

JANUARY 2015 THROUGH DECEMBER 31, 2017

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

METHODIST CHILDREN'S HOME SOCIETY

AND

**AFSCME LOCAL #824, AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES,
MICHIGAN COUNCIL #25, AFL-CIO**

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AGREEMENT

This agreement is between the Methodist Children's Home Society (hereinafter the "MCHS"), and AFSCME Local #824, American Federation of State, County and Municipal Employees (AFSCME) Michigan Council #25, AFL-CIO (hereinafter the "Union").

ARTICLE 1--RECOGNITION

The MCHS recognizes the Union as the exclusive representative for the purposes of negotiating wages, hours and working conditions of all full-time and regular part-time youth specialists, independent living mentors, residential program aides, clinical case aides, food service employees, maintenance employees, secretaries, clerk-typists, receptionists, and transporters/case aides employed by the MCHS at its facility located at 26645 W. Six Mile Road, Detroit, Michigan; but excluding guards, supervisors, and confidentials, as defined by the National Labor Relations Act, and all others.

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ARTICLE 2--PURPOSE AND INTENT

Section 1. The general purpose of this Agreement is to set forth terms and conditions of employment for those employees covered by this Agreement; to promote orderly and peaceful relations between the MCHS and the Union in its capacity as representative of the employees covered by this Agreement, so as to serve the best interests of the children in our community.

Section 2. The parties recognize that the interests of the MCHS and the job security of the employees covered by this Agreement depend upon the MCHS success in meeting the emotional, physical and spiritual needs of the children in its care and in developing family and community relationships which will contribute to healthy development opportunities for children. To these ends, the MCHS and the Union encourage to the fullest degree friendly and cooperative relations between the respective representatives at all levels.

ARTICLE 4--MANAGEMENT RIGHTS

Section 1. The MCHS retains the right to manage and operate the Methodist Children's Home Society, including, but not limited to the right to decide: the number and assignment of employees; to maintain order and efficiency; to issue policies and procedures necessary for the care and supervision of children and to maintain its license and accreditation; to issue policies, procedures and work rules governing the conduct of employees; to hire, lay-off, discipline, transfer, discharge, evaluate, assign, and promote employees; to determine the starting and quitting time and the number of hours and which days and shifts to be worked. These rights are subject only to the express regulations and restrictions governing the exercise of these rights as expressly provided in this Agreement.

Section 2. The failure of the MCHS to exercise its rights under this Agreement at any time shall not be considered a waiver of its rights to exercise such rights or authority in the future.

Section 3. The MCHS shall have the right to administer all matters not specifically and expressly covered by this Agreement, without any limitation, implied or otherwise.

ARTICLE 5--WORK SCHEDULES

Except in situations where MCHS is unaware of changed circumstances at the time it normally posts the upcoming work schedule, MCHS agrees not to change established work schedules without giving the Union at least two (2) weeks' notice, prior to changing an employee(s) established work schedule.

The MCHS current practice of supervisor/employee flexibility regarding work schedules shall continue during the term of this Agreement.

Any contemplated changes are the proper subject of a special conference, in accordance with Article 6 of this Agreement and upon request such special conference will take place before the revised schedule is to become effective.

ARTICLE 6--SPECIAL CONFERENCES

Section 1. The goals of meeting the emotional, physical and spiritual needs of the children in the care of the MCHS will best be achieved through the friendly and cooperative relations maintained between the MCHS and the Union. In order to achieve these relations, the MCHS and the Union will from time to time during the life of this Agreement meet for the purposes of appraising the problems, if any, which may arise in the application, administration, and interpretation of this Agreement, or with respect to any other subject which may be interfering with the attainment of the goals set forth above.

Section 2. Such special conferences may be requested by either party and shall be held at times and places, and for lengths of time, mutually convenient to both parties. Unless otherwise agreed to in advance, such conferences will be attended by not more than three (3) representatives of the Union (which may include a staff representative from Council #25) and three (3) representatives of the MCHS.

Section 3. Arrangements for such special conferences shall be made in advance and an agenda of the matters to be discussed at the meeting shall be presented at the time the conference is requested. Matters taken up in the special conference shall be limited to those included in the agenda and shall not be scheduled for the purpose of conducting continuing collective bargaining negotiations, or to in any way modify, add to, or subtract from the provisions of this Agreement.

ARTICLE 7--UNION SECURITY

Section 1. Right to Work. It shall not be a condition of employment for any employee to become or remain a member of the union or otherwise affiliate with any labor organization or bargaining representative. Any employee may join or refrain from joining a labor organization.

Moreover, no employee shall be required to pay to the Union or to any charitable organization or third party any amount that is in lieu of, equivalent to, or any portion of dues, fees, assessments, or other charges or expenses required of members of a labor organization or bargaining representative.

All employees have the right to join, not join, maintain or drop their membership in any Union/Association as they so desire. Regardless of what individual voluntary free choice is made by an employee, it shall not affect the employee's employment with the MCHS.

Section 2. The MCHS will deduct from the pay of each employee covered by this Agreement all current and uniform Union membership dues provided that at the time of such deduction there is in the possession of the MCHS a current written assignment, executed by the Employee, in the form and according to the terms of the Authorization form set forth as Exhibit "A", attached and made a part of this Agreement.

The MCHS will deduct current membership dues from the second pay of employees in a calendar month, which dues shall be credited for the succeeding calendar month. If the employee has no pay coming for the last such pay period, such dues shall be deducted from her/his pay in the immediately subsequent pay periods. The initial deduction from the pay of an employee signing a written authorization shall be from the second pay period following the date of her/his authorization.

The MCHS will deduct from the pay of employees in any month only the Union dues becoming due and payable in the next succeeding month. It shall be presumed that reinstated and rehired employees do not owe fees and collection of any such fees from such employees shall be the responsibility of the Union.

Section 3. All sums deducted by the MCHS shall be remitted to the designated Secretary-Treasurer of the Local Union at the address specified by the Union Treasurer, in writing, to the Executive Director.

An Employee shall cease to be subject to check off deductions immediately upon revoking her/his Authorization form in a writing to the MCHS, upon her/his termination from employment or upon her/his transfer to a position outside of the bargaining unit.

Section 4. Deductions shall be made only in accordance with the provisions of said Authorization, together with the provisions of this Agreement. The MCHS shall have no responsibility for the collection of any deductions not in accordance with this provision. The Union will provide the MCHS with written notice, at least forty-five (45) days prior to the beginning of a pay period, of the amount of the membership dues to be deducted by the MCHS.

Section 5. Any dispute between the Union and the Employer that may arise as to whether or not any Employee properly executed or properly revoked any Authorization Form shall be reviewed with the Employee by a representative of the Union and a designated representative of the MCHS. If the Employee confirms that a deduction should have been made, the MCHS will correct any deficiency by making the appropriate correction/deduction in the Employee's next pay.

Section 6. The MCHS shall not be liable to the Union by reason of the requirements of this Agreement for the remittance or payment of any sum other than that constituting actual deductions made from wages earned by Employees.

Any dispute arising as to an Employee's membership in the Union shall be reviewed by the designated representative of the Employer and a representative of the Union, and if not resolved, will be decided by an arbitrator in accordance with the Grievance Procedure. The Employee, at the discretion of the MCHS, may be retained at work while the dispute is being resolved.

EXHIBIT A

To: Methodist Children's Home Society

From: _____

Address: _____

I hereby request and authorize the MCHS to deduct from my earnings each month an amount established by the Union as monthly dues.

Name

Date

ARTICLE 8--REPRESENTATION

Section 1. The Union will furnish in writing to the MCHS the names of its authorized Stewards and Alternate Stewards for each hour of each work day, and such changes as may occur from time to time in such representatives.

Section 2. On the midnight shift, or any other circumstance where there is only one youth specialist per cottage, the Union Steward or Alternate Steward shall not be allowed to conduct union business during work time unless the Midnight Supervisor/On-call Supervisor approves such leave.

Section 3. On all other shifts, the Steward, or the Alternate Steward in the absence of the Steward, will be granted permission and provided with sufficient time without loss of time or pay to perform their duties in accordance with the Grievance Procedure. Before conducting union business during their work time the Steward, or the Alternate Steward in the Steward's absence, shall contact the On-call Supervisor and indicate the nature of the business to be conducted and the estimated time to complete such business. The On-call Supervisor, in consultation with the On-call Administrator, shall grant or delay such request based upon the immediate needs of the MCHS. Permission will not be unreasonably delayed, and the time spent properly handling grievances will not be abused. Any alleged abuse of this provision by either party will be the proper subject of a Special Conference and/or the Grievance Procedure.

ARTICLE 9--EMPLOYMENT STATUS

For purposes of seniority, entitlement to benefits, lay-off etc., the following classifications will be utilized:

Full-time: Seniority employees regularly scheduled to work at least 37.5 hours per week.

Part-time: Seniority employees regularly scheduled to work 20 hours or more per week, but less than 37.5 hours per week.

Fill-in: Employees regularly scheduled to work less than 20 hours per week. Fill-in employees are not represented by the Union.

Contingency: Employees irregularly scheduled to work less than 20 hours per week. Contingency employees are not represented by the Union.

ARTICLE 10--SENIORITY

Section 1. Seniority Defined. As used throughout this Agreement, seniority shall be determined by continuous service since the most recent date of hire (as a full-time or part-time employee) at the MCHS. In the case of a tie, seniority will be determined alphabetically by the employees' last name.

No employee shall acquire seniority status under this Agreement until after successfully completing her/his probationary period of ninety (90) continuous calendar days of employment. After the employee has served her/his probationary period, her/his seniority shall date back to her/his most recent date of hire.

Section 2. Seniority List.

A. Seniority shall not be affected by race, color, creed, sex, marital status, religion, age, national origin, disability, height, weight or any other protected status under Federal or Michigan law.

B. Most recent date of hire will be determined on the basis of personnel records in existence on the date of this Agreement.

