

# MEMORANDUM

**State of Alaska**  
**Department of Administration**  
**Division of Personnel & Labor Relations**

**To:** Nicki Neal  
Director

**Date:** November 14, 2007

**Thru:** Pam Day  
Human Resource Manager

**Phone:** 465-8482

**From:**   
Keith Murry  
Human Resource Specialist

**Phone:** 465-4074

**Subject:** Unclaimed Property Study

**Preamble:**

The Department of Revenue, Tax Division, requested a classification study of the Unclaimed Property Specialist to ensure appropriate compensation for the changes in the duties and responsibilities and examine creating a two-level class series.

**Study Scope:**

The initial study request covered the single position in the Unclaimed Property Specialist job class. The scope was then expanded to include the three positions supervised by the Unclaimed Property Specialist to examine the possibility of establishing a class series specific to the program. The subordinate positions include two Accounting Clerks II and one Accounting Technician II. The Program Coordinator that supervises the Unclaimed Property Specialist was excluded from this review.

**Study Method:**

Following the study planning meeting, the Tax Division gave classifiers a presentation on the work of the program. Updated position descriptions were submitted and desk audits held with all incumbents. The information gathered was examined, appropriate class groupings determined, and class characteristics drafted. The results and potential impact on the organization and employees was reviewed with division management, then class specifications were drafted. After review by the division the draft specifications were refined and initial allocations determined. Following review of position allocations and resolution of controversial positions, the salary ranges of the job classes were analyzed and final recommendations determined.

**History of Job Class:**

Unclaimed Property Specialist (P1271/16) was established on November 16, 1989, as a single-position supervisory job class responsible for administering the State's Uniform Unclaimed Property Act. The job class was abolished on September 15, 2006, due to the only position in the class having been reclassified to Project Coordinator (P4677/18) on November 1, 2000. Unclaimed Property Specialist was re-established on February 1, 2007, and assigned salary range

18 based on the range change given the Revenue and Audit job family on September 16, 2006, under the Market-Based Pay Policy.

**Class Analysis:**

The Uniform Unclaimed Property Act requires holders of intangible property owned by others to report when the property is presumed abandoned and consign it to the State's custody. Intangible property is money in its various forms such as checking and savings accounts, un-cashed checks, utility deposits, royalties, dividends, refunds, stocks, bonds, as well as safe deposit box contents.

The employees in the Unclaimed Property Program receive abandoned property from property holders, publish notices on property in the State's custody, and process claims from owners to retrieve their property. The unit currently consists of four positions: one employee responsible for receiving reports and property from holders and entering information into the appropriate records; two employees who process property claims from owners; and one employee who manages the unit and works on high-level projects such as court cases and review of pending legislation. The work of auditing property holders and locating property owners is currently done by contractors and fee finders. (Fee finders are individuals or businesses that locate owners and act as the owners' agent in submitting claims in return for a percentage of the property recovered.)

The state's classification plan provides for grouping positions into job classes when they are sufficiently similar with respect to duties and responsibilities, degree of supervision exercised and received, and entrance requirements so that: 1) the same title can be used to clearly identify each position; 2) the same minimum qualifications for initial appointment can be established for all positions; 3) the same rate of basic pay can be fairly applied to all positions; and 4) employees in a particular class are considered an appropriate group for purposes of layoff and recall. Job classes are constructed as broadly as is feasible, so long as the tests of similarity are met.

The question to be answered for the accounting clerk and technician positions was three-part: should the positions remain grouped with the general accounting classes; if not, should they be grouped into another existing class; or should new classes be created for them? To determine the most appropriate step to take I examined the knowledge and skills required to perform the duties assigned the positions. The work with financial documents and control of money transactions was determined to be the primary focus of the positions and the knowledge and skills appropriate to that work considered class controlling. While the decisions made are based on programmatic criteria and guidelines, the nature of the decisions, the guidelines and criteria used, and the actions taken are similar to that which characterizes general accounting positions who authorize the expenditure of funds to grantees or in professional services contracts. The differences in the nature of the accounts and the criteria for disbursement are not sufficient to require different titles, qualifications, or basic rates of pay. Although knowledge of the program-specific criteria can only be acquired in the program, this is true of all program-specific decisions made by general accounting positions. The general classes remain an appropriate pool for layoff and recall.

