

# **State of Alaska FY2020 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 spokesperson 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 2018**

- Completed negotiations of successor agreements with the Alaska Public Employees Association - Supervisory Unit (SU) and Labor, Trades and Crafts (LTC).
- Implemented and administered successor agreements.
- Total grievance filing for FY2018 was 226.
- Completed 193 Letters of Agreement in FY2018.
- Negotiated 92 Letters of Resolution in FY2018.
- Responded to six Pay Increment/Performance Appeals in FY2018.
- Participated in one mediation.
- Arbitration Record: In FY2018, 21 cases were set for arbitration. Fifteen cases were resolved prior to arbitration, four cases were won by the State, and one case was split. We are awaiting decisions on one case. For FY2019 we currently have 11 cases set for arbitration and four that have been resolved.
- Alaska Labor Relations Representation: Six cases are currently pending before the Alaska Labor Relations Agency. The State prevailed in three cases in FY2018.

**Key Component Challenges**

**Labor Contract Negotiations** – Achieve the Administration's objective of long-term successor agreements that meet the economic and managerial objectives for remaining units. Finalize contracts with Marine Engineers Beneficial Association (MEBA), Inlandboatmen's Union (IBU), Masters, Mates and Pilots (MMP), Alaska Correctional Officers Association (ACOA), and Teachers Education Association of Mt. Edgecumbe (TEAME) in time for submission to the 2019 Alaska State Legislature. Initiate negotiation of successor agreements with Alaska State Employees Association - General Government Unit (GGU), Alaska Public Employees Association - Confidential Employee Association (CEA), Alaska Vocational Technical Center Teacher's Unit (AVTECTA) in time for submission to the 2019 Alaska State Legislature.

**Significant Changes in Results to be Delivered in FY2020**

**Negotiations** - The State expects to reach agreement with eight bargaining units for a July 1, 2019, implementation date: Inland Boatmen's Union (IBU), Masters Mates and Pilots (MMP), Marine Engineer's Beneficial Association (MEBA), Teachers Education Association of Mt. Edgecumbe (TEAME), Alaska State Employees Association - General Government Unit (GGU), Alaska Public Employees Association - Confidential Employees Association (CEA),

Alaska Vocational Technical Center Teacher's Unit (AVTECTA), and Alaska Correctional Officers Association (ACOA).

**Statutory and Regulatory Authority**

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

Contact Information
<p><b>Contact:</b> Kate Sheehan, Division Director, Personnel &amp; Labor Relations <b>Phone:</b> (907) 465-4403 <b>E-mail:</b> <a href="mailto:kate.sheehan@alaska.gov">kate.sheehan@alaska.gov</a></p>

Labor Relations Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2019</u> <u>Management</u> <u>Plan</u>	<u>FY2020</u> <u>Governor</u>		
Full-time	7	7	Annual Salaries	737,038
Part-time	0	0	COLA	50,901
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	399,979
			<i>Less 2.91% Vacancy Factor</i>	(34,618)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>7</b>	<b>7</b>	<b>Total Personal Services</b>	<b>1,153,300</b>

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Labor Relations Analyst I	0	0	1	0	1
Labor Relations Analyst II	0	0	4	0	4
Labor Relations Analyst III	0	0	1	0	1
Labor Relations Mgr	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>7</b>

