

ALASKA STATE PERSONNEL BOARD MEETING

July 1, 2014

2:30 P.M.

Bayview Building

619 East Ship Creek Avenue, Suite 309

Anchorage, Alaska

In person:

Dr. Keith Hamilton, Board Member

Al Tamagni, Board Member

Johanna Hickel, Board Member

Kate Sheehan, Secretary to the Personnel Board

Nancy Sutch, Deputy Director, Division of Personnel & Labor Relations

Dave Jones, Department of Law

Present by teleconference:

Crystal Koeneman, Legislative Aide, Representative Reinbold

Bill Milks, Assistant Attorney General, Department of Law

Kim Garrett, Division of Personnel & Labor Relations

Jeff Hahnen, Division of Personnel & Labor Relations

1. CALL TO ORDER

Kate Sheehan called the meeting to order at 2:30 p.m.

2. APPROVAL OF AGENDA

The agenda was moved and approved.

3. APPROVAL OF MINUTES

The minutes of the February 28, 2014, meeting were moved and approved.

4. ELECTION OF CHAIR

Dr. Keith Hamilton moved to elect Al Tamagni as the new Chairperson for the Personnel Board. Dr. Keith Hamilton explained that Al Tamagni had seniority as a board member and the appointment of the Chairperson was moved and approved.

5. REVIEW OF PROFESSIONAL SERVICES AGREEMENT FOR
INDEPENDENT COUNSEL

Chairperson Tamagni explained that when the services agreement was approved last year by the board they did not realize that they were approving a five year contract. Director Kate Sheehan explained that the contract was for five years but that it must be extended each year for a total of four extensions, and that the extension for this year would be due on August 12, 2014. If they don't approve the extension, then they would need to do a whole new request for proposals and go through the process similar to what the board did a year ago.

Chairperson Tamagni expressed concern that the board was not told last year that this contract was approved for a year but would then require four additional extensions. He requested that, in the future, all of the information and facts be presented to the board. Director Kate Sheehan ensured that this would happen in the future, and added that the state has not used any of these attorney's within the past year. Chairperson Tamagni stated this firm had previously done an investigation for the board that was substantially flawed; the board had to hire a second attorney to conduct a correcting investigation. Chairperson Tamagni also stated this is one reason why the board should discuss extensions of this contract each year, although he had no objection to extending it another year.

Board Member Hickel asked why there are two separate service contracts when they are both contracted out by the same firm. Chairperson Tamagni explained that a few years ago they had a serious run of investigations. The process at the time was to find an attorney to investigate each complaint so the board had decided to keep two or three attorney's active on a list so that they could speed up the process. Having two separate contractors with service agreements allows the board to quickly begin the investigation process.

Director Kate Sheehan confirmed that the Agency Contract Number is the same contract for both contractors.

Board Member Hickel asked if the contract originally went out as a competitive bid. Chairperson Tamagni explained that this process started when Governor Palin was still in office and the board used its statutory authority to hire attorneys themselves. Last year the board was given a rating schedule to rate the attorneys and firms and the selected firm was the highest rated.

Since the board has not used this service in the past year there were no objections in renewing the contract for another year. The approval of the contract was moved and approved.

6. ETHICS DISCLOSURES – PERSONNEL BOARD MEMBERS

The board members had no disclosures or conflicts of interest.

7. REVIEW OF QUARTERLY ETHICS REPORTS

Director Kate Sheehan informed the board that she had just received a new quarterly ethics report the day before the meeting and wanted to provide a copy to the board. This ethics report covered the first quarter. Director Kate Sheehan explained that there are missing quarterly ethics reports from 2013 that the board will need to be caught up on during a future meeting. The missing reports are a result of some staffing changes with the attorney and the paralegal positions that are responsible for generating this report. They are updating their quarterly ethics reports and will get them to the board to review as is required by statute.