C. Within thirty (30) days after the ratification of this Agreement, the MCHS shall give the Local Union President the names and service dates of all employees covered by this Agreement, together with their addresses, as they appear on the records of the MCHS. The Local Union shall receive and retain such information in confidence.

D. The MCHS will keep the seniority list up to date at all times and during the term of this Agreement will provide a current seniority list every six (6) months to the Local Union President.

Section 3. Loss of Seniority. An employee shall lose seniority and bargaining unit employment will cease for the following reasons:

1. If the employee quits.
2. If the employee is discharged for cause.

3. The following reasons are applicable if the employee has not contacted the MCHS and given reasons satisfactory to the MCHS for both the absence and failure to make contact. If the employee is: (A) absent from work for three (3) consecutive working days; (B) fails to return to work for three (3) consecutive working days after the scheduled date of recall from a layoff; or (C) fails to return to work for three (3) consecutive working days after the expiration of an approved leave of absence. At the discretion of the MCHS, exception may be made. After such absence, the MCHS shall send written notification to the employee, at her/his last known address, that she/he has lost her/his seniority and that her/his employment has been terminated.

4. If the employee gives a false reason for obtaining a leave of absence or engages in other employment during such a leave, unless such other employment is approved in writing by the MCHS.

5. If a settlement with an employee has been made for a disability.

6. If the employee retires from the MCHS.

7. If the employee is on involuntary layoff for a continuous period equal to her/his length of seniority or three (3) years, whichever is less.

8. If an employee has been promoted from the bargaining unit to a supervisory position for a period greater than three (3) months. A supervisor may return to the bargaining unit job during the above-mentioned three (3) months, to the extent her/his seniority entitles her/him and within her/his former job level. However, a supervisor who is discharged shall not be eligible to return to bargaining unit.

9. If an employee is converted from full-time or part-time to contingency or fill-in status for a period greater than three (3) months.

ARTICLE 11--LAY-OFF AND RECALL

A. Seniority for Purposes of Lay-Off and Recall

Seniority, for purposes of lay-off and recall, shall be on a campus-wide basis in accordance with Article 10.

B. Lay-Off

When there is a reduction in the work force, the following procedure shall be followed:

1. Probationary employees in the classification will be laid off first, then Contingency employees, then Fill-in employees.

2. Once Probationary, Contingency and Fill-in employees in a classification have been laid off, next part-time employees, then, full-time employees shall be laid off by classification in inverse order of their seniority. However, the Union Steward on each shift who is responsible for the daily administration of the Agreement will be the last employee laid off by classification, regardless of her/his seniority.

3. Full-time and part-time employees will be given up to thirty (30) days advance notice of the lay-off where practicable. The Local Union President will receive a list from the MCHS of the employees being laid off on the same date the notices are issued to the affected employees.

C. Recall Procedures

1. When the workforce is increased after a lay-off, seniority employees will be recalled by classification according to their seniority. However, any Union Steward who was responsible for the daily administration of the Agreement on any shift and was laid off, will be the first employee recalled by classification to the shift from which the Union Steward was laid off. In the case of a layoff of one (1) year or greater, the employee must meet established minimum standards for existing MCHS employees under: (a) drug screen/physical; (b) criminal record check (State and Federal); (c) motor vehicle record; and (d) child abuse registry.

2. Notice of recall shall be sent to the employee at her/his last known address by registered or certified mail.

3. In order to preserve any recall rights, the employee must notify the MCHS of her/his intent to return within ten (10) calendar days from the date the recall notice was sent and must report back to work within twenty-one (21) calendar days from the date the recall notice was sent. If the employee fails to report to work within three (3) days of her/his scheduled return date, she/he shall lose her/his Seniority in accordance with the provisions in Article 10. If the employee does not comply with the recall procedures, she/he will be considered a voluntary quit.

4. Laid-off employees shall be offered Contingency or Fill-in work in the

same classification, before a Contingency or Fill-in employee is recalled.

5. Laid-off employees shall be recalled before a new part-time or full-time employee is hired within the same classification.

6. If an employee was laid off from a full-time position and is offered a part-time position, the employee can accept or decline the position and remain on recall for a full-time position. If an employee was laid off from a part-time position and is offered a full-time position, the employee can accept or decline recall and remain on recall for a part-time position. An employee who refuses a position upon recall (full-time to full-time; part-time to part-time), other than to work as a Contingency or Fill-in employee, will be considered to be a voluntary quit.

7. Full-time, laid-off employees may indicate in writing that while they are on lay-off they do not wish to be called for available Part-Time, Contingency or Fill-in work. Part-time employees may indicate in writing that while they are on lay-off they do not wish to be called for available Contingency or Fill-in work.

D. Mechanics of a Lay-Off

In order to accomplish an orderly layoff and recall system, consistent with the guidelines set forth above, the following procedure will be utilized when layoffs affect full-time employees.

1. The MCHS shall determine in its discretion the positions to be eliminated by classification and by shift. Each employee currently in an eliminated position, along with the Union, will be notified in writing. For example, if a cottage is shut down, there will probably be eight (8) Youth Specialists on multiple shifts who are effected. The Youth Specialists on each shift with the least amount of seniority will be contacted and placed on the "Bench", pending the completion of the procedure. For example, the two (2) Youth Specialists working weekday afternoons with the lowest amount of seniority will be placed on the Bench.

2. The MCHS shall ask for volunteers who want to take a layoff. That volunteer shall then take the place of a person on the Bench. In the example, if the volunteer comes from weekday afternoons, he/she will be laid off and the person from weekday afternoons, earlier placed on the Bench, will return to her/his assigned classification and shift.

3. The MCHS would then identify the applicable number of people with the least amount of seniority in the classification, Agency wide, without regard to shift. In the example, if there are then seven (7) Youth Specialists left on the Bench, MCHS will identify the seven Youth Specialists, Agency wide, without regard to shift, with the least amount of seniority.

4. In order of seniority, each person remaining on the Bench will be allowed to bump any of the individuals identified in Step 3 above, so long as they have greater seniority than the person they seek to bump.

5. Those individuals who choose not to exercise the right to bump, or those people who are bumped by someone else, will be laid off.

6. Assignments to cottages will then be made by MCHS on the basis of its analysis of the needs of the Agency.

7. When positions become available, they will be filled in accordance with the procedures set forth in Article 12-Transfers. Employees on lay-off will have the same rights, based upon seniority, as employees not on lay-off. Employees on lay-off will be notified through the recall procedure when they have more seniority than the most senior employee who applied for the available position pursuant to Article 12.

ARTICLE 12--TRANSFERS

Section 1. When vacancies occur in the bargaining unit, the Employer will post the vacancy on the Union Bulletin Board. The posting will list the title, shift and minimum qualifications needed for the job. The posting will remain on the bulletin board for seven (7) calendar days.

Section 2. During the period of posting, the supervisor for the position will make himself available to discuss the needs of the position with interested employees. Seniority Employees meeting the minimum qualification for the position shall notify the Human Resources Manager in writing that they wish to transfer to the vacant position.

Section 3. Unless the MCHS sets forth in writing an operational reason (e.g., lack of driver's license, physical restrictions, personal relationship between supervisor and employee, etc.) why the person with the greatest bargaining unit seniority should not be awarded the position, the position will be awarded without undue delay to the person with the most seniority who timely applied for the transfer.

Section 4. No employee will be allowed to transfer more than once per twelve (12) month period, unless in the determination of the MCHS Executive Director such additional transfer is in the best interests of the Agency.

Section 5. The employee will be allowed thirty (30) calendar days in the new position to establish that she/he is qualified to perform the duties of the position. During that thirty (30) days, the employee will be allowed to transfer back to her/his original position. In such circumstances, an employee who has transferred as a result of the original posting, will be returned to her/his original position.

Section 6. Although job postings are done only by title, shift, and minimum qualifications needed for the job, and subject to the provisions contained herein are awarded on the basis of seniority, MCHS will allow employees with the same title, already working on the shift in question, to assign the posting indicating their preference for an assignment to a particular cottage on campus. Without making any guarantee regarding initial assignments, or length of assignments, and without limiting MCHS's management rights in any way whatsoever, MCHS will take such preferences into consideration when determining where the full complement of employees on a particular shift will be assigned.

ARTICLE 13--GRIEVANCE PROCEDURE

The grievance procedure provided in this Agreement shall be the exclusive remedy for the parties (Union, MCHS and Union Members) to resolve disputes concerning the interpretation or alleged violation of any provision of this Agreement. A grievance may be filed by either the Union or the MCHS at Step 3 or by a Union Member at Step 1. Grievances are limited to matters of interpretation or application of this Agreement.

Should such disputes arise, the MCHS and the Union will make an earnest effort to resolve such disputes promptly by engaging in the following procedure.

Step 1. Any Union Member who believes that any provision of this Agreement has not been properly applied or interpreted may discuss her/his complaint with her/his immediate supervisor, with or without their Steward, or in the Steward's absence, the Alternate Steward. In the event the Union Member desires her/his Steward to be present, she/he shall make her/his request through the immediate supervisor and the supervisor shall make the necessary arrangements for a meeting between the parties. The Union Member shall be allowed time to discuss her/his complaint with their Union Representative prior to the meeting with the Supervisor.

Step 2. In the event the grievance is not resolved at Step 1 of the Grievance Procedure, the Union Representative shall reduce the grievance to writing within seven (7) calendar days from the date of the alleged violation and present it to the Department Manager or her/his designated representative.

The grievance form shall indicate the nature of the grievance, the facts upon which it is based, the provisions of the agreement involved, and the remedy or disposition requested.

Within seven (7) calendar days after the receipt of the grievance, the Department Manager or her/his designated representative and the grievant's immediate supervisor shall meet with the Local Union President and either the Steward or the Vice President to discuss the merits of the written grievance.

Within seven (7) calendar days after the grievance meeting, the Department Manager shall render her/his written decision on the merits to the Local Union President.

