

LETTER OF DISPUTE/GRIEVANCE RESOLUTION

between the

STATE OF ALASKA

and the

ALASKA STATE EMPLOYEES ASSOCIATION

representing the

GENERAL GOVERNMENT UNIT

Bi-weekly Pay

LDR # 20-G-170

It is agreed between the parties that the following constitutes the full and final settlement of all matters involving the implementation date for bi-weekly pay for members of the General Government Unit. No provision of the July 1, 2019 through June 30, 2022 master agreement not referenced herein is modified by this agreement.

1. On June 1, 2020, the State may implement its last best offer for bi-weekly pay for members of the General Government Bargaining Unit. The last best offer by the State is contained in the attached unsigned Letter of Agreement sent to Jake Metcalfe, Executive Director, ASEA, by Kate Sheehan, Director, Division of Personnel, on February 10, 2020.
2. The parties will immediately select an arbitrator from the permanent panel used under Article 16 of the collective bargaining agreement and proceed to interest arbitration on the remaining issue in dispute between the parties. That dispute is as follows:

ASEA alleges that, in implementing a bi-weekly pay cycle on June 1, 2020, the State is violating Article 21.07(a) of the collective bargaining agreement between the parties. Specifically, that employee pay as well as other conditions previously based on a semi-monthly pay cycle have not been properly recalculated to reflect conversion to a bi-weekly pay cycle. The State asserts that it has properly calculated employee pay and all other conditions to reflect conversion from a semi-monthly to a bi-weekly pay cycle and consequently has not violated Article 21.07(a) of the contract.

3. The parties recognize that the results of an interest arbitration are not applicable to anyone other than Class I employees in the General Government Unit. Nevertheless, in this case alone, the parties agree to be bound by the decision of the interest arbitrator with respect to all employees in the General Government Unit.

4. The interest arbitration will be held no later than June 30, 2020 or as soon thereafter as is practical.
5. The State shall not appeal the finding by the Alaska Labor Relations Agency in Case No. 20-1753 ULP.

This agreement is entered into solely to address the unique circumstances of the above referenced dispute and grievance and does not establish practice or precedent between the parties. It is not an admission of any contract violation by either party; it is intended only to resolve this dispute and grievance. The parties agree that this agreement will not be referred to in any other grievance, arbitration, hearing, complaint, or dispute, except as may be necessary for the execution of its terms.

FOR THE STATE OF ALASKA:

FOR ASEA/AFSCME Local 52:

Jared Goecker
for _____
Kate Sheehan, Director
Division of Personnel & Labor Relations
Department of Administration

James Metcalfe

James Metcalfe
Executive Director

May 21, 2020

Date

May 21, 2020

Date

ATTACHMENT

LETTER OF AGREEMENT

between the

STATE OF ALASKA

and the

ALASKA STATE EMPLOYEES ASSOCIATION

representing the

GENERAL GOVERNMENT UNIT

Bi-Weekly Payroll

20-GG-017

It is agreed between the parties that the following terms and conditions of employment apply to members of the General Government Unit. No provision of the July 1, 2019 through June 30, 2022, master agreement not specifically referenced herein is modified by this agreement.

The State intends to change from a semi-monthly pay schedule to a bi-weekly pay schedule for all employees effective June 1, 2020. In implementing a bi-weekly pay schedule, several elements of the current General Government Unit's collective bargaining agreement require modification. The parties agree to revisit issues of leave bank administration on a quarterly basis as requested by either party. During the initial transition to a bi-weekly pay schedule, the parties mutually agree to temporarily waive leave cash in rules in paragraphs 1 and of Article 26.07 for the months of June 2020 and July 2020. The parties additionally agree that **any leave cash-ins taken during this period will not count towards the yearly limit**. Further, by entering into this agreement, the Union expressly reserves its right to seek relief from any error in the State's recalculation of the wage schedule, leave accrual, or other conditions and benefits from a semi-monthly to bi-weekly basis, and the State expressly agrees to continue to discuss the such recalculations accompanying the conversion until August 15, 2020. The Union will have until June 1, 2021 to seek relief regarding the conversion before that right expires.

