

ALASKA STATE PERSONNEL BOARD MEETING

September 29, 2015

1:00 P.M.

Frontier Building

3601 C Street, Suite 880

Anchorage, Alaska

In person:

Al Tamagni, Chair

Dr. Keith Hamilton, Board Member

Johanna Hickel, Board Member

Kate Sheehan, Secretary to the Personnel Board

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

Leslie Ridle, Deputy Commissioner, Department of Administration

Jonathan Woodman, Assistant Attorney General, Department of Law

Bill Milks, Assistant Attorney General, Department of Law

Present by teleconference:

Kim Garrett, Division of Personnel & Labor Relations

Jeff Hahnen, Division of Personnel & Labor Relations

Several unknown callers

1. CALL TO ORDER

Chairman Tamagni called the meeting to order at 1:02 p.m.

2. APPROVAL OF AGENDA

The agenda was moved and approved.

3. APPROVAL OF MINUTES

The minutes of the May 11, 2015, meeting were moved and approved.

4. ETHICS DISCLOSURE – PERSONNEL BOARD MEMBERS

The board members had no disclosures or conflicts of interest that they were aware of.

5. PERSONNEL AND LEAVE REGULATION AMENDMENTS

- a. Overview of Proposed Amendments. Director Kate Sheehan explained that 2 AAC 07.368(e) changes the leave year in the personnel rules, which is currently December 16<sup>th</sup> through December 15<sup>th</sup>. In advance of next year's implementation of the State's new payroll system, IRIS (Integrated Resource Information System), this proposed change would make the leave year coincide with the calendar year. Letters of agreement are being worked on with each union to allow for this change. The actual changing of the term "leave year" is a different amendment change that will be discussed shortly.

The second change is to 2 AAC 07.405(a) which removes from the personnel rules language regarding laid-off employees. The current language removes employees from the layoff list if they have received a refund of retirement contributions from the Public Employees Retirement System (PERS) or the Teacher Retirement System (TRS). Retirement and Benefits determined that these are two separate actions and they should not impact each other: the first action being an employment action, which is the layoff; and the second being a separate Retirement and Benefits action. This proposed change would remove the connection between these different actions.

The next proposed changes are to the leave rules to repeal changes that the board implemented two years ago regarding same-sex partnerships. The original amendments were necessary when the Department of Law determined that Family Medical Leave needed to apply to same-sex domestic partners under the 2005 ACLU decision. Due to the June 26, 2015, United States Supreme Court ruling that states cannot ban same-sex marriage, these amendments to the leave rules are now obsolete. The proposed changes simply require that a couple be married with regards to Family Medical Leave eligibility. Deputy Director Nancy Sutch pointed out that the editor's note on the proposed leave rule changes states that the same-sex domestic partner language was effective October 11, 2013, but that the regulations were never prepared for publication and were not printed in the Alaska Administrative Code even though they had been implemented.

Board Member Hamilton asked if this change covers all State of Alaska employees who are ultimately employed by the Governor. Director Sheehan explained that this applies to all employees covered under the personnel rules, which would exclude exempt employees and employees for the Alaska Railroad Corporation. It would cover partially exempt employees and employees covered under a collective bargaining unit. These changes cover the majority of state employees but not all. The Alaska State Employees Association, the state's largest union, is already starting to implement these types of changes with regards to their health insurance policies.

Bill Milks, with the Department of Law, explained that the U.S. Supreme Court ruling on same-sex marriage supersedes the state's constitutional ban. Chairman Tamagni asked if the Supreme Court decision covered all state entities to which Director Sheehan confirmed that even though the leave rule changes don't apply to everyone that the Supreme Court ruling would.

The change to 2 AAC 08.999(a)(4) changes the definition of the leave year to read the period from January 1 through December 31 and includes the 12-month period.

The change to 2 AAC 08.999(c) changes the definition of "immediate family" to remove the term same-sex partner and replace it with spouse.

The change to 2 AAC 08.062(e) again changes the definition of the leave year from December 16 to the first day of the leave year.