The written decision of the Department Manager shall be final and binding on all parties unless the Union files a written appeal to the Executive Director or her designated representative within seven (7) calendar days of the Department Manager's decision.

A failure by the Department Manager to issue a decision within the allotted seven (7) calendar days will be considered a denial of the grievance and will trigger the Union's right of appeal to the Executive Director.

Step 3. If the Union member's grievance is not satisfactorily resolved in Step 2 of the Grievance Procedure and has been appealed to the Executive Director or her designated representative, or if the grievance is filed by the Union or the MCHS initially at Step 3 of the Grievance Procedure, a meeting will be held between the Local Union President, a Staff

Representative of Council #25, and two (2) representatives of the MCHS, one of whom will be the Executive Director or her designated representative.

The meeting will be conducted within fourteen (14) calendar days after the receipt of the Step 3 grievance being filed. The Executive Director or her designated representative shall render a written decision within ten (10) calendar days of the Step 3 meeting. (In the case of a grievance being filed by the MCHS, the Local Union President shall render a written decision within ten (10) calendar days of the Step 3 meeting.)

The decision rendered in Step 3 shall be final and binding and the grievance shall be considered settled unless a request for arbitration is made, in writing, to the other party within forty-five (45) calendar days of the receipt of the written decision.

Failure of the Executive Director or the Local Union President to render a written decision within the allotted time will be considered a denial and will trigger each party's right to request Arbitration.

Step 4. In the case where a timely request for arbitration has been made, the following procedures will apply.

A. The arbitrator shall be selected by a process of rotation among an arbitration panel in the following order: Mark Glazer, Barry Brown, Ruth Kahn, Elliot Bietner, and Pat McDonald. Should an arbitrator not be available to hear a case within a reasonable time period, (i.e. longer than sixty (60) days after submission) the arbitrator shall be skipped and the next arbitrator on the panel list shall be selected.

B. The expenses of the arbitrator shall be shared equally by the parties. Each party, however, shall be solely responsible for any and all fees and expenses related to its case, including witness fees, attorney fees and the like.

C. The arbitrator shall have no power to add to, subtract from or to modify any of the terms of this Agreement or any supplement or amendment thereto. The arbitrator shall have no power to establish wage rates or scales, rates on new jobs or to change any existing wage rates. The arbitration shall be conducted in accordance with the then applicable rules for employment disputes before the American Arbitration Association.

D. All claims for back wages or benefits shall be subject to the employee's duty to mitigate and all wages and benefits so earned, or which could have been earned, shall be an offset to any award rendered by the arbitrator. The burden of proof to establish that a comparable job was available to the employee if she/he had exercised reasonable efforts will rest with the MCHS.

E. Any claim for monetary damages, past wages or benefits will be limited to the time period commencing two (2) weeks prior to the date the grievance is filed.

The Union and the MCHS may, by mutual written agreement, extend the time limits provided for in this Article.

ARTICLE 14--NO STRIKE/NO LOCK-OUT

Section 1. It is agreed that all grievances or disputes arising during the term of this Agreement shall be settled in accordance with the grievance and arbitration procedure set forth in Article 13. At no time shall there be any strike, lock-out, slow down, temporary work stoppage, picket line, boycott, sympathy strike or other refusal to work.

Section 2. Bargaining Unit Employees shall not make any attempt of any kind to dissuade others from making deliveries to, or performing services for, or otherwise doing business with, the Agency over disputes arising out of any grievance or dispute subject to the grievance and arbitration procedure in this Agreement.

Section 3. In recognition of the importance of providing twenty-four (24) hour care for clients of the MCHS, Bargaining Unit Employees agree to refuse to honor any picket line or boycott established on or around Agency property by any person, whether a party to this Agreement or otherwise, unless such employee has reasonable grounds to believe, and, in fact, does believe, that refusal to honor such picket line or boycott may be dangerous to her/his personal safety or may result in physical damage to her/his personal property. Provided, such employee will immediately notify her/his supervisor of the circumstances and will make every effort to ensure the safety and well-being of any children under her/his care or supervision.

Section 4. The Union and its officers shall not encourage, permit, or condone any activity prohibited by this Agreement. If any prohibited activity does occur, the Union and its officers immediately shall make every reasonable and necessary effort to terminate such activity.

Section 5. The MCHS shall have the right to discipline or discharge any employee participating in such prohibited conduct and the Union agrees not to oppose such action. The Union and employees shall have recourse to the Grievance Procedure, but only as to establishing the fact of prohibited conduct and not as to the imposition of discipline.

ARTICLE 15--PROBATIONARY EMPLOYEES

Section 1. New employees hired in the bargaining unit shall be considered as probationary employees for the first ninety (90) calendar days of employment. Such employees are terminable at will during their probationary period.

Section 2. Upon the successful completion of the probationary period, an employee shall be entered on the seniority list of the Union and shall rank for purposes of seniority from the original date of hire into the bargaining unit.

Section 3. Newly hired/probationary employees in the bargaining unit shall be represented by the Union for purposes of collective bargaining with respect to terms and conditions of employment, excluding discipline, discharge or termination for reasons other than union activity.

ARTICLE 16--WORK WEEK-HOURS OF EMPLOYMENT

Section 1. The normal work week shall begin at 11:01 p.m. Sunday and shall end at 11:00 p.m. the following Sunday.

Section 2. Normal working hours for full-time Youth Specialists shall be forty (40) hours per week. For all other classifications in the bargaining unit, normal working hours for full-time employees shall be thirty-seven-and-a-half (37.5) hours per week.

Section 3. For each four (4) continuous hours worked on a specific day, an employee normally shall be entitled to one (1) fifteen (15) minute break with pay. Due to the time constraints associated with the care of children, on some occasions employees will be expected to take their fifteen (15) minute break in blocks of time less than fifteen (15) minutes.

Section 4. Full-time employees in classifications other than Youth Specialist shall be entitled to a one (1) hour unpaid lunch each work day.

Section 5. Youth Specialists, who are paid for, expected and encouraged to eat meals with the children, may, with the permission of their supervisor or in his/her absence the on-call supervisor, use their break period time to leave the grounds to purchase food off campus, so long as such absence from the campus does not exceed fifteen (15) minutes.

Section 6. Employees shall get prior permission from their immediate supervisor/on-call supervisor before they leave the grounds to purchase food, take a lunch or take a break. Employees who leave the grounds will punch-out when they leave the grounds and punch-in when they return. The immediate supervisor/on-call supervisor will have the discretion, based upon his/her evaluation of business needs, to allow Youth Specialists to combine their two breaks.

ARTICLE 17--OVERTIME

A. Youth Specialists

When in the estimation of the MCHS, Youth Specialists are needed to work hours in addition to those hours set forth on the posted schedule ("overtime"), the following procedure will be used:

A. Voluntary List. A Voluntary Overtime Call List ("Voluntary List") shall be created on the basis of seniority, identifying those individuals who desire to work overtime at designated times.

Voluntary overtime sign up will be on a three month basis. Youth Specialists must give their written designations to their Direct Supervisor no later than 4:30 p.m. on the Thursday prior to the effective date for the Voluntary List. Youth Specialists shall designate the following:

1. Shift(s) they are willing to work;
2. Day(s) they are willing to work;

A copy of the Voluntary List will be provided to the Union President. Youth Specialists who want to remain on the Voluntary List must accept a minimum of one overtime shift for every six (6) calls made to them offering overtime (regardless of the quarter). Youth Specialists who fail to satisfy this requirement will forfeit their right to be called for the following quarter. Youth Specialists who want to be placed back on the Voluntary List for the subsequent quarter will have to submit a written request to their Direct Supervisor no later than 4:30 on the Thursday prior to the effective date for the next quarterly list.

B. Standby List. A Standby Overtime List ("Standby List") shall be created for purposes of mandatory overtime. On the basis of seniority, all Youth Specialists will have an opportunity to sign up for four days (Monday through Thursday) or three days (Friday through Sunday) as a Standby Youth Specialist, for those days they are not otherwise scheduled to work. In return for being a Standby Youth Specialist, the Youth Specialist will receive an additional payment of \$35.00 for the three (or four) days he/she is on Standby. Only one Youth Specialist will be on Standby for any particular block of hours.

The Standby List shall be generated on a monthly basis by the Union and will be posted in each cottage, as well as in a central location. The designated Standby Youth Specialist will provide MCHS with a reasonable way to ensure that she/he can be contacted by MCHS at all times she/he is on Standby. If not enough employees volunteer for the blocks of time that need to be covered, the Union will require the Youth Specialist with the least amount of seniority not scheduled to work that block of time to be on Standby.

C. Procedure. 1. Overtime shall be offered first, on the basis of the seniority list, which will be updated quarterly, to the Youth Specialists physically on campus who are listed as assigned to the cottage where the overtime is needed ("Hold Over"). For purposes of this overtime provision only, the cottage assignment will only be changed prospectively.

1. Overtime shall be offered second, on the basis of the seniority list, to Full-

time and Part-time Youth Specialists as listed on the Voluntary List, who are assigned to the cottage where the overtime is needed.

2. Overtime shall be offered third, on the basis of the seniority list, to Full-time and Part-time Youth Specialists as listed on the Voluntary List, regardless of their cottage assignment.

3. If not enough employees volunteer for the hours needed, the MCHS may offer such hours to Fill-in or Contingency employees at its discretion.

4. If not enough employees volunteer for the hours needed, even after Fill-in and Contingency employees have been offered overtime, the MCHS will contact the staff designated as the Standby Youth Specialist for that block of hours ("Mandatory Overtime").

In order to give the Standby Youth Specialist as much advance notice as possible, he/she will be called initially at the same time calls are being made for volunteers. Where the need for Mandatory Overtime exists, the Standby Youth Specialist will then be called again, and directed to report to work at a designated time. If provided with less than one hour notice, the Standby Youth Specialist will report to work within one hour of being called.