**Component Detail All Funds**  
**Department of Administration**

**Component:** Labor Relations (58)

Non-Formula Component

**RDU:** Centralized Administrative Services (13)

	FY2018 Actuals	FY2019 Conference Committee	FY2019 Authorized	FY2019 Management Plan	FY2020 Governor	FY2019 Management Plan vs FY2020 Governor	
71000 Personal Services	1,028.3	1,072.1	1,187.1	1,175.8	1,153.3	-22.5	-1.9%
72000 Travel	13.7	25.0	25.0	25.0	25.0	0.0	0.0%
73000 Services	154.6	166.4	502.0	513.3	135.6	-377.7	-73.6%
74000 Commodities	6.0	16.8	17.0	17.0	16.8	-0.2	-1.2%
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%
<b>Totals</b>	<b>1,202.6</b>	<b>1,280.3</b>	<b>1,731.1</b>	<b>1,731.1</b>	<b>1,330.7</b>	<b>-400.4</b>	<b>-23.1%</b>
<b>Fund Sources:</b>							
1004 Gen Fund (UGF)	1,202.6	1,280.3	1,731.1	1,731.1	1,330.7	-400.4	-23.1%
<b>Unrestricted General (UGF)</b>	<b>1,202.6</b>	<b>1,280.3</b>	<b>1,731.1</b>	<b>1,731.1</b>	<b>1,330.7</b>	<b>-400.4</b>	<b>-23.1%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
Permanent Full Time	7	7	7	7	7	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	
<b>***** Changes From FY2019 Conference Committee To FY2019 Authorized *****</b>												
<b>FY2019 Conference Committee</b>												
1004 Gen Fund	ConfCom	1,280.3	1,072.1	25.0	166.4	16.8	0.0	0.0	0.0	7	0	0
<b>Labor Contract Negotiations and Arbitration Sec10 Ch19 SLA2018 P27 L1 (SB142) (FY15-FY19)</b>												
1004 Gen Fund	CarryFwd	450.8	115.0	0.0	335.6	0.2	0.0	0.0	0.0	0	0	0
Sec. 10. Department of Administration. Section 10(c), ch. 38, SLA 2015, as amended by sec. 17(a), ch. 2, 4SSLA 2016, and sec. 12, ch. 1, SSSLA 2017, is amended to read:												
(c) The sum of \$792,000 is appropriated from the general fund to the Department of Administration, labor relations, for costs related to labor contract negotiations and arbitration support for the fiscal years ending June 30, 2015, June 30, 2016, June 30, 2017, [AND] June 30, 2018, and June 30, 2019.												
<b>Subtotal</b>		<b>1,731.1</b>	<b>1,187.1</b>	<b>25.0</b>	<b>502.0</b>	<b>17.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7</b>	<b>0</b>	<b>0</b>
<b>***** Changes From FY2019 Authorized To FY2019 Management Plan *****</b>												
<b>Align Authority with Anticipated Expenditures</b>												
	LIT	0.0	-11.3	0.0	11.3	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from personal services to services to align authority with anticipated expenditures. Additional authority is needed for projected service contracts.												
<b>Subtotal</b>		<b>1,731.1</b>	<b>1,175.8</b>	<b>25.0</b>	<b>513.3</b>	<b>17.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7</b>	<b>0</b>	<b>0</b>
<b>***** Changes From FY2019 Management Plan To FY2020 Governor *****</b>												
<b>Reverse Labor Contract Negotiations and Arbitration Sec10 Ch19 SLA2018 P27 L1 (SB142) (FY15-FY19)</b>												
1004 Gen Fund	OTI	-450.8	-115.0	0.0	-335.6	-0.2	0.0	0.0	0.0	0	0	0
Reverse labor contract negotiations and arbitration support funding.												
<b>Align Authority with Anticipated Expenditures</b>												
	LIT	0.0	42.1	0.0	-42.1	0.0	0.0	0.0	0.0	0	0	0
Transfer services authority to pay anticipated personal services expenses. The remaining services authority is sufficient to cover anticipated expenses.												
<b>FY2020 Salary Adjustments - GGU, CEA, TEAME</b>												
1004 Gen Fund	SalAdj	47.8	47.8	0.0	0.0	0.0	0.0	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		
										PFT	PPT	NP
FY2020 Salary Adjustments - GGU, CEA, TEAME: \$47.8												
CEA 40 hour workweek: \$47.8												
<b>Reverse Confidential Unit 15 Hour Furlough</b>												
1004 Gen Fund	SalAdj	2.6	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The Confidential Employees Association contractually required 15 hours of furlough for each permanent full-time employee in each year from July 1, 2016, to June 30, 2019. The furlough requirement was removed from the contract in FY2020.												
<b>Totals</b>		<b>1,330.7</b>	<b>1,153.3</b>	<b>25.0</b>	<b>135.6</b>	<b>16.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7</b>	<b>0</b>	<b>0</b>

