

State of Alaska FY2015 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 - Negotiations for the State's 11 bargaining unit contracts and subsequent amendments to the contracts. Staff act as chief spokesmen 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 investigate complaints and grievances that reach the Commissioner of Administration level and represent the State's interests in resolution or adjudication of these disputes. The Division is responsible for interpreting and applying labor agreements and ensuring 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.

Major Component Accomplishments in 2013

- Completed negotiations of successor agreements with Alaska State Employees Association (ASEA), Alaska Public Employees Association (APEA) and Confidential Employees Association (CEA)
- Implemented and administered successor agreements.
- Arbitration Record: In CY 2013 four (4) wins and six (6) losses. Two (2) cases are still pending decision from an arbitrator and four (4) additional cases will be presented prior to December 31, 2013.

Key Component Challenges

Labor Contract Negotiations - Achieve the Governor's objective of long term successor agreements that meet the economic and managerial objectives for remaining units. Initiate negotiation of successor Alaska Vocation Technical Center Teachers' Association (AVTECTA), Inlandboatmen's Union of the Pacific (IBU), Marine Engineers' Beneficial Association (MEBA), Masters, Mates and Pilots (MM&P) and Public Safety Employees Association (PSEA) agreements in time for submission to the 2014 Alaska State Legislature.

Significant Changes in Results to be Delivered in FY2015

Negotiations - The State expects to reach agreement with five bargaining units: Alaska Vocation Technical Center Teachers' Association (AVTECTA), Inlandboatmen's Union of the Pacific (IBU), Marine Engineers' Beneficial Association (MEBA), Masters, Mates and Pilots (MM&P) and Public Safety Employees Association (PSEA) in FY2014, which will be implemented in FY2015. The State will begin negotiations for successor agreements for three bargaining unit contracts [Alaska Correctional Officers Association (ACOA), Teachers' Education Association of Mt. Edgecumbe (TEAME) and Labors, Trades and Crafts, Local 71 (LTC)] during FY2015 with implementation in FY2016.

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

	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,052.0	1,208.2	1,213.8
72000 Travel	69.4	114.9	65.8
73000 Services	320.1	230.5	155.0
74000 Commodities	22.9	118.2	28.0
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	1,464.4	1,671.8	1,462.6
Funding Sources:			
1004 General Fund Receipts	1,368.7	1,552.0	1,342.8
1061 Capital Improvement Project Receipts	95.7	119.8	119.8
Funding Totals	1,464.4	1,671.8	1,462.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Capital Improvement Project Receipts	51200	95.7	119.8	119.8
Restricted Total		95.7	119.8	119.8
Total Estimated Revenues		95.7	119.8	119.8

**Summary of Component Budget Changes
From FY2014 Management Plan to FY2015 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2014 Management Plan	1,552.0	0.0	119.8	0.0	1,671.8
Adjustments which will continue current level of service:					
-Reverse Labor Contract & Negotiation Support Sec10 Ch16 SLA2013 P119 L1 (SB18) Lapses 6/30/2015	-214.8	0.0	0.0	0.0	-214.8
-FY2015 Salary Increases	10.6	0.0	0.0	0.0	10.6
-FY2015 Health Insurance and Working Reserve Rate Reductions	-5.0	0.0	0.0	0.0	-5.0
FY2015 Governor	1,342.8	0.0	119.8	0.0	1,462.6

**Labor Relations
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2014</u> <u>Management</u> <u>Plan</u>	<u>FY2015</u> <u>Governor</u>		
Full-time	9	9	Annual Salaries	805,030
Part-time	0	0	COLA	10,768
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	434,830
			<i>Less 2.94% Vacancy Factor</i>	<i>(36,828)</i>
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	1,213,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Human Resource Technician I	0	0	1	0	1
Labor Relations Analyst 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 Mgr	0	0	1	0	1
Totals	0	0	9	0	9

Component Detail All Funds
Department of Administration

Component: Labor Relations (AR11735) (58)
RDU: Centralized Administrative Services (13)