Due to the beginning of a classification study of all general accounting positions, and the potential for classification actions taken too frequently to compound negative impacts on

incumbents, I determined the most prudent action would be to add the unclaimed property support positions to the accounting study, rather than reallocate them based on this review. Their examination in the accounting study will ensure the positions are given full consideration of the program differences, ensure the validity of grouping with other accounting positions, and will permit a more thorough examination of the comparative levels of difficulty and responsibility when aligning the base pay.

The program manager's responsibility for supervision of subordinates and planning and control of the program activities are characteristics similar to several job classes covering management positions. The knowledge and skills required to successfully perform the duties of the position are primarily focused on business management and operations control and coordination. The knowledge and skills required to perform as subject-matter expert for the unclaimed property program may only be gained through experience in the program. The work could support placement in a general program management job class if such a class existed. However, we do not have a general program management job class or series currently in use. The closest is the Program Coordinator series being developed in another study, but whose proposed characteristic of project management involved with the development, implementation and evaluation of a wide variety of natural resource, education, health, employment, and other related projects or programs administered by state agencies or their representative organizations would exclude the Unclaimed Property position.

In order to provide the program manager class a title that clearly identifies the nature of the work, appropriate minimum qualifications, and to ensure the base pay is properly aligned, a separate class remains appropriate.

In the course of this study a potential problem was identified regarding the work currently performed by contractors and fee finders. A court case in California regarding actions taken by that state's unclaimed property section was appealed to the 9<sup>th</sup> Circuit Court of Appeals. The 9<sup>th</sup> Circuit's findings so far indicate Alaska may need to be more proactive in locating and notifying owners whose property is presumed abandoned. Based on this probability, I examined the work to determine if an appropriate job class was available for grouping any positions created. The "skip-tracing" work of locating owners has duties similar to classes that deal with delinquent loans or missing individuals; however, those classes are either program-specific or do not reflect the level of authority and responsibility that would be assigned positions in unclaimed property. Because no existing classes are appropriate I created a new job class to cover positions responsible for locating and notifying owners and auditing property holders. Since there are currently no positions to be placed in the job class the class specification will not be implemented in this study but will be held for future need.

#### Class Title:

A class title should be the best descriptive title for the work. It is intended to concisely and accurately convey the kind and level of work performed and should be brief, easily recognized, gender neutral, and understood by potential applicants.

To recognize the managerial responsibilities and authority, the Unclaimed Program Specialist title is being changed to Unclaimed Property Manager.

To reflect the program-specific nature of holder auditing and owner locating, the new class is titled Unclaimed Property Agent.

Minimum Qualifications:

The minimum qualifications established for a job class must relate to the knowledge, skills, and abilities needed to perform the work and must not create an artificial barrier to employment of individuals in protected classes. Required training should be limited to the basic formal training that customarily prepares individuals for work in the field. Experience requirements are intended to ensure new employees can successfully perform the work after a period of orientation or familiarization. Required experience should be directly related to the actual duties of positions in the class and should not be equivalent to the work to be performed.

The Unclaimed Property Manager's knowledge, skills, and abilities focus on knowledge of business management principles and practices and the ability to supervise and organize subordinates. The minimum qualifications have been established to provide a pool of candidates with either education or experience in financial documentation and organizational management. These options include a business management-related bachelor's degree; an associate's degree with a business-management focus and finance-related experience; or experience supervising a unit with additional finance-related experience.

The Unclaimed Property Agent's knowledge, skills, and abilities focus on knowledge of financial documentation practices and the ability to examine information, draw conclusions, make decisions, and prepare descriptive reports. To permit a broad pool of viable candidates, the minimum qualifications include both an experience option and an education option. The qualifying experience focuses on finance-related activities and the education focuses on business activities with a finance component.

