BARGAINING AGREEMENT

between the

STATE OF ALASKA

and the

ALASKA PUBLIC EMPLOYEES ASSOCIATION

representing the

CONFIDENTIAL UNIT

July 1, 2010 – June 30, 2013
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PREAMBLE

Whereas, the State of Alaska (Employer) and the Confidential Employees Association (CEA) have negotiated a collective bargaining agreement (Agreement) pursuant to AS 23.40.070-260 relating to employees performing personnel/payroll functions and services as defined in 2 AAC 10.220(b)(1) and designated by the Alaska Labor Relations Agency as members of the Confidential Unit, and

Whereas, that Agreement sets forth the salaries, wages, hours, and other terms and conditions of employment of such employees, and

Whereas, the parties have reduced that Agreement to writing, and

Whereas, the purpose of the Employer and CEA in entering into that Agreement is to promote orderly and peaceful relations, and to achieve the highest level of employee performance consistent with safety, good health, and sustained effort in the best interest of the State of Alaska and the CEA membership.

Therefore, in consideration of their mutual promises, the parties set forth the following Agreement.

ARTICLE 1 -
Recognition

1.01 - General Recognition.
The Employer recognizes CEA as the exclusive representative of all permanent, nonpermanent, probationary, and provisional employees engaged in performing personnel/payroll functions and services as defined in 8 AAC 97.990(1), in the Confidential Bargaining Unit and as the sole collective bargaining agent for the purpose of acting for the employees in negotiating salaries, wages, hours, and other terms and conditions of employment.

"Employee" in this Agreement shall mean a person in State service who is paid a salary or wage and holds probationary, permanent, nonpermanent, or provisional status working in a position that has been designated by the Alaska Labor Relations Agency (ALRA) as a Confidential Unit position.

Both parties recognize that the Alaska Labor Relations Agency (ALRA) retains its authority to determine bargaining unit assignments. New positions and classifications created by the Employer shall be placed in the appropriate bargaining unit consistent with prior ALRA rulings. The CEA shall be notified of all new job classifications created, or revisions to existing classifications, within ten (10) working days of such action. The notification shall include a copy of the job class specifications. Notification shall be via e-mail and job class specifications shall be online through Workplace Alaska.

No filled position shall be removed from this bargaining unit without written notification to CEA. If CEA does not file a written petition with the ALRA challenging the proposed bargaining unit transfer within fifteen (15) working days of receipt of the notice to CEA, the Employer is free to take the proposed action.

No filled position shall be changed to exempt or partially exempt status without at least thirty (30) calendar days notice to CEA prior to submitting the request to the Personnel Board.

Concurrent with the notice, the Employer shall provide a written explanation of the transfer
request to CEA.

The Employer shall provide concurrent written notice to CEA when an unfilled position is removed from the bargaining unit.

1.02 – Negotiations.
The Employer shall not negotiate or handle grievances with any employee organization other than CEA with reference to terms and conditions of employment of employees in the Confidential Unit. When individuals or organizations other than CEA request negotiations or handling of grievances, they shall be advised by the Employer to transmit their request to CEA.

1.03 - Nonpermanent Employees.
It is recognized that the need exists to hire nonpermanent employees in positions similar in duties and requirements to permanent positions in the bargaining unit; therefore, notwithstanding AS 39.25.195 the following provisions shall apply:

A. An individual hired as a nonpermanent covered by this agreement must perform the work of the assigned class and may not be paid less than the entry salary step of the range assigned to the class in which the nonpermanent is to work.

B. Short-term Nonpermanent Positions. Assignments of one hundred twenty (120) calendar days or less in any twelve (12) month period may be filled through the use of short-term nonpermanent appointments (casuals). The Employer may make such appointments without use of any eligible lists. Any individual hired as a short-term nonpermanent must be terminated following the one hundred twentieth (120th) day of employment. The Employer and the CEA agree that all determinations concerning the terms and conditions of casual employment shall be made independently by the Employer, except as provided for in this Article or as specifically provided for in subsequent articles.

