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2004-2007

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

**SAN DIEGO HOSPITAL ASSOCIATION,
d/b/a/ SHARP HEALTHCARE**

and

**SHARP PROFESSIONAL NURSES NETWORK,
UNITED NURSES ASSOCIATIONS OF CALIFORNIA/UNION OF HEALTH CARE
PROFESSIONALS, NUHCE, AFSCME, AFL-CIO**

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PREAMBLE

It is agreed that the mission of both the Employer and the Association are to seek to improve the health of those we serve with a commitment to excellence in all that we do.

Our mutual goal is to offer the highest quality care and services in our community, exceed patient expectations and to provide such care in a caring, convenient, accessible and cost effective manner.

To accomplish this mission, both parties shall work together to lead the industry in providing quality care by:

- Caring for patients in the most appropriate clinical setting.
- Initiating the use of new technology.
- Encouraging clinical research, education and training to support our common goals.

Being cost effective.

AGREEMENT

ARTICLE I RECOGNITION AND COVERAGE

Section 101. Parties: As used in this agreement, "Employer" shall refer to San Diego Hospital Association d/b/a Sharp HealthCare, and "Association" shall refer to Sharp Professional Nurses Network ("SPNN"). SPNN is affiliated with the United Nurses Associations of California/Union of Health Care Professionals, the National Union of Hospital and Health Care Employees, the American Federation of State, County and Municipal Employees, and the American Federation of Labor-Congress of Industrial Organizations.

Section 102. Bargaining Unit: - The Employer recognizes the Association as the exclusive collective bargaining representative, for purposes of wages, hours and other terms and conditions of employment, of all employees employed in the following bargaining unit:

Including: All full time and regular part-time Registered Nurses, including charge nurses and per diem Registered Nurses, employed in classifications for which a Registered Nurse license is required and who work at the following facilities: San Diego Hospital Association, 8695 Spectrum Center Court, San Diego, California; Grossmont Hospital, 5555 Grossmont Center Drive, La Mesa, California; Sharp Chula Vista Medical Center, 751 Medical Center Court, Chula Vista, California; Sharp Coronado Hospital and HealthCare, 250 Prospect Place, Coronado, California; Sharp Mary Birch Hospital for Women, 3003 Health Care Drive, San Diego, California; Sharp Memorial Hospital, 7901 Frost Street, San Diego, California; Sharp Mesa Vista Hospital, 7850 Vista Hill Avenue, San Diego, California, and its El Cajon and University Heights satellite facilities; and Sharp Cabrillo Hospital, 3475 Kenyon Street, San Diego, California. Also included are all Home Health Registered Nurses, Hospice Registered Nurses, and Registered Nurses employed at all skilled nursing facilities offered through the aforementioned facilities.

Excluding: All other professional employees, physicians, non-professional employees, technical employees, business office clerical employees, skilled maintenance employees, guards, and supervisors as defined in the Act.

All Bargaining Unit employees, hereinafter called "employees" or "Bargaining Unit," shall be covered by this Agreement. RNs working at clinics shall not be covered by this Agreement.

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Section 103. New Operations or Facilities: The Employer shall notify the Union upon the introduction or acquisition of any new facilities or operations during the term of this Agreement. The parties shall meet and discuss issues relating to possible extension of the terms of this Agreement to such new operations or facilities. If the parties agree that the new operations or facilities are properly accreted into the Bargaining Unit, then the employees in the accreted unit shall become a part of the Bargaining Unit and covered by this Agreement. If the parties are unable to resolve such issues as a result of the discussions, each party shall have the right to pursue any remedies available to it before the National Labor Relations Board.

Section 104. Affiliations Not Parties To Agreement: The sole parties to this Agreement are the Employer and the Association. No other entity or person affiliated with the Employer or the Association shall be bound to this Agreement or subject to the provisions hereof, unless otherwise specified in this Agreement.

Section 105. Change of Name: This Agreement shall be binding upon the Employer regardless of whether it changes its name, its legal status or its management.

Section 106. Closing of Operations: In the event the Employer discontinues or reduces the scope of any operation or facilities; experiences a reduced need for the services of nurses; or sells, transfers (including by subcontracting), or leases any business operations or facilities in which employees within the bargaining unit are employed, or any portion of such operations or facilities, hereinafter collectively referred to as "discontinued or reduced operation", the Employer shall provide the Union with a list of all vacant bargaining unit positions. Bargaining unit employees whose current positions are eliminated as the result of the discontinued or reduced operation shall be offered employment in any vacant position for which the employee is qualified. In determining whether the employee is qualified for a vacancy, the Employer shall take all factors into consideration, including past performance, education, relevant certifications, recent relevant experience, communication skills, critical thinking and judgment and customer satisfaction. If two or more displaced employees are equally qualified for the position, the most senior of the employees will be selected. The Employer will also make reasonable efforts to train employees who are not qualified for any current vacant position provided such training is consistent with the efficient delivery of quality patient care. Employees who are not placed in a position shall have preferential hiring rights for the next vacancy for which they are qualified. Employees who are placed into a vacancy within three hundred and sixty-five (365) days of the date their position is eliminated, including those employees who are placed in a position for which training is being provided, shall have their service credit, benefit eligibility and accrued unused Extended Sick Insurance (ESI) restored. All rights under this Section 106 shall expire at the end of three hundred and sixty-five (365) days of the elimination of the employee's position or when the employee declines to fill a vacancy for which s/he is qualified, whichever occurs first.

Section 107. Full-Time, Part-Time and Per Diem Status: "Full-time" as referred to in this Agreement shall be defined as employees who are regularly assigned to work 64 hours or more per pay period. "Part-time" as referred to in this Agreement shall be defined as employees who are regularly assigned to work less than 64 hours per pay period. "Per diem" as referred to in this Agreement shall be defined as an employee who is available to work to supplement staffing needs. To the extent "full-time," "part-time," and/or "per diem" status is

defined differently in any benefit plans referenced in this Agreement or otherwise applicable to employees covered by this Agreement, the definitions and eligibility requirements of such plan(s) will supersede the definitions set forth above.

ARTICLE II COURTESY

Section 201. Courtesy: The Employer and the Union agree to encourage everyone, regardless of position or profession, to perform in an efficient, courteous and dignified manner when such individuals interact with fellow employees, patients and the public.

ARTICLE III RIGHTS OF MANAGEMENT

Section 301. Management Rights. The Employer retains, solely and exclusively, all rights, powers, and authority that are not specifically abridged by an express provision of this Agreement. Without limiting the generality of the foregoing, examples as to the rights, powers and authority retained exclusively by the Employer, and which may be exercised in its sole discretion unless abridged by an express provision of this Agreement, include but are not limited to the following: to manage, direct and maintain the efficiency of its business and personnel; to maintain and control its departments, buildings, facilities and operations; to determine methods, processes, means, scope and places of quality patient care delivery and services; to create, change, combine, or abolish jobs, departments and facilities in whole or in part; to determine the means and manner by which patient care is to be delivered to patients; to subcontract or discontinue work for economic, technological, operational or other reasons; to direct the work force; to increase or decrease the work force and/or determine the number of Bargaining Unit employees and other employees to be hired or retained and how they are to be assigned; to hire, transfer, promote, demote, suspend, discharge, and to lay off employees; to determine staff and establish work standards, schedules of operation and work load; to specify or assign work requirements, overtime, or on-call responsibilities; to assign work and decide which employees are qualified to perform such work; to schedule and change work hours, shifts and days off; to adopt, revise or delete Employer policies governing the employment of employees, including but not limited to rules of conduct and safety and for penalties for violations thereof; to establish and revise performance standards and evaluation tools; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes, means and places of providing services; to determine the location and relocation of any hospital or any services; to effect technological changes; and to determine the quality of patient services. The listing of the management rights set forth in the preceding sentence is meant by way of explanation, not limitation. To the extent that any function of management is not expressly limited by this Agreement, such function may be exercised unilaterally. The Employer shall provide advance notice to the appropriate RN Advisory Committee ("RNAC") of any proposed exercise of management rights pursuant to this Article that will effect the Bargaining Unit and, upon request, shall provide the RN Advisory Committee with data relating to the contemplated exercise of those rights so that the Employer and the RNAC can engage in a collaborative

process towards resolving all issues relating thereto. In an emergency or in the case of a business transaction requiring confidentiality, notice to the Association and RN Advisory Committee may take place immediately following the exercise of management rights. The operation, authority, and control of the Employer's operation is vested exclusively in the Employer through its management and management's designees, who, among other duties, may discharge or otherwise discipline employees for just cause only.

ARTICLE IV SUPERVISION AND PROFESSIONAL RESPONSIBILITY

Section 401. Performance of Supervisory Duties: Bargaining Unit employees shall not be responsible for performing supervisory functions with respect to other employees, including non-Bargaining Unit employees. Bargaining unit employees shall have no authority to hire, transfer, suspend, lay-off, recall promote, discharge, reward or discipline other employees, nor shall they have the authority to adjust employee grievances. The routine delegation of clinical tasks and/or monitoring of the performance of clinical tasks by others shall not be considered to be the performance of supervisory responsibilities under the terms of this Agreement. However, nothing in this Section or this Agreement shall preclude or restrict the Employer from requiring, or a Bargaining Unit employee from performing, all duties deemed necessary by the Employer to insure delivery of quality patient care. Should the parties disagree as to whether the duties required of or authority possessed by a Registered Nurse involve the exercise or possession of statutory authority within the meaning of Section 2(11) of the National Labor Relations Act, either party may seek a determination on such issue through a unit clarification proceeding before the NLRB. Nothing in this Agreement or the Agreement itself shall in any way be interpreted to prevent or serve as a bar to either party filing or pursuing a unit clarification petition with the NLRB seeking to clarify the status of any employee or employees. It is agreed and recognized that persons whose duties include regularly acting as Administrative Liaisons are not part of the Bargaining Unit and shall not be covered by this Agreement.

Section 402. Delegation of Duties: The individual Bargaining Unit employee shall have the authority to determine those aspects of patient care which are to be delegated to non-Bargaining Unit employees based on his/her assessment of the patient's needs or condition(s), subject to and in accordance with the directives and policies of the Employer. The Employer shall maintain a record of the credentials of non-Bargaining Unit employees in order to assist the Bargaining Unit employee in delegating tasks under this Section.

Section 403. Performance of Non-Nursing Functions: The Employer will make reasonable and continuing efforts to minimize the need for Bargaining Unit nurses to perform non-nursing functions supportive to nursing care such as housekeeping, dietary, clerical functions or the transport of supplies or stable patients.

Section 404. Patient Care Responsibility: Bargaining Unit RNs are accountable to the organization for meeting its needs in relation to quality patient care and are accountable to the patient for the care provided by the RN. A key responsibility in meeting patient care goals is applying the nursing process through assessment, planning, implementation and evaluation in the

patient care setting. Professional standards, strong patient care values and critical thinking are the underlying role aspects of the RN in patient care management.

Section 405. Performance of Bargaining Unit Work By Others: It is understood and agreed that non-Bargaining Unit personnel employed by the Employer, including leads and other supervisory personnel, may perform clinical duties also performed by Bargaining Unit employees. Nothing in this Agreement shall prohibit the performance of Bargaining Unit work by persons not in the Bargaining Unit; provided that the assignment of such work to personnel of the Employer employed outside the Bargaining Unit shall not result in the loss of FTE status for any current member of the Bargaining Unit.

Section 406. Protection of Bargaining Unit Hours. It is the intent of the parties that assignment of work to personnel of the Employer employed outside the Bargaining Unit shall not be for the purpose of reducing hours for Bargaining Unit employees. Any employee who believes that the Employer has violated this Section 406 may refer such claim to the RN Advisory Committee. Such claims shall not be subject to arbitration under Section 907 of this Agreement.

ARTICLE V MEMBERSHIP

Section 501. Membership: All employees covered by this Agreement shall have the right to become and/or remain members of the Association, or to refuse to become and/or to resign membership in the Association at any time. Notwithstanding the above, all employees, whether Association members or not, may be responsible to pay monies to the Association as required by Section 503 below.

Section 502. Exercise of Rights: The Employer shall not discriminate against any employee on the basis of his or her Association membership, Association activity, or for engaging in Association or other concerted activity protected under the National Labor Relations Act and otherwise allowed under the terms of this Agreement; provided, however, that nothing in this Section shall prevent the Employer from disciplining any employee as permitted under this Agreement or from taking any other action permitted or authorized under this Agreement. The Association shall not discriminate against any employee who fails or refuses to become an Association member, resigns his or her Association membership, or fails or refuses to participate in Association activities protected by the National Labor Relations Act and allowed under this Agreement; provided, however, that nothing in this Section shall prevent the Association from lawfully enforcing any valid union security clause or from taking any action permitted or authorized under this Agreement.

Section 503. Maintenance of Membership: Each employee in this Bargaining Unit who is or becomes a member of the Association shall, as a condition of continued employment, either remain a member of the Association or satisfy the following financial obligation: (1) payment of periodic dues and initiation fees, or (2) payment of service fees which shall be the proportion of the Association's total expenditures that support representational activities. Unit employees who applied for membership or became members prior to the

execution of this Agreement shall, for a period of thirty (30) days following execution, be permitted to withdraw their application or resign from the Association without incurring the membership maintenance or financial obligation set forth above. The Employer shall also apply this provision to every employee who becomes a member of the Bargaining Unit due to reassignment or transfer.

