

MEMORANDUM OF AGREEMENT

BETWEEN

DISTRICT COUNCIL 47

AND

THE CITY OF PHILADELPHIA

JULY 1, 2008 TO JUNE 30, 2009

Catherine J. Pratt
Michael J. Walsh
[Signature]

[Signature]

TERM:

This agreement shall be for one (1) year from July 1, 2008 through June 30, 2009.

WAGES:

All permanent full-time employees in classes represented by District Council 47 who are on the active payroll as of the date of ratification of this Memorandum of Agreement shall receive a one thousand one hundred dollar (\$1,100) lump sum ratification bonus. The aforesaid bonus will not be added to the employees' base pay rates. The payment of the aforesaid lump sum bonus will be made within fifteen (15) days of written notification to the City of the Union's ratification of the Memorandum of Agreement.

A permanent employee who is on a leave of absence without pay as of July 1, 2008 will be eligible for the lump sum ratification bonus only if he/she returns to the active payroll before January 1, 2009 and remains on the active payroll for at least sixty (60) consecutive calendar days.

Bonuses for part-time employees shall be paid in accordance with the parties' practice from 2004.

HEALTHCARE:

1. The City will contribute \$975.76 per member per month to the DC 47 Health & Welfare Fund.
2. The City and the Union will participate in the Joint Labor-Management Healthcare Evaluation Committee, the details of which are set forth in the attached Appendix and incorporated into and made part of this Agreement, to explore ways to maintain high quality health benefits while reducing the City's costs.

CONTRACTING OUT HEALTH AND DOT:

The following language shall be added to the contract:

Contracting Out

A joint committee comprised of three (3) members appointed by the Union and three (3) members appointed by the City shall be created to discuss the use of contract and exempt employees in the Health Department and Division of Technology. The committee shall review contracts involving work in those departments routinely and regularly performed by District Council 47 represented classifications. The committee shall also review the work of exempt positions in those departments who perform work routinely and regularly performed by District Council 47 represented classifications. The committee shall make recommendations concerning the appropriateness of having such work performed by District Council 47 represented classifications in light of economic and operational considerations. City departments and agencies will cooperate with the committee by providing documents, including contracts and job descriptions, as requested by the committee.

Members of the committee shall be appointed no later than September 1, 2008. Thereafter, the committee shall meet at least biweekly, or more frequently as determined by the committee, in order to carry out its mandate in a timely fashion consistent with the term of this Agreement.

If the Union is not satisfied with the recommendations of the committee, those concerns may be addressed to the Labor-Management Steering Group.

CONTRACTING OUT – MANAGED COMPETITION:

The following language shall be added to the contract:

Contracting Out

The City acknowledges that use of private contractors is a significant issue for its unionized employees. The City and the Union agree that providing high quality services to the City at an affordable price is a priority of both the City and the Union. The City and the Union further agree that these goals can be achieved and customer service can be improved through exploring the process of managed competition on significant City contracts. As a result, during the term of the Agreement, the City and the Union will develop a process for managed competition on contracts of \$1 million or more that will do the following:

- Allow the Union to bid on contracts above the threshold and be judged according to the same standards as private bidders;
- Provide that bids will be judged based on comparable cost, including initial cost, lifecycle cost and service levels to be specified in the bid request;
- Develop capacity in both the Union and City managers to develop and evaluate bids through education and training programs.

Issues regarding contracts that do not meet the managed competition threshold may be addressed to the Labor-Management Steering Group. The Managed Competition process will not be subject to the grievance and arbitration procedure, but the Union may pursue any rights it has under the City's bidding process for unsuccessful bids.

GRANT FUNDED POSITIONS

During the term of this contract, the City and the Union agree to initiate a pilot program in the Health Department to promote efficient operations in grant funded projects. This program will be monitored by the Union, the Health Department, the Director of Human Resources, and the Civil Service Commission.

When it is necessary to hire additional employees to perform bargaining unit work under grant funded projects, and it is anticipated that employees will work more than six (6) months but less than three (3) years and be terminated at the end of the grant, the City may hire such employees as limited term non-Civil Service employees. The Director of Human Resources and the Civil Service Commission will decide which positions may be included in the program, and the classification and pay rates of the positions.

Employees in the program will be subject to the following terms and conditions of employment:

Employees will be represented by the appropriate local of District Council 47, including representation through the grievance procedure.

Only disciplinary discharges will be subject to arbitration. No other matter will be processed through the grievance and arbitration process.