	FY2013 Actuals	FY2014 Conference Committee	FY2014 Authorized	FY2014 Management Plan	FY2015 Governor	FY2014 Management Plan vs FY2015 Governor	
71000 Personal Services	1,052.0	1,195.4	1,208.2	1,208.2	1,213.8	5.6	0.5%
72000 Travel	69.4	65.8	114.9	114.9	65.8	-49.1	-42.7%
73000 Services	320.1	64.8	230.5	230.5	155.0	-75.5	-32.8%
74000 Commodities	22.9	118.2	118.2	118.2	28.0	-90.2	-76.3%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,464.4	1,444.2	1,671.8	1,671.8	1,462.6	-209.2	-12.5%
Fund Sources:							
1004Gen Fund (UGF)	1,368.7	1,324.4	1,552.0	1,552.0	1,342.8	-209.2	-13.5%
1061CIP Rcpts (Other)	95.7	119.8	119.8	119.8	119.8	0.0	0.0%
Unrestricted General (UGF)	1,368.7	1,324.4	1,552.0	1,552.0	1,342.8	-209.2	-13.5%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	95.7	119.8	119.8	119.8	119.8	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	9	9	9	9	9	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Administration

Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2014 Conference Committee To FY2014 Authorized *****												
FY2014 Conference Committee												
	ConfCom	1,444.2	1,195.4	65.8	64.8	118.2	0.0	0.0	0.0	9	0	0
1004 Gen Fund		1,324.4										
1061 CIP Rcpts		119.8										
Labor Contract and Negotiation Support Sec10 Ch16 SLA2013 P119 L1 (SB18) (FY13-FY15)												
	CarryFwd	214.8	0.0	49.1	165.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		214.8										
This carries forward the unexpended balance of AR 3511 Labor Contract Negotiations and Arbitration Support for three years appropriated in SLA 2013, Ch 16, Sec 10, page 119, line 1 (SB 18), lapse date 6/30/2015.												
Compensation of Non-Covered Employees Ch47 SLA2013 (SB95) (Sec2 Ch14 SLA2013 P43 L10 (HB65) and Sec2 Ch15 P8 L10 (HB66))												
	FisNot	12.8	12.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		12.8										
SB95 relates to the compensation, allowances, geographic differentials in pay, and leave of certain public officials, officers, and employees not covered by collective bargaining agreements, and relates to certain petroleum engineers and petroleum geologists employed by the Department of Administration.												
Subtotal		1,671.8	1,208.2	114.9	230.5	118.2	0.0	0.0	0.0	9	0	0
***** Changes From FY2014 Authorized To FY2014 Management Plan *****												
Subtotal		1,671.8	1,208.2	114.9	230.5	118.2	0.0	0.0	0.0	9	0	0
***** Changes From FY2014 Management Plan To FY2015 Governor *****												
Reverse Labor Contract & Negotiation Support Sec10 Ch16 SLA2013 P119 L1 (SB18) Lapses 6/30/2015												
	OTI	-214.8	0.0	-49.1	-165.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-214.8										
This reverses the carryforward the unexpended balance of AR 3511 Labor Contract Negotiations and Arbitration Support for three years appropriated in SLA 2013, Ch 16, Sec 10, page 119, line 1 (SB 18), lapse date 6/30/2015.												
FY2015 Salary Increases												
	SalAdj	10.6	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		10.6										
Cost of living allowance for certain bargaining units: \$10.6												
Year two cost of living allowance for non-covered employees - 1%: \$2.3												

Change Record Detail - Multiple Scenarios with Descriptions
Department of Administration

Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Year two cost of living allowance for Confidential Employees Association - 1%: \$8.3												
FY2015 Health Insurance and Working Reserve Rate Reductions												
1004 Gen Fund	SalAdj	-5.0	-5.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
FY2015 budget reduction for decrease in the AlaskaCare health insurance premium and working reserve rates: \$-5.0												
Working reserve rate decrease from 3.94% to 3.56%: Leave Cash-In = 2.17%, Terminal Leave = 1.03%, Unemployment Insurance = 0.36% : \$-3.0												
AlaskaCare health benefit decrease from \$1,389 to \$1,371: \$-2.0												
Align Authority for Increased Negotiation and Arbitration Costs												
	LIT	0.0	0.0	0.0	90.2	-90.2	0.0	0.0	0.0	0	0	0
Align authority from commodities to services for increased negotiation and arbitration costs.												
Totals		1,462.6	1,213.8	65.8	155.0	28.0	0.0	0.0	0.0	9	0	0