Dave Jones was substituting for Jon Woodman, who is the ethics attorney. Dave Jones explained that this depth of knowledge on these Monthly Ethics Reports was fairly shallow but that he did review them and could find nothing out of the ordinary. Dave Jones did have a question on page five of seven under Board of Fisheries, where there is a discussion of a board member who disclosed that she was a set-net permit holder. The report indicated that the chair determined that conflicts existed on all twelve of the proposals. The summary report did not indicate if the board member recused herself or not. Dave Jones will work with Jon Woodman to confirm that the board member with the conflict of interest did not participate in the approval of the proposals.

Chairperson Tamagni asked when these two reports were prepared. Director Kate Sheehan answered that the report she brought with her to the meeting were given to her on 6/30/14 and were prepared on 6/26/14. She also explained that the board is missing the final two quarterly reports for 2013 and she was informed they will be provided. Dave Jones spoke with the paralegal responsible for these reports who told him that they are asking the designated ethics supervisors to resubmit their reports for these two quarters to ensure that the reports are complete.

Chairperson Tamagni discussed the board's review of the List of Quarterly Ethics Reports Received report and their concern over the agencies that have not submitted their reports. There are some agencies that consistently fail to submit their quarterly ethics reports and the board is hopeful that Jon Woodman will follow up with those agencies and compel them to submit their reports.

The board reviewed the 2nd Quarter Statistical Summary report and went through the Board/Commission groups that did not submit their statistical summaries. Dave Jones explained that many of these groups submitted their quarterly report but did not know that they needed to also submit their statistical summaries. They have been reminded of their responsibility to do so.

8. REVIEW OF ETHICS CASE LOG

There were no questions on the monthly ethics reports.

9. EXECUTIVE SESSION

There was no executive session.

10. UPDATE FROM THE DIRECTOR OF PERSONNEL & LABOR RELATIONS

Director Kate Sheehan reported:

- The Division of Personnel and Labor Relations has completed the final five Union contract negotiations that were set to expire on June 30th. All eleven Unions are now under current contracts.

11. OTHER MATTERS THAT MAY COME BEFORE THE BOARD

- The board wanted to schedule the next quarterly meeting for some time after September 15th. The board prefers the 2:00 p.m. or 2:30 p.m. start time for future meetings. The board also tentatively scheduled another meeting for some time after January 5th, 2015.
- Chairperson Tamagni asked Director Kate Sheehan if there have been any changes within the past three years to the State Personnel Act, Executive Branch Ethics Act, or Personnel and Leave rules. Director Kate Sheehan said that there have been updates and that the current information would be provided to the board for the next meeting.
- Chairperson Tamagni suggested an update to the board's rules and procedures to allow for the creation and appointment of a vice-chairperson. This would allow clear leadership within the board when the chairperson position is vacant. The board moved and approved a motion to establish their rules and procedure to add a vice-chairperson to their officers. A draft for that rule and procedure change needs to be created so the board can review it during their next meeting.
- Chairperson Tamagni had a question with regards to Alaska Statute 39.25.170 on hearings and appeals upon dismissal, demotion, or suspension. The board has yet to encounter any of these and wanted to know under what circumstances it could come up. Director Kate Sheehan explained that this statute would only apply to a select group of employees like those employed within the excluded services. Most state employees are either partially exempt and not covered by that statute, or they are in the classified service and covered under collective bargaining agreements. It would be rare that the board would encounter this situation.
- Chairperson Tamagni suggested that during their next meeting that the board receive a review of the rules, procedures, and statutes that are relevant to their position. The board would like someone from the legal department to review this material and be available to answer questions that they might have.
- Board Member Hickel asked about an ethic violation complaint. Dave Jones explained that, under the ethics act, even the existence of an ethics complaint is confidential. According to the ethics act, there are only two situations when ethics complaints are no longer considered confidential and can be discussed in public. 1) The person who is the subject of the ethics complaint waives confidentiality. 2) The Attorney General's office decides to move forward with formal proceedings with regards to the complaint. Anytime the board wants to discuss ethics case reports that are not public, they need to move into executive session to maintain confidentiality.

12. ADJOURNMENT

The meeting adjourned at 3:08 p.m.