D. Hold Over. No employee responsible for the care of children will leave her/his work station until her/his replacement has reported, or she/he is relieved by another Youth Specialist or a qualified supervisor. The MCHS shall, upon notification that her/his replacement has not reported, take reasonable steps, following the above-stated procedure, to replace such employee as soon as practicable. If the staff short-fall is created by the Standby Youth Specialist failing to report to work, MCHS will mandate that the lowest seniority Youth Specialist on campus be held over until she/he can be replaced.

Other Employees

Food service employees, maintenance employees, secretaries, clerk-typists, receptionists, and transporters shall be offered overtime within their classification, based upon their seniority with the MCHS. If not enough employees volunteer for the hours needed, the MCHS may require the least senior person in the classification to work the necessary hours. ILP Mentors shall be handled in accordance with the attached Letter of Understanding.

General Provisions

Employees will be paid time and one-half their regular hourly rate for all hours worked over forty (40) in a week.

In those circumstances where MCHS fails to offer overtime to an employee as set forth above, the only employee entitled to lost wages shall be the one employee with the highest seniority who was entitled to an offer to work overtime, but was not notified. The Union will be provided access to the call-in log at a reasonable time once a week.

The procedures stated herein will be applied so that no employee will be allowed to work more than sixteen (16) hours consecutively, or, if they have worked more than twelve (12) hours in the previous twenty-four (24) hours, to start another shift without at least six (6) hours of rest between shifts.

ARTICLE 17--OVERTIME

B. IL Plus MENTORS

ILP Mentors are only to be utilized for the ILP Program and operates independently from the residential program.

When in the estimation of the MCHS, ILP Mentors are needed to work hours in addition to those hours set forth on the posted schedule ("overtime"), the following procedure will be used:

A. **Voluntary List-** A call list will be generated among the ILP Mentors with the assistance of the Union President. It shall be created on the basis of seniority identifying only those ILP Mentors that desire to work overtime on a three month basis. ILP Mentors must give their written designations to their direct supervisor no later than 4pm on the Thursday prior to the effective date for the Voluntary Overtime Call List ("Voluntary List"). All Shifts and days they are willing to work will be covered on this list. The Union President will have a copy of the list. All ILP Mentors that want to remain on the list must accept a minimum of one overtime shift for every six (6) calls made to them offering overtime (regardless of the quarter). If this is not met, then they will have forfeited their right to be called for the following quarter. ILP Mentors who want to be placed back on the Voluntary List for the subsequent quarter must submit a written request to their Direct Supervisor no later than 4pm on the Thursday prior to the effective date for the next quarterly list.

All shifts, including standby will be covered by the ILP Mentors.

1. The Voluntary List will be utilized in order of seniority first.
2. Contingent Staff will be contacted second.
3. The Mandated Staff will be contacted last.

B. **Standby List-** A Standby Overtime List ("Standby List") shall be created for the purposes of mandatory overtime. On the basis of seniority, all ILP Mentors will have an opportunity to sign up for four days (Mon-Thurs) or (Fri-Sun) for those days that they are not scheduled to work. An additional payment of \$35 will be received for the three (or four) days he/she is on Standby. The Standby List is generated monthly by the union and will be posted in the ILP program building.

C. **Procedure**

1. Overtime shall be offered first, on the basis of the seniority list, which will be updated quarterly, Overtime will first be offered to the ILP Mentor with the most seniority physically already on campus.
2. Overtime is offered second on the basis of the voluntary list to full time and part time ILP Mentors as listed on the Voluntary List.
3. Overtime is offered third, on the basis of the seniority list to all ILP Mentors.
4. If not enough ILP Mentors volunteer for the hours needed, MCHS may offer such hours to a fill-in or contingent employees at its discretion.
5. If not enough IL Mentors volunteer for the hours needed, even after fill-in and contingent employees have been offered the overtime, MCHS will contact the staff designated as Standby ILP Mentor for that block of hours. ("Mandatory Overtime").

6. Due to the limited number of staff that are employed as ILP Mentors and our required ratio of 10:1, staff in the ILP program can be placed on the mandated overtime list prior to becoming a union member. The ILP program only has three (3) weekday and three (3) weekend staff. Without this contract and language exception, there is no way to cover the mandated overtime.

In order to give the Standby ILP Mentor as much advance notice as possible, he/she will be called initially at the same time calls are being made for volunteers. Where the need for Mandatory Overtime exists, the standby IL Mentor will then be called again, and directed to report to work at a designated time. If provided with less than one hour notice, the standby ILP Mentor will report to work within one hour of being called.

D. **HOLD OVER.** No ILP Mentor responsible for the care of youth can leave his/her work station until his/ her replacement has reported or she/he is replaced by another ILP Mentor or qualified supervisor. MCHS shall, upon notification that his/her replacement has not reported, take reasonable steps, following the above-stated procedure, to replace such employees as soon as practicable. If the staff short-fall is created by the Standby ILP Mentor failing to report to work, MCHS will mandate the lowest seniority ILP Mentor to be held over on campus until they can be replaced without going over the possible 16 hours allotted for any staff member on any given shift.

General Provisions

Employees will be paid time and one-half their regular hourly rate for all hours worked over forty (40) in a week.

In those circumstances where MCHS fails to offer overtime to an employee as set forth above, the only employee entitled to lost wages shall be the one employee with the highest seniority who was entitled to an offer to work overtime, but was not notified. The Union will be provided access to the call-in log at a reasonable time once a week.

The procedure stated herein will be applied so that no employee will be allowed to work more than sixteen (16) hours consecutively, or if they have worked more than twelve (12) hours in the previous twenty four (24) hours, to start another shift without at least six (6) hours consecutively, or, rest between shifts.

AFSCME Local #824

Date

Methodist Children's Home Society Date

ARTICLE 18--UNION BULLETIN BOARD
AND OFFICE

The MCHS will provide space on a wall for the Union to place a bulletin board for the purpose of giving notice of Union activities, such as meetings, special events and other similar matters. Prior to the material being posted, the Union President shall review all material to determine that improper or objectionable material is not posted. All material posted shall be initialed as approved by the Union President. Non-initialed material may be removed by the MCHS.

If the MCHS finds any initialed, posted material to be inappropriate, it shall notify the Union President, setting forth the grounds for its objections. The Union assumes full responsibility for all material which has been initialed and posted.

MCHS agrees to provide Local 824 with the middle cubicle on the first/lower level on the north side of Kresge, across from the computer lab.

ARTICLE 19--HOLIDAYS

Beginning in 2013, the following nine (9) holidays shall be observed as paid holidays for all members of the bargaining unit:

New Year's Day

Martin Luther King's Birthday

Good Friday or Easter

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

The Day after Thanksgiving Day

Christmas Day

Section 1. Full-time Youth Specialists shall receive eight (8) hours pay for the holiday; part-time Youth Specialists shall receive four (4) hours pay for the holiday. (All other employees shall receive 7 ½ or 3 ¾, hours pay, respectfully, for the holiday).

Section 2. Any full-time or part-time employee who is required to work a scheduled shift on the day of an Observed Holiday will receive one and one-half times their regular hourly rate for all hours worked during the scheduled holiday shift. For Youth Specialists, the Observed Holiday shall be on the actual day of the holiday. For Interventionist Specialists, Food Service Employees, Maintenance Employees, Secretaries and Transporters, the Observed Holiday shall be on the actual day of the holiday, unless New Year's Day, Independence Day, or Christmas Day falls on a weekend. In those cases, the Observed Holiday for these employees shall be observed on the Friday or Monday closest to the actual holiday.

Section 3. In order to be eligible for holiday pay, the full-time or part-time employee must work her/his full schedule on both her/his last scheduled day before the holiday and her/his next scheduled day after the holiday, or be on a pre-approved paid leave.

Section 4. For purposes of determining who is required to work a scheduled shift on the day of an Observed Holiday, the following procedure will be followed.

A. For Youth Specialists. Once the MCHS has decided how many Youth Specialists will be needed for each cottage on each shift, Youth Specialists will be asked to volunteer. If more employees volunteer to work than are needed, those employees with the greatest seniority in each cottage for each shift (as currently assigned immediately prior to the Holiday), shall be given priority.

If less employees volunteer to work than are needed, Youth Specialists will be required to work on the basis of inverse seniority, by shift. (I.e., the employee first selected to work will be the employee on the shift with the least amount of seniority.)

B. For All Other Employees. Once the MCHS has decided how many employees will be needed to work the Holiday, employees will be asked to volunteer by classification. If more employees volunteer to work than are needed, those employees in the classification will be selected on the basis of seniority, by shift. If less employees volunteer to work than are needed, employees in each classification will be required to work on the basis of inverse seniority, by shift.

ARTICLE 20--VACATION

Section 1. Accrual. Vacation time is a benefit afforded both full and part-time employees. Following the first six months of employment, an employee shall accrue vacation at the rate of 3.08 hours per pay period (2.88 hours for non-Youth Specialists), retroactive to the first day of employment. **"Day" is defined as 8 hours pay for Youth Specialist, 7 1/2 hours for all other full-time employees (4 and 3 3/4 hours for part-time).**

Commencing on the employee's second anniversary date, the vacation accrual schedule shall be as follows:

Length Of Service	Vacation Accrual (Youth Specialist)	Other
2 Years	3.38 hours per pay period	3.17 hours per pay period
3 Years	3.68 hours per pay period	3.46 hours per pay period
4 Years	4.0 hours per pay period	3.75 hours per pay period
5 Years	4.62 hours per pay period	4.33 hours per pay period
7 Years	5.54 hours per pay period	5.19 hours per pay period
10 Years	6.15 hours per pay period	5.77 hours per pay period

Part-time employees shall accrue vacation time at the rate of 1/2 of what a full-time employee accrues.

Unless otherwise agreed to by the Union and MCHS, if an employee is on an unpaid leave of absence or unpaid sick leave which exceeds two (2) weeks in any month, the employee shall not accrue vacation for that month.

Section 2. Scheduling. Vacation must be scheduled, in writing and in advance, with the employee's immediate Manager (for employees who do not have a Manager, to their Supervisor).

