

**State of Alaska
FY2016 Governor Amended 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 2014

- Completed negotiations of successor agreements with Public Safety Employees Association (PSEA), Alaska Vocational Technical Center Teacher's Unit (AVTECTA) and the Inland Boatman's Union (IBU).
- Ongoing negotiations include Masters Mates and Pilots (MM&P) and the Marine Engineer's Beneficial Association (MEBA).
- Implemented and administered successor agreements.
- Responded to 118 grievances.
- Completed 307 Letters of Agreement.
- Participated in four mediations.
- Arbitration Record: In CY2014 two wins and six losses. Four cases are still pending decision from an arbitrator and six additional cases will be presented prior to December 31, 2014.
- Interest Arbitration: One interest arbitration case will be presented prior to December 31, 2014.
- Alaska Labor Relations Representation: Represented the State in three Alaska Labor Relations Agency cases; with one dismissal prior to hearing due to no probable cause (win for the State), and two pending.

Key Component Challenges

Labor Contract Negotiations – Achieve the Governor Parnell's objective of long term successor agreements that meet the economic and managerial objectives for remaining units. Finalize contracts with Masters Mates and Pilots (MM&P) and the Marine Engineer's Beneficial Association (MEBA) agreements in time for submission to the 2015 Alaska State Legislature. Initiate negotiation of successor Alaska Correctional Officers Association (ACOA), Labor, Trades, and Crafts (LTC), and Teachers' Education Association of Mt. Edgecumbe (TEAME) agreements in time for submission to the 2015 Alaska State Legislature.

Significant Changes in Results to be Delivered in FY2016

Negotiations - The State expects to reach agreement with three bargaining units: Alaska Correctional Officers Association (ACOA), Labor, Trades, and Crafts (LTC), and Teachers' Education Association of Mt. Edgecumbe (TEAME) in FY2015, which will be implemented in FY2016. The State will begin negotiations for successor agreements for Alaska State Employees Association (ASEA), Alaska Public Employees Association (APEA) and Confidential Employees Association (CEA) during FY2015 with implementation in FY2017.

Statutory and Regulatory Authority

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

Contact Information
<p>Contact: Kate Sheehan, Division Director, Personnel & Labor Relations Phone: (907) 465-4403 Fax: (907) 465-3415 E-mail: kate.sheehan@alaska.gov</p>

**Labor Relations
Component Financial Summary**

All dollars shown in thousands

	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,109.6	1,213.8	1,238.0
72000 Travel	38.4	111.1	45.0
73000 Services	210.2	288.1	104.8
74000 Commodities	14.6	28.0	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	1,372.8	1,641.0	1,415.8
Funding Sources:			
1004 General Fund Receipts	1,366.2	1,521.2	1,296.0
1007 Interagency Receipts	6.6	0.0	0.0
1061 Capital Improvement Project Receipts	0.0	119.8	119.8
Funding Totals	1,372.8	1,641.0	1,415.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Capital Improvement Project Receipts	51200	0.0	119.8	119.8
Interagency Receipts	51015	6.6	0.0	0.0
Restricted Total		6.6	119.8	119.8
Total Estimated Revenues		6.6	119.8	119.8

**Summary of Component Budget Changes
From FY2015 Management Plan to FY2016 Governor Amended**

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>
FY2015 Management Plan	1,521.2	0.0	119.8	0.0	1,641.0
One-time items:					
-Reverse Labor Contract and Negotiation Support Sec10 Ch16 SLA2013 P119 L1 (SB18) (FY13-FY15)	-182.2	0.0	0.0	0.0	-182.2
Adjustments which continue current level of service:					
-FY2016 Salary Increases	27.0	0.0	0.0	0.0	27.0
-FY2016 Health Insurance Rate Reduction	-2.8	0.0	0.0	0.0	-2.8
Proposed budget decreases:					
-Reduce Overall Expenditure Level to Achieve Budget Reduction	-67.2	0.0	0.0	0.0	-67.2
FY2016 Governor Amended	1,296.0	0.0	119.8	0.0	1,415.8