If an employee is reinstated after arbitration, any remedy, including back pay, may not exceed the term of the grant.

Employees will receive health medical coverage, life insurance, and pension and leave benefits as provided under the current collective bargaining agreement.

Employees will be subject to dues deduction and/or agency fee provisions of the appropriate local.

Notwithstanding paragraphs A (3)-(7), B and C of the No-Layoff clause of the Collective Bargaining Agreement the City shall have no obligations in connection with lay off of employees employed under this program.

GRANT FUNDED POSITIONS (CONTINUED)

Employees in the program will be permitted to compete for open competitive tests. If an employee is appointed from an open competitive list immediately after having worked in a limited term non-Civil Service grant funded position, the previous employment shall be credited as continuous City service. If the appointment is to an identical position within the Health Department and the previous employment was more than six (6) months, the employee will be considered to have completed the required probation of the position appointed to.

CATASTROPHIC LEAVE BANK:

The catastrophic leave bank shall be permitted to make grants of up to ninety (90) days.

LABOR-MANAGEMENT COOPERATION:

The following language shall be added to the contract:

Labor-Management Cooperation

The City and the Union acknowledge the benefits of working together on solutions to issues of concern to the City, the citizens and the Union. As part of that effort, the City and the Union will participate in the Joint Labor-Management Healthcare Evaluation Committee, the details of which are set forth in the attached Appendix 1 and incorporated into and made part of this Agreement, to explore ways to maintain high quality health benefits while reducing the City's costs.

In addition, the City and the Union recognize that there are a number of other areas in which the City and the Union could both benefit from meaningful labor-management cooperation but that not all of those areas have been identified at this time. The City and the Union recognize their shared interest in raising the quality of life for City employees and improving service to the public. Both goals require improved relationships between the workforce and management. Therefore, the parties agree to form a labor-management partnership to identify the areas that they believe will benefit from meaningful labor-management cooperation. To facilitate these efforts, the Managing Director will convene a meeting of the Labor-Management Steering Group with representatives of the Union in September 2008. The group will develop a process and schedule for assessing and addressing issues of mutual concern. The Labor-Management Steering Group will meet at least monthly throughout the year. These meetings may also include training or facilitation by third parties to enhance the parties' ability to work cooperatively for reform. Additional labor management meetings may be established during the term of this contract with the agreement of the City and the Union. The parties acknowledge and agree that no discussions or proceedings of the Labor-Management Steering Group or any other labor-management meeting will be subject to the grievance and arbitration procedure.

HEALTH AND SAFETY – EMPLOYEE INVOLVEMENT INITIATIVES:

In accordance with Risk Management Directives, departments are responsible for developing a process for involving employees in their safety and health program. This involvement may include, but is not limited to: labor/management safety committees or involvement of employees in safety surveys and inspections, operational process review committees, involvement in environmental monitoring, and other practices.

Where joint labor/management safety committees exist or are created in a department, the committees will comprise relatively equal numbers of representatives from management and employees where operationally feasible. The Union shall choose its representatives for each committee consistent with the operational needs of the department and the structure of the committee approved by Risk Management. The committee's general responsibility will be to provide a safe workplace by recognizing hazards and recommending abatement of hazards and education programs following Risk Management Directives.

Where departments choose other employee involvement mechanisms, and after Risk Management has approved the program, the Union shall choose which members will be asked to participate, consistent with the operational needs of the department and the Safety Program.

Any dispute arising over the implementation and administration of this Employee Involvement Initiatives provision shall be resolved through discussions between Risk Management and District Council 47 exclusively, not through the grievance and arbitration procedure.

WORKPLACE VIOLENCE:

1. In accordance with the terms of the 2004-08 contract between the City and District Council 47, the parties agree that three (3) departments will be identified no later than September 1, 2008 to participate in the pilot program for reporting and assessing workplace violence during the term of this Agreement. The pilot program will operate under the workplace violence policy attached to this Agreement as Appendix 2.
2. The City will create a multi-disciplinary team comprised of representatives of the Managing Director's Office, Police Department, Recreation Department, Risk Management and Union that will review the last six (6) months of shooting incidents and will promptly review all incidents of violence involving Recreation Department facilities or personnel and make recommendations on how to respond to the incident and prevent future incidents.
3. The City will provide the Union with a one-time payment of seventy-five thousand dollars (\$75,000) to be used for workplace violence programs, including expansion of the existing Employee Assistance Program and critical incident debriefings.

