

# MEMORANDUM

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

**To:** All Division of Personnel & Labor  
Relations Staff

**Date:** June 25, 2010

**From:** Nicki Neal, Director  
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**Subject:** Interpretive Memorandum 10-X-001  
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). Based on the similarities in collective bargaining agreement provisions, the same guidelines should be followed for the Confidential Unit (CEA). Such action could result from promotion, reallocation, unit clarification, rehire, or transfer from one position to another. When determining step placement for an action, the base salary schedule is always used. Once the step placement is determined the employee is placed at the step determined on the appropriate salary schedule for their particular location. *This memo rescinds and replaces the Interpretive Memorandum issued October 1, 2008, to memorialize the guidance issued via electronic mail on April 21, 2009. These changes were necessary due to the implementation of pay increments.*

## 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 that 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 to that dollar amount is assigned. The employee will serve a new probationary period and will have a new merit anniversary date or pay increment date. After determining step placement, movement between merit steps and pay increments will be made in accordance with the contract.

In those situations where the placement of an employee would result in the employee being placed at pay increment J or above, such pay increment will be considered earned by the employee by operation of the contract and the employee will have a new pay increment date.

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 that 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 to that dollar amount is assigned. The employee will serve a new probationary period and will have a new merit anniversary date or pay increment date. After determining step placement, movement between merit steps and pay increments will be made in accordance with contract.

In those situations where the placement of an employee would result in the employee being placed at pay increment J or above, such pay increment will be considered earned by the employee by operation of the contract and the employee will have a new pay increment date.

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 same range and step on the new salary schedule. If the rate for the step on the new salary schedule is less than the rate for the step on the old salary schedule, the employee will be paid with a rate override of the higher rate. If the employee is in steps F or G, step placement will be in accord with the guidance as outlined in the "Transfer between Bargaining Units" section below.

Bargaining Unit Change

Upon a bargaining unit change, the employee will be placed at the same range and step on the new salary schedule. If the rate for the step on the new salary schedule is less than the rate for the step on the old salary schedule, the employee will be paid with a rate override of the higher rate. If the employee is in steps F or G, step placement will be in accord with the guidance as outlined in the "Transfer between Bargaining Units" section below.

Transfers between Bargaining Units

1) Movement 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 salary schedule. If the rate for the step on the new salary schedule is less than the rate for the step on the old salary schedule, the employee will be paid with a rate override of the higher rate and the employee's merit anniversary date or pay increment date will remain unchanged.

If the employee is in Step F on the GGU salary schedule, the employee will be placed at step F on the SU salary schedule and their pay increment date will be set for two years from when the employee received Step F under the GGU contract.

In the event the employee is in Step G on the GGU salary schedule, all time spent in the final steps F and G combined on the GGU salary schedule will be counted towards step placement on the SU salary schedule. If the employee has been at step G for less than one year, the employee will be placed at step F on the SU salary schedule and their pay increment date will be set for two years from when the employee received step F under the GGU contract. If the employee has been in step G for more than one year, the employee will be placed at pay increment J on the SU salary schedule and their pay increment date will be set for two years. When sufficient time at the final steps F and G result in the employee being placed at pay increment J, such pay increment will be considered earned by the employee by operation of the contract.

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

## 2) Movement 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 salary schedule. If the rate for the step on the new salary schedule is less than the rate for the step on the old salary schedule, the employee will be paid with a rate override using the higher rate and the merit anniversary date or pay increment date will remain unchanged.

If the employee has been in Step F for less than one year on the SU salary schedule, the employee will be placed at step F on the GGU salary schedule and the merit anniversary date will be set for one year from when the employee received Step F under the SU contract.

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

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