Class Code:

A Class Code is assigned based on the placement of a job class in the classification schematic of Occupational Groups and Job Families. Occupational Groups are made up of related Job Families and encompass relatively broad occupations, professions, or activities. Job Families are groups of job classes and class series that are related as to the nature of the work performed and typically have similar initial preparation for employment and career progression.

The Unclaimed Property Manager has been in the Revenue and Audit job family in the Business Development and Regulation group. This family includes classes that administer, supervise, or perform work related to tax and revenue assessment, auditing, and collection. While the unclaimed property program is not a tax program, there is sufficient similarity in the nature of the work, the interactions with businesses and organizations, and the types of decisions made to support the class remaining in the job family. The class shall retain code PC0570.

The Unclaimed Property Agent has greater similarity with the program specific nature of classes in the Revenue and Audit job family than with the general financial nature of classes in the Accounting and Fiscal job family. Placement with the Unclaimed Property Manager in the

Revenue and Audit family is the most appropriate for personnel administration. The class is assigned code PC0569.

AKPAY Code:

The Unclaimed Property Manager job class will retain AKPAY Code P1271. Unclaimed Property Agent is assigned AKPAY Code K0052.

Fair Labor Standards Act

Positions in classes in this study are covered by the minimum wage and maximum hour provisions of the Fair Labor Standards Act of 1938, as Amended (FLSA). While exemption from the Act is determined based on the specific circumstances of an employee on a work-week basis, there are general aspects of the classes and their influence on the exemptions for employees in bona fide executive, professional, or administrative positions that can be addressed in general.

To be exempted as an executive, an employee must meet both salary and primary duty requirements. The salary must be \$455 per week or more. The primary duty must be managing the customarily recognized subdivision in which the employee is employed; include directing the work of two or more other employees; and include the authority to hire or fire other employees or make recommendations on the hiring, firing, promotion, or other change of status of other employees that are given particular weight.

The Unclaimed Property Manager has the primary duty of managing the Unclaimed Property section. This duty includes the direction of three full-time employees and the incumbent is assigned authority to act or effectively recommend action in hiring, advancement, and other changes of status of subordinates. An employee in a position properly allocated to Unclaimed Property Manager, who is compensated on a salary basis at a rate higher than \$455 per week, meets the criteria for exemption from the overtime and minimum wage requirements of the Act as an executive employee.

Unclaimed Property Agents do not have a primary duty of managing a customarily recognized subdivision of the agency. Employees in positions allocated to this job class would not meet the criteria for exemption from the overtime and minimum wage requirements of the Act as executive employees.

To be exempted as an administrative employee requires the primary duty be office or non-manual work directly related to the management or general business operations of the employer or the employer's customers and include the exercise of discretion and independent judgment with respect to matters of significance. The Unclaimed Property Manager performs work in several of the administrative functional areas identified in the regulations; however, the work in these areas is part and parcel of the primary duty of management and does not, of itself, constitute the primary duty of the position. The Unclaimed Property Agent's work in the functional areas related to the general business operations of the State or other organizations, such as auditing, legal and regulatory compliance, and accounting, are performed as a regulatory function, not as an advisor or consultant to clients or customers. Positions in these classes would not meet the criteria for exemption from the requirements of the Act as administrative employees.

To be exempted as a professional employee requires the primary duty be the performance of work requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction. This exemption is not available for occupations that customarily may be performed with only the general knowledge acquired by an academic degree in any field, knowledge acquired through apprenticeship; or with training in the performance of routine mental, manual, mechanical, or physical processes. A state's unclaimed property program is not a field of science or learning that requires specialized intellectual instruction, such as the professions of law, medicine, theology, accounting, engineering, architecture, or the various physical, chemical, or biological sciences. As the work of the Unclaimed Property Manager and Unclaimed Property Agents is not in a profession that requires a specialized academic degree as the standard prerequisite for entry into the field positions in these classes would not meet the criteria for exemption from the Act as professional employees.

