agree that Kaiser Foundation Health Plan will be offered as an option for eligible employees covered by this agreement.

2. The Kaiser Foundation Health Plan will have the following fees (co-pays):

a. Effective January 1, 2005, office visit fee \$5.00, laboratory/x-ray services fee \$5.00, and prescription drug fee \$5.00.

b. Effective January 1, 2006, office visit fee \$7.00, laboratory/x-ray services fee \$7.00, and prescription drug fee \$7.00.

c. Effective January 1, 2007, office visit fee \$10.00, laboratory/x-ray services fee \$10.00 and prescription drug fee \$10.00.

d. Effective January 1, 2008 and thereafter, the registration fee for an office visit, laboratory/x-ray services, and prescription drug fee shall be the same as the standard plan under the Trust Fund.

E. Employer Contributions

1. Monthly Contributions

a. For coverage effective January 1, 2005, contributions will be payable on or before December 5, 2004 and monthly thereafter, at a contribution rate of \$575.00 per eligible, enrolled employee per month.

b. For coverage effective January 1, 2006, contributions will be payable on or before December 5, 2005 and monthly thereafter, at a contribution rate of \$646.00 per eligible, enrolled employee per month.

c. For coverage effective January 1, 2007, contributions will be payable on or before December 5, 2006 and monthly thereafter, at a contribution rate of \$709.00 per eligible, enrolled employee per month.

d. For coverage effective January 1, 2008, contributions will be payable on or before December 5, 2007 and monthly thereafter, at a contribution rate of \$712.00 per eligible, enrolled employee per month.

e. For coverage effective January 1, 2009, contributions will be payable on or before December 5, 2008 and monthly thereafter, at a contribution rate of \$778.00 per eligible, enrolled employee per month.

f. Unpaid Leaves of Absence. Except for employees on a medical leave of absence subject to section 7.4.E.1, Benefits During Leave, a monthly contribution will not be made for any employee who is on an unpaid leave of absence on the first day of the month following the start of the unpaid leave.

2. Contribution Allocation. In accordance with the monthly contribution schedule, the parties agree that the allocation for eligible active employee's coverage and future retiree coverage shall be based on the following schedule:

<u>YEAR</u>	<u>MONTHLY CONTRIBUTION RATE SCHEDULE</u>		
	<u>Active</u>	<u>Retiree</u>	<u>Total</u>
2005	\$550.00	\$25.00	\$575.00
2006	\$596.00	\$50.00	\$646.00
2007	\$644.00	\$65.00	\$709.00
2008	\$612.00	\$100.00	\$712.00
2009	\$658.00	\$120.00	\$778.00

The parties mutually agree that the retiree contribution for Kaiser Employees covered by this agreement will be maintained in a separate account within the Trust Fund.

F. Retiree Benefits. The Trust Fund will provide retiree benefits as determined by the Board of Trustees subject to the availability and limitation of these contributions. During the first year (2005), any employee covered for six (6) consecutive months or more by the Trust Fund who retires on or after July 1, 2005 will be eligible for retiree benefits subject to all other rules of the plan. On or after January 1, 2006, any employee covered for twelve (12) consecutive months or more by the Trust Fund, will be eligible for retiree benefits subject to all other rules of the plan. As of July 1, 2005, no new retirees will be enrolled under the Kaiser Permanente retiree medical plan pursuant to the provisions of the LETTER OF UNDERSTANDING - Medical Coverage for Local 5 Regular Employees.

ARTICLE VII. COMPENSATED AND NON-COMPENSATED BENEFITS

Sections:

7.1 Vacation

A. Vacation Time Earned

1. Full-Time Employees. After a regular full-time employee completes one (1) full year of continuous service, she shall receive vacation time for each year according to the following schedule:

- 1 but less than 4 years of service - 2 weeks (80 hours) of vacation time
- 4 but less than 7 years of service - 3 weeks (120 hours) of vacation time
- 7 or more years of service - 4 weeks (160 hours) of vacation time

2. Regular Part-Time and Part-Time Employees. After one (1) year of continuous service, regular part-time and part-time employees shall receive prorated vacation according to the following formula:

$$\frac{\text{Hours Paid Per Pay Period}}{80} \times \text{accrual rate for seniority} = \text{proration hours per pay period}$$

(e.g., 3.08, 4.62, 6.16)

B. Vacation Accumulation. Earned vacation time may accumulate in an amount not to exceed two (2) times the employee's regular annual amount, provided that at least one (1) week of paid vacation time must be taken each year. Where circumstances warrant, vacation time of less than one (1) full workday may be granted, subject to the requirements of efficient operations.

C. Vacation Pay. Earned vacation pay will be paid to eligible employees when taking time off at the employee's regular straight-time rate in effect at the time the vacation is taken. The number of hours to be paid shall be based on the employee's normal or regularly scheduled hours worked per week during the year in which the vacation was earned.

D. Vacation Time Taken. Whenever possible, consistent with operational needs, the preferences expressed by an employee for a particular vacation period will be given consideration; however, the Employer reserves the right to allot the number to be off at any one time and the right to change the number whenever efficient operations of any of the various facilities would be in jeopardy.

1. Vacation Requests. From September 1 to November 1 of each year, employees will be invited to express preferences as to when they wish to take vacations during the following year (January 1 - December 31). If selection of the vacation period is requested on a partial basis, a senior employee will be able to exercise her departmental seniority on only one (1) choice and shall schedule the balance of her vacation after other employees have expressed their preference. If several employees want to schedule partial vacations, the same system of vacation sign-up will be used for subsequent vacation choices. An employee who has selected an available vacation period shall be protected in such choice even though an employee having greater seniority may later request the same dates.

2. Requests submitted after all initial vacation assignments have been made shall be considered in the order of the request. The initial vacation assignment list shall be posted by December 1 of each year.

3. Employees Who Fail to Sign Up. If an employee fails to sign up for her vacation time by the end of June, subsequent to her having fully earned her annual vacation, her supervisor shall make such selection for her and schedule her vacation time accordingly.

4. Vacation Exchange. Two (2) or more employees may exchange vacation periods, provided that operations will not be impaired, and the approval of the employees' supervisor is secured in writing, and no overtime or other premium pay results.

5. Advance Vacation Pay. New regular full-time employees who have completed six (6) months of continuous service may elect to take an advance of their vacation by taking five (5) workdays, subject to the vacation scheduling requirements of this section. Employees may be paid for their vacation advance upon their return from vacation. In the event the employee does not complete the one (1) year of continuous service, however, the employee must reimburse the Employer for the advance payment of their vacation.

a. Employees Who Elect to Take Advance Vacation With Pay. Employees who exercise this option may upon completion of one (1) full year of continuous service take one (1) week (40 hours) of vacation with pay.

b. Employees Who Elect to Take Advance Vacation Without Pay. Employees who exercise this option may upon completion of one (1) full year of continuous service either take two (2) weeks (80 hours) of vacation with pay or take one (1) week (40 hours) of vacation with two (2) weeks (80 hours) of pay.

E. Vacation Service Credit. Service credit shall mean the period of continuous employment less any absences from work totaling one (1) month or more, for which no compensation is received. Upon return of an employee from an unpaid, authorized leave from work, her previously accumulated service credit shall be credited to her.

F. Vacation Pay Upon Termination. An employee with one (1) or more years of continuous service who leaves the Employer shall be paid the balance of her accumulated vacation, not to exceed twice the employee's annual accrual rate. Any employee who does not give the Employer two (2) weeks' notice will have any accrued vacation withheld from her final check. The Employer, however, recognizes that bona-fide emergencies do occur. Therefore, if the employee leaves her job without giving two (2) weeks' notice due to a bona-fide emergency, then the employee shall receive pay for all of her accrued vacation but not to exceed twice her annual accrual rate.

G. Holiday During Vacation. When a holiday for which an employee is eligible for holiday pay occurs while she is on vacation, that holiday will be paid for as a holiday rather than being charged against accumulated vacation.

H. Sick Leave During Vacation. An employee ill or injured during her vacation period may elect to substitute accrued sick leave (if any) for such illness or injury, if certified, for vacation time and pay, and reschedule the balance of her vacation according to Section 7.1(D), Vacation Time Taken. In order to be eligible for sick leave pay under this Section the employee must notify the Employer as soon as practicable of such illness or injury, be ill or injured for more than two (2) consecutive days and provide the Employer with sick slip certification upon the first day of return to work. Sick leave pay will commence from the date of certification.

I. Recall to Work During Vacation. When by mutual agreement an employee is recalled to work after having started a vacation and before completing same, she shall be paid one and one-half (1-1/2) times her basic straight-time rate for the hours worked during the balance of that vacation period. The remainder of her vacation time shall be rescheduled according to Section 7.1(D), Vacation Time Taken.

J. Overtime Computation. Time spent on vacation shall not count towards forty (40) hours in the workweek for purposes of overtime or premium computation.

K. Serious Family Illness. If, under the provisions of Section 7.4, Leave of Absence Without Pay, a regular employee is given time off to care for a seriously ill member of the family, the employee may use earned vacation pay for the period of the leave.

7.2 Holidays

A. Recognized Holidays. The following holidays shall be observed and recognized as paid holidays within the meaning of this section:

New Year's Day	First (1st) Day of January
Presidents' Day	Third (3rd) Monday of February
Kuhio Day	Twenty-sixth (26th) Day of March
Kamehameha Day	Eleventh (11th) Day of June
Memorial Day	Last Monday of May
Independence Day	Fourth (4th) Day of July
Labor Day	First (1st) Monday of September
Thanksgiving Day	Fourth (4th) Thursday of November
Christmas Eve Day	Twenty-fourth (24th) Day of December
Christmas Day	Twenty-fifth (25th) Day of December

B. Observation of Holidays

1. Departments/Units Rendering Twenty-Four (24)-Hour Per Day, Seven (7) Days Per Week Service. Such employees shall observe the holidays as listed in Section 7.2(A), Recognized Holidays, on the day they actually occur.

2. Departments/Units Rendering Less Than Twenty-Four (24)-Hour Per Day, Seven (7) Days Per Week Service. Holidays falling on Saturday shall be observed on the preceding Friday, and the Saturday shall be treated as a non-holiday workday. Holidays falling on Sunday shall be observed on the following Monday, and the Sunday shall be treated as a non-holiday workday.

C. Who Is Covered. Paid holidays apply to all regular full-time, regular part-time, and part-time employees and not to those who work on an intermittent, casual or call-in basis.

D. Eligibility for Holiday Pay. To be eligible for holiday pay, the employee must have earnings in the workweek in which the holiday occurs and work the scheduled day before the holiday, the holiday if scheduled, and the next scheduled day after the holiday, unless paid absences from such days are authorized by the Employer. "Earnings" shall be defined as pay received for actual hours worked, sick leave, holidays, jury duty, vacation, and funeral leave, and

shall not include any occupational or non-occupational disability compensation received by the employee.

E. Holiday Pay

1. Regular Full-Time Employees. Eligible regular full-time employees shall be paid eight (8) hours of holiday pay at their regular straight time rate of pay for the holiday.

2. Regular Part-Time and Part-Time Employees. Eligible regular part-time and part-time employees shall be paid pro rata holiday pay in accordance with the following formula, but not more than eight (8) hours:

$$\text{Holiday Pay} = \frac{\text{Greater of Hours Scheduled* or Straight time Hrs. Paid in the prior workweek}}{40 \text{ Hours Per Workweek}} \times \text{Hrs. of Holiday Pay (8 hrs.)}$$

*Hours indicated on the most recent Personnel Action Notice (PAN).

3. If an eligible regular full-time, regular part-time or part-time employee is required to work on a holiday, (except as provided in 6 below), the employee shall be paid at the regular straight time rate of pay for all hours worked on the holiday (subject to the overtime provisions in Section 5.7) in addition to holiday pay.

4. Substitute Holiday. Eligible employees who are assigned to work on a holiday or the holiday falls on their normally scheduled day off may request a substitute holiday observance and if mutually agreeable with their supervisor schedule another day off without pay between the thirtieth (30th) day before or after the holiday.

5. Upon the effective dates listed below and thereafter, the following holidays shall be designated as one and one-half (1 ½) times straight time days:

Christmas Day	-	Effective December 25, 2002
Thanksgiving Day	-	Effective November 27, 2003
New Year's Day	-	Effective January 1, 2004

6. Employees required to work on any of the above listed holidays shall be paid at one and one-half (1 ½) times the straight time rate of pay for all hours worked on the holiday and shall be credited with a vacation day or the employee may exercise a choice of being paid two and one-half (2 ½) times the straight time rate of pay for all hours worked on the holiday but with no vacation day.