Section 504. Enforcement: The Association and not the Employer shall be responsible for enforcing the requirement that employees fulfill their dues or service fee obligations. Among the Association's enforcement options is the filing of a civil suit against the delinquent employee. However, it is understood that the Association will make all reasonable efforts to correct the situation before the commencement of litigation. The Employer shall not be required to discharge or otherwise discipline employees who fail or refuse to meet their financial obligations under this Article.

Section 505. Check-Off: Dues and fees required by Section 503 above may be made by authorized payroll deduction check-off method; provided that said monies shall be deducted only after all deductions required by law or otherwise authorized by the employee have previously been deducted. The Employer shall provide to each employee required to tender to the Association monies required by Section 503 above an appropriate payroll deduction check-off form which may be utilized by the employee for such purposes. The Employer shall remit collected fees to the Association no later than the twentieth (20th) of each month following the month for which deductions have been made.

Section 506. Indemnification: The Association shall defend, indemnify and reimburse the Employer with respect to any and all claims, demands, suits, grievances, or other liability (including reimbursement for attorneys' fees incurred by the Employer) that arise out of or by reason of actions taken by the Employer pursuant to this Article V.

ARTICLE VI NON-DISCRIMINATION

Section 601. Prohibition of Discrimination: The Employer and the Union agree that there shall be no discrimination against any employee because of race, color, religion, creed, national origin, ancestry, sex, age, physical disability, mental disability, veteran status, marital status, sexual orientation, union activity or membership, or employment status.

ARTICLE VII ASSOCIATION REPRESENTATION

Section 701. Composition of RN Advisory Committees: A separate Local RN Advisory Committee shall be established for Memorial, Mary Birch, Mesa Vista, Grossmont, Chula Vista, Coronado, Non-Hospital Groups, and Hospice. Issues relating to Cabrillo shall be addressed through the Memorial RN Advisory Committee. Issues relating to Home Health, SRN, Nurse Connection, and/or SDHA shall be addressed through the Non-Hospital Groups RN

Advisory Committee. Each Local Committee shall be composed of three (3) Bargaining Unit members chosen by the Association and three (3) members of nursing management chosen by management. The Association shall make its selections by democratic procedures chosen and administered by it. A Human Resources representative and an Association representative, who shall be a Bargaining Unit member, shall serve as facilitators to set locations, times and agendas for the Committee. The Human Resources and Association representatives shall also serve as advisors concerning policies, applicable law, and the requirements of this Agreement. A representative of the State Association who shall be an RN may also be present at the Committee meetings. Additionally, there shall be established a System RN Advisory Committee. The System Committee shall be composed of nine (9) members chosen by the Association and nine (9) members chosen by management.

Section 702. Purpose: It is recognized by the stakeholders of this contract that collaboration and a collective sense of responsibility for the direction and performance of the organization is essential for individual and collective job satisfaction, and the success of the organization. Just as "the whole is greater than the sum of the parts" people achieve more by working together than through individual efforts. To realize this synergy, managers and nursing staff must be actively involved in fostering and engaging in teamwork. It is in this spirit that the RN Advisory Committees function.

The purpose of the RN Advisory Committee (RNAC) is to provide a mechanism that supports management and staff to engage in joint problem solving and planning regarding nursing issues. To this end, each Local RNAC will develop annual goals and objectives that drive the Committee's work throughout the year. The major portion of each meeting agenda should be devoted to collaborating on these goals and objectives and methods of implementation. Goals and objectives are to be determined by consensus and focus on the needs of the entity's managers, nursing staff and patients. Needs should be determined by an agreed upon formal mechanism that ensures all entity nurses have the opportunity for input. In addition, a portion of each meeting agenda should be devoted to problem solving issues that affect several or more units within the entity. Issues affecting a single nursing unit only should be decided at the unit level unless the unit employees cannot come to an agreement that resolves the issue.

The System RNAC meeting agenda should be focused on the review of issues, policies, or contract interpretation issues which have a system-wide impact, and should not include issues relating to individual employees, or practices or policies which are not applicable on a system-wide basis.

A joint chairmanship will provide leadership for each RNAC. The joint chair positions will be held by one (1) member of management and one (1) staff member. These leaders will be elected by the members of the RNAC. The term is for two years. The joint chairs will be responsible for setting the agenda for each meeting, facilitating meetings, parliamentary duties, assigning responsible parties for follow-up assignments and/or other work supporting the goals of the committee, communicating changes regarding meetings, and ensuring minutes are taken and distributed.

In order to enhance the effectiveness of the RNAC, every year the members of each RNAC should engage in a self appraisal process which should include but not be limited to appropriateness of goals, strengths and limitations of the team, accomplishments and achievements, processes for problem solving and decision making, and individual satisfaction as a member of the team. The process for self appraisal should be determined by the members of the RNAC.

Section 703. Meetings: The Local Committee shall meet monthly. Bargaining Unit employees who are members of the Local Committee shall be paid at their normal straight-time rate, excluding all differentials or other premiums, for time spent during the meetings of the Committee, up to a maximum of four (4) hours per meeting. In the event that the parties agree to meet for longer than four (4) hours or more than once per month, as necessary to cover agenda items, pay shall be provided. The System Committee shall meet bi-monthly. The Bargaining Unit members of the System Committee shall be paid at their normal straight-time rate, excluding all differentials or other premiums, for time spent during the meetings of the Committee, up to a maximum of four (4) hours per meeting. In the event that the parties agree to meet for longer than four (4) hours or more than bi-monthly, as necessary to cover agenda items, pay shall be provided.

Section 704. Responsibility: The Committee will review, discuss, and resolve if possible, professional staffing matters and professional staffing issues. Topics within the responsibility of the Committees shall include, but not be limited to:

- I. Staffing levels.
- II. Employee safety.
- III. UNAC Disclaimer Forms and other recurring problems.
- IV. Scheduling issues.
- V. The use or scheduling of Per Diem Nurses.
- VI. Weekend staffing issues.
- VII. Registry and/or traveler utilization.
- VIII. Floating concerns.
- IX. Qualifications.
- X. Care delivery systems.
- XI. Workload.
- XII. Policies and procedures relating to Nurse Practice.
- XIII. Evaluation tools.
- XIV. New Jobs
- XV. Staffing ratios
- XVI. Patient classification

In considering these issues the Employer shall insure that it is in compliance with the requirements of Title 22. The Committees shall have no authority to add to, subtract from, or modify in any way the express language of this Agreement, nor shall the Committees have the authority to expand its jurisdiction beyond that expressly granted by this Agreement. All matters and issues subject to review and discussion by the Committees shall be excluded from consideration, resolution or arbitration under Article IX of this Agreement; provided, however, that Article IX's procedures remain available for disputes concerning a claimed violation of an

express right or express obligation contained in this Agreement; and provided further that a dispute relating to issues involving patient classification or staffing ratios which has not been resolved by the Memorial RNAC or Home Health RNAC may be subject to dispute resolution under Section 705 below. An agenda item which has not been fully discussed may be carried over to the next meeting. Any issue which has been addressed by the Committee shall not thereafter be placed on the agenda or discussed for six (6) months except by agreement of both parties.

Section 705. Memorial/Home Health Nursing Review Committee: If the Memorial and/or the Home Health RNAC cannot resolve an issue relating to patient classification or staffing ratios, and management then implements its decision(s) relating to such issues, the Association may refer the disagreement to a Nursing Review Committee ("NURC"). The NURC will be specially formed to resolve the dispute and shall include one bargaining unit nurse assigned to the involved nursing unit, who shall be selected by the bargaining unit nurses assigned to that unit, one member of nursing management, and a third person selected by the other two members who shall be employed in the Sharp HealthCare system. The NURC shall review the issue, make recommendations thereon, and/or fashion an appropriate remedy. The determination(s) of the NURC shall be final and binding, provided that the NURC shall not modify, reverse or alter the decision being reviewed unless there is clear and convincing evidence that the decision was arbitrary or made in bad faith.

Section 706. Information: The Employer shall provide the Association with all relevant information concerning matters within the scope of the Committee's authority.

Section 707. Solicitation/Distribution/Access By Employee Representatives: No employee shall solicit or promote support for any cause or organization during his/her working time or during the working time of the employee or employees at whom such activity is directed. No employee shall distribute or circulate any written or printed material on the Employer's premises at any time; provided that distribution or circulation may occur in cafeterias and employee lounges so long as it is not directed at employees during their working time; the distribution or circulation is being done by an employee during his/her non-working time; and the distribution or circulation is not directed to patients or visitors. Off-duty employees shall be allowed to take access to non-patient care areas to engage in union-related activities so long as those activities are consistent with this Section 707.

Section 708. Bulletin Boards: Employer bulletin boards are reserved for the exclusive use of the Employer, provided that the Employer shall provide the Association with access to designated bulletin boards/bulletin board space for the exclusive use of the Association. All material to be posted by the Association will indicate it was issued by the Association, and the Association will be solely responsible for material placed on its designated bulletin board/space. Such material shall be either on Association stationary or clearly identified as approved Association issuances. The Employer shall have the right to remove any communications posted on any bulletin boards which do not conform with this Section 708.

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Section 709. Investigatory Interviews: The Employer recognizes the right of employees under law to representation in connection with investigatory interviews. In addition thereto, the Employer shall give an employee at least four (4) hours notice prior to conducting an investigatory interview from which discipline of the employee being interviewed may be reasonably anticipated. If the Employer does not give at least four (4) hours notice, the employee's right to be represented shall include release of an employee representative with pay. In the latter case, through efficacious scheduling and exchange of information the Employer, the employee, and the employee representative will use their best efforts to limit the time for which the employee representative is compensated to one (1) hour for time actually spent preparing for and attending the interview. If the employee representative cannot be released from work because of patient care requirements, no interview shall be conducted until the employee representative is available.

Section 710. Association Representatives & Access Rights: All parties recognize the legitimate needs of the Association to communicate with members of the Bargaining Unit and management regarding issues of concern to the bargaining unit. All parties also recognize the legitimate needs of the Employer and patients to have an employee's working time devoted to delivery of patient care. Accordingly, a reasonable number of non-employee designated Association representatives shall be permitted reasonable access to nonpublic, non-patient care areas for purposes of meeting with bargaining unit employees and/or management subject to the following conditions:

1. Arrangements to take access shall normally be made at least twenty-four (24) hours prior to the time at which the Association wishes to take access; however, failure to provide a full twenty-four (24) hours notice shall not be grounds for denying access if circumstances beyond the control of the Union prevented such notice.
2. Arrangements to take access must be made through the facility CNO or designee. Access shall be permitted except under unusual or emergency situations.
3. Employee(s) shall be free to meet with the Association representative during access so long as the meeting does not occur during the working time of the employee(s).

Except as provided in this Section 710, no non-employee Association representatives shall take access for purposes of conducting Association or other business. Except as otherwise provided in this Agreement, employee Association representatives shall not conduct Association business during their working time or the working time of the employee(s) with whom they are discussing Association business.

Section 711. Association Leave of Absence: Any Registered Nurse who has been employed for at least one (1) year may request and receive a leave of absence for Association business for up to one (1) calendar year. Upon completion of the one (1) year leave of absence, the concerned Registered Nurse must return to work for the Employer for one (1) full year prior to being eligible for another such leave; provided, however, that leave pursuant to this

section shall be available for the duration of a term of elective office. Requests for such leaves are to be submitted on the appropriate form provided by the Employer. No Employer paid benefits will apply to Association business leave of absence. The Registered Nurse shall continue to accrue seniority during the leave up to a maximum of twelve (12) months. Upon return from an Association leave of absence, the Registered Nurse shall be reinstated in the same assignment in which previously employed before commencement of the leave, if available. If the same assignment is not available, the employee will be offered an assignment of equivalent status and shift.

Any Bargaining Unit employee may request time off for Association business. Approval for such time off shall be granted subject to operational considerations. Employees receiving time off to attend to Association business shall be required to utilize accrued PTO for the time off. Benefit accrual during the time off to attend to Association business will be in accordance with Article XVIII of the Agreement.

Section 712. New Jobs: Should the Employer create a new non-supervisory job classification requiring an RN license during the term of this Agreement, the Employer shall immediately submit the job description to the members of the local/facility RNAC, and the position shall not be posted for at least seven (7) days thereafter. The RNAC will discuss the content of the job description and salary rate, and attempt to resolve all issues involving the new job description. Such discussions shall be a permanent agenda item of the RNAC. Upon agreement to the salary rate for any position included in the Bargaining Unit, the rate shall be placed in effect and shall not be subject to change during the remaining term of this Agreement, unless specifically required under other provisions of this Agreement. If the parties cannot agree on the inclusion/exclusion of the job from the Bargaining Unit, the Union shall have the right to seek a unit clarification determination from the NLRB notwithstanding any other terms of this Agreement.

ARTICLE VIII DISCIPLINE

Section 801. Basis for Discipline: The Employer shall not discipline employees without just cause. Just cause for discipline shall include, but is not limited to, violation of any of the Employer's employee standards or policies, breach of confidentiality, dishonesty, misconduct, insubordination, unlawful harassment, substance abuse, threats, unethical behavior, unsatisfactory attendance, failure to follow instructions, unsafe or improper nursing practices, or such other conduct which has the potential to place the safety of patients or co-workers at risk, or jeopardize the operations of the Employer.

