MEMORANDUM OF AGREEMENT

It is hereby agreed by and between Healthcare Services Group, Inc. (hereinafter the “Employer”) and the UNITED STEEL, PAPER, & FORESTRY, RUBBER, MANUFACTRING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION AFL-CIO, CLC (“United Steelworkers: or “USW”‑hereinafter the “Union”) as follows:

The Employer and the Union agree to be bound by all of the applicable terms and conditions of the collective bargaining agreement currently in effect between the Union and AVALONCARE CENTER-HY-LOND-MODESTO LLC DBA HY-LOND CONVALESCENT HOSPITAL MODESTO (the “Facility”) dated January 1, 2022 through December 31, 2024 (the “CBA”) as well as the terms and conditions found in the HCSG employee handbook for the nutrition services aides and nutrition services cooks employees employed by the Employer at the Facility with the following exceptions and/or modifications:

* References throughout to the “Administrator” shall be replaced with “District Manager” in all instances.
* In the event that it is not commercially reasonable for the Employer to provide any or all of the same benefits (including, without limitation, health related benefits and retirement benefits) as provided by Facility Employer will provide an equal and comparable benefit(s) that it offers which includes the monthly premium cost sharing will be split, 80% company paid and 20% employee paid for all health plans. The Employer will discuss any possible issues with the Union.
* During the term of this Agreement, bargaining unit employees will be paid on a bi-weekly basis, available to employees on the Friday of the corresponding pay cycle.
* In the event that there are or have been pension fund liabilities pursuant to the applicable collective bargaining agreement, Employer shall not assume liability or responsibility for any pension fund payments that were not made by previous owners, entities or parties to such collective bargaining agreement. For all intents and purposes pertaining only to any applicable pension fund, Employer shall be set up as a “new employer”. Employer’s obligation to contribute to a pension fund (if any) shall cease if and when Employer’s provision of housekeeping and laundry services at the Facility ceases. In the event of such cessation of services, Employer shall have no further obligation to contribute to any pension fund hereunder (if any) and shall not be responsible for withdrawal or other liability associated with its participation as a new employer in such pension fund (if any), other than fund contributions due to the termination date of the contract with the Facility or to the end date of its employees’ employment with Employer, as the case maybe.
* The Employer agrees to pay employees, whose tenure has surpassed ninety (90) calendar days of employment, at a wage rate multiplier of 1.5 for hours worked on the following recognized holidays expressed within the CBA (Article XXVIII, Section 28.1): New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and one (1) floating holiday.
* The Union agrees the Employer will not be required to provide a retirement savings plan (401k) for employees, as expressed within the CBA (Article XXII, Section 22.9). The employees will have the option to participate in the employers supplemental plans.
* ~~The Union agrees the Employer will not be required to provide Employer paid life insurance for employees, expressed within the CBA (Article XXII, Section 22.6).~~
* This Agreement shall be in full force and effect until the end of the current contract. The employer and the Union agree to jointly enter into discussions relative to a renewal of this Agreement no later than the ninetieth (90) day immediately preceding the termination date of this agreement. If the Facility ceases to be bound by any terms of the collective bargaining agreement for any reason whatsoever, Employer will also not be bound by such terms.

HEALTHCARE SERVICES GROUP, INC.

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Duane Pierre

Vice President of Operations

UNITED STEEL, PAPER, & FORESTRY,

RUBBER, MANUFACTURING, ENERGY,

ALLIED INDUSTRIAL AND SERVICE

WORKERS INTERNATI0NAL UNION,

AFL-CIO

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Fernando Mirelez

USW Staff Representative

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lee Almeida

President Local 12911



Proposed Wage Steps:

Manuka Devi - Step 10 $18.87

Urmila Devi – Step 18 $20.33

Lalita Lal – Step 10 $18.87

Jennifer Melo – Step 10 $18.78

Victoria Mendoza – Step 10 $18.87

Lukas Perez – Step 10 $18.87

Ranjeeta Singh – Step 20 $20.74 + 3% COLA each Jan 1 of the contract.

Roseleen Singh – Step 12 $19.16

Ryan Wolfe – Step 13 $19.35

The following is for information only:

CBA Changes:

Section 7.7 Layoff Process

Such written notice shall be sent as expeditiously as possible but at least sixty (60) calendar days in advance for permanent layoffs and thirty (30) days in advance for temporary layoffs of the effective date of the proposed layoff and shall identify the effective date of layoff.