**Internal Alignment:**

The salary range of a job class is determined based on internal consistency within the state's pay plans, in accordance with merit principles, with the goal of providing fair and reasonable compensation for services rendered and maintaining the principle of like pay for like work. In evaluating internal consistency, the difficulty, responsibility, knowledge, skills, and other characteristics of a job are compared with job classes of a similar nature, kind, and level in the same occupational group and job family or related job families.

To determine the alignment within the job family I examined comparisons with Tax Technician I-IV, Tax Auditor I-IV, Internal Auditor I-III, Corporate Income Tax Auditor I-III, and Oil and Gas Revenue Auditor I-III. Additional comparisons in the Business Development and Regulation group included classes in the Business Finance family and the Business Regulation and Compliance family.

The Unclaimed Property Agent's duties and responsibilities do not include the professional level of analysis, independent judgment, and decision-making that would support aligning with the professional level auditor classes. The Tax Technician series is the only series in the job family with which valid comparisons can be made. Comparing the complexity of the document examinations conducted; the role and responsibility in interactions with companies and individuals outside state government; the nature and type of knowledge and skills required; and the authority exercised indicates the Unclaimed Property Agent would properly be aligned above the Tax Technician II (Rg 12) and alongside of, or below, the Tax Technician III (Rg 14).

Comparing the complexity of the duties, the role in the program, the authority exercised, and the nature and type of knowledge and skills required with classes in the Business Finance family indicates the Unclaimed Property Agent would properly be aligned above the Grants Administrator I (Rg 14); alongside of the Loan Closer Processor III (Rg14); and below the Loan Collection Officer I (Rg 16) and Grants Administrator II (Rg 17). In the Business Regulation and Compliance Family the comparisons indicate alignment above the Business Registration Examiner and Occupational License Examiner (Rg 13); alongside of, or above, the Insurance

Licensing Examiner II (Rg 14); and below the Wage-Hour Investigator I (Rg 16) and Financial Institution Examiner I (Rg 17).

To ensure full consideration of the scope of duties I also made comparisons to the Accounting Technician series in the Accounting and Fiscal job family. The type of document examination, accounting knowledge applied, programmatic knowledge used to make decisions, regulatory responsibility, role in person-to-person contacts, and authority in applying programmatic policies indicates the Unclaimed Property Agent would properly be aligned above the Accounting Technician II (Rg 14), but below the Accounting Technician III (Rg 16).

The comparisons of the elements of the Unclaimed Property Agent class support internal alignment at range 14 or 15. Based on the class' role and authority within the program and unit and the preponderance of internal comparisons I recommend assigning salary range 15.

Comparing the Unclaimed Property Manager's program management duties and responsibilities, the nature and complexity of the program managed, and the nature and level of knowledge and skills required to effectively perform with other classes in the Revenue and Audit family indicates the class would be aligned above the Tax Auditor I and Internal Auditor I (Rg 16); alongside of the Tax Auditor II (Rg 18) and Internal Auditor II (Rg 19); and below the Tax Auditor III (Rg 20) and Internal Auditor III (Rg 21). The complexity of the work that characterizes the Corporate Income Tax Auditor series and Oil and Gas Revenue Auditor series does not support aligning the unclaimed property work above their first levels (Rg 18).

Comparing the complexity of work, management responsibility, and required knowledge and skills with the classes in the Business Finance family indicates the Unclaimed Property Manager would be properly aligned above the Loan/Collection Officer I (Rg 16), School Finance Specialist I (Rg 16), and Grants Administrator II (Rg 17); alongside of the Loan/Collection Officer II (Rg 18), School Finance Specialist II (Rg 18), and Grants Administrator III (Rg 19); and below the Loan/Collection Officer III (Rg 20), Grants Administration Manager (Rg 21), and School Finance Manager (Rg 23).