The specific terms and conditions affected by the change to bi-weekly are revised as follows:

Article 3.04 (Payroll Deductions), first paragraph, last sentence – The Employer shall deduct from a bargaining unit member's wages only that amount of money that the Union has certified in writing is the amount of ~~semi-monthly~~ pay period dues.

Article 11.02 (A)(1)(a) (Probationary Period) – Employees in ranges 5 through 13 who, in the judgment of the Employer, have satisfied the requirements for completion of the probationary period, may, with the written approval of their Division Director, be made permanent on the first day ~~of the pay period~~ following completion of three (3) months of probationary service.

Article 11.02 (A)(2)(a) – Employees at ranges 14 and above who, in the judgment of the Employer, have satisfied the requirements for completion of their probation may, at the discretion of the Employer, be made permanent on the first day ~~of the pay period~~ following six (6) months probationary service.

Article 18.02 (Performance Incentives), second paragraph – A performance incentive of one (1) step in the salary range may be given to an employee who has received an overall performance valuation of “mid-acceptable” or better on the employee’s merit anniversary date. The first day of the pay period following completion of the probationary period shall constitute an employee’s merit anniversary date and when the employee enters the pay range above the minimum rate of pay, the merit anniversary date shall be the first day of the pay period following completion of one (1) year of service in the position.

Article 21.01 (A) (Wages) – new wage table

Article 21.06 (B) (General Pay Administration), second sentence – If appointed above the beginning step of the range, the employee’s merit anniversary date shall be the first day of the pay period following completion of one (1) year of service after rehire.

Article 21.07 (A)(1) (Pay Procedures), first paragraph – ~~As soon as feasible, Payday shall be on a bi-weekly basis with direct deposit on Thursday or Friday. If payday falls on a holiday, then the last working day before such holiday shall be the payday. The parties agree that when a bi-weekly pay schedule is implemented, it will be done through a Letter of Agreement. Leave accrual and other conditions or benefits calculated based on a semi-monthly pay cycle will be recalculated to reflect conversion to a bi-weekly cycle. Until such time, payday shall be the fifteenth (15th) day of the month and the last day of the month. If the payday falls on a Saturday, Sunday or holiday, then the last working day before such Saturday, Sunday or holiday shall be the payday. All checks postmarked or deposited by payday shall be considered timely. The parties agree that when a bi-weekly pay schedule is implemented through a Letter of Agreement, leave accrual and other conditions or benefits calculated based on a semi-monthly pay cycle will be recalculated to reflect conversion to a bi-weekly pay cycle.~~

21.09 (Penny Rounding Differences) – The parties recognize that the State Payroll System rounds payroll calculations to four decimal places. Therefore, calculations using rates in the Collective Bargaining Agreement may result in penny rounding differences. The parties accept that these differences do not require further payroll adjustments that would cause the employee to pay back penny rounding differences or for the Employer to add penny rounding differences to an employee’s pay.

Article 25.01(A)(1)(a) (Annual Leave) – Accrual of annual leave for full-time employees is according to the following schedule:

Years of Service	Hours Per Year	Hours/Pay Period
0-2	112 hours:30 minutes	4.69 (4 hours:19 minutes)
2-5	157 hours:30 minutes	6.56 (6 hours:03 minutes)
5-10	180 hours	7.50 (6 hours:55 minutes)
10+	225 hours	9.38 (8 hours:39 minutes)

Leave Accruals shall occur twenty-six (26) times per year. Active fulltime employees shall receive an adjusting leave accrual with the second pay period of the year starting January 2021. This accrual shall be an amount equal to the difference between an employee’s current yearly accrual rate and the sum of twenty-six (26) times that pay period accrual rate.

Accrual of annual leave for full-time employees regularly assigned to forty (40) hour workweeks pursuant to letters of agreement or other provisions of this agreement establishing such alternate workweeks is according to the following schedule:

Years of Service	Hours per Year	Hours/Pay Period
0-2	120 hours	5 (4 hours:36 minutes)
2-5	168 hours	7 (6 hours:27 minutes)
5-10	192 hours	8 (7 hours:23 minutes)
10+	240 hours	10 (9 hours:13 minutes)

Leave Accruals shall occur twenty-six (26) times per year. Active fulltime employees shall receive an adjusting leave accrual with the second pay period of the year starting January 2021. This accrual shall be an amount equal to the difference between an employee’s current yearly accrual rate and the sum of twenty-six (26) times that pay period accrual rate.