Labor Relations Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2015 Management Plan	FY2016 Governor Amended		
Full-time	9	9	Annual Salaries	816,317
Part-time	0	0	COLA	27,278
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	432,522
			<i>Less 2.99% Vacancy Factor</i>	(38,117)
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	1,238,000

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)

	FY2014 Actuals	FY2015 Conference Committee	FY2015 Authorized	FY2015 Management Plan	FY2016 Governor Amended	FY2015 Management Plan vs FY2016 Governor Amended	
71000 Personal Services	1,109.6	1,213.8	1,213.8	1,213.8	1,238.0	24.2	2.0%
72000 Travel	38.4	65.8	111.1	111.1	45.0	-66.1	-59.5%
73000 Services	210.2	155.0	288.1	288.1	104.8	-183.3	-63.6%
74000 Commodities	14.6	28.0	28.0	28.0	28.0	0.0	0.0%
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	1,372.8	1,462.6	1,641.0	1,641.0	1,415.8	-225.2	-13.7%
Fund Sources:							
1004Gen Fund (UGF)	1,366.2	1,342.8	1,521.2	1,521.2	1,296.0	-225.2	-14.8%
1007I/A Rcpts (Other)	6.6	0.0	0.0	0.0	0.0	0.0	0.0%
1061CIP Rcpts (Other)	0.0	119.8	119.8	119.8	119.8	0.0	0.0%
Unrestricted General (UGF)	1,366.2	1,342.8	1,521.2	1,521.2	1,296.0	-225.2	-14.8%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	6.6	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 FY2015 Conference Committee To FY2015 Authorized *****												
FY2015 Conference Committee												
	ConfCom	1,462.6	1,213.8	65.8	155.0	28.0	0.0	0.0	0.0	9	0	0
1004 Gen Fund		1,342.8										
1061 CIP Rcpts		119.8										
Align Authority for Agency-wide Reduction												
	Unalloc	-3.8	0.0	-3.8	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-3.8										
Allocate agency-wide unallocated reduction among components.												
Labor Contract and Negotiation Support Sec10 Ch16 SLA2013 P119 L1 (SB18) (FY13-FY15)												
	CarryFwd	182.2	0.0	49.1	133.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		182.2										
This carries forward the unexpended balance of AR 3511 Labor Contract Negotiations and Arbitration Support.												
Subtotal		1,641.0	1,213.8	111.1	288.1	28.0	0.0	0.0	0.0	9	0	0
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
Subtotal		1,641.0	1,213.8	111.1	288.1	28.0	0.0	0.0	0.0	9	0	0
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
FY2016 Salary Increases												
	SalAdj	27.0	27.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		27.0										
Cost of living adjustment for certain bargaining units: \$27.0												
Year three cost of living adjustment for non-covered employees - 2.5%: \$5.6												
Year three cost of living adjustment for Confidential Employees Association - 1%: \$21.4												
FY2016 Health Insurance Rate Reduction												
	SalAdj	-2.8	-2.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-2.8										
Select Benefits health insurance rate reduction from \$1,371 to \$1,346: \$-2.8												

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	
Reverse Labor Contract and Negotiation Support Sec10 Ch16 SLA2013 P119 L1 (SB18) (FY13-FY15)												
1004 Gen Fund	OTI	-182.2	0.0	-49.1	-133.1	0.0	0.0	0.0	0.0	0	0	0
This carries forward the unexpended balance of AR 3511 Labor Contract Negotiations and Arbitration Support for three years appropriated in SLA 2013 Sec10 Ch16 SLA2013 P119 L1 (SB18) (FY13-FY15), lapse date 6/30/2015.												
Reduce Overall Expenditure Level to Achieve Budget Reduction												
1004 Gen Fund	Dec	-67.2	0.0	-17.0	-50.2	0.0	0.0	0.0	0.0	0	0	0
Totals		1,415.8	1,238.0	45.0	104.8	28.0	0.0	0.0	0.0	9	0	0

