

State of Alaska FY2007 Governor's Operating Budget

Department of Administration Labor Relations Component Budget Summary

Component: Labor Relations

Contribution to Department's Mission

To achieve the purposes of the Public Employment Relations Act by acting as the executive branch representative in contract negotiations and contract administration matters.

Core Services

CONTRACT NEGOTIATION – Labor Relations staff coordinates negotiations for the state's 11 bargaining unit contracts and subsequent amendments to the contracts. Staff act as chief spokespersons for the state's bargaining teams and handle all associated logistics. The section is responsible for issuing contract interpretive memoranda as needed.

CONTRACT ADMINISTRATION – Labor Relations staff investigates complaints and grievances that reach the Commissioner of Administration level and represents the State's interests in resolution or adjudication of these disputes. The Division is responsible for interpreting and applying labor agreements and insuring consistency of application throughout State government.

TRAINING – Labor Relations staff provides training on all new contracts; facilitate training for human resource staff on employment law and on the arbitration process, and dispute/complaint handling training for state supervisors.

ADVICE AND COUNSEL – Staff provide expert advice and counsel to supervisors, managers and policy makers on employee relations issues.

Customers

Internal: Department executives, managers, supervisors and human resource personnel

External: All other state agencies

End Results	Strategies to Achieve Results
A: Successful negotiations in all collective bargaining unit agreements. Target #1: Voluntary or arbitrated labor contracts prior to contract expiration. Measure #1: % of voluntary or arbitrated labor contracts prior to expiration.	A1: Complete collective bargaining in accordance with Public Employees Relations Act. Target #1: 100% of contracts completed in accordance with Public Employees Relations Act. Measure #1: % of time Public Employment Relations Act requirements are met. A2: Resolve disputes in accordance with State's interests. Target #1: 100% of disputes arising from collective bargaining resolved in accordance with management objectives and relevant external law. Measure #1: % of disputes resolved in management's favor prior to formal adjudication.
End Results	Strategies to Achieve Results
B: Assure effective and orderly operations of	B1: Advance State's interests in unresolved disputes

government through effective contract administration.

Target #1: 100% of resolved dispute resolutions secure State's interests.

Measure #1: % of resolved dispute resolutions that secure State's interest.

at arbitration.

Target #1: 70% of arbitration decisions support State's interests.

Measure #1: % of arbitration decisions that support State's interests.

B2: Advance State's interests in unresolved disputes before Alaska Labor Relations Agency.

Target #1: 90% of Alaska Labor Relations Agency decisions support State's interests.

Measure #1: % of Alaska Labor Relations Agency decisions that support State's interests. (Note: Measures are calculated based on cases actually heard and decided in the subject period.)

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$1,405,300

Personnel:

Full time 11

Part time 0

Total 11

Performance Measure Detail**A: Result - Successful negotiations in all collective bargaining unit agreements.**

Target #1: Voluntary or arbitrated labor contracts prior to contract expiration.

Measure #1: % of voluntary or arbitrated labor contracts prior to expiration.

% of voluntary or arbitrated labor contract prior to expiration.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	91.6%	9.0%	45.5%
FY 2005	72.7%	64.0%	91.0%	91.0%

* Data combined with FY 2004, Quarter 2.

Analysis of results and challenges: 07/01/03-12/31/03: 91.6%, as a result of roll over/status quo contract agreements.

01/01/04-03/31/04: 9.09%, Negotiated a Collective Bargaining Agreement with LTC prior to end of March 2004.

04/01/04-06/30/04: 45.5%, Negotiated 5 of the 11 Collective Bargaining Agreements prior to end of June 2004.

07/01/04-09/30/04: 72.7%, Negotiated 8 of 11 Collective Bargaining Agreements without labor disruption.

10/01/04-12/31/04: 64.0%, Negotiated 7 of the 11 Collective Bargaining Agreements without labor disruption.

01/01/05-03/31/05: 91.0%, Negotiated 10 of the 11 Collective Bargaining Agreements.

04/01/05-06/30/05: 91.0%, Negotiated 10 of the 11 Collective Bargaining Agreements.

A1: Strategy - Complete collective bargaining in accordance with Public Employees Relations Act.

Target #1: 100% of contracts completed in accordance with Public Employees Relations Act.

Measure #1: % of time Public Employment Relations Act requirements are met.

% of time Public Employment Relations Act requirements are met.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	91.6%	9.0%	45.5%
FY 2005	72.7%	64.0%	91.0%	91.0%

* Data combined with FY 2004, Quarter 2.

Analysis of results and challenges: .

07/01/03–12/31/03: 91.6% of requirements have been met.

01/01/04–03/31/04: 9.09% of requirements have been met.

04/01/04–06/30/04: 45.5% of requirements have been met.

07/01/04–09/30/04: 72.7% of requirements have been met.