Section 802. Performance Improvement Process: The Employer, the Association, and the employees covered by this Agreement recognize that performance issues are generally best approached and addressed through a collaborative process in which both management and the employee whose performance may have become an issue work together towards addressing the issue. As part of this coaching process, the manager should clearly define the performance or behavioral issue and remind the employee that he/she has a personal responsibility to meet

professional standards of performance and behavior. The manager and the employee should use the coaching process to collaboratively problem solve the issue(s), clarify expectations and explore and seek agreement on behavioral changes. The coaching session is not part of the disciplinary process, and should not be used as such. Any documentation generated as the result of the coaching process shall not become part of the employee's personnel file. The disciplinary process should generally be initiated when utilization of coaching to address performance or behavioral issues has failed.

Section 803. Progressive Discipline: It is the intent of the Employer to utilize *progressive discipline as appropriate to the offense and employee record of service*. Discipline shall normally not be utilized unless the Performance Improvement Process described in Section 802 above has been attempted without achieving the desired result. However, all parties to this Agreement recognize that progressive discipline need not be followed and shall not be required where the employee may have engaged in misconduct which constitutes a departure from established standards of nursing practice, which may have jeopardized or has the potential to jeopardize the delivery of quality patient care, which may have jeopardized or has the potential to jeopardize the Employer's license or legal position, or which otherwise constitutes gross misconduct. In addition to those items listed in the preceding sentence, gross misconduct includes, but shall not be limited to: violation of the Employer's standards of employee conduct, violation of instructions or work orders, and violation of health or safety standards.

Components of the progressive discipline process may include any of the following:

(1) Individual Action Plan (Clarification of Expectations for Performance): An individual action plan (clarification of expectations) may be utilized if the employee's performance or behavioral issue(s) continue following the performance improvement process. The employee's manager will meet in a private setting with the employee to clarify the need for the employee to meet established standards of performance and/or behavior, and the manager and employee shall collaborate in developing an action plan to address the issue(s) discussed. Additionally, the Employer and the Union recognize that a Union representative who is familiar with the employee's working unit can oftentimes assist the collaborative process between management and the employee in developing an action plan. Accordingly, a Union representative who is a member of the Bargaining Unit may participate in the collaborative process if requested to do so by the employee and if including the representative in the process does not create undue delay and/or negatively impact patient care delivery. A written statement shall be prepared by the manager in conjunction with the employee which outlines the expectations of performance and/or behavior for the employee, verifies the employee's commitment to meeting the expectations, and establishes an appropriate time frame (which may be immediate) for achievement of the expectations. The statement will also *inform the employee that if improvement is not shown, the employee may be subject to formal corrective action*. The employee will be asked to sign

the statement as an expression of commitment to the action plan. The written statement will not be retained in the employee's personnel file unless the performance or behavioral issue(s) subsequently result in formal corrective action. The individual action plan (clarification of expectations) shall not be subject to the grievance-arbitration provisions of Article IX of this Agreement.

(2) Written warning: A written warning will be utilized for more serious or repeated cases of rule infractions or continuing unacceptable performance. The written warning will describe the unacceptable performance and specify the improvement and actions required of the employee, including a specific time period in which the improvement and actions are to be accomplished. The written warning may be a final written warning.

(3) Administrative Leave: An administrative leave (suspension) from work may be used to investigate a work related issue when management determines that the employee should not be at work during the investigation. In most cases, administrative leave will be utilized prior to a discharge from employment. The administrative leave shall be without pay; provided that any employee who is not terminated or does not receive a written warning as the result of the investigation shall be retroactively compensated at their regular rate for those hours the employee normally would have worked during the period of the leave. When a Registered Nurse is placed on administrative leave, the Registered Nurse shall receive in writing the reason for the leave, the length of the leave, the date, time and location of when the parties are to reconvene a follow-up meeting.

Section 804. Written Notice of Discipline: The Employer shall provide written notification of suspension and/or discharge to the employee receiving the discipline. The employee shall have the right to rebut in writing any such notice. An employee may also review his/her personnel file upon reasonable request.

Section 805. Notification of Termination: The Employer shall notify the Association of a discharge within seven (7) workdays stating the reason for the action taken. Such notice may be made by telephone, with written confirmation to be made as soon thereafter as is reasonable. In the event an Association Representative is present during the termination, the Association will be deemed to have been notified. Receipt by the Association of the Notice of Disciplinary Action will constitute notification as referred to in this paragraph.

Section 806. File Materials: Registered Nurses shall personally receive and sign for copies of all disciplinary notices placed in their personnel files and shall have the right to rebut in writing any disciplinary notice. Such rebuttal shall be attached to the disciplinary notice and placed in the personnel file. Any materials relating to discipline for which there has been no recurrence for one (1) year (except for materials relating to discipline for harassment, discrimination, health or safety issues, or patient care issues) shall not be used as a basis for progressive discipline in any future matters and shall upon request of the employee be sealed after the expiration of said one (1) year period. With respect to the exceptions listed above, the

materials relating to discipline for which there has been no recurrence for three (3) years shall not be used as a basis for progressive discipline in any future matters. All disciplinary materials relating to discipline for which there has been no recurrence within the time periods specified above will be removed from the personnel file upon request of the employee after three (3) years from the date of the notice.

ARTICLE IX
GRIEVANCE & ARBITRATION PROCEDURE

Section 901. Intent: It is the intent that every reasonable effort be made between the parties to resolve differences at the earliest possible step.

Section 902. Initiation of Grievance Process: Any complaint or dispute arising between a Registered Nurse and/or the Association and the Employer concerning conduct by the Employer alleged to be in violation of an express provision of this Agreement and not otherwise excluded from the grievance-arbitration procedure by another provision of this Agreement shall be resolved by the filing of a grievance in accordance with this Article; provided, however, that only employees who have been employed in the Bargaining Unit for at least ninety (90) days shall have the right to grieve whether or not a discharge was for just cause.

Association grievances filed on behalf of a group of employees and discharge cases will be filed directly at Step B.

Association grievances filed on behalf of a group of employees in more than one Sharp HealthCare facility will be filed directly at Step C.

Section 903. Time for Filing: All grievances must be submitted in writing by the aggrieved party to the other party not later than fourteen (14) calendar days after the date the grieving party knew or should have known of the events giving rise to the grievance.

Section 904. Procedures: The written grievance shall include a statement of the facts or events giving rise to the grievance; the date upon which the event occurred; the provisions of the Agreement alleged to have been violated; and the remedy requested.

STEP A:

Within fourteen (14) calendar days after the grievance is filed in writing by the aggrieved party with the other party, the Association and the Employer shall meet and attempt to settle it. For the purpose of this Step A, the Employer's representative may be the employee's Nurse Manager. The non-grieving party receiving the grievance shall respond to the grievance in writing within fourteen (14) calendar days after the meeting.

STEP B:

If the grievance is not settled in Step A, the Association or individual grievant may appeal the unresolved grievance to the CNO of the facility where the employee is/was employed not later than fourteen (14) calendar days after receipt of the non-grieving party's Step A response or expiration of the period in which the response is to be given, whichever is sooner. Within fourteen (14) calendar days after the appeal is filed in writing by the aggrieved party with the other party, the Association and the Employer shall meet and attempt to settle it. The non-grieving party receiving the appeal at this Step B shall respond to it in writing within fourteen (14) calendar days after the meeting.

STEP C:

If the grievance is not settled in Step B, the Association or individual grievant may make a further written appeal of the unresolved grievance to the Vice-President of Human Resources or designee not later than fourteen (14) calendar days after receipt of the non-grieving party's Step B response or expiration of the period in which the response is to be given, whichever is sooner. Within fourteen (14) calendar days after the appeal is filed in writing by the aggrieved party with the other party, the Association and the Employer shall meet and attempt to settle it. The non-grieving party receiving the appeal at this Step C shall respond to it in writing within fourteen (14) calendar days after the meeting.

Time limits may be extended by mutual agreement of the parties. Any step of the grievance procedure may be mutually waived by a writing signed by both parties; however, no matter may be appealed to arbitration without having first been processed through Step C of the grievance procedure.

If the Employer does not act within the time limits provided at any step of the grievance procedure, the Association shall proceed to the next step as it elects. Any grievance not filed or appealed timely is automatically considered settled. The date used to determine the timeliness of an appeal shall be the date of the postmark or the date received by the Employer. The date used to determine the timeliness of the Employer's response shall be the date of the postmark or the date received by the Association.

Section 905. Arbitration: If the grievance is not satisfactorily settled at Step C, the Association may, within fourteen (14) calendar days of its receipt of the written answer or expiration of the period in which the response is to be given, whichever is sooner, refer the grievance to arbitration by (a) notifying the other party in writing of its intention to submit the grievance to arbitration. The parties shall mutually agree to an Arbitrator. Following the appeal of a grievance to arbitration, the parties may upon mutual agreement schedule a pre-arbitration meeting for the final evaluation of facts and conducting related business.

Section 906. Arbitrator's Authority and Decision: The Arbitrator shall have jurisdiction and authority only to interpret, apply or determine compliance with the express language of this Agreement and the issue submitted to him/her. The Arbitrator shall not have the power to add to, subtract from, or modify in any way the express language of this Agreement. The Arbitrator shall have no authority to and shall not add to or modify in any way the

Employer's responsibilities or duties under this Agreement, nor may the Arbitrator impose upon the Employer an obligation, responsibility or duty which is not expressly required of the Employer by an express provision of this Agreement. The Arbitrator shall have no authority to review management's exercise of its discretion in selecting the level of discipline imposed; the only issue before the Arbitrator in a discipline case shall be whether there was just cause for discipline. If the Arbitrator finds just cause for discipline, the level of discipline chosen by the Employer shall stand; if the Arbitrator finds no just cause for discipline, the disciplinary notice assessed shall be expunged and the Grievant will be made whole (if applicable). The Arbitrator shall have no authority to award damages other than back pay and benefits required by the Agreement. No back pay or benefits may be awarded for any period of time prior to the Employer's violation of the Agreement (if so found by the Arbitrator), and shall be reduced by all interim earnings and benefits received by the grievant. Any decision within the jurisdiction of the Arbitrator shall be final and binding on all concerned. The expenses and salary incident of services of the Arbitrator shall be shared equally by the Employer and the Association. Each party will be responsible for the cost of its representation and witnesses.

The Grievant shall be permitted time off work to attend the arbitration proceedings. Said time shall be without pay; however, the Grievant shall utilize accrued PTO for the time off if available unless the Grievant arranges coverage for his/her scheduled shift by switching shifts with another qualified unit employee. In addition, any approved time off granted for arbitration preparation shall be without pay; however, the Grievant shall utilize accrued PTO for the time off if available unless the Grievant arranges coverage for his/her scheduled shift by switching shifts with another qualified unit employee.

Section 907. Non-Arbitrability: No grievance shall be submitted to arbitration under Section 905 unless the time limits set forth in this Article have been strictly complied with. Any grievance submitted after the time limits have expired shall be deemed forfeited and waived by the aggrieved party. No grievance shall be considered by the Arbitrator unless all steps of the procedures provided herein have been followed or, if not, waived or extended by both parties in a signed writing. Should any party dispute the arbitrability of a grievance under this Agreement, it shall so notify the other party in writing within fourteen (14) calendar days of its receipt of notification of the other party's intention to submit the grievance to arbitration. Upon such notification the other party may still require that the grievance be arbitrated; however, the party who has given notice shall have thereby reserved its right to challenge a finding of arbitrability by the Arbitrator in any subsequent court proceeding to review the Arbitrator's decision, which decision shall be subject to *de novo* review by the court.

ARTICLE X PROBATION AND EMPLOYEE EVALUATIONS

Section 1001. Probationary Period: Each newly hired employee, each employee re-hired after a ninety (90) day break in employment, and those employees who transfer from a position outside of the Bargaining Unit or any accretion thereto, will serve a basic ninety (90) calendar day probationary period. Employees who are rehired into their former position during the period in which they have preferential hiring rights under Section 106 or the period in which

they are eligible to have their benefits restored under Section 1801(4) shall not be subject to the probationary period specified by this Section 1001.

Section 1002. RN Orientation Period: Orientation for RN employees in their probationary period will begin within the first seven (7) calendar days of employment, the purpose being to better acquaint the employee with the Employer's operations as an aid in developing the best employment relationships.

Section 1003. Employee Evaluations: All Registered Nurses will be reviewed within thirty (30) calendar days of their anniversary date by their Unit Manager. The Registered Nurses will be given the opportunity to read and comment upon formal performance evaluations prior to the placement of such in their personnel files. A copy of such material shall be given to the Registered Nurse at the time such documents are issued. The Registered Nurse may indicate any agreement or disagreement on the evaluation form and attach comments regarding such agreement or disagreement to the evaluation form. Any area indicated as improvement needed in the evaluation form will be re-discussed with the concerned Registered Nurse, at the latest, approximately six (6) months after the issuance of the evaluation. The Registered Nurse shall sign and date such material only as proof of receipt. The evaluation form is to be utilized to document the employee's general level of performance during the evaluation period and to provide notice to the employee of areas in which improvement is indicated. It is not the intent that performance evaluations are to be used for disciplinary purposes; however, an employee's performance rating and areas in which improvement is needed may reflect disciplinary issues.