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2016 Governor Amended (12201)
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
02-1126	Human Resource Technician I	FT	1	KK	Juneau	205	12C / D	12.0		43,918	1,478	0	31,501	76,897	76,897
02-2001	Division Director	FT	A	XE	Juneau	N05	27F	6.0	*	63,388	2,133	0	30,016	95,537	95,537
02-2002	Labor Relations Analyst III	FT	1	KK	Juneau	205	22A / B	9.6		66,384	2,234	0	36,007	104,625	104,625
02-2040	Labor Relations Mgr	FT	1	XE	Juneau	N05	24F	12.0		109,056	3,669	0	53,905	166,630	166,630
02-2096	Labor Relations Analyst II	FT	1	KK	Juneau	205	20D / E	12.0		77,869	2,620	0	43,241	123,730	123,730
02-2098	Labor Relations Analyst III	FT	A	KK	Juneau	205	22P	12.0		122,664	3,939	0	58,384	184,987	184,987
02-2134	Labor Relations Analyst II	FT	1	KK	Juneau	205	20B / C	10.0		62,048	2,088	0	35,051	99,187	99,187
02-9008	Labor Relations Analyst III	FT	A	KK	Juneau	205	22L	10.3		90,867	3,057	0	45,424	139,348	139,348
02-9013	Labor Relations Analyst II	FT	1	KK	Juneau	205	20D / E	12.0		79,606	2,678	0	43,842	126,126	126,126
04-1018	Administrative Officer I	FT	A	KK	Juneau	205	17D / E	3.0	*	16,313	549	0	9,719	26,581	26,581
18-7331	Labor Relations Analyst I	FT	A	KK	Juneau	205	18M	12.0		84,204	2,833	0	45,432	132,469	132,469

Total Positions			New	Deleted	Total Salary Costs:	816,317
Full Time Positions:	9	0	0		Total COLA:	27,278
Part Time Positions:	0	0	0		Total Premium Pay::	0
Non Permanent Positions:	0	0	0		Total Benefits:	432,522
Positions in Component:	9	0	0		Total Pre-Vacancy:	1,276,117
					Minus Vacancy Adjustment of 2.99%:	(38,117)
					Total Post-Vacancy:	1,238,000
					Plus Lump Sum Premium Pay:	0
					Personal Services Line 100:	1,238,000

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	1,276,117	1,238,000	100.00%
Total PCN Funding:	1,276,117	1,238,000	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		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000	Travel		38.4	111.1	45.0
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
	Servicing Agency	Explanation			
72000 Travel Detail Totals			38.4	111.1	45.0
72110	Employee Travel (Instate)	Instate Employee Travel	35.3	88.5	34.0
72120	Nonemployee Travel (Instate Travel)	Instate Non-Employee travel	0.0	4.6	5.0
72410	Employee Travel (Out of state)	Out of State employee travel	3.1	18.0	6.0

Line Item Detail
Department of Administration
Services

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

Line Number	Line Name			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000	Services			210.2	288.1	104.8
Expenditure Account				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Expenditure Account	Servicing Agency	Explanation		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals				210.2	288.1	104.8
73025	Education Services	Conference fees, professional memberships and employee tuition		0.7	5.0	0.7
73050	Financial Services	Financial service costs		0.0	35.5	0.0
73075	Legal & Judicial Svc	Legal and judicial service costs		91.2	72.5	20.8
73150	Information Technlgy			0.0	2.0	0.0
73156	Telecommunication	Telecommunication services costs		1.2	1.5	1.2
73225	Delivery Services	Freight, courier and postage fees		0.2	1.0	0.2
73650	Struc/Infstruct/Land	Structure		1.0	1.8	1.0
73675	Equipment/Machinery	Service fees for equipment repair and maintenance		4.5	5.2	4.5
73805	IT-Non-Telecommunication	Enterprise Technology Services	Enterprise Productivity Rate (EPR) - Computer Services	6.0	6.3	6.0
73806	IT-Telecommunication	Enterprise Technology Services	Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	11.9	12.6	11.9
73809	Mail	Central Mail	Costs for central mail room services	3.8	5.0	3.8
73811	Building Leases	State Facilities Rent	State Facilities Rent	0.0	52.3	13.0
73812	Legal	Law	Legal and judicial service costs	60.7	48.4	15.0
73814	Insurance	Risk Management	Risk Management chargeback for services	0.3	5.0	0.2
73815	Financial	Finance	Division of Finance chargeback for services	0.4	5.0	0.4
73816	ADA Compliance	Personnel	ADA Compliance charges from the Department of Admin, Division of Personnel	0.1	0.1	0.1
73818	Training (Services-IA Svcs)	Admin	Training services	0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	E-Travel	US Travel service fees	0.9	0.8	0.9