Although the MCHS will attempt to grant vacations at the time most desired by its employees, MCHS reserves the right to deny vacation requests based upon business exigencies and staffing requirements. Vacation preference will be given to requests received by the Manager or Supervisor in the order received. If two requests are received on the same day, seniority will be used to "break any tie." **Employees are expected to provide MCHS with two (2) weeks minimum notice.**

No more than **120 hours** may be carried over from one calendar year to the next without written approval of the Executive Director. Such approval must be requested by December 15th, in order to be effective for the following year.

ARTICLE 21--SICK LEAVE

Section 1. Sick leave is time off from work due to the illness of the employee. Sick leave will begin to accumulate upon the employee's successful completion of her/his probationary period.

Full-time employees will accumulate sick leave at the rate of **64 hours per year for Youth Specialist (60 for all others)**. Part-time employees will accumulate sick leave at the rate of **32 hours per year**.

Section 2. An employee will give her/his immediate supervisor notice that she/he is unable to work because of illness at least four (4) hours before the beginning of her/his shift—unless there are emergency circumstances that prevent the employee from giving such notice.

If the illness lasts three ⁴⁴ (3) or more work days, the employee must submit a medical doctor's certificate of illness upon return to work. Lack of substantiation of such illness may result in disciplinary action, including, but not limited to, non-payment of sick time. In circumstances where an employee is abusing the sick leave policy, or there is a pattern to an employee's absences (e.g. consistent Friday's or Monday's being taken off), the employee will be required to submit medical documentation for all absences.

Sick leave will continue to accumulate up to a maximum of **480 hours**. Upon termination, sick leave will be paid out in accordance with Article 29.

ARTICLE 22--PERSONAL DAYS

Section 1. Personal leave is time off from work for reasons other than the illness of the employee. Personal leave will begin to accumulate upon the employee's successful completion of her/his probationary period.

Full-time employees will accumulate personal leave at the rate of 40 hours per year for Youth Specialists (37 1/2 for all others). Part-time employees will not accumulate any personal leave.

Section 2. Personal leave must be requested at least three (3) working days in advance. Exceptions may be granted by the MCHS, at its sole discretion.

Section 3. Any personal leave not used during the calendar year will be credited to the employee's sick leave bank, up until the point the employee's sick leave bank reaches the maximum limit of 480 hours.

Upon termination, the employee shall forfeit all accumulated personal leave.

ARTICLE 23--FUNERAL LEAVE

If a death occurs among the members of a full-time or part-time employee's immediate family, the employee shall be excused from work for a period of three (3) days, assuming that the employee attends either or both the funeral or visitation at the mortuary or funeral home.

At the employee's request, available paid leave time, such as vacation time, may be used during her/his period of absence. In order to provide for proper staffing needs, the employee will provide advance notice of her/his need for leave to the MCHS as soon as practicable.

For purposes of this provision, immediate family shall mean the following: Husband, wife; child; step-child; father; mother; sister; brother; father-in-law; mother-in-law; daughter-in-law; son-in-law; grandfather; grandmother; grand-child; step-father; or, step-mother.

ARTICLE 24--FAMILY MEDICAL LEAVE
ACT

The MCHS will grant qualified employees a leave of absence pursuant to the Family Medical Leave Act in accordance with the statute and the regulations in existence at the time of a request for leave.

A copy of the FMLA Notice to Employees will be provided to the Union to post on the Union Bulletin Board. The necessary forms for making a leave request will be provided by the Human Resources Department.

Any FMLA leave granted by the MCHS will run concurrently with all available paid leaves (e.g., sick leave, personal leave, workers' compensation, and vacation).

ARTICLE 25--MILITARY LEAVE

Military leave for Reserve, National Guard, or Active duty shall be approved for a period of time as provided by law. For a scheduled two-week annual active duty-training period, the MCHS shall supplement the employee's military pay by an amount necessary to equal the employee's regular base pay (minus overtime). Absence for military duty will not affect an employee's vacation leave.

ARTICLE 26--JURY DUTY

Leave for jury duty will be granted when required. During this leave, the employee's jury pay shall be turned into the MCHS and her/his regular base pay (minus overtime) shall continue with no reduction in vacation or sick leave earned. Paid jury duty shall be limited to a maximum of the work days occurring within thirty (30) calendar days.

On those occasions where the employee is excused from jury duty for a full or half-day (such as where trial is adjourned in order for the court to hear motions), the employee will report to work as scheduled.

Employees will notify their immediate supervisor at least seventy-two (72) hours in advance of serving jury duty and will make arrangements to keep their supervisor aware of both the court's schedule and the anticipated time the employee will be away from work.

ARTICLE 27--OTHER LEAVES OF ABSENCE

Section 1. An employee not otherwise eligible for a leave of absence, or for a continuation of a leave of absence, may request in writing that a leave of absence (or continuation) be granted, up to but not exceeding six (6) months. The request must set forth the reasons for the request, the duration of the request, and must be accompanied by the necessary documentation.

Section 2. The Executive Director, in his/her sole discretion, may approve or disapprove, in whole or in part, the request for a leave of absence or request that additional documentation be provided. Permissible reasons for leave of absence include, but are not limited to: Educational, maternity, adoption, health, religion, military or sabbatical. Unless required by law, the leave of absence will be without pay and without benefits.

Section 3. When the leave or extended leave expires, and if there is an opening in the job position/classification and shift which the employee held at the time the leave was approved, the employee shall be placed in her/his previous position. If the position/classification and shift the employee held at the time of the approved leave is not available, the employee will be offered the following options:

- A. Any available job in the same position/classification on an alternate shift;
- B. Any available part-time job in the same position/classification on any shift; or
- C. Placed on the contingency roster.

An employee on any approved leave shall have no expectation that she/he will be returned to the same cottage she/he worked in at the time the leave was approved. However, if the employee's job position/classification and shift which she/he previously held at the time the leave was approved becomes available during the term of this Agreement, the employee shall be eligible to apply for the position pursuant to Article 12.

ARTICLE 28--COMMUNICATION

Any members of the bargaining unit, required to leave the Agency grounds during the course of their assignment, shall be furnished with communication devices capable of contacting emergency services and/or the on-call supervisor.

ARTICLE 29--RESIGNATIONS

In the case of a voluntary termination (resignation) an employee shall give the MCHS a minimum of twenty-one (21) calendar days advance notice. In cases of emergency, the MCHS, in its sole discretion, may waive this notice requirement.

If an employee gives the requisite notice, the employee shall be entitled to any accrued vacation and also accumulated sick time up to 15 days. If an employee fails to give the requisite notice, or is terminated for cause prior to the effective date of the resignation, she/he will forfeit all rights to accumulated sick time.

Employees terminated for cause will not receive any accumulated sick leave.

ARTICLE 30--TUITION REIMBURSEMENT

Section 1. All full-time employees who have completed at least six (6) months of employment shall be eligible for reimbursement for 50% of the tuition costs associated, net of any grants or awards, with job related courses at the university, college, or technical level.

Section 2. Applications for tuition reimbursement must be submitted in writing to Human Resources for consideration by Executive Director at least fifteen (15) calendar days before the beginning of the semester/term for which the employee intends to take the course(s) and seek reimbursement.

Section 3. Assuming the Executive Director determines that the course is job related and approves the request, the employee shall receive reimbursement after providing documentation that she/he has completed the course with a minimum grade of C (or equivalent) and has paid the tuition in full. No expenses other than 50% tuition, net of any grants or awards, will be reimbursed.

Section 4. The right to reimbursement shall be forfeited if the employee is terminated for cause or quits. If the employee receives reimbursement and then quits within one calendar year of receiving reimbursement, the employee shall repay MCHS for the tuition reimbursement.

ARTICLE 31--DISCHARGE OR DISCIPLINE

For purposes of discipline or discharge the following procedures shall apply:

1. Each employee shall devote her/his attention to fulfilling her/his job responsibilities and agrees to abide by the MCHS rules of conduct, policies and established practices.

2. Individual discipline penalties for violation of the rules of conduct, policies and established practices, up to and including discharge, shall be for just cause and may become subject to the Grievance Procedure.

3. At an investigative meeting with an employee which reasonably could lead to the imposition of discipline, the affected employee shall be entitled, upon her/his request, to have a Union Steward present. The employee will be provided a form to sign documenting his/her request or waiver of union representation.

4. The employee shall receive a written copy of any and all discipline issued to her/him. A copy (including written verification of a verbal warning) shall be placed in the employee's personnel file. The MCHS will also provide written notice of all discipline to the Local Union President.

5. The time to file a grievance regarding issued discipline shall start to run on the date the employee receives written notice.

6. Discipline is intended to be consistent, corrective and, where possible, will follow a series of progressive steps designed to alter the employee's unacceptable conduct and behavior. The following series of progressive steps typically will be followed:

- A. Verbal Warning
- B. Written Warning
- C. Suspension (with or without pay)
- D. Discharge

Management reserves the right to skip or repeat steps in the progression based upon the severity of the employee's misconduct, as well as any mitigating or aggravating circumstances.

7. Work rule infractions occurring prior to the last twelve (12) month period shall not be the determining basis for the issuance of current discipline. However, the level of any progressive discipline issued in the last twelve (12) months may be considered, even if the last step in the progression depends upon discipline issued more than twelve (12) months previously.

8. The MCHS may issue new or modified rules of conduct by presenting such new or modified rules to the Local Union President more than thirty (30) days prior to the rules or modifications going into effect. If the Union disagrees with the rules or modifications, it may

request a special conference to discuss the same within fifteen (15) days of receiving the proposed new rules or modifications. If no special conference is requested, or if after the special conference is conducted there remain disagreements between the MCHS and the Union, the MCHS may place the new rules or modifications into effect and thereafter employees or the Union may challenge the application of such rules pursuant to the grievance procedure.

ARTICLE 32--HEALTH AND SAFETY

Section 1. The Employer recognizes its responsibility to provide safe and healthful working conditions and the Union and the employees recognize their obligation to cooperate with the Employer to maintain these working conditions.