ARTICLE XI SENIORITY

Section 1101. Definition: The seniority of any part-time or full-time employee shall be determined by the initial date of hire by the Employer into a full-time or part-time position. Seniority for such employees shall continue to accrue during the time the employee is continuously employed in a full-time or part-time capacity by the Employer. Seniority for per diem employees and employees working exclusively through Central Registry shall be based on hours worked as calculated on the basis of 2000 hours worked for each year of seniority credit, and in increments of 500 hours. For example, per diem employees who have worked between 500 hours and 999 hours shall receive seniority credit of $\frac{1}{4}$ year; per diem employees who have worked from 1000 hours to 1499 hours shall receive seniority credit of $\frac{1}{2}$ year, etc. Seniority as specified in this Article shall be relevant only as specified in this Agreement relating to Job Bidding and Job Security.

Section 1102. Loss of Seniority: An employee shall lose seniority for any of the following reasons:

- (1) Voluntary termination, absent return within 365 days.
- (2) Discharge.
- (3) Failing to return within 365 days following the end of all authorized leave(s) of absence or authorized time off, without prior notification to the Employer.
- (4) Lay-off/position elimination (upon expiration of rights under Section 106).

ARTICLE XII
JOB POSTINGS & FILLING VACANCIES

Section 1201. Job Postings: All Registered Nurse job vacancies in classifications covered by this Agreement will be electronically posted for seven (7) calendar days. The posting will include a description of the open position, the requirements of the position, the qualifications necessary to be considered for the position, the unit, shift, status (i.e., full time/part-time/per diem), and the date the position was posted. The Human Resources Department will also notify the Union of all postings. In all cases, job requirements shall be reasonably related to the work performed.

Section 1202. Application Process: Any Registered Nurse interested in filling a posted vacancy must submit an application for the position to Human Resources during the seven (7) day posting period. The Employer will select the most qualified applicant for the position. The Employer shall take all factors into consideration, including past performance, education, relevant certifications, recent relevant experience, communication skills, critical thinking and judgment and customer satisfaction. If two or more applicants are equally qualified for the position, the most senior of the employees will be selected. If no qualified employee submits an application for the position within the posting period, the Employer may seek outside candidates for the position.

Section 1203. Preference for Current Employees: The Association and the Employer agree to make reasonable efforts to make Sharp Health Care the Employer of choice. To support this goal, the Employer shall give preference to current Sharp Employees over outside candidates when filling vacancies, provided the Sharp candidate and the outside candidate are equally qualified for the position. Prior to determining whether the outside candidate is equally qualified, the Employer shall consider whether a current employee who is interested in the vacancy will be made equally qualified by available training, provided such training is consistent with the efficient delivery of quality patient care. The Employer will also make reasonable efforts to train current employees by seniority to fill vacant positions, provided such training is consistent with the efficient delivery of quality patient care.

Section 1204. Review of Selection Decision: Any applicant who was not selected who believes that she/he was the most qualified applicant, or was as qualified for the position as a junior applicant who was selected, or for any other reason believes that Section 1202 has been misapplied, may pursue the matter through all levels of the grievance procedure; provided that no such grievance may be subject to arbitration under Section 905 of this Agreement.

Section 1205. Trial Period: Registered Nurses who are selected to fill a vacancy or transferred to another assignment shall undergo a new job trial period of thirty (30) calendar days for full-time Registered Nurses and twenty (20) working days for part-time Registered Nurses. Should the Registered Nurse fail to qualify for the position, or elect to return to the former position during the trial period, the Registered Nurse shall be returned to the former job assignment, if available. If the same assignment is not available, the employee will be offered an assignment of equivalent status and shift if available and the employee is qualified for the assignment; provided that the Employer shall have no obligation to create a vacancy of equivalent status and/or shift by bumping or otherwise. If no equivalent position is available, the employee will be offered any vacant position for which she/he is qualified.

Section 1206. Notification Regarding Transfer Request: Registered Nurses who have applied for a posted vacancy will be notified in writing within seven (7) working days after the position has been filled as to the selection decision. The reason(s) for denial of the Registered Nurse's application shall be given, tailored to the individual, including guidance for the future. Once notified of the granting of a position, the concerned Registered Nurse will acknowledge acceptance of the position within twenty-four (24) hours.

Section 1207. Registered Nurse Vacancies: If a Registered Nurse position under this Agreement becomes vacant and the Employer intends either to not fill the position or to fill it with a non-Registered Nurse employee, the Employer shall notify the State Association of such decision within fifteen (15) days of the date the decision is made to allow the position to remain vacant. In the event the Employer fails to notify the Association as outlined above, the Human Resources Department for the facility will personally meet with the Association, upon its request, to discuss the reasons for such, and the reason why the Association was not timely notified. The Employer will also notify the appropriate Local RN Advisory Committee if a position has been vacant for thirty (30) days without having been posted.

Section 1208. Intra-Unit Transfers: When an opening occurs on a specific shift in a unit, the position will be posted in the unit for a seven (7) day period. The most senior employee employed in the unit who meets the requirements and qualifications of the position and who applies for the opening within the seven (7) day posting period shall be selected to fill the vacancy. In the case of openings covered by this Section, the position shall not be open to candidates outside the unit unless no qualified employee currently employed in the unit applies for the position within the seven (7) day intra-unit posting period.

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ARTICLE XIII
ECONOMIC ACTION

Section 1301. Economic Action: During the term of this Agreement, neither the Association nor the Employer shall either jointly or severally authorize, permit, cause, engage in, sanction, or assist in any work stoppage, boycott, strike, lockout or other form of economic action against the other, nor shall any employee engage in, sanction, assist, or otherwise observe a picket line, legal or illegal, established on or around the premises of the Employer, nor otherwise engage in a sympathy strike. Any employee who violates this Section shall be subject to discipline pursuant to Article VIII of this Agreement.

Section 1302. Employer Action: The Association agrees that a violation of Section 1301 shall cause the Employer irreparable harm and injury and that in the event the Association or any employee covered hereby violates said Section, the Employer may obtain an appropriate temporary restraining order and/or injunctive relief in addition to any other relief to which it may be entitled. By seeking relief under this Section 1302, the Employer is not precluded from taking disciplinary action pursuant to Section 1301 against any employee who violates said Section.

Section 1303. Association Action: In the event of a breach of Section 1301, the Association, its officers and representatives, shall do everything within their power to end or avert such activity.

ARTICLE XIV
CENTRAL REGISTRY

Section 1401. Purpose: The Central Registry shall be available to address staffing shortages and to provide employees an opportunity to supplement their normal earnings.

Section 1402. Eligibility: Full-time hospital-based employees who are based elsewhere can work extra shifts through Central Registry once they have fulfilled their normal schedule in their home unit; provided that employees will not be required to fulfill their normal schedule if their failure to do so was due exclusively to cancellation of scheduled hours by the Employer. Part-time employees who have worked at least a .6 equivalent during the pay period and have also fulfilled their normal schedule in their home unit may also work extra shifts through Central Registry; provided that employees will not be required to fulfill their normal schedule if their failure to do so was due exclusively to cancellation of scheduled hours by the Employer. Central Registry hours shall be included in calculating seniority credit under Article XI of this Agreement.

Section 1403. Pay Scale: Employees working extra shifts through Central Registry shall receive a wage rate of \$30.00 an hour or their applicable overtime rate, whichever is higher, but shall not accumulate benefits for hours worked through Central Registry.

ARTICLE XV
HOURS OF WORK & OVERTIME

Section 1501. Payroll Period: The payroll period shall be two weeks, beginning at 12:00 a.m. on Sunday morning and ending at 11:59 p.m. on the second following Saturday.

Section 1502. Work Period: A work period of fourteen (14) consecutive days in lieu of a work week of seven (7) consecutive days shall be utilized for computation of weekly overtime for all employees working a regular schedule of eight (8) hour shifts. The fourteen-day work period shall begin at 12:00 a.m. Sunday and end at 11:59 p.m. on the second following Saturday. A work period of seven (7) consecutive days shall be utilized for computation of weekly overtime for all employees working a regular schedule of nine (9) or more hours per shift. The seven (7) day work period shall begin at 12:00 a.m. Sunday and end at 11:59 p.m. on the following Saturday.

Section 1503. Shift Differential: Employees who work at least half of their scheduled shift during either of the following time periods will receive the applicable shift differential for all hours worked during the shift. Employees who are not working a day shift schedule (a shift which begins anytime between 5:00 a.m. and 11:00 a.m.) and who do not satisfy the condition established in the preceding sentence but who work a block of four (4) or more hours during either of the following time periods will receive the applicable shift differential for all hours worked during the following time periods. Current differentials will be increased to the amounts set forth below beginning July 4, 2004.

<u>HOURS</u>	<u>DIFFERENTIAL</u>
3:00 p.m. - 11:30 p.m. (Evening)	\$2.00
11:00 p.m. - 7:30 a.m. (Night)	\$4.00

Section 1504. Schedules and Posting: The Employer will have a monthly, or four (4) week, work schedule reflecting holidays and days off, and the Employer will use its best efforts to post the schedule at least one (1) week in advance. The primary responsibility for scheduling rests with the individual Nurse Supervisors. However, the Employer shall assign to the Nurse Manager the responsibility to monitor scheduling of individual nursing units. Nothing in the foregoing shall preclude the Association from discussing scheduling matters at the Registered Nurse Advisory Committee meetings.

Section 1505. Daily Overtime: Employees who are working an eight (8) hour schedule shall receive one and one-half (1 ½) times their regular rate of pay for all consecutive hours worked after the first eight (8) consecutive hours. Employees who are working a ten (10) hour schedule shall receive one and one-half (1 ½) times their regular rate of pay for all consecutive hours worked after the first ten (1) consecutive hours. All employees shall receive two (2) times their regular rate of pay for all consecutive hours worked after the first twelve (12) consecutive hours.

Section 1506. Weekly Overtime: Employees who are on a seven (7) day work period shall receive time and one-half (1 ½) for all hours worked over forty (40) in one such period. Registered Nurses who are on a fourteen (14) day work period shall receive time and one-half (1 ½) for all hours worked over eighty (80) in one such period.

Section 1507. Consecutive Hours: For purposes of calculating daily and weekly overtime, all hours worked consecutively shall be credited toward the day, week, or pay period during which the employee commenced work. Periods of work separated by a break of less than six (6) hours shall be deemed consecutive, excluding call back hours.

Section 1508. Education/Training/Committee Time: If attendance at a committee meeting or educational or training program is mandatory and the Registered Nurse cannot attend without incurring eligibility for overtime pay due to work assignments made by management, then such time of attendance will be considered as time worked for overtime pay purposes.

Section 1509. Weekend Scheduling: Every Registered Nurse shall be regularly scheduled with every other weekend off. Should an employee be required to work on consecutive weekends, the employee shall be relieved of work on a subsequent weekend the employee otherwise would have been scheduled to work. Weekend shifts for employees on a 12-hour schedule include shifts which begin between 7:00 p.m. Friday evening and 6:59 p.m. Sunday evening. Weekend shifts for employees on an 8-hour schedule include shifts which begin between 11:00 p.m. Friday evening and 10:59 p.m. Sunday evening. Employees working the night shift may designate whether the unit's weekend shall be Friday-Saturday or Saturday-Sunday; all other shifts will be considered weekday shifts. Nothing in this Section 1509 is intended to modify current practices in those units in which individual employees working the night shift are currently allowed to designate which days will be their weekend (Friday-Saturday, Saturday-Sunday, or Friday-Sunday), provided all shifts are properly staffed.

Section 1510. Holiday Premium: Employees who work on Memorial Day, Labor Day, July 4th, Thanksgiving Day, Christmas Day or New Year's Day will be entitled to be paid for such time at one and one-half (1½) of their regular rate of pay, subject to the provisions of Section 1516 of this Agreement. For purposes of this premium, Christmas Day and New Year's Day shall be considered to be from 5:00 p.m. the day before the holiday until 7:00 a.m. the day after the holiday. All other holidays shall be considered to be from 11:00 p.m. the day before the holiday until 7:00 a.m. the day after the holiday. If more than half of the employee's hours for the scheduled shift occur during the holiday, the employee will receive one and one-half times (1½) their regular rate of pay for all hours worked during the shift. The holiday premium may be paid for up to two (2) shifts for the Christmas Day holiday and for up to two (2) shifts for the New Year's Day holiday, providing all other eligibility requirements of this Section 1510 are met. The holiday premium shall only be paid for one shift per holiday period for all other holidays.

Section 1511. Mandatory Overtime: The Employer recognizes that the maintenance of a regular schedule is necessary so that employees can plan their time away from work and will have sufficient time away from work to rest and recuperate from the demands of their jobs. The Association and the employees recognize that the requirements of attending to particular patients may necessitate that an employee continue to work beyond the end of his/her

normally scheduled shift. Accordingly, the Employer will not implement mandatory overtime in order to address chronic staffing shortages created by the Employer's failure to fill vacancies or to adjust the schedule to address regular patient care requirements.

Section 1512. Rest Periods: Each employee shall be granted a paid rest period in accordance with State and Federal law, including any exceptions thereto relating to union representation and/or this Agreement. Should a Nurse anticipate the inability to take a rest break at the regularly scheduled time, he/she shall make all reasonable efforts to notify the responsible management representative. Should the Employer be unable to provide a rest break as described above, it shall comply with applicable state law governing Employer responsibilities when the break is missed.

