



ALASKA STATE EMPLOYEES ASSOCIATION

American Federation of State, County & Municipal Employees Local 52

PRESS RELEASE

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The State of Alaska Looks to Outsource Data and IT Services to Lower 48 Without a Feasibility Study or Oversight

ANCHORAGE – On Friday, February 14, ASEA/AFSCME Local 52 filed a class action grievance against the State for its illegal pursuit to outsource Alaska data and Alaska jobs to lower 48 corporations. Commissioner Kelly Tshibaka started a project called AAPEX, paying a top national firm Alvarez & Marsal \$5 million to figure out how to outsource Alaska IT work done by Alaskans. Commissioner Tshibaka's intention is to migrate Alaska's data servers to "cloud" servers outside Alaska. By engaging in this conduct, Tshibaka violated Article 13 of the State of Alaska's (SOA) Collective Bargaining Agreement (CBA) with ASEA/AFSCME Local 52, that she recently agreed to and signed in August of 2019.

Tshibaka's intentions to move Alaska's IT data to the "cloud" are unclear as there is ample evidence that this move could in fact cost the state hundreds of thousands of dollars in contract fees alone, not to mention unknown costs due to interruptions in government services that rely on data that would be stored on the 'cloud.' The CBA requirement for a feasibility study exists to prevent this kind of uncertainty about state services. Commissioner Tshibaka knows a feasibility study is required because the State and Governor Dunleavy are being sued by ASEA/AFSCME Local 52 for outsourcing state services and work at the Alaska Psychiatric Institute to Wellpath, a Tennessee Corporation, without doing a feasibility study.

Not only is the feasibility study a contract requirement, it's the smart business move for many reasons. First, Alaska needs the best IT services possible for many reasons, with public safety being a top priority. Currently, Alaska data and IT services are managed by excellent Alaska public employees, with quick local response times. Alaskans need to know that outsourcing this work means better and cheaper services. Alaska can't afford to transfer Alaska data, data that is currently stored in Alaska and that the public relies on, away from Alaska servers unless we know we will have the same or better services. Alaskans also need to know that moving the work of Alaska state and local government employees to strangers at corporations outside Alaska makes economic sense by saving Alaskans money.

The SOA/ASEA CBA assures smart decisions are made before outsourcing work and services. Under our CBA, if a feasibility study determines outsourcing Alaska data and Alaska jobs improves state services and save money, then the State has the right to outsource. However, if a feasibility study determines huge costs or worse data services, then it will be determined that Alaska should not outsource this work.



We know ASEA members already perform excellent data work. Last December, there was a daylong internet outage for multiple departments in Anchorage. All data hosted locally by Alaska IT employees remained accessible, while all cloud-based data was inaccessible causing certain department employees working on criminal justice, for example, to ground to a halt. For these reasons, we are confident a feasibility study will determine it makes no sense to outsource state data services.

Executive Director for ASEA/AFSCME Local 52, Jake Metcalfe made the following comment:

“This administration continues to blow past our contract or any other rule of law they find inconvenient to their personal agendas. They have made bad decision after bad decision because they refused to recognize basic business agreements they signed or to engage in basic communication. Their conduct is asinine and it is hurting basic state services. ASEA members live in Alaska. They’re proud of their public service and they get the job done every day so Alaska functions well. We will not stand by and let this Administration ignore our contract or the best interests of this state.

Our CBA makes sure smart decisions are made about Alaska’s vital public services, with the expectation that our work will stay in Alaska absent clear proof of cost savings and better services. The Dunleavy Administration must do a feasibility study before it outsources Alaska’s services. I am confident that ASEA/AFSCME will prevail in this grievance and that the State will be required to cease in its actions, as we have prevailed in nearly every other instance since correcting problems caused by this Administration. I only hope that we can move through the grievance process quickly to avoid unnecessary damage that may be caused by these rash decisions by the State.”

ASEA/AFSCME Local 52 is the largest union of state and municipal public service workers in Alaska with more than 8,000 hardworking public employees. The Alaska State Employees Association (ASEA) is an affiliate of the American Federation of State, County, and Municipal Employees (AFSCME) which represent approximately 1.6 million public employees in the United States. ASEA members safeguard our water, manage our natural resources, clear our roads, inspect our bridges, and plan for the transportation of tomorrow. They protect consumers and promote a healthy economy. They shelter our children and connect Alaska families to vital services. ASEA members perform clerical and administrative functions that effective government requires. Our members fight fires and protect property. They take emergency calls and dispatch public safety officers for people in need. ASEA members care for people from all walks of life to ensure they have the services they need to live with dignity and respect. They work everywhere Alaska needs them, providing critical public services Alaskans depend on.

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