Section 2. The Employer and the Union agree to use the Special Conferences procedure to identify and discuss any conditions which are perceived as being unsafe. If a dispute is not resolved during a Special Conference, the Union may file a grievance.

Section 3. No employee shall be required to work in unsafe or hazardous conditions that pose an imminent danger of serious injury or death to the employee. A good faith refusal to work in such conditions will not be grounds for disciplinary action. However, no employee will refuse to work or abandon her/his job while children under her/his supervision are also in imminent danger. The employee will contact the appropriate authorities (i.e., Police, Fire, EMS) as the situation warrants and her/his on-call supervisor.

In addition, no employee will refuse to work or abandon her/his job if the alleged imminent danger is created by children under their supervision. The employee will contact the appropriate authorities (i.e., Police, Fire, EMS) as the situation warrants and her/his on-call supervisor.

ARTICLE 33--DRUG & ALCOHOL POLICY

Alcoholic Beverages

- A. No alcoholic beverage will be brought into or consumed on Agency Property.
- B. Being under the influence of alcoholic beverages while on duty is prohibited.
- C. The use of alcoholic beverages during break time or lunch time, on or off Agency Property is prohibited.
- D. Violation of this policy is cause for termination.

Illegal Drugs

- A. No illegal drugs or controlled substance will be brought into or consumed on Agency Property.
- B. Being under the influence of illegal drugs while on duty is prohibited.
- C. The use of illegal drugs during break time or lunch time, whether on or off Agency Property is prohibited.
- D. Violation of this policy is cause for termination.

Prescription Drugs

- A. No prescription drug shall be brought upon Agency Property by any person other than the person for whom the drug is prescribed by a licensed medical practitioner, and shall be used only in the manner, combination, and quantity prescribed.
- B. Violation of this policy is cause for termination.

Tests

- A. If Agency personnel have reasonable suspicion that an employee is under the influence of drugs or alcohol, such suspicion will be communicated to the Executive Director, Assistant Executive Director, Associate Executive Director or the Village Program Managers. At the request of a manager, the employee may be asked to submit to a blood and/or urine test for determining use of alcohol and/or drugs. In the case of an automobile accident, reasonable suspicion will be assumed to exist with respect to the employee/driver. Refusal to submit to a requested test will be cause for termination.
- B. While the Agency awaits the results of a test, the affected employee will be placed on leave with pay.

Definitions

A. Alcohol and alcoholic beverage – any beverage that may be legally sold and consumed and that has an alcohol content in excess of .5% by volume – including beer, wine, cough syrup or “hard liquor.”

B. Drug – any substance capable of altering the mood, perception, pain level, or judgment of the individual taking it.

C. Illegal drug – any drug or controlled substance, the sale or consumption of which is illegal.

D. Prescribed Drug – any substance prescribed by a licensed medical practitioner for the individual consuming it.

E. Agency Property – includes the Village Cottages, grounds, parking lots, any place where the employee is conducting Agency business, and Agency vehicles.

F. Under the influence of alcohol shall mean having a blood alcohol level at the time of the test which is prohibited by applicable motor vehicle regulations.

Grievance Procedure

The terms of this policy and its application to employees will be subject to the grievance procedure. However, if an Arbitrator concludes that an employee has violated the provisions set forth above, he/she shall have no authority to modify the prescribed penalties.

ARTICLE 34--WEAPONS POLICY

Section 1. To ensure the safety of clients and employees, no employee is permitted to have a firearm or other weapon (i.e., a knife, explosives, etc.) on or in Agency Property. Agency Property includes the village, cottages, grounds, parking lots, any place where the employee is conducting agency business, and any Agency vehicles.

Section 2. In order to carry out this policy, the MCHS reserves the right, with probable cause, to search any vehicle brought upon or parked upon Agency Property and to search any pocket, package, purse, work area, desk, file cabinet, tool box, lunch box, locker, or any other container brought upon Agency Property.

Section 3. Any employee subject to a search, who believes the MCHS lacked probable cause, may file a grievance.

Assuming a Union Steward is available at the location of the search (i.e., the village property, or the location where the employee is conducting agency business), at the time of the search, the Union Steward will be present for the search.

ARTICLE 35--SEARCHES

A. Each employee upon reasonable suspicion that she/he has violated an applicable work rule regarding drugs or alcohol, weapons, theft, or safety, will be required to:

1. Submit to a search of any vehicle brought upon or parked upon Agency Property;
2. Submit to a search of any pocket, package, purse, briefcase, tool box, lunch box, or other container brought upon Agency Property;
3. Submit to a search of desk, file cabinet, lockers, etc.

B. Such request, if made, will be made only by the Executive Director, Assistant Executive Director, Associate Executive Director, or Village Program Manager.

C. Unless exigencies dictate otherwise, searches will be done in the presence of the Union Steward or his/her designee.

D. Although the issue of reasonable cause will be subject to the grievance procedure, employees will "comply now, grieve later." Refusal to allow the requested search will be cause for termination.

ARTICLE 36--INSURANCE

Section 1. 2015 – Health Insurance:

For 2015, the MCHS will offer the Total Health Care HMO Plan (T523) to all MCHS bargaining unit employees. The employee contribution to health care premiums for 2015 will be zero. Employer and employee monthly contributions for this coverage are set forth below.

	<u>Total Monthly Premium</u>	<u>MCHS</u>	<u>Employee Contribution</u>
Single:	\$ 438.61	100%	\$ 0.00
2-Person:	\$ 913.86	100%	\$ 0.00
Family:	\$1,162.55	100%	\$ 0.00

An alternative remains for the Total Health Care POS (low):

Single:	\$ 566.93	\$ 438.61	\$ 128.32
2-Person:	\$1,181.20	\$ 913.86	\$ 267.34
Family:	\$1,502.65	\$1,162.55	\$ 340.10

Section 2. 2016-2017 – Health Insurance:

Subject to reopener each year.

Section 3. Opt Out: Employee may opt-out of health insurance and receive an annual payment of \$1,000.00. The \$1,000.00 will be paid quarterly. Employee must show proof of alternative coverage for herself/himself and her/his dependents. If alternative coverage is lost, Employee may opt back into MCHS coverage the following quarter.

Section 4. Medical Spending Accounts: Limit on account will be \$2,500.00 annually.

Section 5. 2015-2017 – Dental Insurance:

MCHS will pay 100% of premium for Lincoln Financial for same level of benefits provided in 2014.

Section 6. 2015-2017 – Life Insurance/Accidental Death/Dismemberment:

MCHS will pay 100% of premium for Lincoln Financial coverage for same benefits provided in 2014.

Section 7. 2015-2017 – Long Term Disability:

MCHS will pay 100% of premium for Lincoln Financial coverage for same benefits provided in 2014.

ARTICLE 37--WAGES

Section 1. The attached chart (Appendix A), with its rates for 2015, will become effective on the first full pay period after the contract is ratified by the Union membership and approved by the Board of Directors of MCHS, retroactive to January 1, 2015 [The 2016 and 2017 rates will be subject to a reopener.] The 2016 rate increases, if any, will become effective January 1, 2016, with each of the steps (if necessary) increased accordingly and each employee receiving the applicable raise. The same procedure will be utilized in 2017.

Section 2. In order to receive a step increase on an employee's anniversary date, as described above, the employee must have not received any sustained discipline greater than a written warning in the previous three (3) months. If such discipline has been received, the employee's step increase shall be delayed until three (3) months have elapsed since the last sustained discipline greater than a written warning was received.

Section 3. Those employees who are "maxed out" (i.e., will not receive a 2015 step increase) will receive a \$25.00 bonus at the time of their anniversary for each year of service in their position, provided they have not received any sustained discipline greater than a written warning in the previous three (3) months. If such discipline was received, the employee's pay out shall be delayed until three (3) months have elapsed since the last sustained discipline greater than a written warning was received. The procedure for 2016, 2017, will be negotiated between the parties.

"Anniversary date" shall mean an employee's last hire date, without a break in seniority.

ARTICLE 38--PENSION

The MCHS established the Employee Benefits Plan of Methodist Children's Home Society (the "Plan") as set forth in the Plan document and trust agreement. The Plan was modified pursuant to the attached Notice (Exhibit B) provided to participants on November 15, 2013. The MCHS continues to have the right to unilaterally amend, modify, discontinue, freeze, or terminate the Plan at such time as in its discretion may be deemed appropriate. When and if the MCHS makes such changes, it agrees to meet with the Union to bargain the impact of any such change on the employees covered by this Agreement.

ARTICLE 39--RETIREE HEALTH
INSURANCE

The retiree health insurance benefit is eliminated.

ARTICLE 40--MODIFICATION

The MCHS agrees that during the term of this Agreement, those wages, hours and other conditions of employment set forth in this Agreement will not be modified without the mutual agreement of the Union.

ARTICLE 41--SAVINGS CLAUSE

Should any article, section or portion of this Agreement be held unlawful and/or unenforceable by any court of competent jurisdiction, such decision shall apply only to the specific article, section or portion hereof, directly specified in the decision; upon the issuance of such a decision the parties agree immediately to negotiate a substitute for the invalidated article, section or portion thereof.

ARTICLE 42--SUCCESSORS

This Agreement shall be binding upon the successors and assigns of the parties.

ARTICLE 43--TERMINATION

This Agreement shall remain in force until 12:01, December 31, 2017, and thereafter for successive periods of one (1) year unless either party shall, on or before the sixtieth (60th) day prior to expiration, serve written notice on the other party of a desire to terminate, modify, alter, renegotiate, change or amend this Agreement. A notice of desire to modify, alter, amend, renegotiate, change or amend this Agreement, or any combination thereof, shall have the effect of terminating the entire Agreement (on the expiration date) in the same manner as a notice of desire to terminate unless before that date all subjects of amendment proposed by either party have been disposed of by agreement or by withdrawal by the party proposing amendment.