Section 1513. Meal Periods: Each employee shall receive meal period(s) in accordance with State and Federal law, including any exceptions thereto relating to union representation and/or this Agreement. Unpaid, unworked meal periods shall not be counted as hours worked in calculating overtime to be paid under any provision of this Agreement. Should a Nurse anticipate the inability to take a meal break at the regularly scheduled time, he/she shall make all reasonable efforts to notify the responsible management representative. Should the Employer be unable to provide a meal break as described above, it shall comply with applicable state law governing Employer responsibilities when the break is missed.

Section 1514. Cancellation of Scheduled Hours: Qualified travelers will be sent to float in other units having a need for additional staff, including units at other sites, before any Bargaining Unit employees are canceled. In the event cancellation of scheduled hours is still deemed necessary, the following procedures shall be followed:

1. Cancellation shall be in the following order:

Category One:	Registry
Category Two:	Travelers on overtime, call back, or additional hours
Category Three:	Central Registry employees/employees on overtime, call back or other premium pay status
Category Four:	Volunteer employees who agree to utilize accrued PTO for all hours canceled
Category Five:	Other employee volunteers
Category Six:	Employees on straight time additional hours/ Per diem
Category Seven:	All other travelers
Category Eight:	All other employees

Cancellations in Category Eight shall be done by department, on a rotational basis, equitably in the aggregate, consistent with patient care needs.

2. Registered Nurses will assist Management in setting up the rotation and tracking whose turn it is to be on cancellation. Hours canceled will be tracked on an on-going six month basis.

3. Bargaining Unit employees designated as charge shall be included in the rotation for cancellation.

4. An employee whose shift is canceled shall be relieved of all duty during the hours canceled; provided that the Employer may require the employee to be placed on-call for a four (4), six (6), eight (8) or twelve (12) hour block of time, commencing at the beginning of the canceled shift. In such circumstances, the employee shall be compensated pursuant to the on-call and call-back provisions of this Agreement, as applicable, for the duration of the designated block of time.

5. An employee must be given a minimum of two (2) hours prior notice of cancellation; provided that an employee who is given the option to leave immediately and who chooses to do so shall not be entitled to any further pay; and provided further that the employer may rescind the cancellation at any time during the two-hour period without incurring any responsibility for any type of premium pay on account of the prior notice of cancellation or the recession of the notice.

Section 1515. Rescheduling In Lieu of Cancellation: In lieu of cancellation of an employee's entire shift, the Employer may reschedule a volunteering employee for, at a minimum, the last six (6) hours of the employee's scheduled shift. Upon reporting at the rescheduled time, the employee shall be entitled to work the remainder of the shift. The employee may be placed on-call during the delay; if the employee is placed on-call, the employee shall be compensated pursuant to the on-call and call-back provisions of this Agreement, as applicable, for all hours prior to the rescheduled reporting time. An instance of rescheduling shall be deemed a cancellation for purposes of the equitable distribution provisions and the two-hour notice requirements of Section 1521 of this Article.

Section 1516. No Pyramiding of Overtime: There shall be no pyramiding of overtime pay for the same hours worked.

Section 1517. Reporting Time Pay: An employee who reports to work but is not put to work or is furnished less than half of the employee's usual or scheduled day's work, will receive the base rate of pay for half of the usual or scheduled day's work, not to be less than two (2) hours nor more than four (4) hours. In lieu of reporting pay, the Employer may assign the employee to other duties, as qualified, normally performed by Bargaining Unit employees. The reporting pay shall be paid at the premium rate if applicable.

Section 1518. Alternative Schedules: Before making a proposal for an alternative workweek schedule, management shall notify the Local RN Advisory Committee of the contemplated proposal and the reasons why management believes an alternative workweek schedule would be preferable to current unit practice. The Local RN Advisory Committee shall review management's concerns and explore alternatives to an alternative workweek election. If it is determined that an alternative workweek election is still necessary, the procedure for

alternative workweek elections required under Wage Order 5-2001, Section 3(C), shall be followed, as modified below:

1. The vote shall be by secret ballot, administered by HR and a representative of the local affiliate, among all full-time and part-time unit employees, and all Per Diem employees assigned to the unit and who have also worked at least 500 hours in the unit during the 6-month period prior to the vote. The alternative schedule will be adopted if it is approved by a vote of 66 2/3 % of the votes cast. In the event the vote results in the employees' wishing to remain on the eight (8) hour work schedule, only one (1) additional vote can be scheduled during the twelve (12) months immediately following the first election (no more than two (2) votes in any twelve (12) month period).

2. Unit employees who do not wish to continue to work in a unit because the schedule has been changed as a result of the vote shall be offered employment in any vacant position for which the employee is qualified. In determining whether the employee is qualified for a vacancy, the Employer shall take all factors into consideration, including past performance, education, relevant certifications, recent relevant experience, communication skills, critical thinking and judgment and customer satisfaction. If two or more such employees are equally qualified for the position, the most senior of the employees will be selected. The Employer will also make reasonable efforts to train such employees who are not qualified for any current vacant position provided such training is consistent with the efficient delivery of quality patient care.

3. If after implementation of the new schedule, and absent mutual agreement, the new schedule shall remain in effect for a minimum of twelve (12) months. If management then believes that the new schedule does not meet business necessity or patient care requirements, management shall notify the Local RN Advisory Committee of the reasons why it believes the new schedule is not meeting those needs. The Local RN Advisory Committee shall review management's concerns and explore alternatives to reinstatement of the prior schedule. If it is determined that reinstatement of the prior schedule is necessary, the unit employees shall be given at least 30 days notice prior to reinstatement of the prior schedule. Any unit employee(s) who transferred from the unit or resigned employment as a result of the conversion shall be offered reemployment in the unit in any position within the unit for which the employee is qualified and which is posted within one-hundred eighty (180) days of the employee's transfer or resignation.

4. After a lapse of twelve (12) months, and absent mutual agreement, upon a petition of 33 1/3 % of the full-time and part-time employees assigned to the unit and Per Diem employees assigned to the unit and who have also been scheduled to work at least 500 hours in the unit during the 6-month period prior to the submission of the petition, a new vote by secret ballot shall be held and a vote of 66 2/3 % of the vote cast will be required to reverse the alternative schedule. If the schedule is revoked, the Employer shall comply within forty-five (45) days.

5. All employees assigned to a 12-hour schedule shall receive time and one-half (1 1/2) for the 37th through 40th hour worked in a workweek. A fourth shift within the workweek for employees assigned to a 12-hour schedule shall be paid at time and one-half for the first eight (8) hours and double time for the next four (4) hours.

6. All full-time, part-time and unit-based per diem employees who float to a unit with an alternative workweek schedule will be paid in accordance with the pay practice in the unit floated to. SRN employees will be paid in accordance with the pay practice for the shift they are requested to work.

7. A report of the results of all elections conducted pursuant to this Section 1518 shall be forwarded to the Association.

Section 1519. Distribution of Overtime: The Employer shall attempt to distribute over time work among Registered Nurses, subject to qualifications, in each unit, on each shift on an equitable basis.

Section 1520. Staffing Ratios: The Employer shall comply with all staffing requirements mandated by federal and state laws and regulations, including Title 22 of the California Administrative Code. The Union shall have the option to reopen this Section 1520 only for additional negotiations relating to staffing issues should staffing requirements mandated by law change during the term of this Agreement. Should the Union elect to do so, all other terms and conditions set forth in this Agreement, including Article XIII, shall remain in full force and effect.

Section 1521. Floating:

A. Floating shall be in the following order:

1. Travelers and Registry.
2. Volunteers.
3. Per diem on a rotational basis.
4. Regular full-time and regular part-time on a rotational basis.

B. Floating of Registered Nurses shall be in compliance with all federal and state laws and regulations, including Title 22 of the California Administrative Code. Patient care assignments shall be subject to the following guidelines:

1) Assignments shall include only those duties and responsibilities for which competency has been validated.

2) Registered Nurses may not be assigned total responsibility for patient care, including the duties and responsibilities described in subsection 70215(a) of Title 22, until all standards of competency for the unit have been validated.

3) New graduates (clinical associates) will not be floated until they complete their clinical orientation.

C. Floating assignments will be made pursuant to current practice.

D. Regular full-time and regular part-time Registered Nurses with twenty (20) years or more of continuous service at Sharp HealthCare as a Registered Nurse shall not be required to float; provided that such Registered Nurses can still be required to float if at least 30% or more of the RNs on that shift in their home unit would otherwise be excused from floating under this Subsection D. If required to float, such Registered Nurses shall receive double credit for doing so.

E. If a Registered Nurse who floated at the beginning of the shift has an assignment which ends before the shift does and the RN is needed on another unit, the second assignment will also count in the float rotation.

ARTICLE XVI
COMPENSATION

Section 1600. Merit Increases: Merit increases shall continue under the program established under the 2001-2004 Collective Bargaining Agreement through September 30, 2004. Beginning October 1, 2004 and thereafter wage rate increases shall be made in accordance with Section 1601 and Appendix A of this Agreement.

Section 1601. Experience-Based Wage Program: All full-time and part-time employees employed in a designated classification set forth below shall be placed into the appropriate Step Level in accordance with Appendix A upon her/his anniversary date subsequent to October 1, 2004, and shall have her/his wage rate adjusted to the rate as specified therein at that time. The wage rate of each employee in the Step System shall increase upon her/his anniversary date subsequent to October 1, 2005 in accordance with Appendix A. Appendix A shall be applied to the designated classifications as follows:

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CLINICAL NURSE

Clinical Nurse
Perinatal Educator RN
Health Promotion RN
MV CN II
RN (SRN to SRS)
RN Post Discharge
UC RN (SRN to SRS)
MV CN III
Nurse Connection Triage
RN Specialists
Wellness Education Specialist
Lactation Specialist
Rehab Nursing Specialist
RN Ed Clin. Nurse
UR/QA RN
UR/Discharge Planner
UR/UM Specialist
IV Specialist I
Home Health Liaison
Clinical Evaluator I
Case Manager
Case Manager - Frail Elderly
QA Analyst
Admission RN
RN Frequency Processor
Admissions Case Manager

ADVANCED CLINICIAN

Advanced Clinician
Infusion Nurse Specialist
Trauma Specialist
Transplant Specialist
Specialist Educator
Clinical Evaluator II
Education Specialist Hospice
Education Specialist HH
MDS Coordinator
ALS Nurse
Diabetes Education Specialist

Section 1602. Experience-Based Wage Scale Increases: The experience-based wage scale in effect during the period from October 1, 2004-September 30, 2005 shall increase by three percent (3%) on October 1, 2005, and by three percent (3%) on October 1, 2006, as shown on Appendix A. All Registered Nurses who upon initial placement into a Step Level are at her/his correct experience step and who do not advance to the next step on their anniversary date on or after October 1, 2005 shall receive an additional one percent (1%) wage rate adjustment on their anniversary date, for a total four percent (4%) wage rate adjustment.

Section 1603: Classifications: The Associate Clinical Nurse, Clinical Nurse and Advanced Clinician classifications shall be applied as follows:

- Associate Clinical Nurse: New graduates who have not met the competencies required to advance to the Clinical Nurse classification.
- Clinical Nurse: Employees who have at least one (1) year of experience working as an RN or who have mastered the competencies required to advance from Associate Clinical Nurse to Clinical Nurse.

Advanced
Clinician:

The Advanced Clinician classification shall be available to experienced RNs who have demonstrated mastery of advanced competencies and related skills. Advanced Clinician positions shall be posted in accordance with unit requirements.

Section 1604: BSN/Masters Wage Rate Adjustments: Full-time and part-time Registered Nurses employed in the Job Titles set forth in Section 1601 and holding a BSN on the date this Agreement is ratified shall be eligible to receive a differential of two percent (2%) on all hours worked subsequent to providing valid documentation as set forth below. Full-time and part-time Registered Nurses employed in the Job Titles set forth in Section 1601 and holding a Masters degree in a health care related field on the date this Agreement is ratified shall be eligible to receive a differential of four percent (4%) on all hours worked subsequent to providing valid documentation as set forth below, but shall not be eligible for the 2% BSN differential provided for in this Section (RNs with a BSN and a Masters degree in a health care related field receive a total differential of 4%). Full-time and part-time Registered Nurses employed in the Job Titles set forth in Section 1601 who complete the requirements for and are awarded a BSN during the term of this Agreement shall receive a differential of two percent (2%) on all hours worked subsequent to providing valid documentation as set forth below. Full time and part-time Registered Nurses employed in the Job Titles set forth in Section 1601 and who complete the requirements for and are awarded a Masters degree in a health care related field during the term of this Agreement shall receive a differential of four percent (4%) on all hours worked subsequent to providing valid documentation as set forth below, but shall not be eligible for the 2% BSN differential provided for in this Section (RNs with a BSN and a Masters degree in a health care related field receive a total differential of 4%). Registered Nurses requesting differentials in accordance with this Section shall be required to provide valid documentation of his/her degree(s); no differential shall be paid or be effective until such documentation has been provided by the Registered Nurses (no retroactivity). The differentials provided for by this Section shall also be applicable to full-time and part-time Registered Nurses employed in the Job Titles set forth in Section 1601 and hired subsequent to the date this Agreement is ratified.