**Personal Services Expenditure Detail**  
**Department of Administration**

**Scenario:** FY2020 Governor (15610)  
**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	UGF Amount
02-2001	Division Director	FT	A	XE	Juneau	N05	27K	6.0	*	69,205	0	0	33,129	102,334	102,334
02-2002	Labor Relations Analyst III	FT	A	KK	Juneau	99	22M / N	9.6		91,210	8,175	0	46,413	145,798	145,798
02-2040	Labor Relations Mgr	FT	A	XE	Juneau	N05	24B / C	12.0		99,912	0	0	53,026	152,938	152,938
02-2096	Labor Relations Analyst II	FT	A	KK	Juneau	205	20J	12.0		87,828	7,872	0	49,017	144,717	144,717
02-2108	Human Resource Consultant VI	FT	A	KK	Juneau	99	24N	3.0	*	33,342	2,988	0	16,167	52,497	52,497
02-2134	Labor Relations Analyst II	FT	A	KK	Juneau	205	20F	12.0		85,068	7,624	0	48,068	140,760	140,760
02-9008	Labor Relations Analyst I	FT	A	KK	Juneau	205	18F / J	12.0		76,808	6,884	0	45,229	128,921	128,921
02-9013	Labor Relations Analyst II	FT	A	KK	Juneau	205	20L / M	12.0		96,430	8,643	0	51,973	157,046	157,046
04-1018	Administrative Officer I	FT	A	KK	Juneau	205	17C	3.0	*	15,734	1,410	0	10,115	27,259	27,259
18-7331	Labor Relations Analyst II	FT	A	KK	Juneau	205	20D / E	12.0		81,501	7,305	0	46,842	135,648	135,648

				Total Salary Costs:	737,038
				Total COLA:	50,901
				Total Premium Pay:	0
				Total Benefits:	399,979
				Total Pre-Vacancy:	1,187,918
				Minus Vacancy Adjustment of 2.91%:	(34,618)
				Total Post-Vacancy:	1,153,300
				Plus Lump Sum Premium Pay:	0
				<b>Personal Services Line 100:</b>	<b>1,153,300</b>

  

	Total Positions	New	Deleted
Full Time Positions:	7	0	0
Part Time Positions:	0	0	0
Non Permanent Positions:	0	0	0
<b>Positions in Component:</b>	<b>7</b>	<b>0</b>	<b>0</b>

  

<b>Total Component Months:</b>	93.6
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PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	1,187,918	1,153,300	100.00%
<b>Total PCN Funding:</b>	<b>1,187,918</b>	<b>1,153,300</b>	<b>100.00%</b>

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 (1676)**  
**Department of Administration**  
**Travel**

**Component:** Labor Relations (58)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
2000	Travel		13.7	25.0
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
<b>2000 Travel Detail Totals</b>			<b>13.7</b>	<b>25.0</b>
2000	In-State Employee Travel	Transportation costs for travel relating to administration, training, conventions and meetings, boards and commissions	0.2	25.0
2006	Other Travel Costs	Miscellaneous travel-related expenses	13.5	0.0

**Line Item Detail (1676)**  
**Department of Administration**  
**Services**

**Component:** Labor Relations (58)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2018 Actuals</b>	<b>FY2019 Management Plan</b>
3000	Services		154.6	513.3
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2018 Actuals</b>	<b>FY2019 Management Plan</b>
<b>3000 Services Detail Totals</b>			<b>154.6</b>	<b>513.3</b>
3000	Education Services	Training, educational conferences, agency memberships, and employee tuition	0.0	8.0
3002	Legal and Judicial Services	Hearing/mediation services - for arbitration, negotiations, and settlements	52.0	395.7
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors	1.8	1.6
3008	Utilities	Electricity, heating fuel, water, sewage and disposal services	0.0	0.2
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rental, and leases	0.6	0.5
3010	Equipment/Machinery	Machinery, furniture and office equipment purchase, repairs, maintenance, rentals, and leases	2.9	2.5
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) computer services	5.6	7.7
3018	Inter-Agency Information Technology Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) telecommunications and telephone line services	10.8	7.0
3021	Inter-Agency Mail	Admin - Print Services (2333) Centralized mail services chargeback	0.5	2.5
3022	Inter-Agency Human Resources	Admin - Personnel (56) Human Resources services	3.8	4.6