F. Holiday Scheduling. In scheduling holiday work, the Employer will, after due regard for operational requirements, consider the employee's preference. In the event of a conflict between two (2) or more employees, department seniority shall govern.

G. Holiday Shifts. When a shift starts on the day preceding a holiday and extends into the holiday, it shall be considered a non-holiday shift. When a shift starts on a holiday and extends into the following day, it shall be considered a holiday shift.

H. Holiday Accumulation

1. Eligible employees who work on a holiday may elect to accumulate up to a maximum of five (5) holidays which will be added to the employee's vacation balance. Employees must specify the holidays to be accumulated.

2. Holidays credited to the vacation balance shall be excluded when calculating the maximum vacation accumulation permitted per Section 7.1(B), Vacation Accumulation.

3. Employees who have not yet met the one (1) year service requirement for vacation eligibility (Section 7.1(A)) may accumulate up to five (5) holidays which may be taken consecutively or singularly during the first (1st) year of employment subject to operational requirements.

1. Overtime Computation. Holidays paid for but not worked shall count as time worked for the purpose of computing weekly overtime and premium pay under Section 5.8.B. Sixth Day.

7.3 Paid Sick Leave

A. Eligibility. Any employee who, because of illness or injury not compensable under the State Workers' Compensation Law, is prevented from working her regular work schedule shall be entitled to paid sick leave in accordance with the provisions of this Section.

B. Pay During Sick Leave. An employee shall be eligible for sick leave pay after completion of her probationary period or equivalent hours (five hundred twenty (520) hours) and, following completion of the probationary period, shall be credited from her most recent date of hire. Sick leave shall commence with the first day of illness or injury. Sick leave shall be paid at the employee's regular straight-time hourly rate for all hours she would have worked had it not been for the illness or injury but not to exceed eight (8) hours per day, unless specifically provided for in Addendum II, Ten (10)-Hour Shifts, or Addendum III, Twelve (12)-Hour Shifts, or forty (40) hours per workweek. Sick leave shall be payable for scheduled hours directly associated with emergency medical and dental appointments. An emergency shall be defined as something of an immediate and urgent nature that could not have been reasonably anticipated.

C. Accumulation

1. Each regular full-time employee shall accumulate 3.70 hours of sick leave for each pay period of employment up to a maximum of one hundred (100) days (800 hours).

2. Regular part-time employees who work twenty (20) hours or more per week shall receive prorated sick leave credit based on their regularly scheduled hours to a maximum of 216.21 times their current pay period accrual rate, see Exhibit "E", Maximum Sick Leave Accumulation for Regular Part-Time. The pay period accrual rate shall be determined in the following manner:

$$\text{Pay Period Accrual Rate} = \frac{\text{Scheduled Hours per Pay Period} \times 3.7 \text{ Hours per Pay Period}}{80 \text{ hours per Pay Period}}$$

D. Overtime Computation. Paid sick leave shall not count toward forty (40) hours in the workweek for the purpose of computing overtime.

E. Employee Notice

1. In order to be eligible to receive sick leave benefits, a regular full-time or regular part-time employee absent on sick leave shall notify the Employer of her pending absence as soon as possible and at least one and one-half (1-1/2) hours prior to the day shift or at least three (3) hours prior to the evening or night shift.

2. For illnesses in excess of one (1) day's duration, employees shall keep the Employer apprised of their status on a regular basis as required by their supervisor provided such requirement is not excessive or abusive.

F. Certification of Illness/Injury by Physician. Sick leave shall be payable upon satisfactory evidence of illness. The Employer may require certification by a medical doctor that the employee's absence from work was caused by a bona-fide illness or injury justifying the employee's absence. Any employee abusing the provisions of this sub-section is subject to discharge.

G. Workers' Compensation. An employee absent from work due to a work-related injury or illness may request sick leave pay to be integrated with Workers' Compensation benefits so that the employee receives the equivalent of her regular pay for those days for which she is entitled to receive Workers' Compensation payments.

H. Temporary Disability Insurance. The Employer shall provide a Temporary Disability Plan for regular full-time and regular part-time employees covered by this Agreement. If the employee becomes disabled from an illness, benefits will become payable immediately after an employee exhausts her sick leave but shall not commence before the eighth (8th) day of disability and shall continue for twenty-six (26) weeks from the date sick leave is exhausted. If the employee qualifies for Temporary Disability Insurance benefits but does not have sufficient sick leave to cover the first seven (7) days of illness, she may apply for vacation pay for any such days. If the employee becomes disabled from an accident, benefits will begin on the first (1st) day of the disability and continue until the end of the twenty-sixth (26th) week from the date sick leave is exhausted. The employee shall receive fifty-eight percent (58%) of weekly earnings but not more than provided by the Hawaii Temporary Disability Insurance Law. Periods of disability due to the same or related non-occupational causes will be considered the same period of disability unless they are separated by the employee's return to her normal work schedule for two (2) consecutive weeks. Periods of disability due to unrelated causes will also be considered the same period of disability unless they are separated by the employee's complete recovery and her return to her normal work schedule. If the employee's employment ends, benefit coverage will be continued for two (2) weeks from the date employment ends, but only if the employee does not become otherwise employed. The TDI Plan shall be in conformance with the law and shall be non-contributory for employees.

7.4 Leave of Absence Without Pay

A. Eligibility. Except as otherwise provided herein, after one (1) continuous year of employment, a regular full-time employee or regular part-time employee, upon written request, may be granted a leave of absence for the reasons and up to a maximum length of time as listed below. Upon return from an approved unpaid leave of three (3) months or less, the employee shall be returned to her former position. Upon return from an approved unpaid leave of longer than three (3) months, the employee may be returned to her former position but shall at least be

returned to her former classification. In both cases, her previously accumulated seniority shall be credited to her in accordance with Section 4.3(A), Seniority Defined.

B. Employee Not Returning to Work Within Time Limits. In the event that an employee fails to return to work without good cause within the time limits set forth within this Section, such employee shall be considered to have resigned voluntarily from her position. The return of an employee to work before the expiration of the leave of absence shall be at the option of the Employer.

C. Accrued Vacation in Conjunction With Leave. It is understood that for travel, educational and personal leaves, an employee must use her accrued vacation prior to and in conjunction with such leaves, except that one (1) week of accrued vacation may be saved. Employees granted a leave of absence for medical disabilities, Union business, or emergency leave shall not be compelled to take vacation time.

D. Types of Leaves of Absence Without Pay

1. Union Business. For not longer than two (2) years, nor for more than two (2) employees at any time and not more than one (1) employee per department, and for elected or appointed Union office.

2. Medical Disabilities (Including Maternity, Occupational/ Industrial Related Disabilities). Upon employee's completion of her probationary period and supported by a physician's statement(s) of disability. Not to exceed twelve (12) months from date of disability; however, such leaves may be extended for one (1) additional year (twenty-four (24) months total). An employee returning from a medical leave of absence of one (1) year or less shall be reinstated in her former position if (1) that position still exists; and, (2) the employee is physically and mentally capable of performing these duties. In any case, however, she shall be guaranteed a position commensurate with her physical and mental condition, ability to perform the job satisfactorily and seniority. An employee taking a medical disability leave exceeding one (1) year shall have no special reinstatement rights but may bid for available job openings for which she is qualified.

3. Travel. For a period not to exceed six (6) months.

4. Personal. For a period not to exceed six (6) months.

5. Emergency Leave. Upon completion of her probationary period, an employee may be granted a two (2)-week emergency leave.

6. Educational. For one (1) year or the length of the course's term (whichever is less) for courses related to her job, a next higher job or a course requirement in a program of study leading to a work-related certification, licensure or degree. If the course exceeds one (1) year, the employee may request an extension of her leave for the duration of the course with a maximum of one (1) additional year (maximum two (2) years total). Employees taking educational leave exceeding one (1) year, however, shall have reinstatement rights to the first available opening in their classification.

E. Benefits During Leave

1. When a regular full-time or regular part-time employee is on a medical disability leave of absence, the Employer will continue to pay the premium for medical coverage for the first three (3) months of the leave, and the premium payments for the remainder of her leave must be arranged by the employee.

2. It shall be the employee's responsibility to make advance arrangements if she intends to retain and continue health plan and other benefits during such leave. Any employee granted leave of absence within Section 7.4, Leave of Absence Without Pay, shall not accrue any vacation, sick leave credits or holiday during the duration of such leave of absence without pay.

F. Leave Requests. Employees requesting leaves of absence shall request such leaves in writing at least thirty (30) days prior to the date requested (except for emergencies and unforeseen medical disabilities) and specify the date of return to work. The date of return may be changed by mutual agreement between the employee and her supervisor but not beyond the time limits stated in this Section. Employees will not be allowed to combine different leaves of absence provisions to provide for a single longer leave except in the case of a bona-fide emergency or medical disability leave as defined above.

7.5 Educational and Professional Improvement

A. Eligibility. After one (1) year of continuous employment in the bargaining unit, regular employees may receive one (1) day of paid professional development leave per payroll year. This day of paid professional development leave may not be carried over from year to year. The hours of professional development leave shall be paid on the employee's regularly scheduled hours for that day, not to exceed twelve (12) hours.

B. Procedure

(1) Requests. Professional development leave must be requested in writing on the appropriate form at least two (2) weeks in advance and must be pre-approved by management. Each applicant shall be notified as to the approval or disapproval in writing of the professional development leave.

(2) Covered Activities. In order to qualify for approval, the educational activity for which assistance is requested must be of direct benefit to the Employer in reaching its established goals, be directly related to the employee's current position, a higher bargaining unit position, or a shortage category position.

(3) Scheduling. The educational activity must be scheduled for at least four (4) hours in order to be approved for professional development leave. For programs overlapping with an employee's regularly scheduled shift and lasting less than eight (8) hours, the employee may be scheduled to report for the remainder of her shift less the length of time spent at the program.

(4) Professional development leave will be considered the same as time worked.

(5) Documentation. The employee is required to provide appropriate documentation of attendance at the approved educational activity.

7.6 Tuition Reimbursement

A. The Employer has agreed to establish a tuition reimbursement program for the growth and development of regular employees through their enrollment in educational courses for credit in an institution of higher learning, continuing education program and specialty certification examinations. In order to qualify for approval, the education course/program/ examination for which assistance is requested must be of direct benefit to the Employer in reaching its established goals, be directly related to the employee's current position, a higher bargaining unit position, or a shortage category position.

B. Eligibility. Regular full-time and regular part-time employees who have completed one (1) continuous year of employment are eligible for tuition reimbursement.

C. Eligible Charges. Charges paid for the following are eligible for reimbursement:

- (1) registration fees,
- (2) examination fees,
- (3) instructor fees,
- (4) lab fees,
- (5) fees per credit hour, etc.,
- (6) text books required for coursework (supplies required for study are not included as eligible charges),
- (7) off-island travel for eligible employees who need educational courses in their specialty to maintain certification required by the Employer and such courses are not available locally.

D. Reimbursement Guide. After one (1) year of continuous employment, regular full-time and regular part-time employees shall be reimbursed for eligible charges up to a maximum of eight hundred dollars (\$800) per calendar year. Lodging, food and transportation expenses for off-island travel shall be reimbursed to a maximum of eight hundred dollars (\$800) per calendar year.

After three (3) years of continuous employment, regular full-time and regular part-time employees shall be reimbursed for eligible charges up to a maximum of eight hundred dollars (\$800) per calendar year. Lodging, food and transportation expenses for off-island travel shall be reimbursed to a maximum of one thousand dollars (\$1,000) per calendar year.

E. All requests for tuition reimbursement must be made in writing to the department supervisor at least thirty (30) calendar days prior to the convening date of the course/program/examination, etc. Requests shall include an explanation of how the course relates to the employee's work assignment and how feedback will be presented to other department employees, if appropriate.

F. Off-Island travel. All travel arrangements shall follow regional protocol. Requests for lodging, food, and transportation expenses shall be done via completion of both a tuition reimbursement form and an expense account form. These forms shall be accompanied by applicable receipts.