C. Short-term nonpermanent appointments may be extended by the Director of the Division of Personnel and Labor Relations. If a short-term nonpermanent position is extended, it remains a short-term nonpermanent position. In the event that a short-term nonpermanent continues to work beyond one hundred twenty (120) days, the appointment shall, as of the one hundred and twenty-first (121st) day, be treated as a long-term nonpermanent appointment for specific benefit purposes only and these benefits (health, life insurance, personal leave and holidays) shall be awarded retroactive to the date of appointment. The individual has the option to either designate retroactive application of the health and life insurance benefit or make it effective on the first day of the month following the 121st day of employment.

D. Long-term Nonpermanent Positions. Assignments described as substitute, normal, program, and project nonpermanent in division of personnel standard operating procedure (SOP) no. 09-VIII which are for periods of more than 90 days but less than twelve (12) months duration may be filled through the use of long-term nonpermanent appointments. Any individual hired pursuant to this provision shall meet the minimum qualifications as required of individuals seeking permanent employment in the class into which they are to be hired. The Employer agrees to hire individuals for these assignments through Workplace Alaska. In the event that an employee is worked for longer than twelve (12) months, except as provided in paragraph F of this section, the Employer shall review the reasonableness of establishing a permanent position. The long-term nonpermanent employee shall become the incumbent of the permanent position. All long-term nonpermanent employees shall be entitled to personal leave accrual, health insurance, and holidays. Long-term nonpermanents shall have access to the complaint procedure outlined in Section 12.04 as the sole means for resolving disputes or controversies with respect to nonpermanent...
E. Time spent in nonpermanent status shall be credited toward probationary status as follows:

If the nonpermanent employee is converted to probationary status in the same classification, a successor classification, or a broadbanded class performing similar duties with no break in employment, the employee shall be credited with one (1) month toward the probationary period for every consecutive month of nonpermanent employment to a maximum of one-half (1/2) the required probationary period in the job class.

F. It shall not be a violation of this agreement to employ Job Training Partnership Act (JTPA) or similar nonpermanent employees and such nonpermanent employees shall not be members of the bargaining unit. The Employer agrees to abide by the federal regulations governing such employment programs.

Any dispute arising between the parties under this paragraph concerning compliance with federal regulations shall not be subject to Article 12 of this agreement but may be referred by either party, after discussion, to the federal agency responsible for such program resolution.

Neither party waives its right to seek resolution of the matter, when appropriate, in court after exhaustion of administrative remedies as authorized in this paragraph.

G. It shall not be a violation of this agreement to employ trainees under the State’s Temporary Assistance Program (welfare to work) and these employees shall not be members of the bargaining unit.

ARTICLE 2 - Nondiscrimination

2.01 - Noninterference.
The Employer shall not interfere with, restrain or coerce employees because of membership or lawful activity in CEA, nor for the purpose of discouraging membership in CEA shall it discriminate in respect to hire, tenure of employment or any terms or conditions of employment.

2.02 - Equal Employment Opportunity and Affirmative Action.
The Employer and CEA mutually agree to cooperate in establishing and/or maintaining Equal Employment Opportunity and Affirmative Action Programs consistent with statutory obligations applicable to employees to provide equal treatment with respect to rates of pay, benefits, and other terms and conditions of employment regardless of race, religion, color, national origin, age, sex, physical or mental disability, marital status, change in marital status, pregnancy, parenthood, political affiliation or belief.

2.03 - CEA Obligations.
Nothing in this Article shall prevent CEA from its obligation to protect the rights of an employee.

2.04 - Nondiscrimination.
The parties agree that they shall not discriminate in any employment matter against any employee with regard to race, religion, color, national origin, age, sex, physical or mental disability, marital status, change in marital status, pregnancy, parenthood, political affiliation or
political belief. Further, the parties agree to support appropriate action against any employee involved in sexual harassment.