In Witness whereof, the duly chosen representative of the parties hereto affix their name this ____ day of January, 2015.

Carol E. Hill, President
AFSCME Local #824, American
Federation of State, County and
Municipal Employees, Michigan
Council #25, AFL-CIO

Methodist Children's Home Society
M. Beth Tarquinio
Executive Director

Winston Johnson
Staff Representative Michigan
AFSCME Council #25

Member Bargaining Committee

Member Bargaining Committee

Member Bargaining Committee

Member Bargaining Committee

LETTER AGREEMENT

It is hereby agreed by and between the Union and the Methodist Children's Home Society that the current practice whereby employees are given the opportunity to get a series of shots for Hepatitis B, at the expense of the MCHS, will be modified as follows:

1. Employees will be notified of their right to receive a series of shots for Hepatitis B. New employees will be eligible for the series of shots, once they qualify for health insurance coverage, or immediately if they have alternative coverage. (E.g., by utilizing rights they have under COBRA from a previous employer, or pursuant to coverage they have under a spouse's policy.)

2. Employees who desire to get a shot will be responsible for going to their own health care provider, on their own time, to receive the series of shots.

3. Once the employee receives the necessary shots, she/he will be reimbursed by the MCHS, for any applicable deductible under her/his health insurance plan, upon presentation to the MCHS of documentation indicating that the shots were received and that the deductible was paid by the employee for the shots received.

AFSCME Local #824

Methodist Children's Home Society

MEMORANDUM OF UNDERSTANDING

MCHS and the Union recognize that there are times when employees' personal property, such as glasses, watches, cloths, automobiles, cell phones, books, etc., are damaged or destroyed during the course of employment. Sometimes the damage is caused deliberately by residents, sometimes through mistake or accident at the hands of co-employees, residents, or employees themselves.

MCHS agrees to allocate \$1200 for each year to be used by the Union to reimburse employees for some of their losses. It will be the Union Leadership's decision as to how the money will be allocated each quarter.

Since the money allocated is limited, the Union agrees that it will take at least the following circumstances into consideration:

- Whether an incident report was filed and whether the claim appears credible
- Whether the damage could have been prevented with proper care
- Whether the employee has insurance for the loss, including recognition of any applicable deductibles
- The extent of the damage, whether repair is possible, or replacement necessary
- The relative culpability of the employee suffering the loss
- The size of the claim, relative to other claims filed by other employees in the unit during the same quarter of the year

When the Union Leadership determines that an employee should be reimbursed for a reported loss, in whole or in part, the Union will notify the Executive Director of its decision, including a report of the factors considered. So long as the decision appears reasoned, and assuming funds still exist for that quarter, MCHS will then write a check to the appropriate employee.

Once the funds for each year are depleted, no further claims will be paid. For this reason, the Union will have the discretion of delaying its decision until the end of each year, so that it can rank the relative merit of each claim advanced.

LETTER OF UNDERSTANDING

ILP Mentors are only to be utilized for the IL Plus Program and operates independently from the residential program.

When in the estimation of the MCHS, ILP Mentors are needed to work hours in addition to those hours set forth on the posted schedule ("overtime"), the following procedure will be used:

A. Voluntary List. A call list will be generated among the ILP Mentors with the assistance of the Union President. It shall be created on the basis of seniority identifying only those ILP Mentors that desire to work overtime on a three month basis. ILP Mentors must give their written designations to their direct supervisor no later than 4 p.m. on the Thursday prior to the effective date for the Voluntary Overtime Call List ("Voluntary List"). All shifts and days they are willing to work will be covered on the list. The Union president will have a copy of the list. All ILP Mentors that want to remain on the list must accept a minimum of one overtime shift for every six (6) calls made to them offering overtime (regardless of the quarter). If this is not met, then they will have forfeited their right to be called for the following quarter. ILP Mentors who want to be placed back on the Voluntary List for the subsequent quarter must submit a written request to their Direct Supervisor no later than 4 p.m. on the Thursday prior to the effective date for the next quarterly list.

All shifts, including standby will be covered by the ILP Mentors.

1. The Voluntary List will be utilized in order of seniority first.
2. Contingent Staff will be contacted second.
3. The Mandated Staff will be contacted last.

B. Standby List. A Standby Overtime List ("Standby List") shall be created for the purposes of mandatory overtime. On the basis of seniority, all ILP Mentors will have an opportunity to sign up for four days (Mon-Thurs) or (Fri-Sun) for those days that they are not scheduled to work. An additional payment of \$35 will be received for the three (or four) days he/she is on Standby. The Standby List is generated monthly by the Union and will be posted in the IL Plus program building.

C. Procedure.

1. Overtime shall be offered first, on the basis of the seniority list, which will be updated quarterly. Overtime will first be offered to the ILP Mentor with the most seniority physically already on campus.

2. Overtime is offered second on the basis of voluntary list to full-time and part-time ILP Mentors as listed on the Voluntary List.

3. Overtime is offered third, on the basis of the seniority list of all ILP Mentors.

4. If not enough ILP Mentors volunteer for the hours needed, MCHS may offer such hours to a fill-in or contingent employees at its discretion.

5. If not enough ILP Mentors volunteer for the hours needed, even after fill-in and contingent employees have been offered the overtime, MCHS will contact the staff as designated as Standby ILP Mentor for the block of hours ("Mandatory Overtime").

In order to give the Standby ILP Mentor as much advance notice as possible he/she will be called initially at the same time calls are being made for volunteers. When the need for Mandatory Overtime exists for the ILP program; the ILP Mentor will then be called in again, and directed to report to work at a designated TIME. If provided with less than one hour notice, the Standby ILP Mentor will report to work within one hour of being called.

D. Hold Over. No ILP Mentor responsible for the care of youth can leave his/her work station until his/her replacement has reported or she/he is replaced by another ILP Mentor or qualified supervisor. MCHS shall, upon notification that his/her replacement has not reported, take reasonable steps, following the above-stated procedure, to replace such employee as soon as practicable. If the staff short-fall is created by the Standby ILP Mentor failing to report to work, MCHS will mandate the lowest seniority ILP Mentor to be held over on campus until they can be replaced without going over the possible sixteen (16) hours allotted for any staff member on any given shift.

General Provisions

Employees will be paid time and one-half their regular hourly rate for all hours worked over forty (40) in a week.

In those circumstances where MCHS fails to offer overtime to an employee as set forth above, the only employee entitled to lost wages shall be the one employee with the highest seniority who was entitled to an offer to work overtime, but was not notified. The Union will be provided access to the call-in log at a reasonable time once a week.

The procedure stated herein will be applied so that no employee will be allowed to work more than sixteen (16) hours consecutively, or if they have worked more than twelve (12) hours in the previous twenty-four (24) hours, to start another shift without at least six (6) hours of rest between shifts.

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NOTICE OF PLAN REDUCTIONS AND MATERIAL MODIFICATIONS

TO: Plan Participants Covered under the Employees Benefit Plan of Methodist Children's Home Society (the "Pension Plan")

FROM: Beth Tarquinio, Executive Director

RE: Pension Plan Restructuring - **Notice of Reduction of Future Benefit Accrual Rate (pursuant to ERISA §204(h) and Internal Revenue Code §4980F) and Summary of Material Modification to the Pension Plan**

DATE: November 15, 2013

Methodist Children's Home Society ("Methodist") has approved changes under the Pension Plan. This Notice is intended to acquaint you with these changes and the impact they have on your pension benefits under the Pension Plan. Please read the Notice carefully and refer to the official Pension Plan and Summary Plan Description for a more comprehensive description of your rights and benefits under the Pension Plan.

A. EXISTING PARTICIPANTS

If you are a Participant in the Pension Plan on December 31, 2013 ("Existing Participant"), the changes outlined below will impact your pension benefits under the Pension Plan. Attached to this Notice are illustrative examples to help you understand the approximate magnitude of these changes on your future pension benefits under the Plan.

A.1. Multiplier. The pension formula used to calculate your pension benefits is decreasing from a multiplier of 1.625% to 1.125%. This means that the formula used to calculate your total accrued benefit under the Pension Plan shall be the sum of (i) 1.625% x Final Average Earnings x Benefit Accrual Service earned as of December 31, 2013 ("**pre-2014 benefit**"), and (ii) 1.125% x Final Average Earnings x Benefit Accrual Service earned on and after January 1, 2014 ("**post-2013 benefit**").

A.2. Final Average Earnings. The period for determining Final Average Earnings is increasing from a three (3) year period to a five (5) year period. This means that:

- For the pre-2014 benefit, Final Average Earnings means the average monthly amount of your Compensation during the three (3) consecutive completed calendar years of employment with the Employer within the last ten (10) consecutive calendar years prior to termination of employment, which shall produce the highest average.

- For the post-2014 benefit, Final Average Earnings means the average monthly amount of your Compensation during the five (5) consecutive completed calendar years

of employment with the Employer within the last ten (10) consecutive calendar years prior to termination of employment, which shall produce the highest average.

A.3. **Disability.** Benefit Accrual Service will not include a Period of Disability that occurs on or after January 1, 2014. Any Period of Disability occurring prior to January 1, 2014, will count towards your total Benefit Accrual Service.