Section 11.1 Full Time Employee

A Full-Time employee is one who is regularly scheduled to work ~~works~~ 30 hours or more per week for purposes of benefits eligibility but will be regularly scheduled to work an average of forty (40) or more hours per week. This article is intended only to define normal hours of work and shall not be construed as a guarantee of hours of work per day or week or a guarantee of days of work per week or month.

Section 11.2 Part Time Employee

A Part-Time employee is one who is regularly scheduled to work between twenty (20) and thirty (30) hours per week.

Section 11.3 Per Diem/On Call Employee

A per diem/on call employee is one who has no regular schedule of hours of work, but works intermittently as required, typically less than twenty (20) hours per week.

Article 7 Rest Periods and Lunch Periods

All employees shall be entitled to a fifteen (15) minute paid rest period for each four (4) consecutive hours worked. However, two (2) paid rest periods shall be provided whenever an employee is required to work seven (7) or more hours in a day. Employees shall also be allowed a one-half (1/2) hour unpaid and un-interrupted meal period scheduled as near as possible to the middle of the employee’s shift but no later than the 5th hour in the event the shift is six (6) hours or longer. Employees are provided an additional one-half (1/2) hour unpaid and uninterrupted meal period when the employee works more than ten (10) hours in a workday. The second meal period is to begin before the end of the tenth hour of a employee’s shift.

Section 13.2 Posting of Vacancies

Notice of all vacancies within the bargaining unit will be posted in each facility and online at the Employer’s website for a period of not less than five (5) consecutive work days, including the date of posting but excluding Saturday, Sunday and holidays recognized by this Agreement. Any employee desiring to bid on a posted vacancy shall apply through the Employer’s website.

Section 13.4 Return to Former Position

Any employee who bids successfully on the job opening/vacancy must accept such job and shall be placed in such job opening as soon as possible, but no later than fourteen (14) days. If the Employer determines within thirty (30) calendar days after the date the vacancy is filled that the employee is not performing satisfactorily the employee will be returned to his/her former shift and classification with no loss of seniority previously earned. An employee may also choose to return to their previous position within the thirty (30) calendar day period for any reason. An Extension on the above time frame may be agreed upon by the Employer and Union.

Section 16.2 Work Week

Each work week commences at 12:01 a.m. on Sunday and ends the following Saturday at 12:00 a.m. midnight.

Section 16.3 Pay Period

The payroll period consists of fourteen (14) consecutive days, commencing at 12:01 a.m. on Sunday and ending fourteen (14) days later on Saturday at 12:00 a.m. midnight.

Section 16.5 Days Off

The parties agree to draft and implement a Scheduling Pilot Program in the form of a Memorandum of Understanding (MOU) within ninety days after ratification. This Pilot program will be in force for six (6) months and may be extended by mutual agreement. In the event that the MOU is not extended, the schedule for each full-time employee shall provide for a three (3) day weekend off every three (3) weeks. This three (3) day weekend will consist of a Friday, Saturday and Sunday, or a Saturday, Sunday and Monday. Provided that the days off may be split or rotated by mutual agreement, without penalty. No employee shall be required to work on his/her day off. Once a schedule has been posted, an employee’s day off shall not be changed to avoid paying overtime.

Section 16.9 Work on Days Off

If while on their day off an employee is called to work and reports to work within two (2) hours of being called shall be paid four (4) hours call-in pay at their regular hourly rate of pay, plus all hours worked.

Section 16.10 Shift Trades/Giveaways

Regularly scheduled full-time and part-time employees will be allowed to trade shifts or giveaway partial or whole shifts by submitting a written shift change form to the scheduler or by submitting the request using the Employer’s online scheduling platform (currently OnShift). The Employer must receive these requests with at least seven (7) calendar days advance notice. When shifts are being given away, the decision to award the shift will be based on seniority. Notice of approved requests will be provided to the employee through OnShift or in writing.

Section 16.12 Tardiness

The Employer reserves the right to administer progressive discipline on employees for excessive tardiness. In general, three (3) or more unexcused absences, tardies or leaving early in a rotating ninety (90) day period is considered to be excessive. Additionally, more than three (3) missed punches per month is considered excessive tardiness and may result in progressive discipline, unpaid suspension or termination of employment.