Article 25.01 (A)(1)(b) – Annual leave accruals for partial ~~months~~ pay periods of service will be on a prorated basis.

Article 25.01 (A)(1)(c) – Employees who work less than full-time shall accrue annual leave ~~credit~~ semi-monthly on a prorated basis according to the above schedule and hours in pay status.

Article 25.01 (A)(2) – ~~An employee shall not accrue annual leave until completion of ninety (90) calendar days of full-time service, whereupon the employee shall be credited with accrual as provided in Paragraph 1 above, retroactive to the date of appointment.~~

Article 25.01 (A)(3) – Leave Anniversary Date. Changes in the rate of annual leave accrual shall take effect ~~at the beginning of the pay period immediately on the first day following the pay period in which~~ after the employee completes the prescribed period of full-time service.

Article 25.02 (A) (Sick Leave) – Accrual. Full-time employees in the bargaining unit shall accrue sick leave at the rate of four point ~~sixty-nine (4.69)~~ thirty-three (4.33) hours ~~prorated over the semi-monthly~~ each bi-weekly pay period. Less than full-time employees shall accrue sick leave credit ~~semi-monthly~~ on a prorated basis according to the hours in pay status. There shall be no accrual of sick leave during any ~~semi-monthly~~ pay period during which the employee is absent without approved leave. Employees on approved sick leave shall receive payment at their current salary to the extent that they have sick leave accrued.

Article 26.01 (A) (Personal Leave) – Rate of Accrual. All full-time bargaining unit members holding permanent, probationary, provisional or long-term nonpermanent status employed before July 1, 2013, shall accrue personal leave as follows:

Years of Service	Hours Per Year	Hours/Pay Period
0-2	180 hours	7.5 (6 hours:55 minutes)
2-5	202 hours: 30 minutes	8.44 (7 hours:47 minutes)
5-10	225 hours	9.38 (8 hours:39 minutes)
10+	270 hours	11.25 (10 hours:23 minutes)

Leave Accruals shall occur twenty-six (26) times per year. Active fulltime employees shall receive an adjusting leave accrual with the second pay period of the year starting January 2021. This accrual

shall be an amount equal to the difference between an employee's current yearly accrual rate and the sum of twenty-six (26) times that pay period accrual rate.

Personal leave accruals for partial ~~months~~ pay periods of service will be on a prorated basis. Leave eligible members who work less than full-time shall accrue personal leave on a prorated basis according to the above schedule and hours in pay status. ~~Accrued leave shall be posted on a semi-monthly~~ Personal leave earned during each pay period will be credited on the first (1st) day of the following pay period and shall be available for use when posted except as noted herein. Accrued personal leave shall be available for use when it is posted. In determining years of service for the purpose of computing personal leave, all permanent, probationary, provisional, long-term nonpermanent service with the Territory and State of Alaska is included.

~~Accrued personal leave is available for use by a member following the successful completion of thirty (30) consecutive calendar days of leave eligible employment.~~

All full-time bargaining unit members holding permanent, probationary, provisional or long-term nonpermanent status who are regularly assigned to forty (40) hour workweeks pursuant to a Letter of Agreement establishing such alternate workweeks shall accrue personal leave as follows:

Years of Service	Hours Per Year	Hours/Pay Period
0-2	192 hours	8 <u>(7 hours:23 minutes)</u>
2-5	216 hours	9 <u>(8 hours:18 minutes)</u>
5-10	240 hours	10 <u>(9 hours:13 minutes)</u>
10+	288 hours	12 <u>(11 hours:04 minutes)</u>

Leave Accruals shall occur twenty-six (26) times per year. Active fulltime employees shall receive an adjusting leave accrual with the second pay period of the year starting January 2021. This accrual shall be an amount equal to the difference between an employee's current yearly accrual rate and the sum of twenty-six (26) times that pay period accrual rate.

Article 26.01 (B) Rate of Accrual for Employees Hired on or after July 1, 2013.