**Line Item Detail (1676)**  
**Department of Administration**  
**Services**

**Component:** Labor Relations (58)

Object Class		Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
			<b>3000 Services Detail Totals</b>	<b>154.6</b>	<b>513.3</b>
			chargeback		
3023	Inter-Agency Building Leases	Admin - Facilities (2429)	Rent for state-owned facilities and lease payments	46.9	53.0
3026	Inter-Agency Insurance	Admin - Risk Management (71)	Workers compensation and liability claims reimbursement	0.2	0.3
3027	Inter-Agency Financial	Admin - Finance (59)	State payroll and accounting system chargeback	1.5	1.4
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Personnel (56)	Americans with Disabilities Act (ADA) chargeback	0.0	0.1
3038	Inter-Agency Management/Consulting	Admin - Accounting (3134)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.0	8.1
3038	Inter-Agency Management/Consulting	Admin - Administrative Services (46)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	8.8	8.8
3038	Inter-Agency Management/Consulting	Admin - Alaska Division of IT (3141)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.1	4.0
3038	Inter-Agency Management/Consulting	Admin - E-Travel (2966)	State travel office service fee	0.0	0.2
3038	Inter-Agency Management/Consulting	Admin - Office of the Commissioner (45)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.4	6.4
3038	Inter-Agency Management/Consulting	Admin - Purchasing (60)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	0.7	0.7

**Line Item Detail (1676)**  
**Department of Administration**  
**Commodities**

**Component:** Labor Relations (58)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2018 Actuals</b>	<b>FY2019 Management Plan</b>
4000	Commodities		6.0	17.0
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2018 Actuals</b>	<b>FY2019 Management Plan</b>
<b>4000 Commodities Detail Totals</b>			<b>6.0</b>	<b>17.0</b>
4000	Business	General business supplies such as office consumables, furniture, and computer equipment	6.0	17.0

**Revenue Detail (1681)**  
**Department of Administration**

**Component:** Labor Relations (58)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2018 Actuals	FY2019 Management Plan
<b>6004 Gen Fund (1004 Gen Fund)</b>			<b>0.1</b>	<b>0.0</b>
6046 General Fund - Prior Year Reimbursement Recovery			0.1	0.0

**Inter-Agency Services (1682)**  
**Department of Administration**

**Component:** Labor Relations (58)

				FY2018 Actuals	FY2019 Management Plan
<b>Component Totals</b>				<b>97.3</b>	<b>104.8</b>
With Department of Administration				97.3	104.8
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2018 Actuals</b>	<b>FY2019 Management Plan</b>	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) computer services	5.6	7.7	
3018	Inter-Agency Information Technology Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) telecommunications and telephone line services	10.8	7.0	
3021	Inter-Agency Mail	Admin - Print Services (2333) Centralized mail services chargeback	0.5	2.5	
3022	Inter-Agency Human Resources	Admin - Personnel (56) Human Resources services chargeback	3.8	4.6	
3023	Inter-Agency Building Leases	Admin - Facilities (2429) Rent for state-owned facilities and lease payments	46.9	53.0	
3026	Inter-Agency Insurance	Admin - Risk Management (71) Workers compensation and liability claims reimbursement	0.2	0.3	
3027	Inter-Agency Financial	Admin - Finance (59) State payroll and accounting system chargeback	1.5	1.4	
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Personnel (56) Americans with Disabilities Act (ADA) chargeback	0.0	0.1	
3038	Inter-Agency Management/Consulting	Admin - Accounting (3134) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.0	8.1	
3038	Inter-Agency Management/Consulting	Admin - Administrative Services (46) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	8.8	8.8	
3038	Inter-Agency Management/Consulting	Admin - Alaska Division of IT (3141) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.1	4.0	

**Inter-Agency Services (1682)**  
**Department of Administration**

**Component:** Labor Relations (58)

<b>Object Class</b>		<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2018 Actuals</b>	<b>FY2019 Management Plan</b>
3038	Inter-Agency Management/Consulting	Admin - E-Travel (2966)	State travel office service fee	0.0	0.2
3038	Inter-Agency Management/Consulting	Admin - Office of the Commissioner (45)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.4	6.4
3038	Inter-Agency Management/Consulting	Admin - Purchasing (60)	Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	0.7	0.7