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Section 1605. Hospital-Based, Home Health and Hospice Per Diems: Hospital-based, Home Health and Hospice per diems shall receive a four percent (4%) wage increase as of the first complete payroll period immediately following the effective date of this Agreement. Thereafter the wage rates set forth below shall apply:¹

<u>Classification</u>	<u>Per Hour</u>		
	<u>10/01/04</u>	<u>10/01/05</u>	<u>10/01/06</u>
Per Diem II	\$32.50	\$34.12	\$35.83
Per Diem III	\$34.00	\$35.70	\$37.48

The Per Diem II requires a minimum of one (1) year of clinical experience, and requires that the employee make a commitment to be scheduled to work a minimum of six (6) or more shifts during each four (4) week period, including a minimum of two (2) weekend shifts, and is available to be scheduled to work at least one (1) major (Thanksgiving, Christmas, and New Year's) holiday and one (1) minor holiday. Alternatively a Per Diem II (Weekend Only) may require the employee to commit to be scheduled to work a minimum of four (4) weekend shifts during each four (4) week period, and also make a commitment to be scheduled to work at least one (1) major holiday and one (1) minor holiday.

The Per Diem III requires a minimum of three (3) years clinical experience, and requires that the employee make a commitment to be scheduled to work a minimum of eight (8) 12-hour shifts or twelve (12) 8-hour shifts during each four (4) week period based on the unit schedule, and also make a commitment to be scheduled to work every other weekend, and also make a commitment to be scheduled to work a minor holiday, and also make a commitment to be scheduled to work either Christmas or New Year's Day depending on unit needs.

Any employee who does not meet his/her commitment will be considered a voluntary resignation.

Section 1606. SRN-Based Per Diems: The SRN-based per diems shall receive a four percent (4%) wage increase as of the first complete payroll period immediately following the effective date of this Agreement. Thereafter the wage rates set forth below shall apply:

<u>Classification</u>	<u>Per Hour</u>		
	<u>10/01/04</u>	<u>10/01/05</u>	<u>10/01/06</u>
SRN Per Diem I	\$28.50	\$29.92	\$31.42
SRN Per Diem-Float	\$34.00	\$35.70	\$37.48

¹ Unit-based Per Diem I will now be based in the Staffing Resource Network (SRN)

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The SRN Per Diem I is a per diem employee with one (1) year of clinical experience and who is available to work a minimum of two shifts during each six-month period. A SRN Per Diem I nurse may select and be regularly assigned to work in the same unit/department.

The SRN Per Diem Float is a per diem employee with one (1) year of clinical experience who is assigned to float, and who is required to be available to work at least four (4) shifts during each four (4) week period, including at least one (1) weekend shift, and to also be available to work one (1) holiday per year as designated by management. A Per Diem Float who is willing to work at multiple entities and is assigned to do so shall receive an additional ten percent (10%) override on the SRN Per Diem Float rate during the relevant payroll period.

Any employee who does not meet his/her commitment will be considered a voluntary resignation.

Section 1607. Nurse Connection Per Diems: Nurse Connection Per Diems shall receive a four percent (4%) wage increase as of the first complete payroll period immediately following the effective date of this Agreement. Thereafter the wage rates set forth below shall apply:

<u>Classification</u>	<u>Per Hour</u>		
	<u>10/01/04</u>	<u>10/01/05</u>	<u>10/01/06</u>
Nurse Connection Per Diem	\$28.50	\$29.92	\$31.42

The Nurse Connection Per Diem commitment requires that the employee make a commitment to be scheduled to work a minimum of six (6) shifts, including at least two (2) weekend shifts, during each four (4) week period, and also be available to work at least one (1) minor holiday each year, and at least one (1) major holiday each year. Alternatively a Nurse Connection Per Diem may commit to work a minimum of four (4) weekend shifts during each four (4) week period, and also be available to work at least one (1) minor holiday each year, and at least one (1) major holiday each year.

Any employee who does not meet his/her commitment will be considered a voluntary resignation.

Section 1608. On-Call Pay: An employee assigned to on-call status shall be paid \$4.75/hour for each hour spent in an on-call status up to thirty-two (32) hours on-call during a pay period, and \$6.75 an hour for each hour spent in on-call status in excess of thirty-two (32) hours on-call during a pay period. No shift differential applies to on-call hours. If an employee's shift is canceled and the Employee is asked to be on-call, on-call pay begins at the start time of the Employee's regularly scheduled shift unless otherwise specified by the Employer. Based upon operational considerations, mandatory on-call may be required. If an employee is asked to be on-call for a reason other than a canceled shift, on-call pay begins at the time the employee is required to be available by phone to work. In the event patient care needs dictate that an employee continue to be on-call past the scheduled on-call shift, the employee will be paid based upon the hours in on-call status. If the employee is scheduled to be on-call following the employee's regular shift, on-call pay will not begin until the employee's shift has ended, even if

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the shift is extended as the result of patient care needs. On-call pay ceases when call-back pay starts. The employee may not collect both on-call pay and call-back pay for the same hour.

Section 1609. Severance Pay: Whenever possible, employees will receive 10 days notice prior to final separation from employment due to elimination of their position and when no alternative position is available. In addition to unemployment benefits, employees who are separated in such circumstances will receive severance pay according to the following schedule:

<u>Service Credit</u>	<u>Severance Pay</u>
Less than 1 year of service	1 week
1 year to the completion of 4 years	2 weeks
5 years to the completion of 9 years	3 weeks
10 years to the completion of 15 years	4 weeks
16 years to the completion of 20 years	5 weeks
20+ years	6 weeks

Severance pay, along with earned wages and accrued PTO, will be paid in a lump sum on the date of separation from employment. The appropriate withholding of taxes and insurance premiums will be deducted from severance pay, wages and PTO.

Section 1610. Hiring Criteria: The Employer shall not hire any new employee at a wage rate in excess of the wage rate specified in Appendix A for her/his years of experience as defined in Appendix A.

Section 1611. On-Call Status:

1. Mandatory on-call will not be used as a substitute for adequate staffing and will not be instituted unless all other options have been explored. Other options may be explored through discussions between the manager and employees working in the unit. Where management believes that institution of mandatory on-call in a unit is necessary, it will notify the RN Advisory Committee for that facility, which shall meet within seven (7) days of notification to review alternatives to mandatory on-call with management. If discussions during this meeting do not result in agreement on an alternative to mandatory on-call, management shall have the right to implement mandatory on-call in the specified unit.

2. In units where mandatory on-call is required, Registered Nurses shall be assigned to on-call status for particular shifts (or four, six, eight, twelve or twenty-four hour blocks) as follows:

a. Regular and on-call schedules shall be posted at least three (3) weeks prior to the beginning of the schedule.

b. Nurses may voluntarily sign up for available on-call shifts (blocks) until two (2) weeks prior to the beginning of the schedule.

c. If all on-call shifts (blocks) are not filled during that period (Week One), the Nurses shall, during the second week prior to the commencement of the schedule (Week Two), be required to sign up for open on-call shifts (blocks) in accordance with the requirements of the schedule.

d. If all on-call shifts (blocks) are not filled within one (1) week prior to commencement of the schedule, the manager shall assign all Nurses on the schedule to open on-call shifts (blocks) on an equitable rotational basis.

e. After the shifts (blocks) have been filled, Nurses may trade assigned on-call shifts (blocks) so long as the trade meets patient care requirements, is not motivated by the creation of additional premium pay requirements, and notification of the trade is given to the manager of the unit. The manager may disapprove a trade only if the trade does not meet patient care requirements or creates unnecessary premium pay.

3. A Registered Nurse called in to work when on-call shall be paid one and one-half times the Nurse's regular rate of pay ("call-back pay"). A Registered Nurse called in to work when on-call will be paid two times the Nurse's regular rate of pay for all call-back hours in excess of twelve (12). In the event a higher overtime or premium rate applies, the Nurse shall receive the applicable higher rate or premium. Call-back pay begins when the Nurse reports to work or begins required work activities.

4. Nurses in on-call status will not be called back to work as a result of sick calls unless other means of replacement have been attempted.

5. Notification and discussions with the RN Advisory Committee shall not be required prior to implementation of mandatory on-call if required by exigencies occurring during the period that the schedule is in place, nor shall they be required before management eliminates mandatory on-call in a specific unit. In the former case, the notification and discussions shall take place prior to the expiration of the schedule in place.

Section 1612. Mileage Allowance: The Employer will reimburse employees at the applicable IRS rate for the authorized use of their personal vehicle. Expense checks for Home Health and Hospice employees shall be available in the Department Office by the twentieth (20th) of the month after the expenses were incurred, provided that the employee timely submits his/her paperwork for reimbursement.

Section 1613. Incentive Plans: All Bargaining Unit employees shall be eligible to participate in any incentive plan which is in effect for Bargaining Unit employees in accordance with the eligibility requirements thereof. The Employer shall have the right to create, alter, modify or discontinue any such plan(s), provided that the Employer shall place such item(s) on the agenda for the System RN Advisory Committee prior to doing so. If System Committee discussions do not result in agreement on such item(s), the Employer shall have the right to implement the proposed creation, alteration, or modification. If the Employer wishes to implement and/or discontinue an incentive plan in a particular unit(s), it shall place such item(s) on the agenda for the appropriate Local RN Advisory Committee. If the Local

Committee discussions do not result in agreement on such item(s), the Employer shall have the right to implement and/or discontinue the incentive plan in the particular unit(s).

Section 1614. Charge Nurse Differential: A charge nurse differential of 5% will be paid for hours worked in charge in an inpatient or outpatient department where the RN has been designated by management to serve in the charge nurse role during those hours; provided that the registered nurse must have the charge responsibility for at least 2 hours during his/her shift to qualify for the differential.

Section 1615. Preceptor Incentive: A preceptor incentive of one dollar and fifty cents (\$1.50) per hour shall be paid in accordance with the requirements of the March 2003 Preceptor Program agreement between the Employer and the Union.

Section 1616. Home Health Per Diem-Per Visit Rates of Pay: The per visit rate of pay for an admission visit will be a flat \$75.00 per visit. The per visit rate of pay for a return visit will be a flat \$60.00 per visit. Per diem nurses compensated at the per visit rate are not entitled to and shall not receive any shift differentials provided by any other Section or Article of this Agreement. Mileage shall be paid in accordance with Section 1611.

ARTICLE XVII PAID TIME OFF PROGRAMS

Section 1701. Eligibility: Sharp HealthCare offers Paid Time Off (PTO) and Extended Sick Insurance (ESI) benefits to persons employed throughout the Sharp HealthCare System. All full-time and part-time Bargaining Unit employees shall be eligible to participate in the PTO and ESI benefit programs under the same conditions as non-Bargaining Unit personnel. The Employer shall have the right to unilaterally modify or eliminate its PTO and ESI benefit programs, provided that the Employer shall not alter or modify such plans if any such action would create different benefits for other persons employed in the Sharp HealthCare system on the one hand, and Bargaining Unit employees on the other hand.

Section 1702. Floating Holiday: Effective June 1, 2006, all full-time and part-time Registered Nurses with twenty (20) or more years service credit with the Employer shall be eligible to accrue an additional eight (8) hours of PTO.

ARTICLE XVIII LEAVES OF ABSENCE

Section 1801. Leave of Absence Conditions: Unless otherwise required by state or federal law or application of the Employer's Leaves of Absence Policy #04001, the following shall apply to all leaves of absences authorized or permitted under this Article XVIII:

1. The maximum duration for any combination of leaves of absences referenced in this Article shall be twenty-four (24) weeks during any twelve (12) month period. The "Rolling 12-Month Period Method" shall be used to determine the 12-month measurement period.

2. An employee shall not be entitled to any benefits (i.e., health insurance, life insurance, etc.) otherwise available to that employee when not on a leave of absence during any period beyond the first 168 days or 24 weeks of the leave(s) of absence(s) in any one 12 month period; provided that the employee shall be entitled to exercise the employee's rights under COBRA thereafter.

3. An employee on a leave of absence who accepts employment outside Sharp HealthCare that is incompatible with the rationale for leave of absence or Sharp policy, or fails to return to work on the next regularly scheduled work day following expiration of the leave, absent extension, will be considered to have voluntarily terminated employment with the Employer.

4. Employees who return to work within three hundred sixty-five (365) days of the end of their leave(s) of absence(s) shall have their service credit, benefit eligibility and accrued unused Extended Sick Insurance (ESI) restored.

5. An employee who timely returns from a leave of absence shall be eligible to return to the same or similar open position or, failing that, a position of equivalent status and shift.

Section 1802. Military Leave: A leave of absence for military service commitment shall be granted to all employees. Employees who are in reserve service shall be allowed to utilize accrued PTO during their annual two-week commitment. In no other circumstances will employees be entitled to a paid leave of absence for military service. Each employee who applies for re-employment after the conclusion of military service shall be granted such re-employment rights as are provided by then existing statutes. It is understood that the employee must make application for re-employment within the time limits specified under the law.

Section 1803. Personal Leaves of Absence: A personal leave of absence without pay may be granted for a specific time period not to exceed thirty (30) consecutive calendar days, subject to operational and patient care requirements. A personal leave of absence may not be taken unless the employee is not eligible for a leave of absence under any other provision of this Article or state or federal law and unless the employee has also exhausted all accrued Paid Time Off (PTO). Only one personal leave of absence may be taken during any twelve (12) month period. A non-emergency personal leave of absence must be requested at least fourteen (14) days in advance.

