

# MEMORANDUM

## State of Alaska Department of Administration Division of Labor Relations

To: Maritt Miller  
Technical Services Manager  
Division of Personnel

Date: April 25, 2005

From: Art Chance  
Director

Subject: Contract Interpretation  
GGU Section 21.06.F.3

A question recently arose regarding the proper step placement of a GGU member whose position was reclassified to a higher salary range. Please apply the following interpretation for future guidance.

### 21.06.F Reallocation of Position or Class

- 3. An employee occupying a position which is reallocated to a classification which carries a higher pay range and who continues in the same position shall enter the new range at Step A or at any higher step which provides a one (1) step increase.*

Determine the appropriate step placement in the following manner:

1. Find the salary of the next higher step in the current pay range.
2. Find step with the same salary in the higher pay range.

Exceptions:

1. If the rate falls between steps in the higher pay range, the employee is assigned to the higher step.
2. If the employee is at the final step of the current pay range, multiply that rate by 1.0375 to determine the equivalent of a one step increase. (This is in accord with Section 21.02.B of the 2000-2003 Agreement.)

Examples:

The position is reclassified from SR 16 to SR 18. The employee is currently at 16-F. The pay period rate at Step G is \$2057.50. That amount is equal to the rate at 18-C. The employee is placed at 18-C.

The position is reclassified from SR 16 to SR 18. The employee is currently at 16-J. The pay period rate at Step K is \$2223.50. That amount falls between the rates for 18-E (\$2198.00) and 18-F (2281.50). To provide a one step increase, the employee is placed at 18-F.

The position is reclassified from SR 16 to SR 18. The employee is currently at 16-M which has a pay period rate of \$2393.50. Multiply that amount by 1.0375 ( $1.0375 \times \$2393.50 = \$2483.26$ ). That amount falls between the rates for 18-J (\$2450.00) and 18-K (\$2542.00). To provide a one step increase, the employee is placed at 18-K.

CC: Mila Cosgrove, Director  
Division of Personnel