

MEMORANDUM

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

To: All Division of Personnel & Labor
Relations Staff

Date: October 1, 2008

From: Nicki Neal, Director
Division of Personnel & Labor
Relations

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Subject: Interpretive Memorandum
Re: WAGES

This memo is issued to address step placement in those instances where an employee moves between the General Government Unit (GGU) and the Supervisory Unit (SU). Such action could result from promotion, reallocation, unit clarification, rehire, or transfer from one position to another. *This memo rescinds and replaces Interpretive Memorandum 06-X-001.*

Note: Based on the similarities in collective bargaining agreement provisions, the same guidelines should be followed for the Confidential Unit (CEA).

Promotions

For the purposes of this memorandum “promotion” is defined as movement from a position in a lower range to a position in a higher range.

1) Movement from GGU to SU upon Promotion

The step in the employee’s current salary range that represents a two or three step increase, as appropriate, is to be located on the GGU salary schedule. The dollar amount associated with this step shall be used to locate a step in the new range on the SU salary schedule that matches. If no step in the new range matches, then the step in the new range that provides an increase is assigned.

If after applying the two or three step increase on the GGU salary schedule the employee’s step placement would result in exceeding M step by one step, multiply the rate of M step by 1.0375. This dollar amount shall be used to locate a step in the new range on the SU salary schedule that matches. If no step in the new range matches, then the step in the new range that provides an increase is assigned.

If after applying the two or three step increase on the GGU salary schedule the employee's placement would result in exceeding M step by two steps, multiply the rate of M step by 1.0375, and then multiply that amount by 1.0375. This dollar amount shall be used to locate a step in the new range on the SU salary schedule that matches. If no step in the new range matches, then the next step in the new range that provides an increase is assigned.

If an employee is at the final step (M) on the GGU salary schedule, the most the employee can receive is a two step increase when promoting to a SU position.

If an employee's promotion results in a step placement beyond N step, the employee will receive N step of the new range on the SU salary schedule with a rate override of the salary calculated as appropriate.

In those situations where the placement of an employee would result in the employee being placed at Step J or above, such step will be considered earned by the employee by operation of the contract and the employee will have a new service step anniversary date. After determining step placement, movement between service steps will be made in accordance with contract.

2) Movement from SU to GGU upon Promotion

The step in the employee's current salary range that represents a one or two step increase, as appropriate, is to be located on the SU salary schedule. The dollar amount associated with this step shall be used to locate a step in the new range on the GGU salary schedule that matches. If no step in the new range matches, then the step in the new range that provides an increase is assigned.

If after applying the one or two step increase on the SU salary schedule the employee's step placement would result in exceeding N step by one step, multiply the rate of N step by 1.0375. This dollar amount shall be used to locate a step in the new range on the GGU salary schedule that matches. If no step in the new range matches, then the step in the new range that provides an increase is assigned.

If an employee is at the final step (N) of the SU salary schedule, the most the employee can receive is a one step increase when promoting to a GGU position.

If an employee's promotion results in a step placement beyond M step, the employee will receive M step of the new range on the GGU salary schedule with a rate override of the salary calculated as appropriate.

In those situations where the placement of an employee would result in the employee being placed at Step J or above, such step will be considered earned by the employee by operation of the contract and the employee will have a new service step anniversary date. After determining step placement, movement between service steps will be made in accordance with contract.

Reclassification with a Subsequent Bargaining Unit Change

When an employee is reclassified, the employee's status, step placement and merit anniversary date will be determined under the provisions of their collective bargaining agreement. Upon a bargaining unit change, the employee will be placed at the nearest step on the new salary schedule that does not result in a pay decrease. If this results in the employee being placed at a new step, then such step will be considered earned by the employee by operation of the contract. Employees who moved to the same step at steps J and above, and have exceeded the service requirement necessary to advance to the next service step, will be advanced to the next service step, will have any excess period credited toward the next service step increase and will be given a new service step anniversary date.

Bargaining Unit Change

Upon a bargaining unit change, the employee will be placed at the nearest step on the new salary schedule that does not result in a pay decrease. If this results in the employee being placed at a new step, such step will be considered earned by the employee by operation of the contract. If the employee is placed at a new service step, the new service step anniversary date will be determined by the provisions of their collective bargaining agreement.

Transfers between Bargaining Units

1) Movement of an Employee from GGU to SU at the Same Pay Range

When an employee transfers (same or parallel job class) from a GGU position to a SU position, the employee will be placed at the same range and step on the SU pay scale and the employee's merit anniversary date will remain unchanged unless the employee's GGU rate of pay falls between steps on the SU pay scale. In the latter case, the employee will be placed at the step that does not result in a pay decrease.

In the event the employee is in Step G on the GGU pay scale, all time spent at steps F and G combined on the GGU salary schedule will be counted towards step placement on the SU Salary schedule on a year for year basis. If the employee's GGU rate of pay falls between steps on the SU pay scale, the employee will be placed at the step that does not result in a pay decrease.

Employees who move to the same step at steps J and above and have exceeded the service requirement necessary to advance to the next service step as required by section 24.2 of the SU contract, will be advanced to the next service step, will have any excess period credited toward the next service step increase and be given a new service step anniversary date. Employees who are moved to a new service step shall fulfill the service requirement in accordance with section 24.2 of the SU contract.

In those situations where an employee moves to a job at the same pay range that is **not** in the same or a parallel job class, the provisions of the previous paragraph will apply, except that the employee will receive a new probationary period and merit anniversary date. An employee placed at a service step must fulfill the service requirements in accordance with section 24.2 in the SU contract.

2) Movement of an Employee from SU to GGU at the Same Pay Range

When an employee transfers (same or parallel job class) from a SU position to a GGU position, the employee will be placed at the same range and step as on the GGU pay scale, and the merit anniversary date will remain unchanged unless the employee's SU rate of pay falls between steps on the GGU pay scale. In the latter case, the employee will be placed at the step that does not result in a pay decrease.

In the event the SU employee has been at step F for more than one year, such employee will be placed in step G upon appointment, and it will be considered earned by the employee by operation of the contract. The employee will receive a new service step anniversary date upon placement at step G. All time spent at step F in excess of one year will be counted as time served at step G.

Employees who are moved to a new service step shall fulfill the service requirement in accordance with section 21.01.D of the GGU contract. When a SU employee at step N transfers to GGU, the employee will be placed at step M with a pay override and the service step anniversary date will remain unchanged.

In those situations where an employee moves to a job at the same pay range that is **not** in the same or a parallel job class, the provisions of the previous paragraph will apply, except that the employee will receive a new probationary period and new merit anniversary date. An employee placed at a service step must fulfill the service requirements in accordance with section 21.01.D of the GGU contract.