

State of Alaska FY2004 Governor's Operating Budget

Department of Administration Labor Relations Component Budget Summary

Component: Labor Relations

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Component 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.

(Mission statement for this component was not provided in CH 124, SLA 2002).

Component Services Provided

CONTRACT NEGOTIATION – Negotiations for the state's 12 bargaining unit contracts and subsequent amendments to the contracts are coordinated by Labor Relations staff. 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 represent the State's interests in resolution or adjudication of these disputes.

TRAINING – Labor Relations staff provide training on all new contracts, facilitate training for agency human resource managers 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.

Component Goals and Strategies

REDUCE STATE LIABILITY BY PROVIDING ON-GOING TRAINING FOR HUMAN RESOURCE MANAGERS, LABOR RELATIONS STAFF AND STATE SUPERVISORS

- Continue joint training of statewide supervisors and Alaska State Employees Association (ASEA) stewards (see accomplishments section);
- Continue quarterly joint training of Labor Relations staff and agency human resource managers.

NEGOTIATE NEW THREE YEAR CONTRACTS AND SECURE LEGISLATIVE APPROVAL OF MONETARY TERMS– All 12 State bargaining unit contracts will expire by June 30, 2003. It is anticipated that one year extensions will be negotiated during FY2003 for most bargaining units.

- Establish policy and technical steering committees
- Determine strategy and timing for negotiations
- Provide training for negotiation teams
- Establish effective communications plan
- Provide timely analysis of proposals to bargaining teams
- Anticipate and prepare information needed by the legislature for approval of monetary terms

Key Component Issues for FY2003 – 2004

LABOR CONTRACT NEGOTIATIONS - Monetary terms for new labor contracts are due by the 60th day of the legislative session. It is unlikely that long-term contracts can be negotiated by the new administration to meet that deadline. This deadline leaves the administration with three options:

- 1) negotiate one year extensions quickly to make the legislative deadline this session and then proceed to negotiations of three year contracts to submit to the 2004 legislature;
- 2) negotiate with the legislature for a later deadline and attempt to negotiate three year contracts by that deadline; or
- 3) allow the contracts to expire and begin negotiations for three year contracts to be submitted to the 2004 legislature.

Factors affecting the decision include: ability to mobilize quickly, impact on the statewide work environment; and level of cooperation from the unions.

Major Component Accomplishments in 2002

SETTLE EMPLOYEE DISPUTES AT THE LOWEST POSSIBLE LEVEL – By the end of FY2003 essentially all state supervisors will have attended the Joint State and AFSCME-ASEA training for supervisors and stewards. The objective of this training has been to improve working relationships with the state's largest bargaining unit; and to establish a labor management environment focused on settling employee disputes at the lowest possible level. Grievance filings are down 30% and grievances going to arbitration are down 75% with this bargaining unit.

LABOR RELATIONS SUPPORT FOR STATEWIDE TELECOMMUNICATIONS PARTNERSHIP WITH ACS – Labor Relations staff successfully worked with Bargaining Unit representatives and state managers to negotiate implementation parameters affecting state employees as the state implemented a first ever public-private enterprise of this kind and magnitude with no resulting grievances.

Statutory and Regulatory Authority

AS 23.40.070-250 Public Employment Relations Act

Labor Relations
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	648.1	943.4	883.4
72000 Travel	48.1	159.3	31.8
73000 Contractual	125.1	228.4	159.9
74000 Supplies	10.8	8.0	8.0
75000 Equipment	30.9	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	863.0	1,339.1	1,083.1
Funding Sources:			
1004 General Fund Receipts	863.0	1,339.1	953.1
1061 Capital Improvement Project Receipts	0.0	0.0	130.0
Funding Totals	863.0	1,339.1	1,083.1

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Proposed Changes in Levels of Service for FY2004

No change in service level.

**Summary of Component Budget Changes
From FY2003 Authorized to FY2004 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	1,339.1	0.0	0.0	1,339.1
Adjustments which will continue current level of service:				
-Eliminate One-time Funding for Labor Contract Negotiations	-336.0	0.0	0.0	-336.0
Proposed budget decreases:				
-Eliminate Labor Relations Analyst Position	-50.0	0.0	0.0	-50.0
Proposed budget increases:				
-Contract Negotiations	0.0	0.0	130.0	130.0
FY2004 Governor	953.1	0.0	130.0	1,083.1

Labor Relations

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	12	11	Annual Salaries	692,506
Part-time	0	0	Premium Pay	0
Nonpermanent	0	3	Annual Benefits	218,618
			<i>Less 3.04% Vacancy Factor</i>	<i>(27,724)</i>
			Lump Sum Premium Pay	0
Totals	12	14	Total Personal Services	883,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	0	2	0	2
Human Resource Specialist I	0	0	1	0	1
Human Resource Technician I	0	0	1	0	1
Labor Relations Analyst I	0	0	1	0	1
Labor Relations Analyst II	1	0	3	0	4
Labor Relations Analyst III	0	0	1	0	1
Labor Relations Analyst IV	0	0	1	0	1
Labor Relations Mgr	0	0	1	0	1
Project Coordinator	0	0	1	0	1
Research Analyst III	0	0	1	0	1
Totals	1	0	13	0	14