A.4. **Forms of Payment.** Effective on and after January 1, 2014, you will have the following optional forms of payments available to you under the Pension Plan:

- **Qualified Joint and Survivor Annuity.** If you are married when you retire, you automatically will receive the 66-2/3% Joint and Survivor Annuity with your spouse as the joint annuitant (unless you make a qualified election to receive your pension benefit in one of the optional forms described below or to designate another (non-spouse) beneficiary). This means you will receive a monthly benefit for life. After your death, your spouse will receive a lifetime monthly income equal to 66-2/3% of your benefit.
- **Non-Refund Life Annuity.** If you are not married, you automatically will receive your pension benefit in the form of a Non-Refund Life Annuity (unless you make a qualified election to receive your pension benefit in one of the optional forms described below). This means you will receive a monthly benefit for life. All payments cease upon your death.
- **Full Cash Refund Annuity.** You may alternatively choose a Full Cash Refund Annuity which pays a monthly benefit for your life. If your death occurs before your benefit payments equal the total value of your benefit at your benefit starting date, your beneficiary will receive the balance in a single lump sum payment.
- **120 or 180 Months Certain and Continuous.** You may alternatively choose a Period Certain and Continuous Annuity which pays you a monthly benefit for your life. If your death occurs before you have received 120 or 180 monthly payments (as you choose before your payments begin), the same monthly benefit will be continued to your designated beneficiary until the total specified number of monthly payments has been made.
- **75% Qualified Optional Joint and Survivor Annuity.** You may alternatively choose a QOSA which pays you a monthly benefit for your life. After your death, your joint annuitant (as chosen by you before your payments begin) will receive a lifetime monthly income equal to 75% of your benefit.
- **Voluntary Lump Sum Option.** You may alternatively elect to receive your pre-2014 benefit in the form a single cash payment. Your post-2013 benefit must be paid to you in one of the annuity forms set forth above; **except**, however, if the present lump sum value of your total post-2013 benefit is \$5,000 or less, then you may voluntarily elect to have your entire accrued benefit (the pre-2014 benefit plus post-2013 benefit portions) paid in a single cash payment.

- **Mandatory Lump Sum Option.** If the present lump sum value of your total pre-2014 benefit plus post-2013 benefit is not greater than \$1,000, then the Plan will make an immediate and mandatory lump sum distribution to you. In the event that you fail to affirmatively elect how to receive such mandatory lump sum distribution, the Plan Administrator will distribute it directly to you as soon as practicable following your retirement or other termination of employment with the Employer.

The above optional forms of payment are the only ones available to you effective on and after January 1, 2014. However, if you are eligible to and notify the Plan of your intention to begin your pension benefits under the Pension Plan by **June 29, 2014**, you would be eligible to select any of the following optional forms of payment in addition to the ones set forth above:

- **36, 60, or 100 Months Certain and Continuous.** You will receive a monthly benefit for life. If your death occurs before you have received 36, 60, or 100 monthly payments (as you choose before your payments begin), the same monthly benefit will be continued to your designated beneficiary until the total specified number of monthly payments has been made.
- **50%, 66-2/3%, 75%, or 100% Joint and Survivor Annuity.** You will receive a monthly benefit for life. After your death, your joint annuitant will receive a lifetime monthly income equal to 50%, 66-2/3%, 75%, or 100% of your benefit (as you choose before your payments begin). Payments end on the death of the last survivor (i.e. your death or your joint annuitant's death, whichever occurs later).
- **50%, 66-2/3%, 75%, or 100% Joint and Survivor Annuity with 36, 60, 120, or 180 Months Certain and Continuous.** You will receive a monthly benefit for life. After your death, your joint annuitant will receive a lifetime monthly income equal to 50%, 66-2/3%, 75%, or 100% of your benefit (as you choose before your payments begin). If both you and your joint annuitant die before receiving 36, 60, 120, or 180 monthly payments, as applicable, your beneficiary will receive a monthly income (in the amount paid to the last survivor) until the total specified number of monthly payments has been made.
- **Modified Cash Refund Annuity.** You will receive a monthly benefit for life. If your death occurs before your benefit payments equal the value of your own contributions remaining in the Plan at your benefit payment starting date, your beneficiary will receive the balance in a single lump sum payment.
- **Voluntary Lump Sum Option.** You can elect to receive a single cash payment instead of a monthly annuity. If payment is made before you are age 65 or before you satisfy the requirements for Special Early Retirement, the amount of the payment will also include any early retirement reduction. If you elect this option, you are not entitled to any further benefits under this Plan.

A.5. Death Benefit. If you die before your retirement benefits have begun and while you are fully vested in the Plan (i.e. you have 3 years of Vesting Service or have attained age 55), a Standard Survivor Benefit will be payable to your surviving spouse to whom you have been

married for at least one year prior to the date of your death. The amount of this Standard Survivor Benefit will equal 50% of the benefit you would have received assuming the following:

- you had terminated service on the day before you died (or the day you actually terminated employment, if earlier);
- you elected to receive a 50% Joint and Survivor Annuity option; and
- you started receiving benefits on the later of your date of death or your 55th birthday.

This amount will be actuarially reduced if it is paid to your spouse before you would have attained age 55. If you are not survived by your qualifying spouse of more than one year, no death benefit will be payable under the Plan.

A.6 Normal Retirement and Early Retirement Dates. No changes are being made to the Normal Retirement or Early Retirement provisions under the Pension Plan with respect to Existing Participants. This means:

- Your Normal Retirement Age is 65 and your Early Retirement Age is 55. You will be fully vested in your Pension Benefits when you have completed 3 Years of Service or you attain age 55 while still employed with the Employer.
- You may retire and commence your benefits without any actuarial reductions to your pension benefits on your Normal Retirement Age. You also may retire and commence your pension benefits on and after age 62 without any actuarial reductions if you have completed 25 Years of Vesting Service. Alternatively, you may retire and commence your pension benefits on or after age 55, but your pension benefits will be actuarially reduced for early commencement by factors of 1/15th for each year from age 65 to age 60, and 1/30th for each year from age 60 to 55.

B. NEW PLAN ENTRANTS

If the effective date of your participation under the Pension Plan is on or after January 1, 2014 (e.g. your hire date or participation commencement date is on or after January 1, 2014), your pension benefits shall be subject to the following:

B.1. Multiplier. The benefit formula multiplier is 1.125% x Final Average Earnings x Benefit-Accrual Service.

B.2. Average Compensation. Final Average Earnings means the average monthly amount of a Participant's Compensation during the five (5) consecutive completed calendar years of employment with the Employer within the last ten (10) consecutive calendar years prior to termination of employment, which shall produce the highest average.

B.3. **Disability.** You are not entitled to earn any credited service for periods of disability. Note the Pension Plan has never paid any disability retirement benefit to a disabled employee (i.e. the disabled employee is entitled to early or normal retirement benefits just like any other non-disabled participant).

B.4. **Forms of Payment.** You will have the following optional forms of payments available to you under the Pension Plan:

- **Qualified Joint and Survivor Annuity.** If you are married when you retire, you automatically will receive the 66-2/3% Joint and Survivor Annuity with your spouse as the joint annuitant (unless you make a qualified election to receive your pension benefit in one of the optional forms described below or to designate another (non-spouse) beneficiary). This means you will receive a monthly benefit for life. After your death, your joint annuitant will receive a lifetime monthly income equal to 66-2/3% of your benefit.
- **Non-Refund Life Annuity.** If you are not married, you automatically will receive your pension benefit in the form of a Non-Refund Life Annuity (unless you make a qualified election to receive your pension benefit in one of the optional forms described below). This means you will receive a monthly benefit for life. All payments cease upon your death.
- **75% Qualified Optional Joint and Survivor Annuity.** You may alternatively choose a QOSA which pays you a monthly benefit for your life. After your death, your joint annuitant (as chosen by you before your payments begin) will receive a lifetime monthly income equal to 75% of your benefit.
- **Mandatory Lump Sum Option.** If the present lump sum value of your total pension benefit is not greater than \$1,000, then the Plan will make an immediate and mandatory lump sum distribution to you. In the event that you fail to affirmatively elect how to receive such mandatory lump sum distribution, the Plan Administrator will distribute it directly to you as soon as practicable following your retirement or other termination of employment with the Employer.

B.5. **Early Retirement.** You may elect to retire after early retirement age of 55 if you have completed 10 or more Years of Vesting Service. When retirement benefits begin before age 65, the amount of the benefit you have earned is reduced based upon your age when payments begin. The reduction amounts to 1/15 for each year from age 65 to age 60, and 1/30 for each year from age 60 to 55.

B.6. **Death Benefit.** If you die **before** your retirement benefits have begun and while you are fully vested in the Plan (i.e. you have 5 or more years of Vesting Service), a Standard Survivor Benefit will be payable to your surviving spouse to whom you have been married for at least one year prior to the date of your death. The amount of this Standard Survivor Benefit will equal 50% of the benefit you would have received assuming the following:

- you had terminated service on the day before you died (or the day you actually terminated employment, if earlier);
- you elected to receive a 50% Joint and Survivor Annuity option; and
- you started receiving benefits on the later of your date of death or your 55th birthday.

This amount will be actuarially reduced if it is paid to your spouse before you would have attained age 55. If you are not survived by your qualifying spouse of more than one year, no death benefit will be payable under the Plan.

B.7. Vesting Schedule. You will become 100% vested in your pension benefits under the Plan only if you have completed five (5) Years of Vesting Service. If you should terminate employment for any reason before accruing five (5) Years of Vesting Service, you will not be owed a pension.

The Society is in the process of restating the Pension Plan and Summary Plan Description documents and will furnish a copy of the restated SPD as soon as it is finalized. In the meantime, if you have questions about any of the changes to the Society's overall retirement program, please contact David Miller at 313.683.9582.

This Agreement shall remain in force and effect for successive periods of one (1) year unless either party shall, on or before the sixtieth (60th) day prior to expiration, serve written notice on the other party of a desire to terminate, modify, alter, renegotiate, change or amend this Agreement. A notice of desire to modify, alter, amend, renegotiate, change or amend this Agreement, or any combination thereof, shall have the effect of terminating the entire Agreement (on the expiration date) in the same manner as a notice of desire to terminate unless before that date all subjects of amendment proposed by either party have been disposed of by agreement or by withdrawal by the party proposing amendment.

In Witness whereof, the duly chosen representative of the parties hereto affix their name this 5 day of January, 2015.

February

2/26/15

Carol E. Hill

Carol E. Hill, President
AFSCME Local #824, American
Federation of State, County and
Municipal Employees, Michigan
Council #25, AFL-CIO

M. Beth Tarquinio

Methodist Children's Home Society
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2/5/15

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