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2015 Governor (11059)
Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
02-1126	Human Resource Technician I	FT	A	KK	Juneau	205	12B / C	12.0		42,086	567	0	31,188	73,841	73,841
02-2001	Division Director	FT	A	XE	Juneau	N05	27F	6.0	*	62,370	840	0	29,846	93,056	93,056
02-2002	Labor Relations Analyst III	FT	A	KK	Juneau	205	22A	10.0		66,000	889	0	36,701	103,590	103,590
02-2040	Labor Relations Mgr	FT	A	XE	Juneau	N05	24F / J	12.0		108,640	1,463	0	54,116	164,219	164,219
02-2096	Labor Relations Analyst II	FT	A	KK	Juneau	205	20C / D	12.0		74,389	1,002	0	42,375	117,766	117,766
02-2098	Labor Relations Analyst III	FT	A	KK	Juneau	205	22O / P	12.0		117,255	1,507	0	57,001	175,763	175,763
02-2134	Labor Relations Analyst II	FT	A	KK	Juneau	205	20A / B	10.5		62,525	842	0	36,189	99,556	99,556
02-9008	Labor Relations Analyst III	FT	A	KK	Juneau	205	22K	11.5		96,819	1,303	0	49,450	147,572	147,572
02-9013	Labor Relations Analyst II	FT	A	KK	Juneau	205	20C / D	12.0		76,450	1,029	0	43,088	120,567	120,567
04-1018	Administrative Officer I	FT	A	KK	Juneau	205	17C / D	3.0	*	15,622	210	0	9,563	25,395	25,395
18-7331	Labor Relations Analyst I	FT	A	KK	Juneau	205	18L / M	12.0		82,874	1,116	0	45,313	129,303	129,303

	Total Positions	New	Deleted
Full Time Positions:	9	0	0
Part Time Positions:	0	0	0
Non Permanent Positions:	0	0	0
Positions in Component:	9	0	0

Total Component Months: 113.0

Total Salary Costs:	805,030
Total COLA:	10,768
Total Premium Pay:	0
Total Benefits:	434,830
Total Pre-Vacancy:	1,250,628
Minus Vacancy Adjustment of 2.94%:	(36,828)
Total Post-Vacancy:	1,213,800
Plus Lump Sum Premium Pay:	0
Personal Services Line 100:	1,213,800

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	1,250,628	1,213,800	100.00%
Total PCN Funding:	1,250,628	1,213,800	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Administration
Travel

Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

Line Number	Line Name		FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
72000	Travel		69.4	114.9	65.8
Expenditure Account			FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
	Servicing Agency	Explanation			
72000 Travel Detail Totals			69.4	114.9	65.8
72110	Employee Travel (Instate)	Instate Employee Travel	59.5	89.7	40.6
72120	Nonemployee Travel (Instate Travel)	Instate Non-Employee travel	0.0	4.7	4.7
72410	Employee Travel (Out of state)	Out of State employee travel	9.9	20.5	20.5

Line Item Detail
Department of Administration
Services

Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

Line Number	Line Name		FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
73000	Services		320.1	230.5	155.0
Expenditure Account			FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
Expenditure Account	Servicing Agency	Explanation	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
73000 Services Detail Totals			320.1	230.5	155.0
73025	Education Services	Conference fees, professional memberships and employee tuition	2.3	3.0	3.0
73050	Financial Services	Financial Services	35.5	26.0	16.0
73075	Legal & Judicial Svc	Legal and judicial service costs	151.7	66.6	36.0
73150	Information Technlgy	Information technology services costs	0.0	1.5	1.5
73156	Telecommunication	Telecommunication services costs	1.1	0.7	0.7
73225	Delivery Services	Freight, courier and postage fees	0.1	0.7	0.7
73650	Struc/Infstruct/Land	Structure	1.7	0.4	0.4
73675	Equipment/Machinery	Service fees for equipment repair and maintenance	6.1	2.2	2.2
73750	Other Services (Non IA Svcs)		0.5	0.0	0.0
73805	IT-Non-Telecommunication	Enterprise Technology Services	5.3	4.4	4.4
73806	IT-Telecommunication	Enterprise Technology Services	12.5	9.6	9.6
		Enterprise Productivity Rate (EPR) - Computer Services			
		Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs			
		Costs for PBX phone billing			
73809	Mail	Central Mail	3.5	3.0	3.0
73811	Building Leases	State Facilities Rent	13.4	48.3	38.4
73812	Legal	Law	55.9	40.8	35.8
73814	Insurance	Risk Management	0.2	0.4	0.4
73815	Financial	Finance	0.4	0.5	0.5
73816	ADA Compliance	Personnel	0.1	0.2	0.2
		ADA Compliance charges from the Department of Admin, Division of Personnel			
73818	Training (Services-IA Svcs)	Admin	0.1	0.1	0.1