G. Reimbursement. Reimbursement for approved educational courses/ program/ examinations is at 100% of eligible charges provided the following conditions are satisfied:

(1) Where grades are issued, the employee must attain a passing grade for the course/program/examination.

(2) Receipts are presented.

(3) Budgeted funds are available (up to sixty-five thousand (\$65,000) per year) and the employee has not exceeded the eight hundred dollars (\$800) maximum reimbursement amount per calendar year.

H. Continued Employment. An employee must continue regular employment for at least one (1) year after completion of the most recent course/program/examination for which reimbursement is made. An employee, who, for whatever reason, fails to meet this requirement, shall be required to refund to the Employer a prorated amount of the tuition reimbursement paid for any course/program/examination completed within the last year of employment.

I. Procedure. An eligible employee will make application on a "Tuition Reimbursement Application Form" available at the Human Resources Department.

(1) The application shall include a description of the course/program/examination, the cost and dates of the course/program/examination and any other pertinent information.

(2) The application shall be made before completion of the course/ program/ examination.

(3) The application shall include a statement that the employee authorizes the deduction of a prorated amount of any tuition reimbursement paid, should the continued employment requirement as stated in Section H, above, not be met.

7.7 Leaves of Absence With Pay

A. Funeral Absence With Pay. In the event of death in the immediate family of a regular employee, when proper evidence has been submitted to the Supervisor, such an employee shall be granted three (3) days off with pay from the employee's work schedule. The immediate family is defined as father or stepfather, mother or stepmother, spouse, child or stepchild, brother or stepbrother, sister or stepsister, mother-in-law or father-in-law, grandparents or grandchildren. Upon request, employees may be granted a reasonable number of additional days (either without pay or utilizing vacation days) to be used in conjunction with the funeral absence with pay.

B. Jury Duty

1. Compensation for Serving as a Juror. Any regularly scheduled employee who serves on a federal or state jury shall receive full pay during the period of such service. The Employer will make up the difference, if any, between the amount paid her by the government, excluding mileage allowance, and the straight-time amount she would have earned had she worked. It is understood that the employee shall submit to the Employer a proper certificate from a court official indicating the time so spent and the amount of jury pay. It is also understood for evening and night shift employees that if jury duty occurs at a time outside of the employee's normally scheduled work shift and is of a duration of more than four (4) hours, such employee shall not be required to report to her normally assigned shift.

2. Compensation for Serving as a Witness. Any employee who is required by the Employer to serve as a witness in any judicial or arbitration proceeding shall have such time considered time worked and compensated for under the provisions of this Agreement.

7.8 Meal and Rest Periods

A. It is the intent of the Employer that employees be able to take their thirty (30)-minute uninterrupted meal periods and fifteen (15)-minute rest periods.

B. Meal Periods. An uninterrupted meal period without pay of at least one-half (1/2) hour's duration shall be afforded at a time to be designated by the Employer (however, an employee afforded less than twenty (20) minutes for an uninterrupted meal period will be compensated for the full one-half (1/2) hour). If an employee is required to work more than six (6) hours after the start of the shift without being given an uninterrupted thirty (30)-minute meal period, the employee shall be paid at the applicable overtime rate for all time worked after the sixth (6th) hour until such time as the employee is given an uninterrupted thirty (30)-minute meal period. Before any employee may be paid any overtime payments due to their inability to have a meal period within the designated six (6) hours, such employee must have contacted her supervisor or designee to notify them of the employee's inability to take a meal period at the scheduled time prior to the employee working through the scheduled meal period.

1. Meals Without Charge. If an employee works more than ten (10) continuous hours in one (1) day, she shall be entitled to a meal in the employees' cafeteria, without charge, provided that meal service in the employees' cafeteria is available. If an employee is required to work an unscheduled second shift (double shift), the employee shall be provided with a meal by the Employer at no cost to the employee. Such meal shall be comprised of at least a sack lunch (sandwich, fruit and beverage). At locations where it is impractical for the Employer to provide such a meal, the Employer may elect to have the employee order her own meal and, upon presentation of a receipt, shall reimburse such employee for the cost of the meal up to a maximum of four dollars (\$4.00). Reimbursement will be made via the normal expense account reimbursement procedure on a monthly basis. An unscheduled second shift means that the employee reported to work not knowing she would end up working a second shift.

2. Dining Facilities. The Employer shall provide adequate dining facilities for all employees, including those who bring their own meals. Employees who work while the cafeteria is closed may be allowed to eat on the floors where they work in authorized areas. If eating in unauthorized areas occurs as the result of short staffing or patient care needs, employees will not be disciplined.

3. Meals During Night Shifts. For night shift employees who are regularly scheduled for eight (8) continuous hours of work, time will be made available for a lunch break and rest periods in conformity with the requirements of providing complete patient care. Night shift employees are those whose regular work schedule commences between the hours of 11:00 p.m. and 1:00 a.m.

C. Rest Periods. Each employee who works four (4) or more hours in a work day is allowed a paid relief period during each four (4)-hour period worked. The exact length of the relief period is determined by the distance to the nearest convenience. In no case shall the relief period be longer than fifteen (15) minutes or less than ten (10) minutes.

7.9 Uniforms and Laundry

A. Special Work Clothes. When employees are required to wear uniforms or special type work clothes while in the employ of the Employer, the cost of laundering and furnishing the same shall be borne by the Employer, provided that the Employer shall not be required to furnish or launder apparel traditionally worn by such employees in hospitals generally.

B. Insignia. The Employer shall provide two (2) sets of any insignia which it requires employees to wear. Worn insignias will be replaced if returned.

7.10 Tax-Sheltered Annuity (TSA) Plan. Employees will be permitted to participate in Kaiser's national tax sheltered annuity (TSA) program as long as the plan continues to be offered by the Employer. Effective June 25, 2000, the Employer shall contribute a fifty percent (50%) match on the dollar up to two percent (2%) of the employee's gross earnings. Effective July 3, 2005, the Employer shall contribute a fifty percent (50%) match on the dollar up to three percent (3%) of the employee's gross earnings.

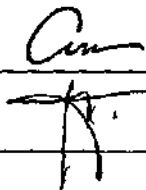
IN WITNESS WHEREOF, the parties hereto have set their signature on this _____ day of _____, 2005.

KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.



Jenia Hand

UNITE HERE LOCAL 5, AFL-CIO



[Handwritten Signature]

**EXHIBIT "A" - WAGE SCHEDULE
CLERICAL POSITIONS**

Labor Grade	2% Eff. 7/4/04.			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/23/08		
	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *
2	12.17	12.84	13.52	12.47	13.17	13.88	12.97	13.69	14.41	13.49	14.24	14.99	14.17	14.96	15.74	14.88	15.70	16.53
3	12.65	13.35	14.05	12.96	13.68	14.40	13.48	14.23	14.98	14.02	14.80	15.58	14.72	15.54	16.38	15.46	16.32	17.18
4	13.08	13.81	14.54	13.41	14.18	14.90	13.95	14.79	15.50	14.51	15.31	16.12	15.24	16.08	16.93	16.00	16.89	17.78

**EXHIBIT "A" - WAGE SCHEDULE
CLERICAL POSITIONS**

Labor Grade	2% Eff. 7/4/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/29/08		
	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *
4	Stock Clerk Telephone Operator																	
5	13.56	14.31	15.06	13.90	14.67	15.44	14.45	15.26	16.06	15.08	15.87	16.70	15.78	16.66	17.54	16.58	17.50	18.42
	Accounting Clerk III Admitting Clerk After Hours Clinic Receptionist Appointment Clerk (Wailuku & Lahaina) Appointment/Registration Receptionist Appointment/Reg. Rec./Cashier Audiometric Assistant Lead Bio-Med Clerk Central Appointment Clerk Central Service Clerk Clerk Typist, Sr. Clinical Assistant/Receptionist Clinic Clerk Clinic Inventory Coordinator Clinic Service Representative Control Clerk (Controller Services) Coordinator Clinic Inventory Diagnostic Imaging Receptionist Dietary Clerk EDP Clerk II Emergency Dept. Medical Clerk Film Clerk I Film Specialist III (Diagnostic Imaging) General Office Clerk (Wailuku & Lahaina) Industrial Clerk - ER Mailroom/Chart Clerk (Wailuku) Mailroom Clerk Maintenance Service Clerk Materiel Clerk II Materiel Customer Service Associate Member Care Support Rep I Operating Room Clerk Optical Dispensing Clerk Optical Lab Clerk Patient Services Assistant Pharmacy Inventory Supply Clerk Pharmacy Support Services Clerk Receptionist Receptionist II (DI) (Lab) Receptionist-D.I./Film Specialist Records Information Specialist																	

**EXHIBIT "A" - WAGE SCHEDULE
CLERICAL POSITIONS**

Labor Grade	2% Eff. 7/4/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/29/09			
	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	
5																			
6	14.04	14.82	15.50	14.29	15.19	15.99	14.97	15.80	16.63	15.57	16.44	17.20	18.35	17.26	18.17	17.17	18.13	19.08	

**EXHIBIT "A" - WAGE SCHEDULE
CLERICAL POSITIONS**

Labor Grade	2% Eff. 7/4/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/29/08		
	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *
6																		
7	14.46	15.27	16.07	14.82	15.65	16.47	15.42	16.27	17.13	16.04	16.93	17.82	16.84	17.77	18.71	17.69	18.67	19.65
8	14.98	15.81	16.64	15.25	16.21	17.06	15.97	16.85	17.74	16.61	17.53	18.45	17.43	18.40	19.37	18.31	19.32	20.34

**EXHIBIT "A" - WAGE SCHEDULE
CLERICAL POSITIONS**

Labor Grade	2% Eff. 7/4/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/29/08		
	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*
8	<i>Accounts Payable Clerk Accounts Receivable Accounting Clerk Appointment Coordination, Lead Clerk Bed Control/TV Rental Relief Assistant Business Office Clerk, Lead (N.I.)</i>																	
	<i>Business Service Rep., Lead (Outpt.) Central Records Depository Clerk, Sr. Chief Clerk/Storekeeper (Laboratory) Clerk, Chief (Radiology) Clerk, Lead - Appointment Coordinator Clerk, Lead - Clinics - Scheduler Client Accounting Representative COB/ITPL Specialist Collections Assistant, Lead Driver/Records Clerk, Lead Emergency Claims Specialist Emergency Dept. Bus. Svc. Clerk, Lead Emergency Dept. Clerk, Lead Film Clerk, Lead Film Specialist I (Diagnostic Imaging) Health Plan Claims Examiner, Lead Insurance Service Representative Lead Clerk, File Room (D.I.) Master Patient Index Spec., Lead Med. Records Data Spec. (HealthConnect) Patient Accounting Representative Schedule Coordinator Clerk Sr. Advantage/Medicare Representative</i>																	
9	15.46	16.35	17.21	15.88	16.76	17.64	16.52	17.43	18.35	17.17	18.13	19.08	18.03	19.03	20.03	18.93	19.98	21.09
	<i>Business Service Rep., Inpatient Collection Specialist EDIP Clerk, Lead Film Clerk, Chief Insurance Service Rep., Lead Membership Accounting Clerk, Lead Patient Accounting Representative, Lead Receptionist, Chief (D.I.)</i>																	
10	15.93	16.82	17.70	16.33	17.23	18.14	16.98	17.93	18.87	17.66	18.64	19.62	18.54	19.57	20.60	19.47	20.56	21.63
	<i>Accounts Payable Tech., Lead Business Service Rep., Lead Payroll Technician Storekeeper</i>																	

**EXHIBIT "A" - WAGE SCHEDULE
CLERICAL POSITIONS**

Labor Grade	2%			2.5%			4%			4%			5%			5%		
	Eff. 7/4/04			Eff. 1/2/05			Eff. 7/3/05			Eff. 7/2/06			Eff. 7/1/07			Eff. 6/29/08		
	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*
11 Customer Service Rep., Claims Membership Acctg. Svc. Rep., Lead	16.37	17.28	18.19	16.78	17.71	18.64	17.45	18.42	19.39	18.16	19.16	20.17	19.06	20.12	21.18	20.02	21.13	22.24
12 Payroll Technician, Lead	18.87	17.92	18.86	17.40	18.36	19.33	18.09	19.10	20.10	18.81	19.86	20.90	19.76	20.85	21.95	20.75	21.90	23.05

Progression:

New employees in any of the classifications listed in Exhibit "A" shall move through the following progression rates:

First six (6) months - ninety percent (90%) of Job Rate

* Second six (6) months (starting on the first (1st) day of the payperiod closest to six (6) months) - ninety-five percent (95%) of Job Rate

* Thereafter - Job Rate (starting on the first (1st) day of the payperiod closest to one (1) year) (Employee must have passed the Probationary Period to move to the Job Rate)

**EXHIBIT "A" - WAGE SCHEDULE
ANCILLARY POSITIONS**

Labor Grade	2% Eff. 7/1/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 8/29/08		
	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *
2 General Maint. Helper II Housekeeping Aide Helpg/Mailroom/CS Aide II (HNL Clinic) Inpatient Unit Aide Inventory & Distribution Associate Kitchen Helper Unit Aide-Inpatient	12.17	12.64	13.52	12.47	13.17	13.88	12.97	13.69	14.41	13.49	14.24	14.99	14.17	14.95	16.74	14.86	15.70	16.53
3 Cart Room Aide Film Clerk/Transporter Groundskeeper Housekeeper Aide, Lead Helpg, Mailroom/CS Aide I (HNL Clinic) Laboratory Aide Optical Lab Assistant, Trainee Parking Attendant Seamstress Watchperson	12.65	13.35	14.06	12.95	13.68	14.40	13.48	14.23	14.98	14.02	14.80	15.58	14.72	15.54	16.36	15.46	16.32	17.18
4 Assistant Housekeeper Trainee Chemistry Laboratory Aide General Maint. Helper I Helpg/Mailroom/CS Aide, Lead (HNL Clinic) Kitchen Helper, Sr. Kitchen Helper, Lead Linen Room Attendant Multifith Operator III Optical Lab Tech Trainee	13.09	13.81	14.54	13.41	14.16	14.90	13.95	14.73	15.50	14.51	15.31	16.12	15.24	16.08	16.93	16.00	16.89	17.78
5 Central Service Aide Darkroom Technician Darkroom Technician (Evening) High Speed Copier Operator Laboratory Aide, Sr. Optical Assistant Trainee Optical Benchroom Technician Optical Lab Technician Optical Surface Grinder Oft Instrument Aide Oft Instrument Technician Security Guard	13.55	14.31	15.06	13.90	14.67	15.44	14.45	15.26	16.06	15.03	15.87	16.70	15.79	16.68	17.54	16.58	17.50	18.42
6 CSD Technician CSD Aide, Lead Multifith Operator II	14.04	14.82	15.60	14.39	15.19	15.99	14.87	15.69	16.63	15.57	16.44	17.30	16.35	17.26	18.17	17.17	18.13	19.08

**EXHIBIT "A" - WAGE SCHEDULE
ANCILLARY POSITIONS**

Labor Grade	2%			2.5%			4%			4%			5%			5%		
	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*	Start	6 Month*	Job*
6	Optical Inventory Clerk Optical Sales Associate ORI Instrument Aide, Lead ORCS Instrument/Surgical Assistant Warehousaman																	
7	14.46	15.27	16.07	14.82	15.65	16.47	15.42	16.27	17.13	16.04	16.93	17.82	16.84	17.77	18.71	17.69	18.67	19.65
Assistant Optical Lab Foreman Central Service Technician, Sr. Cook 2/C Dietitian Aide Driver/Records Clerk Medicals Technician Optical Assistant (Dispensing) Optician Optical Laboratory, Lead ORCS Instrument/Surgical Assistant, Lead Shuttle Driver SR CSD Technician																		
8	14.98	16.81	16.64	15.35	16.21	17.08	15.97	16.85	17.74	16.61	17.53	18.45	17.43	18.40	19.37	18.31	19.32	20.34
Assistant Storekeeper Cook 1/C Dietician Aide, Lead Driver/Records Clerk, Lead Driver/Stock Clerk Equipment Handler (Facilities) General Maintenance Helper Groundskeeper, Lead Inventory Management Associate Optician Lead Optical Assistant I Optical Assistant (Contact Lens) Optical Clerk, Lead Pathology Technician Trainee																		
9	15.49	16.35	17.21	15.88	16.76	17.64	16.52	17.43	18.35	17.17	18.13	19.08	18.03	19.03	20.03	18.93	19.98	21.03
Assistant Housekeeper General Maintenance Worker III Multitask Operator I Optical Assistant II, Lead Optical Laboratory Foreman Warehouse, Lead																		
10	15.53	16.62	17.70	16.33	17.23	18.14	16.93	17.93	18.97	17.65	18.64	19.62	18.54	19.57	20.60	19.47	20.55	21.63
General Maintenance Carpenter II General Maintenance Worker II Multitask Technician Optical Assistant Lead I																		

**EXHIBIT "A" - WAGE SCHEDULE
ANCILLARY POSITIONS**

Labor Grade	2% Eff. 7/1/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/28/08		
	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *	Start	6 Month *	Job *
10 Pathology Technician																		
11	18.37	17.28	18.19	18.78	17.71	18.64	17.45	18.42	19.39	18.15	19.16	20.17	19.06	20.12	21.18	20.02	21.13	22.24
12 Bio-Medical Equip. Technician, Jr.	18.87	17.92	18.86	17.40	18.36	19.33	18.09	19.10	20.10	18.81	19.86	20.90	19.75	20.85	21.96	20.75	21.90	23.05
13 General Maintenance Carpenter I General Maintenance Worker I	17.42	18.38	19.35	17.86	18.84	19.83	18.58	19.59	20.62	19.30	20.37	21.44	20.26	21.38	22.51	21.29	22.46	23.64
14 Bio-Medical Equipment Technician General Maintenance Carpenter, Lead General Maintenance Worker, Lead	17.91	18.91	19.90	18.36	19.38	20.40	19.10	20.16	21.22	19.86	20.97	22.07	20.65	22.01	23.17	21.90	23.11	24.33
15 Maintenance Specialist (Carpentry)	18.34	19.38	20.38	18.80	19.85	20.89	19.68	20.84	21.78	20.34	21.47	22.60	21.38	22.54	23.73	22.43	23.67	24.82
16 Bio-Medical Equipment Technician, Lead	18.80	19.85	20.89	19.27	20.34	21.41	20.04	21.18	22.27	20.84	22.00	23.16	21.89	23.10	24.32	22.99	24.26	25.54

Progression:

New employees in any of the classifications listed in Exhibit "A" shall move through the following progression rates:

First six (6) months - ninety percent (90%) of Job Rate

* Second six (6) months (starting on the first (1st) day of the payperiod closest to six (6) months) - ninety-five percent (95%) of Job Rate

* Thereafter - Job Rate (starting on the first (1st) day of the payperiod closest to one (1) year) (Employee must have passed the Probationary Period to move to the Job Rate)

**EXHIBIT "A" - WAGE SCHEDULE
PATIENT CARE POSITIONS**

Labor Grade	2% Eff. 7/1/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/29/08		
	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *
2 Lifting TM Transport Transporter Transportation-Recovery Room	12.17	12.84	13.52	12.47	13.17	13.86	12.97	13.69	14.41	13.49	14.24	14.99	14.17	14.95	15.74	14.88	15.70	16.53
3 Activities Aide Clinic Aide EKG Aide Pharmacy Aide Surgical Aide Transporter, OR Visitor Assistant	12.85	13.35	14.05	12.96	13.68	14.40	13.48	14.23	14.98	14.02	14.80	15.58	14.72	15.54	16.36	15.46	16.32	17.18
4 Cardiology Technician Trainee GI Aide Hospital Aide Medical Assistant V Nurse Assistant (ER) Surgical Aide Sr.	13.09	13.81	14.54	13.41	14.16	14.90	13.95	14.73	15.50	14.51	15.31	16.12	15.24	16.08	16.93	16.00	16.89	17.78
5 Anesthesia Assistant Cardiology Technician Clinic Assistant (Industrial Clinic) Department Tech Surg/PACU Dermatology Assistant Trainee Hospital Aide (SCF) Hospital Aide, Sr. Medical Assistant IV Pharmacy Technician Trainee Pharmacy Technician Trainee-ARC Ward Clerk Ward Clerk SCF	13.55	14.31	15.06	13.90	14.67	15.44	14.45	15.25	13.06	15.03	15.87	16.70	15.79	16.68	17.54	16.58	17.50	18.42
6 Anesthesia Assistant, Sr. Cardiology Technician II Cardiology Technician, Sr. Dept Tech Lead-Surg/PACU EEG Technician Emergency Dept. Technician II (Clinics) (Monatlas) GI Assistant Hemodialysis Tech Medical Assistant III	14.04	14.82	15.60	14.39	15.19	15.99	14.87	15.80	16.63	15.57	16.44	17.30	16.35	17.26	18.17	17.17	18.13	19.08

EXHIBIT "A" - WAGE SCHEDULE
PATIENT CARE POSITIONS

Labor Grade	2% Eff. 7/4/04			2.5% Eff. 1/2/05			4% Eff. 7/3/05			4% Eff. 7/2/06			5% Eff. 7/1/07			5% Eff. 6/29/08		
	Start	6 Month*	Job.*	Start	6 Month*	Job.*	Start	6 Month*	Job.*	Start	6 Month*	Job.*	Start	6 Month*	Job.*	Start	6 Month*	Job.*
7	ASC Surgical Technologist III Cardiac Monitor Technician Cardiology Technician I Cardiology/Ultrasound Tech. Trainee Cath. Laboratory Technician Emergency Dept. Technician I (Clinics) (Moanalua) GI Assistant, Sr. Holler Monitor Technician Medical Assistant II Obstetrical Technician (OB Tech) Team Leader Clerical -DI																	
	14.46	15.27	16.07	14.82	15.65	16.47	15.42	16.27	17.13	16.04	16.93	17.82	16.84	17.77	18.71	17.69	18.57	19.65
8	Anesthesia Technician, II Cardiology Technician, Lead Cardiology/Ultrasound Technician Cardiovascular Technician II Dermatology Assistant GI Assistant, Lead LPN Med. Trainee (Hosp/Clinic) Medical Assistant Medical Assistant I-HPU Medical Assistant I Substance Abuse Program Asst.																	
	14.98	15.81	16.64	15.35	16.21	17.06	15.97	16.85	17.74	16.61	17.53	18.45	17.43	18.40	19.37	18.31	19.32	20.34
9	Cardiovascular Technician I LPN (Non-Med) (Clinic) Medical Assistant, Lead Monitor Technician/LPN																	
	15.49	16.35	17.21	15.88	16.76	17.64	16.52	17.43	18.35	17.17	18.13	19.08	18.03	19.03	20.03	18.93	19.96	21.03
10	LPN (Non-Med) (Hospital)																	
	15.93	16.82	17.70	16.33	17.23	18.14	16.98	17.93	18.87	17.66	18.64	19.62	18.54	19.57	20.60	19.47	20.55	21.63
11	LPN - Clinic II (Med)																	
	16.37	17.28	18.19	16.78	17.71	18.64	17.45	18.42	19.39	18.15	19.16	20.17	19.06	20.12	21.18	20.02	21.13	22.24
12	LPN (Ambulatory) LPN (Med) (Clinic) (Certified and give medications) LPN, Lead																	
	16.97	17.92	18.86	17.40	18.36	19.33	18.09	19.10	20.10	18.81	19.86	20.90	19.76	20.85	21.95	20.75	21.90	23.05

**EXHIBIT "A" - WAGE SCHEDULE
PATIENT CARE POSITIONS**

Labor Grade	2%			2.5%			4%			4%			5%			5%		
	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *	Start	6 Month*	Job *
13 LPN-Clinic (Med) (Red Circle) LPN (Med) (Hospital) (Certified and give medications) Applies to LPN's working in CCU, Float Pool, Nursery, Pediatrics, Post Partum, SNF, 1-East, 1-West, 2-East, 2-West, 3-East, 3-West and ER	17.42	18.38	19.35	17.85	18.84	19.83	18.58	19.59	20.62	19.90	20.37	21.44	20.28	21.38	22.51	21.28	22.48	23.64
14 LPN, Sr. (Med) (Hosp)	17.91	18.91	19.90	18.36	19.38	20.40	19.10	20.16	21.22	19.66	20.97	22.07	20.85	22.01	23.17	21.90	23.11	24.33

Progression:

New employees in any of the classifications listed in Exhibit "A" shall move through the following progression rates:

First six (6) months - ninety percent (90%) of Job Rate

* Second six (6) months (starting on the first (1st) day of the payperiod closest to six (6) months) - ninety-five percent (95%) of Job Rate

* Thereafter - Job Rate (starting on the first (1st) day of the payperiod closest to one (1) year) (Employee must have passed the Probationary Period to move to the Job Rate)

**EXHIBIT "A" - WAGE SCHEDULE
SUPPLEMENTAL PAGE**

Classifications	2% Effective 7/4/04				2.5% Effective 1/2/05				4% Effective 7/3/05				4% Effective 7/2/06				5% Effective 7/1/07				5% Effective 8/23/08			
	Prob.*	Start	6 Mo.*	Job.*	Prob.*	Start	6 Mo.*	Job.*	Prob.*	Start	6 Mo.*	Job.*	Prob.*	Start	6 Mo.*	Job.*	Prob.*	Start	6 Mo.*	Job.*	Prob.*	Start	6 Mo.*	Job.*
Pharmacy Tech. (Outpatient) (ARC)	15.91	14.81	15.64	16.46	16.31	15.16	16.03	16.87	16.96	15.79	16.66	17.54	17.64	16.42	17.33	18.24	18.52	17.24	18.18	19.15	19.45	18.10	19.10	20.11
Pharmacy Tech. Lead (Outpatient)	16.46	15.25	16.09	16.94	16.97	15.62	16.49	17.36	17.54	16.25	17.15	18.05	18.24	16.89	17.83	18.77	19.15	17.74	18.72	19.71	20.11	18.63	19.67	20.70
Pharmacy Tech. (Inpatient)	16.74	15.56	16.43	17.29	17.16	15.95	16.83	17.72	17.85	16.59	17.51	18.43	18.56	17.25	18.21	19.17	19.49	18.12	19.12	20.13	20.46	19.03	20.06	21.14
Pharmacy Tech. Lead (Inpatient)	17.29	16.00	16.89	17.78	17.72	16.40	17.31	18.22	18.43	17.06	18.00	18.95	19.17	17.74	18.72	19.71	20.13	18.69	19.67	20.70	21.14	19.57	20.65	21.74
Surgical Tech., III	16.64	15.49	16.35	17.21	17.06	15.88	16.76	17.64	17.74	16.52	17.43	18.35	18.45	17.17	18.13	19.08	19.37	18.03	19.03	20.03	20.34	18.93	19.98	21.03
Surgical Tech., II	17.70	16.37	17.28	18.19	18.14	16.78	17.71	18.64	18.87	17.45	18.42	19.39	19.62	18.15	19.16	20.17	20.60	19.06	20.12	21.18	21.63	20.02	21.13	22.24
Surgical Tech., I	18.86	17.42	18.38	19.35	19.33	17.85	18.84	19.83	20.10	18.56	19.69	20.82	20.90	19.30	20.37	21.44	21.95	20.28	21.38	22.51	23.05	21.28	22.48	23.64
Anesthesia Tech I	20.34	18.58	20.04	21.09	20.85	19.48	20.64	21.82	21.68	20.23	21.36	22.48	22.66	21.04	22.21	23.38	23.68	22.10	23.32	24.65	24.88	23.20	24.49	25.78
Gen. Maint. Tech.	20.97	19.27	20.34	21.41	20.88	19.76	20.85	21.95	21.72	20.55	21.69	22.83	22.59	21.37	22.55	23.74	23.72	22.44	23.68	24.93	24.91	23.56	24.87	26.18

General Maintenance Foreman shall receive a differential of ninety cents (\$.90) per hour above the General Maintenance Technician rate of pay.

Progression:

New employees in any of the classifications listed in Exhibit "A" shall move through the following progression rates:

First six (6) months - ninety percent (90%) of Job Rate

* Second six (6) months (starting on the first (1st) day of the payperiod closest to six (6) months) - ninety-five percent (95%) of Job Rate

* Thereafter - Job Rate (starting on the first (1st) day of the payperiod closest to one (1) year) (Employee must have passed the Probationary Period to move to the Job Rate)

EXHIBIT "B"

PROBATIONARY RATES AND JOB RATES BY LABOR GRADES

Labor Grade	2%		2.5%		4%		4%		5%		5%	
	Effective 7/4/04		Effective 1/2/05		Effective 7/3/05		Effective 7/2/06		Effective 7/1/07		Effective 6/29/08	
	Probationary	Job	Probationary	Job	Probationary	Job	Probationary	Job	Probationary	Job	Probationary	Job
1	12.38	12.92	12.69	13.24	13.20	13.77	13.73	14.32	14.42	15.04	15.14	15.79
2	12.92	13.52	13.24	13.86	13.77	14.41	14.32	14.99	15.04	15.74	15.79	16.53
3	13.52	14.05	13.86	14.40	14.41	14.98	14.99	15.58	15.74	16.36	16.53	17.18
4	14.05	14.54	14.40	14.90	14.98	15.50	15.58	16.12	16.36	16.93	17.18	17.78
5	14.54	15.06	14.90	15.44	15.50	16.06	16.12	16.70	16.93	17.54	17.78	18.42
6	15.06	15.60	15.44	15.99	16.06	16.63	16.70	17.30	17.54	18.17	18.42	19.08
7	15.60	16.07	15.99	16.47	16.83	17.13	17.30	17.82	18.17	18.71	19.08	19.65
8	16.07	16.64	16.47	17.06	17.13	17.74	17.82	18.45	18.71	19.37	19.65	20.34
9	16.64	17.21	17.06	17.64	17.74	18.35	18.45	19.08	19.37	20.03	20.34	21.03
10	17.21	17.70	17.64	18.14	18.35	18.87	19.08	19.62	20.08	20.60	21.08	21.83
11	17.70	18.19	18.14	18.64	18.87	19.39	19.62	20.17	20.60	21.18	21.63	22.24
12	18.19	18.66	18.64	19.33	19.39	20.10	20.17	20.90	21.18	21.95	22.24	23.05
13	18.66	19.35	19.33	19.83	20.10	20.62	20.90	21.44	21.95	22.51	23.05	23.64
14	19.35	19.90	19.83	20.40	20.62	21.22	21.44	22.07	22.51	23.17	23.64	24.33
15	19.90	20.38	20.40	20.89	21.22	21.73	22.07	22.60	23.17	23.73	24.33	24.92
16	20.38	20.89	20.89	21.41	21.73	22.27	22.60	23.16	23.73	24.32	24.92	25.54

Promotions: Employees with a minimum of one (1) year of employment who are promoted or transferred to a different Labor Grade shall be paid at the Exhibit "B" probationary rate until the first day of the payperiod closest to five hundred twenty [520] work hours before progressing to the job rate.

KAISER FOUNDATION HOSPITALS

EXHIBIT "C"

LOCATION CODES

16	Ala Moana Building
88	Dole
15	Hawaii Kai Clinic
12	Hilo
13	Honolulu Clinic
03	Kahuku Clinic
14	Kailua Clinic
20	Kapolei
25	Kihei Clinic
11	Kona Clinic
02	Koolau
08	Lahaina Clinic
80	Mapunapuna
36	Maui Lani
10	Mililani Clinic
07	Moanalua Medical Center
04	Nanaikeola Clinic
82	Ohohia
39	Pa'a
06	Punawai Clinic
81	Regional Headquarters
17	Skilled Nursing Facility
19	Wailuku Clinic
09	Waimea
32	Waipio Clinic

KAISER FOUNDATION HOSPITALS

EXHIBIT "D"

PANEL OF ARBITRATORS

JOYCE NAJITA

LOUIS CHANG

PATRICK YIM

GERALDINE RANDALL

JOHN KAGEL

KAISER FOUNDATION HOSPITALS

EXHIBIT "E"

MAXIMUM SICK LEAVE ACCUMULATION FOR REGULAR PART-TIME

<u>Schedule Hour</u>	<u>Maximum Accumulation (Hours)</u>	<u>Schedule Hour</u>	<u>Maximum Accumulation (Hours)</u>
20	400	31	620
21	420	32	640
22	440	33	660
23	460	34	680
24	480	35	700
25	500	36	720
26	520	37	740
27	540	38	760
28	560	39	780
29	580	40	800
30	600		

ADDENDUM I
PROGRESSIVE DISCIPLINE

The parties agree on the following definition of Progressive Discipline.

For most offenses, management is expected to use a system of progressive discipline under which the employee is warned or given disciplinary suspensions before being hit with the ultimate penalty of discharge. A common pattern is oral warning, written warning, disciplinary layoff and discharge.

But management is not bound by a progressive-discipline formula in cases of serious offenses. Some offenses, such as stealing, loan-sharking, or drunkenness on the job are regarded as so serious that no specific warning or prior disciplinary action need precede discharge. Employees are presumed to know that such serious offenses will lead to discharge. As one arbiter explained:

"The policy of progressive discipline does not mean that for any given employee each penalty must necessarily be more severe than the immediate preceding one, regardless of the offense involved.... What progressive discipline does mean is that progressively more severe penalties may be imposed on each given employee each time any given offense is repeated.

Progressive discipline also means that after a specified number of offenses, regardless of whether the offenses are identical or not, the company may have the right to discharge the given employees.

Both of these...interpretations of progressive discipline avoid the inequitable meting out of discipline, and at the same time serve the dual purpose of progressive discipline, namely, the discouragement of repeated offenses by employees and the protection of the rights of the company to sever completely its relationship with any employee who by his total behavior shows himself to be irresponsible."

ADDENDUM II

TEN (10)-HOUR SHIFTS

In the event the Employer establishes a regular ten (10)-hour shift under provisions of Article IV, Section 4.1, Work Schedules, the following shall be applicable:

1. OVERTIME - Overtime pay is waived for hours in excess of eight (8) hours per workday. Overtime pay shall be paid for hours worked in excess of ten (10) hours in a workday. Any hours worked in excess of twelve (12) hours shall be paid at double time.

2. MEAL PERIOD AND REST PERIODS - The provisions of Article VII, Section 7.7, Meal and Rest Periods, shall be applicable with the following exception: An employee who is normally scheduled to work a 10-hour shift will be allowed a paid relief period during each half of the workday. One paid relief period will be no longer than fifteen (15) minutes or less than ten (10) minutes. The other paid relief period will be no longer than twenty (20) minutes or less than fifteen (15) minutes. The exact length of the relief period is determined by the distance to the nearest convenience. The longer of the two relief periods shall be during the second half of the employee's shift.

3. SICK LEAVE - All provisions of Article VII, Section 7.3, Paid Sick Leave, of the agreement shall be applicable except that an employee unable to work because of illness shall be paid sick leave pay for those hours that the employee was normally scheduled to work on the workday when illness occurred. If an employee is normally scheduled to work an eight (8)-hour shift (workday) and illness occurs, that employee shall receive eight (8) hours of sick leave pay for such day. If an employee is normally scheduled to work a ten (10)-hour shift (workday) and illness occurs, that employee shall receive ten (10) hours of sick leave pay for such day. Sick leave shall not exceed ten (10) hours per day or the total number of hours the employee would have normally been scheduled in a workweek, not to exceed forty (40) hours per workweek. Employees shall continue to earn 3.70 hours or a portion thereof—depending upon status—of sick leave for each pay period of continuous employment.

4. HOLIDAYS - All provisions of Article VII, Section 7.2, Holidays, of the agreement shall be applicable except that:

A. If a holiday occurs when an employee is scheduled for a ten (10) hour shift (workday), the employee shall receive ten (10) hours of holiday pay.

B. Regular part-time and part-time employees shall receive prorated holiday benefits based upon the employee's normal work schedule. Thus, if a holiday occurs when an employee is scheduled for a ten (10) hour shift (workday), the employee shall receive prorated holiday benefits on the basis of ten (10) hours. Holiday shall not exceed ten (10) hours per holiday.

5. VACATION - All provisions of Article VII, Section 7.1, Vacation, of the agreement shall be applicable with the exception that an employee may charge up to and not to exceed eight (8) or ten (10) hours of vacation per day depending on the employee's normal work schedule on the day the vacation is taken. If the employee is normally scheduled to work an eight (8)-hour day and takes a day of vacation on that day, the employee will receive eight (8) hours of vacation pay. If the employee is normally scheduled to work a ten (10)-hour day and takes a day of vacation on that day, the employee will receive ten (10) hours of vacation pay. Vacation pay for a workweek shall not exceed the total hours the employee would have normally been scheduled to work were the employee not on vacation, not to exceed forty (40) hours in that workweek.