Line Item Detail
Department of Administration
Services

Component: Labor Relations (58)

RDU: Centralized Administrative Services (13)

Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals			210.2	288.1	104.8
73979	Mgmt/Consulting (IA Svcs)	Admin Commissioner's Office, Administrative Services and Information Technology (IT) desktop chargeback for services	27.3	28.0	25.0

Line Item Detail
Department of Administration
Commodities

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

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000	Commodities		14.6	28.0	28.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
		74000 Commodities Detail Totals	14.6	28.0	28.0
74200	Business	Business related supplies	14.6	28.0	28.0

Restricted Revenue Detail
Department of Administration

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

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51015	Interagency Receipts				6.6	0.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
59250	Dotpf Op, Tpb,& Othr		2029001		6.6	0.0	0.0

Restricted Revenue Detail
Department of Administration

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

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51200	Capital Improvement Project Receipts				0.0	119.8	119.8
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51200	Cap Improv Proj Rec				0.0	119.8	119.8

**Interagency Services
Department of Administration**

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

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended	
73805	IT-Non-Telecommunication	Enterprise Productivity Rate (EPR) - Computer Services	Intra-dept	Enterprise Technology Services	6.0	6.3	6.0
73805 IT-Non-Telecommunication subtotal:				6.0	6.3	6.0	
73806	IT-Telecommunication	Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	Intra-dept	Enterprise Technology Services	11.9	12.6	11.9
73806 IT-Telecommunication subtotal:				11.9	12.6	11.9	
73809	Mail	Costs for central mail room services	Intra-dept	Central Mail	3.8	5.0	3.8
73809 Mail subtotal:				3.8	5.0	3.8	
73811	Building Leases	State Facilities Rent	Intra-dept	State Facilities Rent	0.0	52.3	13.0
73811 Building Leases subtotal:				0.0	52.3	13.0	
73812	Legal	Legal and judicial service costs	Inter-dept	Law	60.7	48.4	15.0
73812 Legal subtotal:				60.7	48.4	15.0	
73814	Insurance	Risk Management chargeback for services	Intra-dept	Risk Management	0.3	5.0	0.2
73814 Insurance subtotal:				0.3	5.0	0.2	
73815	Financial	Division of Finance chargeback for services	Intra-dept	Finance	0.4	5.0	0.4
73815 Financial subtotal:				0.4	5.0	0.4	
73816	ADA Compliance	ADA Compliance charges from the Department of Admin, Division of Personnel	Intra-dept	Personnel	0.1	0.1	0.1
73816 ADA Compliance subtotal:				0.1	0.1	0.1	
73818	Training (Services-IA Svcs)	Training services	Intra-dept	Admin	0.0	0.1	0.1
73818 Training (Services-IA Svcs) subtotal:				0.0	0.1	0.1	
73819	Commission Sales (IA Svcs)	US Travel service fees	Intra-dept	E-Travel	0.9	0.8	0.9
73819 Commission Sales (IA Svcs) subtotal:				0.9	0.8	0.9	
73979	Mgmt/Consulting (IA Svcs)	Commissioner's Office, Administrative Services and Information Technology (IT) desktop chargeback for services	Intra-dept	Admin	27.3	28.0	25.0
73979 Mgmt/Consulting (IA Svcs) subtotal:				27.3	28.0	25.0	
Labor Relations total:				111.4	163.6	76.4	
Grand Total:				111.4	163.6	76.4	