10/01/04–12/31/04: 64.0% of requirements have been met.

01/01/05–03/31/05: 91.0% of requirements have been met.

04/01/05–06/30/05: 91.0% of requirements have been met.

A2: Strategy - Resolve disputes in accordance with State's interests.

Target #1: 100% of disputes arising from collective bargaining resolved in accordance with management objectives and relevant external law.

Measure #1: % of disputes resolved in management's favor prior to formal adjudication.

% of disputes resolved in management's favor prior to formal adjudication.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	96.0%	96.4%	100.0%
FY 2005	81.3%	90.0%	100.0%	89.0%

* Data combined within, FY 2004, Quarter 2.

B: Result - Assure effective and orderly operations of government through effective contract administration.

Target #1: 100% of resolved dispute resolutions secure State's interests.

Measure #1: % of resolved dispute resolutions that secure State's interest.

% of resolved dispute resolutions that secure State's interest.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	96.0%	96.4%	100.0%
FY 2005	100.0%	100.0%	75.0%	100.0%

* Data combined within FY 2004, Quarter 2.

B1: Strategy - Advance State's interests in unresolved disputes at arbitration.

Target #1: 70% of arbitration decisions support State's interests.

Measure #1: % of arbitration decisions that support State's interests.

% of arbitration decisions that support State's interest.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	62.5%	83.3%	50.0%
FY 2005	60.0%	20.0%	75.0%	84.0%

* Data combined within FY 2004, Quarter 2.

B2: Strategy - Advance State's interests in unresolved disputes before Alaska Labor Relations Agency.

Target #1: 90% of Alaska Labor Relations Agency decisions support State's interests.

Measure #1: % of Alaska Labor Relations Agency decisions that support State's interests. (Note: Measures are calculated based on cases actually heard and decided in the subject period.)

% of Alaska Labor Relations decisions that support State's interests.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	91.6%	100.0%	100.0%
FY 2005	100.0%	50.0%	100.0%	100.0%

* Data combined within FY 2004, Quarter 2.

Key Component Challenges

LABOR CONTRACT NEGOTIATIONS – Achieve the Governor's objective of long term successor agreements that meet his economic and managerial objectives for remaining units.

- Implement and administer successor agreements.
- Complete negotiation of successor Correctional Officers Agreement in time for submission to '06 Legislature for contract to commence July 1, 2006
- Initiate negotiation of successor LTC agreement in time for submission to '06 Legislature for contract to commence on January 1, 2007,

Significant Changes in Results to be Delivered in FY2007

No changes in results delivered are anticipated, however, emphasis will shift to contract administration in this period.

Major Component Accomplishments in 2005

Achieved Governor's objective of negotiating long-term successor agreements with all collective bargaining units.

Statutory and Regulatory Authority

AS 23.40.070-250 Public Employment Relations Act
AS 39.25 et seq. State Personnel Act

Contact Information

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Labor Relations Component Financial Summary

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	694.7	930.3	984.5
72000 Travel	33.3	34.5	34.5
73000 Services	188.4	252.5	365.6
74000 Commodities	35.0	20.7	20.7
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	951.4	1,238.0	1,405.3
Funding Sources:			
1004 General Fund Receipts	848.3	926.4	1,285.8
1061 Capital Improvement Project Receipts	103.1	311.6	119.5
Funding Totals	951.4	1,238.0	1,405.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<u>Unrestricted Revenues</u>				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
<u>Restricted Revenues</u>				
Capital Improvement Project Receipts	51200	103.1	311.6	119.5
Restricted Total		103.1	311.6	119.5
Total Estimated Revenues		103.1	311.6	119.5

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	926.4	0.0	311.6	1,238.0
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	15.3	0.0	2.5	17.8
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	1.6	0.0	0.3	1.9
-FY 07 Retirement Systems Cost Increase	28.2	0.0	4.7	32.9
-Fund Source Change from Capital to GF	200.0	0.0	-200.0	0.0
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	2.3	0.0	0.4	2.7
-Arbitration Cost Increases	112.0	0.0	0.0	112.0
FY2007 Governor	1,285.8	0.0	119.5	1,405.3

**Labor Relations
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	11	11	Annual Salaries	641,247
Part-time	0	0	COLA	17,554
Nonpermanent	1	1	Premium Pay	0
			Annual Benefits	342,064
			Less 1.64% Vacancy Factor	(16,365)
			Lump Sum Premium Pay	0
Totals	12	12	Total Personal Services	984,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk I	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Division Director	0	0	1	0	1
Human Resource Specialist II	0	0	1	0	1
Human Resource Technician I	0	0	1	0	1
Labor Relations Analyst II	0	0	3	0	3
Labor Relations Analyst III	0	0	3	0	3
Labor Relations Analyst IV	0	0	1	0	1
Totals	0	0	12	0	12