Section 1804. Family Leave of Absence: The Employer will comply with the provisions of the California Family Rights Act, as amended and with the provisions of the Federal Family and Medical Leave Act of 1993, as amended and the provisions of the Paid Family Leave Act SB 1661. The Employer shall also comply with the provisions of the

California Family School Partnership Act, the provisions of which are separate and apart from the CFRA and FMLA, and will be administered as such by the Employer.

Section 1805. Occupational Injury or Illness Leave of Absence: Commencing on the first day of employment for those absences covered by Worker's Compensation, a Registered Nurse's leave of absence shall be continuous to the extent required by California law until such time as said Registered Nurse has been released by the attending physician from the period of temporary disability and is medically determined to be capable of, and qualified for, performing the essential functions of the job with or without reasonable accommodation.

The Employer shall place Registered Nurses released to return to work from an occupational injury or illness without medical restrictions to their former position or a comparable position, if the former position is no longer available, at their regular rate of pay as soon as reasonable, not to exceed seven (7) days.

The Employer will place Registered Nurses released to return to work from an occupational injury or illness on a permanently restricted basis in the former job provided the Registered Nurse is medically determined to be permanent and stationary and qualified and capable of performing the essential functions of the job, with or without reasonable accommodation, and provided that the former job is still available. If the Registered Nurse is unable to perform the essential functions of their former job with or without reasonable accommodation, that Registered Nurse has the opportunity to bid on any job vacancy he/she is medically capable of and qualified to perform, with or without reasonable accommodation, per their medical restrictions and limitations. Where there is no appropriate job the Employer will provide vocational/rehabilitation training program benefits as required by the Division of Industrial Accidents/Workers' Compensation Appeals Board pursuant to the administration of the California Labor Code.

Upon release from the attending physician for occupational injury or illness the Employer may request that the Registered Nurse provide a return-to-work authorization containing the name of physician, physician's signature, and clarification of disability sufficiently to allow the Employer to make appropriate determination of jobs the Registered Nurse can perform, if any, and date released to return to work.

Nothing in Section 1805 shall diminish or otherwise alter the employee's or the Employer's rights under California law governing worker's compensation, nor to arbitrate any issue if the arbitrator's decision on the issue would not be binding on the Worker's Compensation Appeals Board.

Section 1806. Bereavement Leave: Regular employees having a death in their immediate family will be granted up to twenty-four (24) hours bereavement leave with pay. For the purpose of bereavement leave, immediate family includes: parent, step-parent, spouse, domestic partner, child, step-child, sibling, in-laws, legal guardian, legal ward, grandparent, and grandchild.

Regular employees may request approval to extend their bereavement leave by up to thirty-two (32) additional hours. Employees eligible for and having available Extended Sick Insurance (ESI) shall utilize ESI for this extended bereavement leave, up to a maximum of thirty-two (32) hours of ESI. Employees having insufficient ESI may request approval to extend their bereavement leave without pay by up to thirty-two (32) additional hours.

Employees ineligible for bereavement leave under Section 1806 shall be afforded leave without pay for twenty-four (24) hours of bereavement leave and may request an additional thirty-two (32) hours of leave without pay.

Bereavement leave must be taken on consecutive days and in conjunction with the death.

Section 1807. Medical Appointments: It is understood that employees will make every effort to schedule medical appointments during non-work hours.

Section 1808. Jury Duty: Employees will receive up to eighty (80) hours of their base rate annually for hours lost as a result of jury duty. Employees shall provide the Employer with verification of jury duty attendance as provided by the court upon return to work.

An employee must notify the Employer within five (5) days of receipt of summons to report for jury duty in order to be eligible for jury duty pay. The amount of leave granted will be directly related to the time required to serve. During the period of jury service, the employee shall not be required to meet his or her assigned scheduled hours; provided, however, that employees who have served less than four (4) hours in a day in jury duty may be required to report to work that day. Employees who have served four (4) or more hours in a day in jury duty may report to work that day, at the employee's option. When employees are on telephone alert, they shall report to work on that day. Employees who serve as jurors for four (4) or more days during any one (1) calendar week shall not be required to work on the following weekend.

Jury duty pay shall be provided for night shift Registered Nurses if the Registered Nurse does not work his/her shift scheduled to begin the day before and/or the day of his/her jury service.

Section 1809. Catastrophic Leave: An employee who is disabled because of a catastrophic illness or injury, and who has exhausted all leave offered as an accommodation under application state and federal law, and who is still in active treatment/therapy for his/her condition, shall be eligible to apply for and receive a catastrophic leave of absence. Such leave shall continue ongoing until the employee is released back to work, providing that the employee shall be required to provide documentation of continuing treatment/therapy every quarter during the course of the leave.

ARTICLE XIX
HEALTH, DENTAL AND INSURANCE PLANS

Section 1901. Medical Coverage: The Employer currently offers two different Sharp Health Plan HMOs which are available to all persons employed in the Sharp HealthCare system who meet the eligibility requirements of those plans. All full-time and part-time Bargaining Unit employees shall be eligible to participate in those plans in accordance with the eligibility requirements thereof. The Employer shall have the right to unilaterally alter or modify such plans, provided that the Employer shall not alter or modify such plans if any such action would create different benefits for other persons employed in the Sharp HealthCare system on the one hand, and Bargaining Unit employees on the other hand. The Employer shall provide referrals to Per Diem employees wishing to purchase insurance for medical coverage. Any alterations or modifications to the benefit plans referenced in this Section shall be implemented at the beginning of the new plan year beginning annually on January 1 notwithstanding the expiration or termination of this Agreement.

Section 1902. Dental Coverage: The Employer currently offers two different dental plans which are available to all persons employed in the Sharp HealthCare system who meet the eligibility requirements of those plans. All full-time and part-time Bargaining Unit employees shall be eligible to participate in those plans in accordance with the eligibility requirements thereof. The Employer shall have the right to unilaterally alter or modify such plans, provided that the Employer shall not alter or modify such plans if any such action would create different benefits for other persons employed in the Sharp HealthCare system on the one hand, and Bargaining Unit employees on the other hand. The Employer shall provide independent broker referrals to Per Diem employees wishing to purchase private insurance for dental coverage; however, Per Diem employees shall not be eligible to purchase such private insurance through payroll deduction. Any alterations or modifications to the benefit plans referenced in this Section shall be implemented at the beginning of the new plan year beginning annually on January 1 notwithstanding the expiration or termination of this Agreement.

Section 1903. Group Life Insurance and Dependent Life Insurance: The Employer currently offers basic life insurance coverage, supplemental life insurance coverage and dependent life insurance coverage to all persons employed in the Sharp HealthCare system who meet the eligibility requirements of those plans. All full-time and part-time Bargaining Unit employees shall be eligible to participate in those plans in accordance with the eligibility requirements thereof. The Employer shall have the right to unilaterally alter or modify such plans, provided that the Employer shall not alter or modify such plans if any such action would create different benefits for other persons employed in the Sharp HealthCare system on the one hand, and Bargaining Unit employees on the other hand. Any alterations or modifications to the benefit plans referenced in this Section shall be implemented at the beginning of the new plan year beginning annually on January 1 notwithstanding the expiration or termination of this Agreement.

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Section 1904. Personal Accident Insurance: The Employer currently offers personal accident insurance coverage which is available to all persons employed in the Sharp HealthCare system who meet the eligibility requirements of the plan. All full-time and part-time Bargaining Unit employees shall be eligible to participate in this plan in accordance with the eligibility requirements thereof. The Employer shall have the right to unilaterally alter or modify such plan, provided that the Employer shall not alter or modify such plan if any such action would create different benefits for other persons employed in the Sharp HealthCare system on the one hand, and Bargaining Unit employees on the other hand. Any alterations or modifications to the benefit plans referenced in this Section shall be implemented at the beginning of the new plan year beginning annually on January 1 notwithstanding the expiration or termination of this Agreement.

Section 1905. Long Term Disability Benefits: The Employer currently offers long term disability benefits to all persons employed in the Sharp HealthCare system in accordance with the eligibility requirements thereof. All full-time and part-time Bargaining Unit employees shall be eligible to receive such benefits in accordance with the eligibility requirements thereof. The Employer shall have the right to unilaterally alter or modify such benefits, provided that the Employer shall not alter or modify such benefits if any such action would create different benefits for other persons employed in the Sharp HealthCare system on the one hand, and Bargaining Unit employees on the other hand. Any alterations or modifications to the benefit plans referenced in this Section shall be implemented at the beginning of the new plan year beginning annually on January 1 notwithstanding the expiration or termination of this Agreement.

ARTICLE XX MEDICAL MALPRACTICE INSURANCE

Section 2001. Coverage: The Employer carries medical malpractice insurance coverage which includes Registered Nurses in its employ. The Employer will hold its employees harmless from any liability where the liability is imposed because of negligent acts of an employee in the course and scope of employment.

ARTICLE XXI EDUCATION

Section 2101. Education Assistance Program: The parties agree that there is significant value in improving patient care through Registered Nurse Educational opportunities. To facilitate that improvement, the parties agree to an Educational Assistance Program for all Registered Nurses at Sharp HealthCare.

The assistance program is to be used for registration, tuition and text books as they relate to Continuing Education Units as required under the BRN requirements and/or courses otherwise covered by the Employer's established educational assistance policy. Full-time personnel will become eligible for educational assistance of up to \$1000 reimbursement

following ninety (90) days of service. Part-time personnel will be eligible on a pro rata basis following ninety (90) days of service. Registered Nurses with more than twenty (20) years experience as a RN at Sharp HealthCare, including service as a RN at its predecessor entities, shall also be allowed to utilize a portion of the educational assistance provided for by this Section 2201 for travel and/or lodging in relation to attendance at Continuing Education resulting in Continuing Education Units as required by the BRN.

The Employer shall continue to use its best efforts to insure that unit members wishing to avail themselves of Educational Assistance will be scheduled to allow them to do so.

Section 2102. Meeting and Training Time Pay: Employees shall be compensated at their regular rate of pay for attendance at all work related or work sponsored meetings, training, lectures, seminars and programs when the employees are required to attend by the Employer. Employees shall not be compensated for voluntary attendance at meetings, training, lectures, seminars or programs where the employees' attendance is not required by the Employer, including attendance necessary to maintain eligibility for employment in the employee's current position.

Section 2103. Employer-Sponsored Education: The Employer desires to provide all employees the opportunity to improve their skills and receive training which will allow them to meet the eligibility requirements for any position in the Bargaining Unit. The Employer provides meetings, training, lectures, seminars and programs free of charge to its employees for the purpose of preparing employees for advancement to any position in the Bargaining Unit. Employees shall not be paid for their own time spent in attending such education.

ARTICLE XXII SAVINGS CLAUSE

Section 2201. Savings Clause: If any provision of this Agreement is found to be in conflict with any federal or State laws, or rendered or declared illegal, the remaining provisions of the Agreement shall remain in full force and effect. In such event the parties shall meet and negotiate concerning a substitute provision.

ARTICLE XXIII SAFETY AND HEALTH

Section 2301. Policy: It shall continue to be the policy of the Employer that the safety of all employees, the protection of work areas, safety education, safety practices and the prevention of accidents shall be a continuing and integral part of employment by the Employer and the ultimate responsibility of the Employer. The Employer shall remain committed to providing employees a work environment that is free from hostile, abusive and disrespectful behavior, and to provide employees with safe equipment.

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Section 2302. Responsibility of Employees: It shall also be the responsibility of all employees to cooperate in programs to promote safety to employees and to the public, including participation on committees, and compliance with rules promulgated to promote safety and a violence-free workplace. This employee responsibility shall include the proper use of all safety devices in accordance with recognized safety procedures. The Employer, the Association and the Bargaining Unit recognize their obligations and/or rights under existing Federal and State laws with respect to safety and health.

Section 2303. Infectious or Contagious Disease: A Registered Nurse who may be at risk of exposure to an infectious agent or agents as the result of responsibilities for the care of a patient shall be informed of that patient's diagnosis or possible diagnosis by the Hospital according to the Hospital policy and procedure.

Section 2304. Response Teams: The Employer will continue to maintain trained response teams which will respond to all emergency situations where physical violence or the threat of physical violence occur. The Employer shall record and report these incidents. All such records shall be made available to the Union.

Section 2305. Employee Assaults: The Employer shall continue to encourage employees who are victims of assault in the workplace to recognize the potential emotional impact of such incidents and will continue to offer counseling or other delayed stress debriefing. Employees who are assaulted at work and are unable to continue working shall continue to be given the opportunity to be free from duty without loss of pay for the remainder of the employee's scheduled shift.

ARTICLE XXIV

FULL NEGOTIATIONS, COMPLETE AGREEMENT AND WAIVER

Section 2401. Full Negotiations: The Employer and the Association acknowledge that during the negotiations which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of their respective rights and opportunities are fully set forth in this Agreement.