ADDENDUM III

TWELVE (12)-HOUR SHIFTS

In the event the Employer establishes a regular twelve (12)-hour shift under provisions of Article IV, Section 4.1, Work Schedules, the following items listed below shall be applicable to Inpatient Department employees.

It is also understood and agreed that the Employer may establish regular twelve (12)-hour shifts for Outpatient Department employees, provided that this would only apply to newly established shifts (on or after 11/29/86) and/or any shift vacated by current employees (on or after 11/29/86), and does not modify the existing shifts (prior to 11/29/86). The following items shall also be applicable to newly established (on or after 11/29/86) twelve (12)-hour shifts for Outpatient Department employees.

1. OVERTIME - Overtime pay is waived for hours in excess of eight (8) hours per workday. Any hours worked in excess of twelve (12) hours shall be paid at double time.

2. MEAL PERIOD AND REST PERIODS - The provisions of Article VII, Section 7.7, Meal and Rest Periods, shall be applicable.

3. SICK LEAVE - All provisions of Article VII, Section 7.3, Paid Sick Leave, of the agreement shall be applicable except that an employee unable to work because of illness shall be paid sick leave pay for those hours that the employee was normally scheduled to work on the workday when illness occurred. If an employee is normally scheduled to work an eight (8)-hour shift (workday) and illness occurs, that employee shall receive eight (8) hours of sick leave pay for such day. If an employee is normally scheduled to work a twelve (12)-hour shift (workday) and illness occurs, that employee shall receive twelve (12) hours of sick leave pay for such day. Sick leave shall not exceed twelve (12) hours per day or the total number of hours the employee would have normally been scheduled in a workweek, not to exceed forty (40) hours per workweek. Employees shall continue to earn 3.70 hours or a portion thereof--depending upon status--of sick leave for each pay period of continuous employment.

4. HOLIDAYS - All provisions of Article VII, Section 7.2, Holidays, of the agreement shall be applicable except that:

A. If a holiday occurs when an employee is scheduled for a twelve (12) hour shift (workday), the employee shall receive twelve (12) hours of holiday pay.

B. Regular part-time and part-time employees shall receive prorated holiday benefits based upon the employee's normal work schedule. Thus, if a holiday occurs when an employee is scheduled for a twelve (12) hour shift (workday), the employee shall receive prorated holiday benefits on the basis of twelve (12) hours. Holiday shall not exceed twelve (12) hours per holiday.

5. VACATION - All provisions of Article VII, Section 7.1, Vacation, of the agreement shall be applicable with the exception that an employee may charge up to and not to exceed eight (8) or twelve (12) hours of vacation per day depending on the employee's normal work schedule on the day the vacation is taken. If the employee is normally scheduled to work an eight (8)-hour day and takes a day of vacation on that day, the employee will receive eight (8) hours of vacation pay. If the employee is normally scheduled to work a twelve (12)-hour day and takes a day of vacation on that day, the employee will receive twelve (12) hours of vacation pay. Vacation pay for a workweek shall not exceed the total hours the employee would have normally been scheduled to work were the employee not on vacation, not to exceed forty (40) hours in that workweek.

ADDENDUM IV
LETTER OF AGREEMENT

_____, 2005

UNITE HERE Local 5, AFL-CIO
1050 Queen Street, Suite 100
Honolulu, Hawaii 96814

Dear Mr. Gill:

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is understood and agreed.

1. Leaves of Absence. In the event an employee on an authorized leave of absence is unable to return at her scheduled return date due to verifiable emergency conditions acceptable to the Employer, such employee shall not be immediately terminated but shall have her case reviewed by the Employer. It shall be the responsibility of the employee to notify the Employer as quickly as possible when such emergency conditions arise.

2. Wearing of Union Pins. Union buttons may be worn on the job at all times and shall be of reasonable size.

3. Christmas Day Falling On Saturday. The following shall be applicable whenever a Christmas Day Holiday, December 25, occurs on a Saturday but is observed on a Friday, December 24:

A. Christmas Eve Day, December 24, shall be observed as a "float" (substitute) holiday, or at the Employer's option, the employee may be allowed to accumulate the "float" holiday and have it added to her vacation balance.

B. Selection of "Float" (Substitute) Holiday. Subject to operational needs, the supervisor and employee shall mutually agree which day will be observed as the "float" holiday.

C. Conflict in Scheduling "Float" Holiday. Should a conflict occur relative to the employee's selection of the "float" holiday, the employee with the greatest department seniority shall be given her choice subject to operational requirements.

4. Relocation of Employees to New Facilities. To maintain continuity within departments, minimize disruption to patient service, and to provide continued effective patient care, the following shall be applicable:

A. Employees shall be transferred on a "team" concept. Therefore, employees will be transferred when a physician, unit, or department is relocated to a new facility.

B. *Relocation is defined as the physical movement of functions, activities and services now being performed at those locations and facilities that are now in existence to a pending new facility or place of business as shown in Exhibit "C," Location Codes.*

C. With the exception of Section 4.6(C), Advance Bidding, provisions of Article IV, Section 4.6, Promotions and Transfers, shall not be applicable to the relocation of employees to a new facility.

D. Provisions of Article IV, Section 4.6, Promotions and Transfers, shall continue to be in effect except as applied to the relocation process.

5. Training - Pay For Non-Lead Employee. Subject to the provisions of Section 5.9(D), Training, in the event a non-lead employee actually works in a lead position, such employee shall be paid in the following manner:

A. The term "appropriate" as used in Section 5.9(D), Training, shall refer to the rates of pay relative to the respective classified lead positions as indicated in Exhibit "A" of the agreement.

B. If the lead position is one (1) grade higher and the person temporarily functioning in that capacity is classified at the start rate of her grade, such employee shall be paid at the start rate of that lead classification.

C. If the lead position is one (1) grade higher and the person temporarily functioning in that capacity is classified at the job rate of her grade, such employee shall be paid at the job rate of that lead classification.

D. If the lead position is two (2) or more grades higher, the employee shall be paid at the start rate of that lead position until such employee has successfully worked and completed her probationary period of five hundred twenty (520) hours. Thereafter, whenever such employee is temporarily assigned to that lead position, she shall be paid at the job rate.

6. Bio-Medical Department. It is understood that the provisions of Section 7.9, Uniforms and Laundry, shall not apply to employees in the Bio- Medical Department and that the following shall apply:

A. The Employer shall furnish five (5) shirts of agreed-upon style and color, on a one (1)-time basis, as mutually agreed upon between parties, Bio-Medical Supervisor and Bio-Medical bargaining unit members at no cost to the employee.

B. Except in cases of gross negligence or improper use, maintenance, or care on the part of the employee, shirts furnished by the Employer which are worn out through normal wear and tear shall be repaired or replaced by the Employer at not cost to the employee. In cases of gross negligence or improper use, maintenance or care, the employee shall replace lost, stolen or damaged shirts at his/her own expense.

C. Employees, at their own expense, shall provide appropriate trousers and laundry service for agreed-upon shirts.

D. These provisions shall apply to only Bio-Medical unit members and shall not be construed as a precedent in any future uniform proposal.

7. As discussed during 2004 negotiations, the intent of 3.1 Access of Business Representatives of the Union is to permit Local 5 union representatives broad access to enter the facilities operated by the Employer for the purpose of conducting Union business and observing conditions under which employees are employed. In exercising that access, the union acknowledges when entering Pharmacy, CCU, OR, CVICU, NICU, PICU, or the Ambulatory Surgery Center, representatives will be accompanied by someone from that area except when entering the break room(s). Other areas of the facilities may require precautions which are universally applied. For example, the Microbiology Lab may be restricted for homeland security reasons. Other rooms may have locks that may require assistance to open. Sterile areas require sterile precautions. The union agrees to abide by established precautions when entering such areas.

The Union agrees to receive the same training as Local 5 bargaining unit employees to meet HIPAA requirements. A maximum of three (3) business representatives will be provided complimentary parking validation at any one time.

8. Subcontracting. The Employer agrees to continue to approach subcontracting in a manner consistent with past practice.

9. KP HealthConnect. Previously approved vacations shall not be cancelled as a result of KP HealthConnect implementation. The Employer agrees to keep the Union informed about the developments and impact of KP HealthConnect implementation on bargaining unit employees. This shall occur at a minimum of every six (6) months during implementation. Upon the union's request, the parties will meet and negotiate regarding the effects of KP HealthConnect. Unresolved issues may be submitted for interest based mediation.

10. Nursing Care. Effective on the first day of the pay period closest to ratification of this Agreement, all levels of Medical Assistants and LPNs will be upgraded by one (1) pay grade.

The Employer agrees to complete an audit of the following classifications with appropriate adjustments, if applicable, to be effective the first pay period in January 2005: Anesthesia Technicians, Cardiac Monitor Technicians, Cardiology Technicians, Cardiovascular Technicians, Emergency Department Technicians, GI Assistants, LPNs, Medical Assistants, OB Technicians, Optical Lab Technicians, Opticians, Pharmacy Technicians, and Surgical Technicians. The audit will be based on the job descriptions in effect on June 30, 2004. None of the positions will be downgraded as a result of the audit.

11. Bonus. There shall be a one-time five hundred dollar (\$500) bonus payable to all Pharmacy Techs, Optical Lab Techs and Opticians in consideration of the requirement to be certified.

12. Observation of Holidays. The Union commits to continue as they have in the past to cooperate with the Employer in scheduling matters relating to the Christmas Eve Holiday in the Clinics.

13. Bulletin Boards. The Employer will continue to allow the posting of official Union notices on the Skilled Nursing Department and Surgery Department (Moanalua) bulletin boards. The space provided for such posting shall be 8-1/2 x 11.

14. Job Postings (SNF and Outside Employee's Cafeteria). The Employer agrees to post job openings on the bulletin board in SNF. The Employer also agrees to post job openings (without posting wage rates) on a bulletin board to be located outside of the employee's cafeteria.

15. Notwithstanding the provisions of Section 3.5, Discipline and Discharge, the parties agree that the standard for any workers' compensation claim for mental stress resulting from personnel action, including discipline and discharge, shall be as outlined in House Bill 2648, CD 1 "A Bill for an Act Relating to Workers' Compensation." Personnel actions taken in good faith by the Employer shall not result in valid workers' compensation claims.

Very truly yours,

KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.

By  _____

Understood and Agreed:

UNITE HERE LOCAL 5, AFL-CIO

By  _____
 _____

LETTER OF UNDERSTANDING

Pursuant to prior discussions and in conjunction with the applicable provisions of the Collective Bargaining Agreement between representatives of KAISER FOUNDATION HOSPITALS, KAISER FOUNDATION HEALTH PLAN, INC. (hereinafter the "Employer") and UNITE HERE LOCAL 5, AFL-CIO (hereinafter the "Union"), effective September 7, 1994, the following is understood and agreed to:

1. It is agreed to and understood that the current programs of Reengineering and Total Quality Management (TQM) (aka Continuous Quality Improvement [CQI] and Quality Planning) are critical for the Employer to remain viable, competitive and able to offer continuing employment opportunities for its employees.

2. Both Employer and Union recognize the value and contributions of employees to the process and agree that participation of the Local 5 membership is critical to the success of the organization and therefore agree to encourage active participation in the quality initiative teams.

3. It is further agreed that the role of participating employees is to: a) provide "hands-on" experience, knowledge, and expertise in their area of functionality, b) assist in data collection, and c) work collaboratively with other team members in problem solving.

4. The reengineering and/or quality improvement teams will focus on improving systems and processes which may enhance clinical practice, patient care outcomes, quality assurance, administrative process, etc. These teams may be unit-based, cross-functional and/or multidisciplinary in composition.

5. It is understood that this process will likely take three (3) to five (5) years and during this period of time all provisions of the Agreement shall be applicable with the following exceptions:

1. Menu of Options for Displaced Employees (MODE). Any regular or part-time employee whose position is eliminated (exceptions being: discharge for cause, voluntary resignation or resignation as the result of a settlement agreement) is entitled to exercise one of the following options, exclusively. Once an option is selected, unless otherwise noted within this document an employee may not change his/her mind and request another option. An employee who is on a leave whose position is eliminated shall be given the MODE at the end of the leave or within ninety (90) days, whichever occurs first.

Option A. To displace the least senior employee in accordance with Section 4.5 Layoff of the Collective Bargaining Agreement.