APPEALS OF ELIGIBILITY:

A one (1) year pilot program will be implemented allowing test candidates involved in an eligibility dispute to test during the dispute.

Under the pilot program, applicants must submit a written appeal contesting the eligibility determination. The appeal must contain the basis for the appeal and any required documentation (e.g., a college transcript) and must be received by the Office of Human Resources no later than five (5) working days before the first scheduled test date. In no case will an eligibility appeal be accepted or considered after the first scheduled test date. In addition, all disputes must be resolved within thirty (30) days of the date of denial of eligibility. If the dispute is not resolved by this date, the original eligibility determination will be upheld.

The Office of Human Resources will make its best efforts to review such appeals prior to the test date. If a determination is not made prior to the test date, applicants will be permitted to participate in the test, but the applicant's test will not be graded until the eligibility dispute is resolved.

If the eligibility dispute is resolved in favor of the applicant, the test papers will be graded and the applicant's name will be placed on the eligible list in rank order. No certifications or appointments made while the applicant's eligibility is being determined will be rescinded.

If the initial determination that the applicant does not qualify to compete in the examination is upheld, the applicant's test papers will not be scored. The test papers will be destroyed and no information of any type regarding the applicant's performance in the test will be released.

The determination of the Director shall be final. There are no further appeals of eligibility determination.

No aspect of this pilot program shall be subject to the grievance and arbitration procedure contained in the Collective Bargaining Agreement.

COMPETENCY BASED TESTING

A six (6) month pilot program shall be implemented for the examination process for the Written Achievement Record Examination.

The Office of Human Resources shall administer the exam in a manner that will ensure that the candidate's identity remains confidential and that the raters are selected appropriately.

The candidate's exam answers will be typed to insure the confidentiality of the candidate's identity.

At the end of the six month pilot program, the Office of Human Resources will review the program to ensure that this method of testing is administratively feasible.

If the Director of Human Resources deems this testing method is appropriate, the Office of Human Resources will make this testing method permanent through the Civil Service Regulations. The determination of the Director of Human Resources shall be final.

No aspect of this pilot program shall be subject to the grievance and arbitration procedure contained in the Collective Bargaining Agreement.

REDESIGNING GOVERNMENT INITIATIVE (RGI):

The RGI initiative, including the provisions regarding layoffs in paragraph 6 of this section of the 1996 Agreement, will continue in its current form as set forth in the 1996 Memorandum of Agreement, as extended by subsequent agreements, for the term of this Agreement.

LEAVE BALANCES:

At least once every quarter, the City will provide employees with a statement showing their available leave balances. This report shall be for informational purposes only.

CREDENTIAL-BASED PAY:

The City shall provide a one-time payment of fifty thousand dollars (\$50,000) to the Union to develop a program for members in credential-based pay positions to assist them in achieving certifications under the program.

LOCAL 2186:

Suspensions of one (1) day or more imposed after the date of ratification of the Agreement shall be subject to the existing grievance and arbitration procedure.

CONTINUITY OF BENEFITS:

Except as modified by this Memorandum of Agreement, all terms and conditions of the collective bargaining agreement between the City and District Council 47, Local 2187, covering the period July 1, 2004 through June 30, 2008 which do not contain specific expiration dates shall remain in full force and effect for the term of this agreement, July 1, 2008 through June 30, 2009.

City of Philadelphia
Joint Labor-Management Healthcare Evaluation Committee

I. Introduction and Establishment

AFSCME District Council 47 (“DC47”) agrees to participate in the Joint Labor-Management Healthcare Evaluation Committee (“Committee”).

II. Guiding Principles

The Committee’s work will be guided by the following key principles:

- Maximizing the quality and competitiveness of health benefits for City employees at an affordable price is a shared responsibility of the City and DC47.
- All health benefits and programs will be administered according to industry best practices.
- Decisions about changes in health benefits and programs must consider the short-term and long-term impact on the quality and availability of employee healthcare benefits, the financial health of the DC47 Health & Welfare Fund (“Fund”) and the financial health of the City.
- The Committee will take a “wide-open” approach to ways to ensure the quality and competitiveness of the healthcare benefits offered efficiently and cost effectively.
- The Committee will be innovative in its thinking and comprehensive in the scope of its considerations.

III. Membership

DC47 and the City shall each appoint one (1) representative to the Committee.¹ The Committee’s representatives may delegate their powers to a substitute representative in the event of their absence from a meeting. Substitute representatives will participate fully and vote in the stead of the absent representative.

¹ In the event that more than one labor organization participates on the Committee, each labor organization and the City shall have an equal number of representatives on the Committee.