Section 2402. Past Practices: All past practices existing prior to the effective date of this Agreement are terminated as of the effective date of this Agreement unless: (1) they have been reduced to writing and expressly incorporated into the terms of this Agreement.; (2) they have been consistently applied for a substantial period of time as the result of mutual understanding and consent, are not inconsistent or at variance with specific rights or obligations set forth in this Agreement, and do not fall within any of the areas of RN Advisory Committee responsibility enumerated at Section 704 of this Agreement; or (3) they are memorialized in a written policy of universal application throughout the Sharp system which has been approved by the Vice President of Human Resources ("General Practices"). General Practices may not be changed during the term of this Agreement unless the changes are made on a universal, system-wide basis. Any practices occurring subsequent to the effective date of this Agreement shall not

evidence or be used to establish a practice binding in any way upon the Employer, unless expressly agreed to as such in a writing signed by the parties hereto.

Section 2403. Complete Agreement: Based upon Sections 2401 and 2402 of this Article, as well as the understandings and agreements expressly set forth in this Agreement, it is understood and agreed that this Agreement fully and completely sets forth all existing understandings and obligations between the parties, that it constitutes the entire agreement between the parties, and that it sets forth all of the Employer's responsibilities, duties and obligations to the Association and employees for the duration of this Agreement, and that there are no understandings or agreements by the parties which are not expressly set forth in this Agreement. The parties further agree that neither the submission nor withdrawal of any of their respective proposals during the course of the negotiations which resulted in this Agreement shall be used or admissible in any future proceedings between them as evidence of the intent of either party regarding any provision of this Agreement.

Section 2404. Waiver: The Employer and the Association, for the term of this Agreement, each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject, matter or practice involving the terms and conditions of employment of the Bargaining Unit other than as specifically required by an express provision of this Agreement.

Section 2405. Maintenance of Equivalent Benefits: Bargaining Unit employees shall receive no less favorable general benefits involving shift differential rates, reporting time pay, on-call pay, severance pay, holidays, holiday premiums, and vacation benefits than Sharp HealthCare provides to non-bargaining unit employees.

ARTICLE XXV DURATION

This Agreement shall remain in full force and effect from the date of execution to June 30, 2007. Either party may terminate this Agreement and cause it to expire at any time subsequent to June 30, 2007, by giving ninety (90) days written notice to the other party of its intention to amend, modify or terminate the Agreement upon the expiration of said ninety (90) day notice period.

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ARTICLE XXVI
SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date set forth below:

SHARP PROFESSIONAL NURSES
ASSOCIATION, UNITED NURSES
ASSOCIATIONS OF CALIFORNIA/UNION
OF HEALTH CARE PROFESSIONALS,
NUHHCE, AFSCME, AFL-CIO

SAN DIEGO HOSPITAL ASSOCIATION
d/b/a/ SHARP HEALTHCARE

By: _____
Henry Nicholas, President Date
National Union of Hospital & Health Care
Employees, AFSCME, AFL-CIO

By: _____
Michael W. Murphy, Date
President & CEO, Sharp HealthCare

By: _____
Kathy J. Sackman, R.N., President Date
UNAC/UHCP

By: _____
Carlisle C. Lewis III Date
Sr. Vice President, Sharp HealthCare

By: _____
Sonia Moseley, R.N.P., Executive Date
Vice President, UNAC/UHCP

By: _____
Christopher Boyd, CEO Date
Sharp Chula Vista Medical Center

By: _____
Barbara Blake, R.N, Secretary Date
UNAC/UHCP

By: _____
Marcia Hall, CEO Date
Sharp Coronado & Health Care Center

By: _____
Ken Deitz, R.N., Representation Date
Coordinator, UNAC/UHCP

By: _____
Michele Tabet, CEO Date
Sharp Grossmont Hospital

By: _____
Rebecca Motlagh, R.N., Staff Date
Representative, UNAC/UHCP

By: _____
Daniel Gross, CEO Date
Sharp Metropolitan Medical Campus

By: _____
Barbara Dent, R.N., Staff Date
Representative, UNAC/UHCP

By: _____
Christine McGovern, R.N., President, Date
SPNN, UNAC/UHCP

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By: _____ Date
Larry Winkler, R.N., Vice President,
SPNN, UNAC/UHCP

By: _____ Date
Suzanne Carranza, R.N., Treasurer,
SPNN, UNAC/UHCP

By: _____ Date
Kay O'Brien, R.N., Secretary,
SPNN, UNAC/UHCP

By: _____ Date
Lois Klepin, R.N., Parliamentarian,
SPNN, UNAC/UHCP

By: _____ Date
Annie Hamilton, R.N.,
Coronado Chair, SPNN, UNAC/UHCP

By: _____ Date
Corinne Hollings, R.N.,
Chula Vista Chair, SPNN, UNAC/UHCP

By: _____ Date
Meredith Van Dyke, R.N.,
Chula Vista Co-Chair, SPNN, UNAC/UHCP

By: _____ Date
Trudy Childs, R.N.,
Grossmont Chair, SPNN, UNAC/UHCP

By: _____ Date
Liz Huch, R.N.,
Grossmont Co-Chair, SPNN, UNAC/UHCP

By: _____ Date
Karen Cubelo, R.N.,
Home Health Chair, SPNN, UNAC/UHCP

By: _____ Date
Mollie Jacques, R.N.,
Home Health Chair, SPNN, UNAC/UHCP

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By: _____
Yvonne Grover, R.N., Date
Mary Birch Chair, SPNN, UNAC/UHCP

By: _____
Maryann Kandlik, R.N., Date
Mary Birch Co-Chair, SPNN, UNAC/UHCP

By: _____
Patricia Osborn, R.N., Date
Metro Chair, SPNN, UNAC/UHCP

By: _____
Larry Winkler, R.N., Date
Metro Co-Chair, SPNN, UNAC/UHCP

By: _____
Shawn McCoy, R.N., Date
Mesa Vista Chair, SPNN, UNAC/UHCP

By: _____
Inese Redondo, R.N., Date
Mesa Vista Co-Chair, SPNN, UNAC/UHCP

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APPENDIX A

Bargaining Unit – Clinical Nurse

STEPS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Months of RN Experience (Years)	12 mos (1 yr)	18-24 mos (1.5 yrs)	25-36 mos (2 yrs)	37-48 mos (3 yrs)	49-60 mos (4 yrs)	61-72 mos (5 yrs)	73-84 mos (6 yrs)	87-120 mos (7 yrs)	121-144 mos (10 yrs)	145-180 mos (12-15 yrs)	181-216 mos (15-18 yrs)	217-270 mos (18-22.5 yrs)	271-324 mos (22.5-27 yrs)	325-360 mos (27-30 yrs)	361-420 mos (30-35 yrs)
10/01/2004-9/30/05	\$ 27.00	\$ 27.54	\$ 28.09	\$ 28.65	\$ 29.23	\$ 29.81	\$ 30.56	\$ 31.32	\$ 32.10	\$ 32.90	\$ 33.73	\$ 34.57	\$ 35.43	\$ 36.32	\$ 37.23
10/01/2005-9/30/06	\$ 27.81	\$ 28.37	\$ 28.93	\$ 29.51	\$ 30.10	\$ 30.70	\$ 31.47	\$ 32.26	\$ 33.07	\$ 33.89	\$ 34.74	\$ 35.61	\$ 36.50	\$ 37.41	\$ 38.35
10/01/2006-9/30/07	\$ 28.64	\$ 29.22	\$ 29.80	\$ 30.40	\$ 31.01	\$ 31.63	\$ 32.42	\$ 33.23	\$ 34.06	\$ 34.91	\$ 35.78	\$ 36.68	\$ 37.59	\$ 38.53	\$ 39.50

Bargaining Unit - Advanced Clinician

STEPS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Months of RN Experience (Years)	12 mos (1 yr)	18-24 mos (1.5 yrs)	25-36 mos (2 yrs)	37-48 mos (3 yrs)	49-60 mos (4 yrs)	61-72 mos (5 yrs)	73-84 mos (6 yrs)	87-120 mos (7 yrs)	121-144 mos (10 yrs)	145-180 mos (12-15 yrs)	181-216 mos (15-18 yrs)	217-270 mos (18-22.5 yrs)	271-324 mos (22.5-27 yrs)	325-360 mos (27-30 yrs)	361-420 mos (30-35 yrs)
10/01/2004-9/30/05			\$ 30.34	\$ 30.94	\$ 31.56	\$ 32.19	\$ 33.00	\$ 33.82	\$ 34.67	\$ 35.54	\$ 36.43	\$ 37.34	\$ 38.27	\$ 39.23	\$ 40.21
10/01/2005-9/30/06			\$ 31.25	\$ 31.87	\$ 32.51	\$ 33.16	\$ 33.99	\$ 34.84	\$ 35.71	\$ 36.60	\$ 37.52	\$ 38.46	\$ 39.42	\$ 40.40	\$ 41.41
10/01/2006-9/30/07			\$ 32.19	\$ 32.83	\$ 33.49	\$ 34.16	\$ 35.01	\$ 35.88	\$ 36.78	\$ 37.70	\$ 38.64	\$ 39.61	\$ 40.60	\$ 41.62	\$ 42.66

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APPENDIX A

**LETTER OF AGREEMENT RE:
IMPLEMENTATION OF EXPERIENCE-BASED STEP SYSTEM**

San Diego Hospital Association dba Sharp Healthcare ("Employer") and Sharp Professional Nurses Network, United Nurses Association of California, NUHHCE, AFSCME, AFL-CIO ("Union"), on behalf of itself and its members, hereby agree that the following guidelines shall be used in implementing the Experienced-Based Step System ("Step System") in accordance with Article XVI of the parties' 2004-2007 Collective Bargaining Agreement:

1. All current full-time and part-time bargaining unit Registered Nurses employed in the job titles set forth in Section 1601 shall be placed on his/her appropriate Step on his/her Employer anniversary date falling on or after October 1, 2004, and shall thereafter advance on his/her subsequent Employer anniversary date(s), in accordance with the provisions that follow. As such, all current full-time and part-time bargaining unit Registered Nurses employed in the job titles set forth in Section 1601 on the ratification date of this Agreement shall be placed onto the Step System on or before September 30, 2005.

2. Initial placement onto the Step System shall be based on rounded years of experience. For example, on or after October 1, 2004, if a Registered Nurse has 4.4 years (52 months) of experience on their Employer anniversary date, he/she will be placed on the 4-year (49-60 months) Step Level, and will receive the rate specified for that Step Level; if a Registered Nurse has 4.5 years (54 months) of experience on their Employer anniversary date, he/she will be placed on the 5-year (61-72 months) Step Level, and will receive the rate specified for that Step Level. After initial placement on the experience-based wage scale, registered nurses shall move through the steps on their Employer anniversary date (no rounding of years of experience in years 2 and 3 of this Agreement).

3. Months (Years) of Experience shall be measured from the date of the Registered Nurses' graduation with a degree in nursing, providing he/she has worked continuously (including period(s) of no more than twelve (12) consecutive months absence) as a Registered Nurse since that date. The Registered Nurse shall be required to provide valid documentation of his/her graduation date and a resume identifying dates of active employment as a Registered Nurse, by employer, prior to being placed into the Step System; no wage rate increase shall be made or be effective until such documentation (including resume) has been provided by the Registered Nurse (no retroactivity).

4. Documentation of graduation and information regarding employment as a Registered Nurse provided pursuant to Paragraph 3 above shall be subject to verification by the Employer. Any Registered Nurse providing false information shall be subject to discipline, up to and including immediate discharge. Any disciplinary action taken on account of falsification of information shall be subject to challenge under Article IX of the 2004-2007 Agreement.

5. No Registered Nurse shall receive a reduction in straight time hourly pay as a result of being placed onto the Step System. If on initial placement onto the Step System, a Registered Nurses' years of experience places them on a Step Level having a wage rate less than

their current hourly wage rate, the Registered Nurse shall be placed on the next Step Level that affords a wage increase. The difference between the wage rate increase for the Registered Nurses based on that Step Level and a total wage rate increase of three percent (3%) shall be paid to the Registered Nurse as a lump sum, based on the employee's total wages during the preceding twelve (12) month period. Thereafter the employee shall remain in that Step Level until such time as his/her Months of Experience on a subsequent anniversary date allows for movement to the next Step.

6. During the period from October 1, 2004 through September 30, 2005, no new employee shall be hired at a wage rate in excess of the wage rate of any Registered Nurse with equivalent months (years) of experience currently employed in the applicable unit. New employees hired into a unit where current a Registered Nurse with equivalent years of experience has not yet moved, on to her/his appropriate Step Level will be placed onto a Step Level for which the wage rate is below the incumbent's rate. When the incumbent Registered Nurse moves to her/his appropriate Step on her/his anniversary date, the new employee may move to their appropriate Step Level immediately.

7. Any Registered Nurse whose hourly wage rate exceeds Step 15 of the wage scale on his/her anniversary date after October 1, 2004 shall receive a three percent (3%) lump sum payment on such anniversary date. The Registered Nurse shall continue to receive the three percent (3%) lump sum payment on future Employer anniversary dates until such time as the Registered Nurse can be placed on an appropriate Step Level.

8. The Employer will provide the Union with a report, on a monthly basis, for all full-time and part-time new hires that includes the new hire's department, Months of Experience, and wage rate.

Date: _____

SAN DIEGO HOSPITAL ASSOCIATION dba
SHARP HEALTHCARE

Date: _____

SHARP PROFESSIONAL NURSES NETWORK,
UNITED NURSES ASSOCIATIONS OF
CALIFORNIA, NUHHCE, AFSCME, AFL-CIO

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