An eligible employee who chooses this option will be afforded all rights and privileges as indicated in Section 4.5 of the Collective Bargaining Agreement. Should the employee subsequently fail the trial period of the new position, the employee will be placed on a call-in list for 180 calendar days to maintain seniority (their last position) for bidding purposes only. Should they be unsuccessful in bidding for another position, they will be terminated.

Option B. Voluntarily resign and receive severance pay.

An employee who chooses this option receives severance pay and medical benefits based on the years of service with the Employer (see attached Addendum A). Employees eligible for early retirement may also choose from a variety of pension payment methods. An employee who chooses the severance pay option and is rehired by Kaiser within the severance period will be required to refund a prorated amount. Any bi-weekly payments being received by the employee will cease on the effective date of rehire.

Option C. Participate in a Skills Enhancement Program (SEP).

An employee who chooses this option (hereinafter "participant") will be placed on administrative leave for a duration not to exceed the schedule outlined in Addendum A. The leave's intent is to act as a wage replacement vehicle for the participant, during which time the participant will attempt to enhance appropriate skills to increase the likelihood of successfully bidding for a position within Kaiser Permanente within the duration of the SEP leave. Participants may bid for positions within the organization at any time during the SEP leave.

While participating in this program, participants will continue to receive their normal wages (based on their normally scheduled hours as indicated on the most recent PAN form) as though they were still "at work" and shall continue to receive their customary benefit package. The participant's PAN form will reflect a Day Shift position and wages shall be frozen at the pre-displacement rate and shall not be subject to regularly scheduled general wage increases or adjustments normally received on or about July 1 of each year. The duration of the leave will be determined by the attached schedule outlined in Addendum A.

The SEP leave terminates when one of the following happens:

1. Employee successfully bids for another position within Kaiser. Once another position has been obtained (including Temporary positions), the participant is no longer considered a displaced employee and participation in SEP ceases. Any subsequent failure of the employee in the trial period of the new position will result in termination.
2. Participant resigns from Kaiser. The employee will receive a prorated severance based on the remaining time of SEP leave and will receive medical insurance to the end of the original SEP leave date.
3. SEP leave expires and the participant has not successfully bid for another position. The participant will be terminated. Participants who have bid during the SEP leave but have not heard as to the disposition of their bid at the end of their SEP eligibility shall be placed on a call-in list until such time as a determination is made. If successful, there shall be no break in their seniority; if unsuccessful they shall be removed from the call-in status. Accrued vacation used at the end of the SEP leave will extend the leave an equivalent amount, however, vacation taken during the course of the SEP leave shall not extend the leave. With the exception of Personal, Educational, Union and Travel leaves, participants who take leave shall have their SEP leave extended by an equivalent number of days, but in no case shall the extension exceed ninety (90) days.

SEP consists of two main components:

1. Skill Enhancement. Displaced employees will be assigned to a Case Manager. The Case Manager, in conjunction with the participant, will assess the participant's existing skills and will attempt to identify and provide skill enhancement opportunities. The Case Manager shall have sole authority to determine the appropriateness, scope and nature of the skill enhancement activities, which must be related to Employer functions. Should courses be offered, the Employer shall provide such at no cost to the participant.
 2. Regional Float Pool. When the participants are not engaged in skill enhancement activities, they shall be assigned to the "Regional Float Pool" and report to the "Float Pool Coordinator" for daily work assignments. This program is intended to be a wage replacement, versus wage supplement program. The intent is to provide work opportunity equivalent to the participant's pre-displaced "regular" work hours excluding any premium or overtime hours (i.e., if a participant was a regular full-time (40 hours per week) employee, and his/her retraining schedule is twenty (20) hours per week, the participant shall be assigned to twenty (20) hours in the "Regional Float Pool" for that workweek). Participants will be assigned to various jobs as determined by the Float Pool Coordinator. It is not the intent that participants in the Float Pool preclude any regular or part-time non-displaced employee of work opportunity. The participant shall continue to report to the "Float Pool Coordinator" until such time as the skills enhancement/training program ends or until the participant is assigned to a regular work unit. While in this program, the participant will observe all holidays based on a Monday to Friday day shift worker and shall continue to receive insured benefits.
2. Chilling/Filling Chilled Positions. It is understood that during this period, the Employer may freeze or not fill positions solely for the purpose of enhancing work and job opportunities for displaced participants and to minimize operational disruptions. Based upon operational needs, the Employer shall determine what positions should and should not be chilled. (See Addendum B.)
- A. Filling Vacant Chilled Position. The current Collective Bargaining Agreement provisions for filling vacancies shall be applicable with the exception that a separate chilled vacancy list will be created listing all vacant chilled positions. These positions shall not be available to non-displaced employees except that, on a temporary basis, a chilled position may be offered to and/or occupied by a non-displaced employee when there is no qualified displaced applicant.
 1. Posting Within a Department. In the event that a position identified as a chilled position becomes available within a department, that position shall be first posted within the department, giving advancement opportunities to regular or part-time employees. If the position is not filled, it shall be posted as a chilled position vacancy. If the position is filled, the subsequent vacancy may be posted as a chilled position vacancy.
 - B. Eligible Employees. Any regular full-time, regular part-time, or part-time employee who becomes a displaced employee and chooses to enroll in SEP is eligible to participate. This specifically excludes call-in employees. A non-bargaining unit employee may bid but the employer's current practice of placing them at the bottom of the bid list will continue.

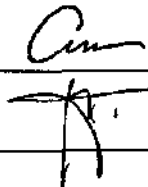
3. Committee Members of Reengineering Teams. It is understood that the committee members, and more specifically shop stewards, will not participate in any decision making relating to wages, hours, conditions of employment and displacement of employees belonging to the bargaining unit.
4. Meetings. Prior to implementation of any reengineering, change team or management initiative that adversely affects the bargaining unit, the Employer will notify the Union of such changes so that the parties can meet and discuss the impact of such changes on bargaining unit members.
5. Modification/Discontinuance of Program. The Employer reserves the right to amend or discontinue (totally or in part) this program with thirty (30) days notice.

IN WITNESS WHEREOF, the parties hereto have set their signature on this _____ day of _____, 2005.

KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.



UNITE HERE LOCAL 5, AFL-CIO



ADDENDUM A

KAISER PERMANENTE - HAWAII

SKILL ENHANCEMENT PROGRAM LEAVE AND/OR SEVERANCE PACKAGE

Years of Service (ADOH)	Skill Enhancement		Severance	
	Leave Length	Insured Benefits	Severance Equivalent	Medical Benefits
0 - 3	3 months	3 months	4 months	3 months
4 - 6	4 months	4 months	5 months	4 months
7 - 9	5 months	5 months	6 months	5 months
10 - 12	6 months	6 months	7 months	6 months
13 - 15	6 months	6 months	8 months	6 months
16 - 19	6 months	6 months	10 months	6 months
20+	6 months	6 months	12 months	6 months

ADDENDUM B
KAISER PERMANENTE - HAWAII
CHILLED POSITIONS PROCESS

In an effort to provide enhanced bidding opportunity to employees who are displaced from their current positions as a result of management change initiatives in the Region, Kaiser Permanente - Hawaii has established a "Chilled Positions Process." Supervisory personnel are encouraged to familiarize themselves with the following process.

Chilled positions can take one of two forms:

1. **"Chilled/No Post"**: A position is chilled and not posted, but made available for bidding only by displaced employees enrolled in the Skill Enhancement Program (SEP).

OR

2. **"Chilled/Post Temporary"**: A position is chilled and posted region-wide to be filled on a temporary basis until a displaced employee in the SEP bids and is selected for the position. Hiring supervisors should advise candidates for a "Chilled/Post Temp" position that employees selected for these positions will be returned to their previous positions if/when a displaced employee is selected.

*Temporary assignment duration will be in accordance with existing collective bargaining agreements (CBAs). For NUNE positions, the Local 5 CBA terms apply.

Effective immediately, when an employee under your supervision vacates a position, the following procedure applies:

1. Determine which posting option you wish to pursue and note it in the upper center portion of the Personnel Requisition (PR) form (see attached samples). You have three posting options:

<u>Option</u>	<u>Terminology To Use On PR</u>
a. Chill & not post	"Chill/No Post"
b. Chill & post as a temporary position	"Chill/Post Temp"
c. Not to Chill & do a regular posting	"No Chill/Post"

NOTE: When Human Resources receives a PR that does not have a "Chill" designation at the top, it will be assumed to be a "Chilled/No Post." That is, if you want a position to be posted, you must indicate "Chill/Post Temp" or "No Chill/Post" at the top. **In addition, for "No Chill/Post" you must have your senior manager's signature on the PR.**

2. If you choose either option A or B (to chill a position), you should first post within your department in order to give your current regular full-time, regular part-time, and part-time employees (not call-ins) the opportunity to bid for the vacancy (it may be a preferred position within the department). If the position is thereby filled by one of your existing employees, the position vacated by that employee would then become the chilled position. Please contact the Human Resources Employment section for assistance with this. No senior manager's signature is required on PRs for these intra-departmental postings.

In making a decision regarding which option to use, please keep the following in mind:

- a. Top and senior management have made a very firm commitment to the chilled position process as a means of avoiding layoffs and providing work opportunity to the greatest extent possible for displaced employees.
- b. In order for the chilled positions program to work, your active participation is essential. If, however, you have chilled a position and later find that for operational reasons you can no longer maintain it in a chilled status, you may (re)post the position via the regular channels. To do this, simply write "Please Unchill" beside the Personnel Requisition number at the top of the white copy of the PR that was previously returned to you by HR, have your senior manager sign it, and send it back to the HR Employment Section.
- c. In addition to the above formal options, please keep in mind that you may utilize a call-in employee to fill a vacant position until a qualified displaced employee bids and is selected rather than using the "Chill/Post Temp" option.
- d. Shortage area positions should continue to be filled using the regular posting procedure i.e., "No Chill/Post."

UNITE HERE Local 5, AFL-CIO
1050 Queen Street, Suite 100
Honolulu, Hawaii 96814

Dear Mr. Gill:

Subject: Medical Coverage for Local 5 Regular Retirees

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, it is expressly agreed and understood that the scope of coverage, type of coverage, and all other details of the medical coverage for Local 5 regular retirees will be determined by the Employer. The Employer shall have the authority to unilaterally amend, modify, or eliminate such medical coverage, and the Union waives any right to bargain over such coverage, any changes the Employer may institute, or the effects of such changes, and the provisions of Section 5.4, No Reduction of Benefits, shall not apply.

The Employer agrees to contribute sixty dollars (\$60.00) per month toward the cost of medical coverage in retirement for employees who retire as normal retirees under the provisions of a Kaiser-Permanente Employees Pension Plan with twenty (20) or more years of service under the terms of the Plan.

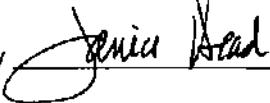
Benefits will commence upon retirement and will consist of Kaiser Foundation Health Plan A or similar coverage without vision care or other supplemental benefits. Benefits will be provided for the retiree only and will continue for the life of the retiree.

The retiree will be required to maintain participation in Parts A and B of Medicare at her own expense and to assign Part B to Kaiser to remain eligible for any Employer-provided benefit.

Effective July 1, 2005, the above described benefit will no longer be available to new retirees. It will continue to be offered to then-current retirees who have elected such coverage.


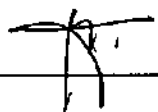
Very truly yours,

KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.

By 

Understood and Agreed:

UNITE HERE LOCAL 5, AFL-CIO

By 


UNITE HERE Local 5, AFL-CIO
1050 Queen Street, Suite 100
Honolulu, Hawaii 96814

Dear Mr. Gill:

Letter of Understanding

Re: Computation of Employer's Contribution

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is agreed to and understood.

The Employer's contribution will be computed as described in the following examples:

The Employer will contribute 50% on up to 2% of your gross earnings toward your TSA account. For example, if your gross income is \$1,000 per pay period and you elect to contribute 2% or more to your TSA, your employer will contribute \$10 per pay period to your TSA account. Effective July 3, 2005, the Employer will contribute 50% on up to 3% of your gross earnings toward your TSA account.