Employees shall have the right to utilize the Employer's Internal Discrimination Complaint Procedure should a dispute involving the provisions of this section arise. This procedure shall be the sole method of resolution of disputes arising from this section.

ARTICLE 3 -
CEA Security

3.01 - Membership.
Employees covered under this Agreement shall not be required to become a member of CEA as a condition of employment, and there shall be no discrimination against an employee because of membership or non-membership in CEA. Employees may or may not join CEA at their discretion.

3.02 - Agency Shop.
All employees shall, as a condition of continued employment, either become a member of CEA and pay CEA dues or pay an agency fee to CEA in an amount certified by the CEA to be equal to the cost of collective bargaining representation for the life of this agreement. Payment of CEA dues or agency fees shall commence within thirty (30) days after the effective date of this Agreement or within thirty (30) days after the date of hire, whichever is later.

Employees shall be notified at the time of hire that an agency shop obligation exists under this Agreement. Employees shall contact the CEA on their own time.

Upon written request by the CEA, an employee who has been employed for more than thirty (30) days and who is not complying with the agency shop provisions of this Agreement shall be terminated by the Employer, provided that the following actions have occurred:

A. The CEA shall notify the employee of the amount of money that is in arrears. The notice shall inform the employee of impending discharge if the full amount owed is not paid to the CEA within thirty (30) days after receipt of the notification. A copy of the notification shall be mailed simultaneously to the Director of the Division of Personnel.

B. The CEA shall tender to the Director of the Division of Personnel a written request for termination of the employee for failure to comply with the agency shop provisions of the Agreement within the time period specified in A, in that the employee has not paid the arrearage and has not documented that the money is not owed. A copy of the notification shall be mailed simultaneously to the employee.

The CEA shall defend, indemnify, and save the Employer harmless against any and all claims, demands, suits, grievances, or other liability (including attorneys’ fees incurred by the Employer) that arise out of or by reason of actions taken by the Employer pursuant to this Article, except those actions caused by the Employer's negligence.

3.03 - Maintenance of Membership.
Each employee who, on the effective date of this Agreement, is a member of CEA or who thereafter becomes a member may continue such arrangement for the duration of this Agreement. However, such an employee may withdraw from CEA membership by giving CEA written notice of intention to withdraw. If a payroll deduction for CEA dues is affected, written notice of withdrawal shall also be given to the Employer. Such withdrawal shall remain effective until the employee voluntarily renews CEA membership. Employees who withdraw under this provision shall suffer no discrimination by CEA or the Employer. Withdrawal from CEA
membership does not eliminate the agency shop obligations of Section 2.

3.04 - Checkoff and Deductions.
Employees who desire to have dues or fees deducted from their pay and paid to CEA shall authorize such payroll deductions by executing checkoff on a form supplied by CEA. The President of CEA shall notify the Director of the Division of Personnel in writing of any change in the amount, frequency, or method of calculating authorized dues or fees deductions at least sixty (60) days prior to the effective date of the change. The Employer shall then make appropriate changes in payroll deductions without further notice, provided that any change does not conflict with the amount authorized by the employee. The Employer shall remit the authorized deductions to the Treasurer of CEA by the thirtieth (30th) of the month following issuance of the payroll warrant, together with a list of the names of the employees from whose pay the deductions were made.

3.05 - Payroll Files.
CEA shall receive each pay period, without charge, a computer report via electronic files by use of diskette or other common media mutually agreeable to the parties which lists each bargaining unit member’s name, employee identification number, position control number, range, step, classification title, status, hire date, department, merit anniversary date, mailing address, and termination date or last date in pay status, if applicable. The report shall also itemize and show any regular deductions made and forwarded to CEA. CEA specifically agrees that all information provided shall be used only for purposes related to the execution of the Agreement; that CEA shall be responsible for the protection and security of information provided; and that CEA shall assume all liability which may result from any improper disclosure or use by CEA of information provided.