In addition to voting member(s), the City and DC47 may bring one or more advisors, including experts or attorneys, at the party's own expense to advise the party's representative.

IV. Powers

In implementing the Committee, the City and DC47 will retain all rights provided by law, regulation, and their respective collective bargaining agreements or arbitration awards. Further, the Committee will not have the power to alter or amend the existing collective bargaining agreement between the City and DC47. The Committee will have the power to request and receive from the City and Fund any relevant information regarding the provision of health care and health care benefits including: the terms and conditions of benefits, other documents regarding benefit design and benefit offerings, vendor agreements, utilization information, demographics, plan finances, any administrative costs, and accounting statements, valuations. The City and DC47 agree that they each shall promptly provide all information requested by the Committee, except to the extent that such a disclosure would violate the Privacy Rule of the Health Insurance Portability and Accountability Act, set forth in 45 CFR Parts 160 and 164.

In furtherance of its power to issue non-binding findings and recommendations, the Committee will have the power to expend funds as are necessary in the advancement of its purpose. The Committee's costs, including the costs associated with retaining mutually-agreed upon professionals and advisors, will be born by the City.

In furtherance of its power to issue non-binding findings and recommendations, the Committee will have the power to engage independent professionals such as actuaries, accountants, and consultants to assist the Committee in its review of the City and Fund benefit programs and in considering and crafting its recommendations. In addition, each party shall have right to bring its respective counsel to the meetings of the Committee at its own expense.

V. Confidentiality

It is recognized that in order to have the frank and open discussions that are essential to accomplish the purposes of this Committee, the absolute confidentiality of all aspects of the Committee's activities is the essence of this Agreement. More specifically, any and all activities, discussions and deliberations of the Committee, including but not limited to any documents, meeting minutes, drafts, reports and recommendations created by or exchanged within the Committee, shall be strictly confidential and may not be publicly revealed voluntarily for any purpose by any member, party or representative of the party, nor offered for any purpose into the record in any interest arbitration proceeding, without the consent of all the Committee's members. It is understood that members of the Committee will share information on the Committee's discussions, deliberations, analyses and recommendations with their respective parties, with the specific expectation that reasonable efforts will be taken by all parties to maintain the confidentiality of that information. The City and each of the Unions participating in the Committee agree that they will not subpoena any member of

the Committee, any representative or employee thereof or any consultant or advisor hired by the Committee for the purpose of revealing any activity of the Committee that would otherwise be subject to this confidentiality provision. If any member of the Committee or party is subject to subpoena or other legal process initiated by any third party requiring that member or party to testify or produce documents related to the activities of the Committee, the member shall promptly notify the other members of the Committee.

VI. Operation

Upon appointment of the Committee's membership, the Committee will meet regularly on at least a bi-weekly basis to conduct its business. The Committee will use all reasonable efforts to produce its findings and recommendations no later than November 1, 2008.

The Committee will appoint a secretary, who need not be a member of the Committee, who will be charged with keeping minutes of the Committee's meetings, circulating the minutes to the membership and scheduling Committee meetings.

The City will appoint a co-chairperson and the Unions collectively will appoint a co-chairperson for the Committee. The co-chairs shall alternate leading the meetings of the Committee.

The Committee will vote on any formal exercise of its powers. The formal exercise of powers is defined as the expenditure of funds, the engagement of professional services, the request for documents and information, and the making of finding and recommendations as described in Section IV. Voting requires that a majority of members be present and that a majority of the members present vote in favor of the action.

VII. Objectives

The objective of the Committee is to fully review how the City and Fund are currently providing healthcare benefits to City employees, and to make recommendations on how to maximize the quality and competitiveness of the healthcare benefits offered to City employees at an affordable cost.

Appendix 2

CITY OF PHILADELPHIA

WORKPLACE VIOLENCE POLICY

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I. Purpose

This document establishes the City of Philadelphia's Workplace Violence Policy, which describes and prohibits workplace violence, threats of violence, intimidation and harassment. This policy establishes procedures and protocol to reduce the potential for violence. This policy also identifies security contacts and reporting procedures for employees to report violence, threats of violence, harassment, and intimidation that occur in the workplace.

II. Policy

A. Statement of Commitment

The City of Philadelphia is committed to providing a safe workplace free from violence and threats of violence. The workplace includes any place where City business is conducted, including City buildings and property, City vehicles, private vehicles while used on City business, other assigned work locations and off-site training.