Line Item Detail
Department of Administration
Services

Component: Labor Relations (58)

RDU: Centralized Administrative Services (13)

Expenditure Account	Servicing Agency	Explanation	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
73000 Services Detail Totals			320.1	230.5	155.0
73819	Commission Sales (IA Svcs)	E-Travel US Travel service fees	1.1	0.7	0.7
73979	Mgmt/Consulting (IA Svcs)	Admin Commissioner's Office, Administrative Services and Information Technology (IT) desktop chargeback for services	28.6	21.4	1.4

Line Item Detail
Department of Administration
Commodities

Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

Line Number	Line Name		FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
74000	Commodities		22.9	118.2	28.0
Expenditure Account			FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
		Servicing Agency			
		Explanation			
74000 Commodities Detail Totals			22.9	118.2	28.0
74200	Business	Business related supplies	22.9	118.2	28.0

Restricted Revenue Detail
Department of Administration

Component: Labor Relations (58)
RDU: Centralized Administrative Services (13)

Master Account	Revenue Description				FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
51200	Capital Improvement Project Receipts				95.7	119.8	119.8
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
51200	Cap Improv Proj Rec		2200150	11100	95.7	119.8	119.8
	Authorization for potential reimbursable services agreements from a capital appropriation.						

**Inter-Agency Services
Department of Administration**

Component: Labor Relations (58)

RDU: Centralized Administrative Services (13)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2013 Actuals	FY2014		
					Management Plan	FY2015 Governor	
73805	IT-Non-Telecommunication	Enterprise Productivity Rate (EPR) - Computer Services	Intra-dept	Enterprise Technology Services	5.3	4.4	4.4
				73805 IT-Non-Telecommunication subtotal:	5.3	4.4	4.4
73806	IT-Telecommunication	Costs for PBX phone billing	Inter-dept	Enterprise Technology Services	0.0	0.0	0.0
73806	IT-Telecommunication	Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	Intra-dept	Enterprise Technology Services	12.5	9.6	9.6
				73806 IT-Telecommunication subtotal:	12.5	9.6	9.6
73809	Mail	Costs for central mail room services	Intra-dept	Central Mail	3.5	3.0	3.0
				73809 Mail subtotal:	3.5	3.0	3.0
73811	Building Leases	State Facilities Rent	Intra-dept	State Facilities Rent	13.4	48.3	38.4
				73811 Building Leases subtotal:	13.4	48.3	38.4
73812	Legal	Legal and judicial service costs	Inter-dept	Law	55.9	40.8	35.8
				73812 Legal subtotal:	55.9	40.8	35.8
73814	Insurance	Risk Management chargeback for services	Intra-dept	Risk Management	0.2	0.4	0.4
				73814 Insurance subtotal:	0.2	0.4	0.4
73815	Financial	Division of Finance chargeback for services	Intra-dept	Finance	0.4	0.5	0.5
				73815 Financial subtotal:	0.4	0.5	0.5
73816	ADA Compliance	ADA Compliance charges from the Department of Admin, Division of Personnel	Intra-dept	Personnel	0.1	0.2	0.2
				73816 ADA Compliance subtotal:	0.1	0.2	0.2
73818	Training (Services-IA Svcs)		Intra-dept	Admin	0.1	0.1	0.1
				73818 Training (Services-IA Svcs) subtotal:	0.1	0.1	0.1
73819	Commission Sales (IA Svcs)	US Travel service fees	Intra-dept	E-Travel	1.1	0.7	0.7
				73819 Commission Sales (IA Svcs) subtotal:	1.1	0.7	0.7
73979	Mgmt/Consulting (IA Svcs)	Commissioner's Office, Administrative Services and Information Technology (IT) desktop chargeback for services	Intra-dept	Admin	28.6	21.4	1.4
				73979 Mgmt/Consulting (IA Svcs) subtotal:	28.6	21.4	1.4
				Labor Relations total:	121.1	129.4	94.5
				Grand Total:	121.1	129.4	94.5