Example:

Employee Gross Compensation	\$1,000 (per pay period)
	<u>x .05</u> (5% contribution)
Employee TSA Contribution	\$50.00 (per pay period)

Employer's match is 50% on up to 2% of gross pay: $\$1,000 \times .50 \times .02 = \10

Annual projected contributions (26 pay periods per year):

Employee TSA Contribution: $\$50 \times 26 \text{ pay periods} = \$1,300$

Employer Matching Contribution: $\$10 \times 26 \text{ pay periods} = \underline{\$260}$

Annual Total TSA Contribution = \$1,560

If you elect to contribute **less than 2% (3% effective July 3, 2005)** of your gross earnings to your TSA account, the employer will match 50% of that percentage. For example, if your gross income is \$1,000 per pay period and you elect to contribute 1% to your TSA, your employer will contribute \$5 per pay period to your TSA account.

Employee Gross Compensation	\$1,000 (per pay period)
	<u>x .01 (1% contribution)</u>
Employee TSA Contribution	\$10.00 (per pay period)

Employer's match is 50% on up to 1% of gross pay: $\$1,000 \times .50 \times .01 = \5

Annual projected contributions (26 pay periods per year):

Employee TSA Contribution: $\$10 \times 26 \text{ pay periods} = \$ 260$

Employer Matching Contribution: $\$ 5 \times 26 \text{ pay periods} = \$ \underline{130}$

Annual Total TSA Contribution = \$ 390

In summary: If you contribute an amount equal to or greater than 2% (3% effective July 3, 2005) of your gross compensation, your employer will contribute 50% of 2% (3% effective July 3, 2005) of your gross earnings to your TSA account. If you contribute an amount less than 2% (3% effective July 3, 2005) of your gross earnings, the employer will contribute 50% of that amount.

Very truly yours,

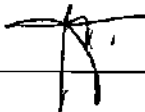
KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.

By 

Understood and Agreed:

UNITE HERE LOCAL 5, AFL-CIO

By 



UNITE HERE Local 5, AFL-CIO
1050 Queen Street, Suite 100
Honolulu, Hawaii 96814

Letter of Understanding

RE: Regular Part-Time (Quarterly) Employees

Dear Mr. Gill:

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is understood and agreed.

Regular Part-Time (Quarterly) Employees

Regular part-time (quarterly) employees shall, upon completion of a payroll quarter in which they are paid at least two hundred sixty (260) hours, be eligible for all benefits enjoyed by regular part-time employees for the following quarter. Employees must continue to be paid for at least two hundred sixty (260) hours in each succeeding payroll quarter in order to maintain regular part-time (quarterly) status.

In the event a regular part-time (quarterly) employee transfers into a temporary position, the employee will continue to receive prorated benefits as long as the employee is paid for at least two hundred sixty (260) hours in a payroll quarter.

The term "paid" for the purposes of Section 2.4.C shall mean payment actually received during a payroll quarter for hours worked, sick leave, vacation, holidays, jury duty, funeral leave and paid educational leave but shall not include payment under TDI or workers' compensation.

Regular Part-Time Employees (Quarterly)—Benefits

As defined in Section 2.4.C, regular part-time employees (quarterly) shall receive all insured benefits as outlined in Section 6 on the first day of the month following one month of continuous employment as a regular part-time (quarterly) employee.

Regular part-time (quarterly) employees shall, upon completion of a payroll quarter in which they earn at least two hundred sixty (260) hours, have their prorated benefit formula computed and shall earn paid time off benefits based on that formula during the next payroll quarter.


Change in Status

Failure to be paid for two hundred sixty (260) hours will result in a change in employment status to Call-In or Casual. Such change will be effective on the first day of the payroll quarter after the quarter in which the employee was not paid for two hundred sixty (260) hours. Benefits under Section 6 will cease upon the first (1st) day of the month following one month as a Call-In or Casual employee in the new payroll quarter and accrued vacation hours, if any, will be paid out.

Very truly yours,

KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.

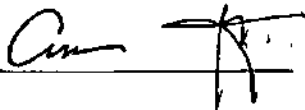
By



Understood and Agreed:

UNITE HERE LOCAL 5, AFL-CIO

By



UNITE HERE Union, Local 5, AFL-CIO
1050 Queen Street, Suite 100
Honolulu, Hawaii 96814

Dear Mr. Gill:

Letter of Understanding

RE: Facilities Dispatcher and Linen Room Attendant Positions

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is expressly agreed to and understood:

1. The Facilities Dispatcher position will be classified in Labor Grade 4 of Exhibit "A" – Wage Schedule (Clerical Positions).
2. The Linen Room Attendant position will be classified in Labor Grade 4 of Exhibit "A" – Wage Schedule (Ancillary Positions.)
3. The Employer shall back pay all of the affected bargaining unit employees who worked the Linen Room Attendant position and were paid at the Labor Grade 3 instead of the Labor Grade 4 rate of pay.
4. The Union acknowledges that grievance no. 581-04 regarding the rate of pay for the Linen Room Attendant position has been fully resolved and shall withdraw the pending notice of arbitration.

Very truly yours,

KAISER FOUNDATION HOSPITAL
KAISER FOUNDATION HEALTH PLAN, INC.

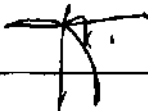
By



Understood and Agreed:
UNITE HERE LOCAL 5, AFL-CIO

By





INDEX

	<u>Page</u>
Access of Business Representative of the Union	9
Accumulation	36
Advance Bidding	21
Assignment of Call-In Hours	18
Authorization of Overtime	24
Addendum I, Progressive Discipline	62
Addendum II, Ten (10)-Hour Shifts	63
Addendum III, Twelve (12)-Hour Shifts	64
Addendum IV, Letter of Agreement	65
Bargaining Unit	3
Benefits During Leave	39
Bulletin Boards	9
Call-In or Casual Employees	4
Cancellation of Notices	12
Certification of Illness/Injury by Physician	37
Check-Off	6
Classes of Employees	3
Combination Jobs	22
Commencement of Coverage	28
Continued Employment	41
Coverage and Cost (Dental Plan)	29
Coverage for Regular Full-Time and Regular Part-Time Employees	29
Credit Union Deductions	6
Days Off	15
Deduction of Dues	6
Definition (Grievance Procedure)	12
Definition (Work Schedules)	15
Dental Plan	28
Disciplinary Action	11
Discipline and Discharge	11
Distribution of Overtime and Standby Duty	24
Document Contains Entire Agreement/Modification of Agreement	2
Duration of Agreement	2
Education and Professional Improvement	39
Eligible Charges	40
Eligibility (Dental Plan)	28
Eligibility (Education and Professional Improvement)	39
Eligibility (Health and Welfare Trust Fund)	30
Eligibility (Leave of Absence Without Pay)	37
Eligibility (Paid Sick Leave)	36
Eligibility (Tuition Reimbursement)	40
Eligibility and Commencement of Coverage	29
Eligibility for Holiday Pay	34
Emergency Call-Out	25

Index (continued)

	<u>Page</u>
Employee Defined.....	3
Employee Not Returning to Work Within Time Limits.....	38
Employee Notice.....	37
Employer Contribution.....	30
Evidence.....	10
Exclusions.....	4
Extension of Probationary and Trial Periods.....	16
Exhibit "A," Wage Schedule (Ancillary).....	51
Exhibit "A," Wage Schedule (Clerical).....	45
Exhibit "A," Wage Schedule (Patient Care).....	54
Exhibit "A," Wage Schedule (Supplemental).....	57
Exhibit "B," Probationary Rates and Job Rates by Labor Grades.....	58
Exhibit "C," Location Codes.....	59
Exhibit "D," Panel of Arbitrators.....	60
Exhibit "E," Maximum Sick Leave Accumulation for Regular Part-Time.....	61
Feminine Includes Masculine.....	7
Funeral Absence With Pay.....	41
Government-Funded Programs.....	5
Grievance Procedure.....	12
Handling Grievances.....	9
Health and Welfare Trust Fund.....	30
Holiday Accumulation.....	36
Holiday During Vacation.....	33
Holiday Pay.....	35
Holiday Scheduling.....	35
Holiday Shifts.....	35
Holidays.....	34
House Rules.....	7
In-Service Training and Other Meetings.....	26
Inclusions (Lead Worker).....	4
Indemnity (Check-Off).....	6
Individual Personnel File.....	10
Insignia.....	43
Interval Between Shifts.....	25
Issue Resolution.....	12
Jury Duty.....	41
Just Cause.....	11
Labor Management Joint Committee.....	14
Layoff.....	18
Lead Worker.....	4
Leave Requests.....	39
Leave of Absence Without Pay.....	37
Leaves of Absence With Pay.....	41
Less Than Ten (10) Hours Rest Between Shifts.....	25
Life Insurance and Temporary and Permanent Disability.....	29

Index (continued)

	<u>Page</u>
Make-up Time	16
Meal Periods	42
Meal and Rest Periods	42
Medical Coverage	28
Mileage Allowance	27
Mutually Agreed Upon Mediation	14
Negotiating Committee	9
New Classifications	23
New Employees	5
New Hires	23
No Discrimination	6
No Reduction of Benefits	24
Non-Temporary Layoff	19
Notice to Employee Regarding Discipline	11
Notification to Union	10
Observation of Holidays	34
Off-Island Travel	40
Other Pay	26
Overtime	24
Overtime Computation (Holidays)	36
Overtime Computation (Sick Leave)	36
Overtime Computation (Vacation)	34
Overtime Defined	24
Overtime Payments	24
Paid Sick Leave	36
Part-Time Employees	3
Part-Time and Call-In Rates	24
Pay During Sick Leave	36
Paydays	23
Pension Plan	29
Personnel Information	10
Plan Provisions	30
Polygraph Tests	11
Posting	20
Posting of Work Schedules	15
Premium Pay	25
Probationary and Trial Periods	16
Probationary Period	16
Procedure (Education and Professional Improvement)	39
Process/Steps	12
Progressive Discipline	11
Promotion Or Transfer Within Probationary Period	17
Promotions (Wage Schedule)	23
Promotions and Transfers	20
Purpose of Agreement	2
Pyramiding	24

Index (continued)

	<u>Page</u>
Qualifications (Promotions and Transfers).....	20
Recall to Work During Vacation	34
Recognition of Bargaining Unit	3
Recognized Holidays	34
Red-Circled Employees	24
Regular Full-Time Employee.....	4
Regular Part-Time Employee (Predetermined).....	4
Regular Part-Time Employee (Quarterly).....	4
Reimbursement.....	40
Reimbursement Guide	40
Reporting Pay	25
Rest Periods	42
Retiree Benefits	31
Right to Organize	14
Rights of Management	7
Safety	7
Saving Clause.....	2
Seniority	17
Seniority Defined.....	17
Seniority Information	10
Seniority in Scheduling	18
Serious Family Illness	34
Seventh Day	25
Shift Differential.....	26
Sick Leave During Vacation	33
Sixth Day.....	25
Special Work Clothes.....	43
Split Shift.....	27
Stand-By Pay	26
Statements (Personnel Information)	10
Subcontracting	7
Successors and Assigns	2
Summer Youth Program	5
Supervisory Employees	5
Suspension Pending Discharge.....	11
Tax-Sheltered Annuity (TSA) Plan	43
Temporary Disability Insurance	37
Temporary Job Vacancy	21
Temporary Layoff	18
Temporary Work Opportunity.....	18
Termination of Seniority	17
Third Shift Premium	16
Time Limits (Grievance Procedure)	14
Training	27
Transfer to Higher Classification	21
Transfer to Lower Classification.....	22
Travel Pay	27

Index (continued)

	<u>Page</u>
Trial Period.....	16
Tuition Reimbursement.....	40
Types of Leaves of Absence Without Pay.....	38
Uniforms and Laundry.....	43
Union Designated Political Action Fund (PAF).....	6
Union Security.....	5
Unit Officers/Shop Stewards Leave of Absence.....	9
Vacation.....	32
Vacation Accumulation.....	32
Vacation Pay Upon Termination.....	33
Vacation Pay.....	32
Vacation Service Credit.....	33
Vacation Time Earned.....	32
Vacation Time Taken.....	32
Volunteers.....	5
Wage Schedule.....	23
Who Is Covered (Holidays).....	34
Work Schedules.....	15
Work Schedules, Licensed Practical Nurses.....	15
Work Schedules, Outpatient Department Employees.....	15
Work Shift.....	16
Work Stoppages.....	7
Workday Defined.....	15
Workers' Compensation.....	37
Workload Distribution.....	15
Workweek Defined.....	15