The City will not tolerate violent behavior or threats in the workplace. Any violent behavior related to the employee's work or work relationships, on or off City property or City workplaces, is prohibited. Violations of this policy will be investigated, and if substantiated, the City will take disciplinary action in accordance with established procedures.

B. Violent Behavior

Employees should not be subjected to physical, written, or verbal conduct that is violent in nature related to the employee's work or work relationships. In addition, no employee is permitted to engage in violence or threaten violence to another employee, supervisor, manager, union representative, customer, resident or any other person.

Violent behavior includes physical violence and/or threats of physical violence that would lead a reasonable person to fear for his/her safety. Violence may be either verbal, written, or physical.

Behavior prohibited by this policy includes, but is not limited to:

1. **Verbal/ Written Violence** is displayed by verbal/written abuse or harassment involving unwanted language or gestures that threatens harm to someone.
2. **Physical Violence** is unwelcome contact between two parties. This also includes sexual assaults and property damage as well as the following:

- a. Destructive or sabotaging actions against City property or employee property
- b. Possession of imitation weapons on City property or City workplace

C. Reporting

Every employee has the responsibility to immediately report to his or her supervisor or department safety representative any violations of this policy. This includes employees who are aware of violence or threats of violence that may create a risk of harm to the employee or others in the workplace by a City employee, or any other person, whether occurring in or away from the workplace. All reports will be promptly and thoroughly investigated. The City will not tolerate any type of retaliation against an employee who reports workplace violence or the threat of violence. All reports or threats of workplace violence shall be documented using the Workplace Violence Incident Report Form. The report should include a summary of actions taken, and/or status of investigations or incidents and be forwarded to the department's Safety Office.

III. Retaliation

The City will not tolerate any type of retaliation against an employee who reports workplace violence or the threat of violence.

IV. Restraining Orders

If an employee has a restraining order against another employee, customer or any other person or that involves a City workplace, the employee must report it to his/her supervisor. Copies of restraining orders with proof of service should be retained on site to assist Police in the event a violation occurs.

V. Departmental Responsibilities

A. Workplace Safety

Every department, in consultation with Risk Management, will assess the potential for violence and take reasonable measures to maintain workplace safety. The Safety Officer and the departmental designee will monitor the workplace and immediately assess any violent or threatening behavior of which they become aware within their immediate supervision, even if the person or persons engaged in the conduct are not their subordinates, or they have not received a complaint.

B. Training

City of Philadelphia will provide mandatory training on this policy and preventing violence in the workplace. Departments are responsible for providing their staff

with information about the prevention of workplace violence and violence-management techniques on a periodic basis.

C. Departmental Response to Violence

When a violent action or threat is brought to the attention of a supervisor, manager or departmental safety representative, an evaluation of the severity of the situation must be made immediately. If evacuation is necessary, proceed in accordance with the building's emergency evacuation plan.

1. Contact 9-1-1 if there is a likelihood of immediate violence.
 - From a City phone 9-911 or from an outside line 911, or as may be determined by your department.
2. Supervisors and managers will determine if further action is needed and take appropriate action.

VI. Definitions:

- A. Employee: any individual receiving monies from the City treasury for work performed for the City of Philadelphia who has been appointed to a Civil Service or to a Civil Service exempt position within the City government.
- B. Harassment: behavior that is not welcome, that is offensive and/or interferes with work effectiveness.
- C. Imitation weapon: any object that is designed to look like or simulate a real weapon.
- D. Intimidation: inspiring fear in a person or inhibiting speech or action of a person by a show, promise or threat of force.
- E. Restraining order: a court order that prohibits specific behavior; a preliminary legal order issued to keep a situation unchanged pending decision upon an application for an injunction.
- F. Retaliation: any behavior that is intended to punish or discriminate against another person for reporting an incident or threat; revenge.
- G. Threat: an expression of intent to inflict pain or injury on a person or damage to an object. Threats may be explicit (such as, "I'll get even with you later" or "I'll kill you if you report me") or implied (such as "bad things are going to happen to him" or "that propane tank on the back of his truck could sure blow up easily"). Threats also include stalking. Conflicts and disagreements are expected to occur in the workplace and do not by themselves represent a threat of violence.

- H. Weapon: an instrument, article or substance which, under the circumstances in which it is used, or threatened to be used, is capable of causing physical injury or death; any physical object which meets the criteria.
- I. Workplace: any place City business is conducted, including City buildings and property, City vehicles, private vehicles while used on City business, other assigned work locations and off-site training.