19.9 UNIFORM ALLOWANCE

The Employer will provide four (4) uniform pieces (tops and/or bottoms) at no cost to employees who successfully conclude the ninety (90) day probationary period. Using the Employer’s online procurement accounts with designated suppliers, the employee may select and order uniforms from a list approved by the Employer.

Within thirty (30) days of the employee’s work anniversary, the employee may use the Employer’s online procurement accounts with designated suppliers to select and order four (4) additional pieces (tops and/or bottoms) at no cost to the employee from a list approved by the Employer.

At ratification, the Employer will provide four (4) uniform pieces (tops and/or bottoms) to employees whose 2022 anniversary date has already passed.

Section 22.1 Benefit Eligibility

The Employer will make available Health, Dental, Vision and Life insurance benefits only to eligible full-time employees beginning on the first day of the month following thirty (30)

Section 22.2 Health Plan

The Employer offers basic health insurance, dental and vision plans for eligible full-time employees, their spouses, and dependents. The employer assists the employee by paying part of the premiums costs for these benefits. The monthly premium cost sharing will be split, 80% company paid and 20% employee paid for all health plans.

Section 22.3 Medical Plan

The Company will continue to offer current plans, coverage’s and premiums. The Company will agree to provide the Union with plan changes. The company reserves the exclusive right to negotiate with insurance carriers to ensure competitive plans, rates and carriers. The company will ensure that its health plan is in compliance with Affordable Care Act (ACA), and any plan changes will be comparable to the current plans offered. The Company will notify the Union per ACA on any proposed changes.

Section 22.4 Dental Plan

The Company will continue to offer current plans and coverage’s. The Company will agree to provide the Union with plan changes. The company reserves the exclusive right to negotiate with insurance carriers to ensure competitive plans, rates and carriers. The company will ensure that its health plan is in compliance with Affordable Care Act (ACA) , and any plan changes will be comparable to the current plans offered. The Company will notify the Union per ACA on any proposed changes.

Section 22.5 Vision Plan

The Company will continue to offer current plans and coverage’s. The Company will agree to provide the Union with plan changes. The company reserves the exclusive right to negotiate with insurance carriers to ensure competitive plans, rates and carriers. The company will ensure that its health plan is in compliance with Affordable Care Act (ACA) , and any plan changes will be comparable to the current plans offered. The Company will notify the Union per ACA on any proposed changes.

# Section 22.6 Life Insurance

The Employer pays for Fifteen Thousand Dollars ($15,000) coverage to all full-time employees Employees may buy additional Life insurance with proof of insurability.

# Section 22.7 Part-Time Employees

If plan eligible, Part-Time employees may elect medical, dental and vision coverage when required by federal or state law.

Section 26.1 Personal Leave

All employees may request an unpaid Personal Leave of Absence (PLOA). A PLOA cannot exceed 90 days in a rolling 12-month period and must be for a minimum of fourteen (14) days. At no time shall a leave of absence be granted for the purpose of finding alternative work or working for any other employer.

Personal Leaves may be granted due to special circumstances as determined on an individual basis. Personal Leaves may be granted at the sole discretion of the employer. If granted a PLOA, the employee is required to use all accrued paid time off before the unpaid portion of the leave begins unless otherwise approved by management or his/her designee.

If an employee is granted a PLOA, efforts will be made to hold their position open for the period of the approved leave. If the employee does not timely return from PLOA, the Employer has the right to administratively terminate the employee, unless an extension of PLOA has been approved.

## Section 26.5 Worker’s Compensation Leave

Worker’s Compensation Insurance benefits shall be granted in accordance with all applicable laws. Worker’s Compensation leave runs concurrent with leave taken by the employee for FMLA and CFRA, and with any leave provided as a reasonable accommodation under the ADA and any applicable state law requiring leave as an accommodation.

Section 27.1 Paid Time Off (PTO)

PTO is available for all regularly scheduled full-time and part-time employees.

The employer will track your PTO bank including the amount of PTO you earn during each pay period, how much PTO you use and your remaining PTO. You must use hours in your PTO Bank before you can take time off without pay unless prohibited by law.

Section 28.1 Recognized Holidays

One (1) floating holiday

The scheduling of the Floating Holiday will require at least fourteen (14) days advance notice to the Employer.