In the Business Regulation and Compliance family the comparisons indicate alignment above the Records and Licensing Supervisor (Rg 16), Insurance Analyst II (Rg 16), Wage/Hour Investigator I (Rg 16), and Financial Institution Examiner I (Rg 17); and alongside of, or below, the Wage/Hour Investigator II (Rg 18), Insurance Analyst III (Rg 18), Insurance Financial Examiner I (Rg 19), and Financial Institution Examiner II (Rg 19). The complexity of work, management authority, and role in interactions with regulated organizations indicates the class would be properly aligned below the Insurance Analyst IV (Rg 20), Financial Institution Examiner III (Rg 21), Insurance Financial Examiner II (Rg 21), and Wage/Hour Investigator III (Rg 21).

Comparing the Unclaimed Property Manager with the classes in the Accounting and Finance family indicates the complexity of work, management responsibility, and required knowledge and skills would be properly aligned above the Accounting Supervisor I and Accountant II (Rg 16) and alongside of, or above, the Accounting Supervisor II (Rg 18). The complexity of the

work indicates the class would be properly aligned alongside of, or below, the Accountant III (Rg 18), and below the Accountant IV (Rg 20).

Although a few of the Unclaimed Property Manager's comparisons indicate alignment at range 17 or 19 could be argued, the majority of comparisons support alignment at range 18. Based on the class' management authority, complexity and scope of the program, appropriate separation from the salary rates of positions supervised, and preponderance of internal comparisons I recommend assigning salary range 18.

The position being allocated in this study is supervised by a position at salary range 20. Because the above comparisons consistently indicate aligning the Unclaimed Property Manager at range 18 is appropriate, the division's organizational structure and the supervisor's salary range are not factors that will influence the salary range recommendation.

**Position Allocation:**

*Current Classification:*

<u>PCN</u>	<u>Class Title</u>	<u>Code</u>	<u>Rg</u>	<u>Loc</u>	<u>BU</u>	<u>Type</u>	<u>FLSA</u>
043232	Unclaimed Property Specialist	P1271	18	AWA	SS	FACL	Y

*Approved Classification:*

<u>PCN</u>	<u>Class Title</u>	<u>Code</u>	<u>Rg</u>	<u>Loc</u>	<u>BU</u>	<u>Type</u>	<u>FLSA</u>
043232	Unclaimed Property Manager	P1271	18	AWA	SS	FACL	Y

CDL: N Arms/Ammo: N Strike Class: 3 Org Code: 04010504

Nature of Action: Title Change

PCN 043232 is responsible for managing the State's Unclaimed Property Program, which includes supervising the staff in the section and setting program goals, policies, and procedures. The duties and responsibilities assigned the position define and distinguish the Unclaimed Property Manager job class. The position's supervisory authority supports continued placement in the Supervisory Bargaining Unit. An incumbent in the position meets the salary and primary duty criteria for exemption from the FLSA as an Executive Employee and is not eligible for overtime. The position description is processed as an Update and Title Change.

**Conclusions:**

The agency's study goals included establishing a class series for the work performed in unclaimed property and increasing the salary range of the program manager. The study findings do not support creating a class series at this time. This will be reconsidered when the subordinate positions are examined in the Accounting Study. The study did identify a body of work that would not be properly allocated to existing job classes. There are currently no positions performing the identified work, but a class has been drafted for implementation when the positions are created. Should the Accounting Study conclude the unclaimed property positions should be removed from the general series, the drafted class can serve as a starting point for creating a class series.

The job class covering the program manager position has been updated to reflect the current duties and responsibilities. The title has been changed from Unclaimed Property Specialist to

Unclaimed Property Manager. The salary analysis shows the position remains properly aligned at salary range 18.

The revised class specification for Unclaimed Property Manager is implemented effective November 16, 2007. PCN 043232 is updated and the title changed effective on the same date.

The Unclaimed Property Agent job class is held in suspense, pending the creation of a position assigned the duties and responsibilities defined and described in the class specification.

Attachments:

Final class specifications

cc: Paul Dick, Chief of Operations  
Tax Division  
Department of Revenue

Jonathan Iversen, Director  
Tax Division  
Department of Revenue

Jerry Burnett, Director  
Division of Administrative Services  
Department of Revenue

Sharon Dick, Human Resource Manager  
Division of Personnel & Labor Relations