The change to 2 AAC 08.062(f) changes “has” to “had” since December 16, 2013 is now in the past. This section also has a change from December 16 to the first day of the leave year. There is also a change being made to subsection one which has to do with the exemptions to the mandatory leave requirement. Director Kate Sheehan and Deputy Director Nancy Sutch explained that when the state implemented a leave cap of 1000 hours a few years ago that employees who had personal leave in excess of 400 hours on December 16, 2013, were exempt from the leave cap requirement. Employees who had a leave balance below 400 hours as of December 16, 2013, needed to have a plan established to ensure that they did not accrue leave beyond the cap. Employees who are exempt from the cap are not required to establish a plan, which had been the original intent. This amendment is intended to clarify that exemption. Those employees who are exempt from the leave cap can continue accruing leave beyond 1000 hours indefinitely.

- b. There were no public comments.
- c. The proposed changes to the Personnel and Leave Regulations were moved and approved.

6. Expansion of the Partially Exempt Service

- a. Deputy Commissioner Leslie Ridle explained to the board that the Department of Administration would like to expand the partially exempt service to include PCN 12-5401, which is currently covered under the APEA supervisory bargaining unit and is a Division Operations Manager. The department would like the board to reclassify this position to a Deputy Director job class per the authority provided to the board under AS 39.25.130. This position oversees the Division of Motor Vehicles, which is one of the most widely used agencies in the state and has significant interactions with the public. The agency’s mission is to expand their services to meet the growing needs of the public. The Deputy Director position can assist the Division Director with policy development, regulation development, improvement of customer service, and expanding their public and private partnerships across the state. The position would act as the legislative liaison, help with media relations, be a proxy for the Director to both staff and to the public, and help supervise subordinate managers. Director Kate Sheehan confirmed that the Governor’s Office approved the reclassification of this position. The proposed change was moved and approved.

Chairman Tamagni asked if proof of insurance was a state requirement for renewing a driver’s license. Deputy Commissioner Leslie Ridle did not believe that this was a requirement.

7. REVIEW OF QUARTERLY ETHICS REPORTS AND SUBMITTAL COMPLIANCE

The board members expressed their satisfaction with the continued improvement from state agencies with completing their quarterly ethics reports. Chairman Tamagni explained that an employee must seek written approval when working another job outside of the State of Alaska but asked how long that approval remained valid. Johnathan Woodman stated that employees are required by July, 1<sup>st</sup> of each year to submit a request for approval to renew their outside employment.

8. REVIEW OF CONFIDENTIAL ETHICS CASE LOG

This was part of the executive session.

9. EXECUTIVE SESSION UNDER AS 44.62.310(c)(3)

The Personnel Board went into executive session at 1:20 p.m. and returned at 1:30 p.m.

10. UPDATE FROM THE DIRECTOR OF PERSONNEL & LABOR RELATIONS

Director Kate Sheehan provided the board with an updated personnel board roster which lists the terms of each member. She also provided the board with information regarding the two law firms that are currently under professional service contracts with the state. These contracts expire next August and there will be three new renewal options. At that time, Director Kate Sheehan will provide the board with additional information to determine if they want to renew the existing contracts or look elsewhere for new law firms.

Board Member Hamilton asked if he would be eligible for another term as a board member after his current term expires during the first quarter of 2016. Director Kate Sheehan confirmed that he was eligible for one more term but she was uncertain if he would be eligible for additional terms after that.

Director Kate Sheehan said that this fall they will begin bargaining with the Alaska State Employees Association that represent the general government unit, the Alaska Public Employees Association that represent supervisors, and the confidential employees that are mainly human resource employees. They are still currently negotiating with Labor, Trades, and Crafts and the Teachers' Education Association of Mt. Edgecumbe unions. Their collective bargaining units have expired prior to reaching an agreement but they continue operating under the status quo while negotiations carry on.

Director Kate Sheehan updated the board on the state's new program IRIS. The budget procurement for IRIS is complete and the next step is to start on the HR Management system. The budget procurement part of the process took longer than anticipated which has resulted in a delay of the HR Management implementation by ten or eleven months.

11. OTHER MATTERS THAT MAY COME BEFORE THE BOARD

- a. Board members discussed when the next meeting should take place and it was determined that any time between January 11, 2016, and the 24<sup>th</sup> would be ideal.

12. ADJOURNMENT

The meeting adjourned at 1:35 p.m.