

LETTER OF UNDERSTANDING #27

RE: RURAL CAPACITY INVESTMENT FUND (“THE FUND”)

In addition to the provisions outlined in this Collective Agreement, effective the date of ratification, the parties agree to implement a Rural Capacity Investment Fund. The fund will allocate \$7.5 million/fiscal year as follows:

- \$5 million for recruitment and retention incentives, as agreed by the parties; and
- \$2.5 million for relocation assistance, as agreed by the parties.

The Fund will be used to support initiatives aimed at addressing recruitment and retention challenges experienced by sites/programs/positions deemed by the parties to be “difficult to recruit to” in the North, Central, and South Zones of signatory Employers to this Collective Agreement. “Difficult to recruit to” may be determined by indicators such as:

- high vacancy rates;
- vacancies that remain unfilled for longer than 90 days;
- high turnover; or
- mutual agreement of the parties.

All initiatives approved under the Fund will focus on producing a stable workforce and sustaining that stability over the longer term. Funded initiatives may target new Employees, may focus on site/program-specific concerns, or may address broader recruitment and retention challenges for the Employers. The parties agree that payment of recruitment and retention incentives or reimbursement for relocation expenses under this Fund will be conditional upon completion of a return-for-service agreement as agreed by the parties.

The parties agree that the recruitment and retention initiatives may vary, depending on the identified needs. Employer and Union representatives will work at the Local or Zone/Program level, as appropriate, to reach agreement on recommended initiatives; discussions at the Local level shall utilize the Workforce Enhancement Task Force as described in Letter of Understanding #7 of this Collective Agreement.

The parties will endeavor to use the entire Fund within each fiscal year. The parties will review the Fund and the effectiveness of initiatives quarterly through the Joint Committee, and agree to share any necessary information to assist in evaluating the effectiveness of the Fund in addressing rural and remote capacity issues.

Operation of the Fund

A Rural Capacity Investment Fund Committee (“the Committee”) shall be established within 30 days of ratification.

The Committee shall be comprised of 5 Employer and 5 Union representatives and a neutral Facilitator appointed by the Committee. The parties may mutually agree to add additional representatives as necessary. At least one of the Employer representatives and at least one of the Union representatives shall be from Covenant Health.

The primary function of the Committee is to ensure appropriate and full use of the funds to address rural and remote recruitment and retention challenges and will include:

- Annual allocation of funds to participating Employers with operations in the North, Central and South Zones, based on identified criteria from the previous fiscal year or workforce forecasting.
- Determining the portion of funds to hold in reserve to ensure the Fund can respond to recruitment and retention challenges that arise throughout the year; such portion must not be more than 25%.
- Reviewing, considering, and approving proposed agreed upon initiatives from participating Employers with operations in the North, Central and South Zones.
- Deciding between competing proposed initiatives or devising an appropriate solution when the parties have not been able to agree on a particular initiative.
- Assessing allocations, funding status and initiatives quarterly in an effort to ensure the Fund is addressing recruitment and retention challenges as intended. This includes adjustments to the allocations and reconsideration of initiatives previously denied and/or new initiatives submitted for consideration.

The Committee shall use a consensus-based decision making model.

The role of the Facilitator is to:

- educate the committee on the consensus based decision making model;
- assist the committee in setting norms; and
- chair meetings and lead consensus-building sessions, and
- render binding decisions when the committee cannot reach consensus.

The Facilitator's fees shall be paid from the Fund.

Administration of the Fund shall be in compliance with AHS Finance and Audit requirements.

Development and Submission of Initiatives:

Prior to the beginning of each fiscal year, Employer and Union representatives will work at the Local or Zone/Program level, as appropriate, to reach agreement on recommended initiatives.

All agreed to initiatives will be submitted to the Committee for consideration.

In circumstances where the parties cannot reach agreement regarding the initiative, the competing proposals shall be submitted to the Committee for consideration.

This Letter of Understanding shall expire on March 30, 2024.