All full-time bargaining unit members holding permanent, probationary, provisional or long-term nonpermanent status employed on or after July 1, 2013, shall accrue personal leave as follows:

Years of Service	Hours Per Year	Hours/Pay Period
0-2	157 hours: 30 minutes	6.56 <u>(6 hours:03 minutes)</u>
2-5	180 hours	7.50 <u>(6 hours:55 minutes)</u>
5-10	202 hours: 30 minutes	8.44 <u>(7 hours:47 minutes)</u>
10-15	225 hours	9.38 <u>(8 hours:39 minutes)</u>
15+	270 hours	11.25 <u>(10 hours:23 minutes)</u>

Leave Accruals shall occur twenty-six (26) times per year. Active fulltime employees shall receive an adjusting leave accrual with the second pay period of the year starting January 2021. This accrual shall be an amount equal to the difference between an employee's current yearly accrual rate and the sum of twenty-six (26) times that pay period accrual rate.

Personal leave accruals for partial ~~months~~ pay periods of service will be on a prorated basis. Leave eligible members who work less than full-time shall accrue personal leave on a prorated basis according to the above schedule and hours in pay status. ~~Accrued leave shall be posted on a semi-~~

~~monthly~~ Personal leave earned during each pay period will be credited on the first (1st) day of the following pay period and shall be available for use when posted except as noted herein. Accrued personal leave shall be available for use when it is posted. In determining years of service for the purpose of computing personal leave, all permanent, probationary, provisional, long-term nonpermanent service with the Territory and State of Alaska is included.

~~Accrued personal leave is available for use by a member following the successful completion of thirty (30) consecutive calendar days of leave eligible employment.~~

All full-time bargaining unit members holding permanent, probationary, provisional or long-term nonpermanent status who are regularly assigned to forty (40) hour workweeks pursuant to a Letter of Agreement establishing such alternate workweeks shall accrue personal leave as follows:

Years of Service	Hours Per Year	Hours/Pay Period
0-2	168 hours	7 (6 hours:27 minutes)
2-5	192 hours	8 (7 hours:23 minutes)
5-10	216 hours	9 (8 hours:18 minutes)
10-15	240 hours	10 (9 hours:13 minutes)
15+	288 hours	12 (11 hours:04 minutes)

Leave Accruals shall occur twenty-six (26) times per year. Active fulltime employees shall receive an adjusting leave accrual with the second pay period of the year starting January 2021. This accrual shall be an amount equal to the difference between an employee's current yearly accrual rate and the sum of twenty-six (26) times that pay period accrual rate.

Article 26.01 (C) – Rate of Accrual for Employees Hired on or after July 1, 2013. Personal leave accrued by an employee during each pay period shall be converted semi-monthly to a cash value by multiplying the hours accrued during the pay period in that month by the employee's annualized hourly rate of pay for the pay period. The resulting amount shall be added to the cash value amounts calculated for previous pay periods. The total of all the cash values is the cash value of the employee's personal leave balance.

Article 26.02 (Changes of Accrual Rate) – Changes in the rate of personal leave accrual shall take effect on the first day after ~~at the beginning of the pay period immediately following the pay period in which~~ the employee completes the prescribed period of full-time service.

Article 26.04 (D) (Utilization and Disposal) – If the member fails to use the mandatory leave required in C, in any full leave year, the member shall be entitled to payment for the unused portion. This payment shall be at the member's annualized hourly rate and shall be included in the ~~first (1st)~~ regular payroll following with the last payroll of the leave year. The period of time for which payment is made will be deducted from the member's personal leave balance. It is understood that, should the member fail to schedule the mandatory leave hours, the Employer may direct that the member take the personal leave at any time to satisfy the requirement.

This agreement is effective May 21, 2020. It is entered into solely to address the specific circumstances of this particular situation. It does not establish any practice or precedent between

the parties. This agreement shall not be referred to in any other dispute, grievance, arbitration, hearing, or any other forum, except as may be necessary for the execution of its terms.

FOR THE STATE OF ALASKA:

FOR ASEA/AFSCME (Local 52):

Kate Sheehan, Director
Division of Personnel & Labor Relations
Department of Administration

Jake Metcalfe
Executive Director

Date

Date