3.06 - Meetings.
Where there is appropriate available meeting space in buildings owned or leased by the Employer, this space may be used for meetings by CEA, provided that a request is approved in advance pursuant to the rules of the department or agency concerned. Posting notification of CEA meetings shall be permitted in office areas and on the State's e-mail system.

3.07 - Representatives.
The CEA shall inform the Director of the Division of Labor Relations in writing of the names of its seven (7) board members.

With the prior approval of the first level supervisor outside the bargaining unit, these designees shall be allowed to handle complaints and grievances under this Agreement during working hours and shall suffer no loss in compensation for time spent handling complaints or grievances for up to nine (9) hours each month. Approval shall not be unreasonably denied. All time spent in such activities during work hours shall be recorded on the employee's time sheet. Time spent performing these activities shall not be counted in the calculation of hours worked. However, time compensated pursuant to this section shall be counted for the purpose of fulfilling any applicable guaranteed workweek.

3.08 - Super Seniority.
For the purpose of layoff or transfer of positions in the bargaining unit, the seven (7) CEA Executive Board members and CEA negotiators shall head the seniority list of State service from the date of notice to the Employer of their designated status.

3.09 - E-mail Communications.
The Employer recognizes the Association’s right to communicate with its members through the internet. Bargaining unit members may use their State computers to communicate with each other and/or the Association, provided such use does not interfere with official State use, or the
performance of the bargaining unit member’s job duties.

3.10 – New Bargaining Unit Orientation
The Employer will allow an Executive Board member to provide a brief orientation, not to exceed fifteen minutes, during normal business hours to new members. This orientation must take place at the new member’s duty station. This orientation will be considered time worked for payroll purposes.

ARTICLE 4-
Management Rights

It is recognized that the Employer retains the right, except as otherwise provided in this Agreement, to manage the affairs of the State and to direct its workforce. Such functions of the Employer include, but are not limited to:

A. recruit, examine, select, promote, transfer, and train employees of its choosing, and to determine the methods of such actions;

B. develop and modify class specifications as well as assignment of the salary range for each classification, and allocate positions to those classifications;

C. assign and direct the work; determine the methods, materials, and tools to accomplish the work; designate duty stations and assign employees to those duty stations;

D. reduce the work force due to lack of work, funding, or other cause consistent with efficient management;

E. discipline, suspend, demote, or dismiss employees for just cause;

F. establish reasonable work rules; assign the hours of work and assign employees to shifts of its designation.

All of the functions, rights, powers, and authority of the Employer not specifically abridged, delegated, or modified by this Agreement are recognized by CEA as being retained by the Employer.

ARTICLE 5 -
Parking

Every effort shall be made to provide reserved parking spaces for employees who are handicapped with respect to walking capability. If spaces are available, they shall be assigned as near as practical within close proximity to the employee's working area. In those areas where the parking spaces are assigned specifically to the bargaining unit employees with disabilities, the number and location of bargaining unit spaces shall not be modified or changed before consulting with CEA.

The Employer shall make available parking passes to State parking facilities for employees covered by this Agreement who are required to perform work outside their regular work areas. When an employee is required to work away from the normal work site, the Employer may provide a State-owned vehicle if available, upon the supervisor's or designee's approval.

Where head bolt heater outlets are provided by the Employer, all employees shall be permitted
to use such outlets at no cost and under the conditions as designated by the Employer, consistent with specific Environmental Protection Agency (EPA) or local jurisdiction standards, where existing.

The State shall provide not less than ninety (90) days notice of any change in the number of parking spaces available to employees and visitors. In the event the State becomes aware of a change that does not allow for ninety (90) days notice, the State shall notify CEA within five (5) days of the time the State becomes aware of the change. The parties shall meet and confer regarding any significant change in the number and location of parking spaces provided for employees.

The State shall make a good faith effort to make parking available to employees. The State shall make a good faith effort to make designated parking facilities available to employees, wherever practicable.

ARTICLE 6 -
Legal Assistance

Section 1. General.

a. Definitions:

Providing a legal defense means that Employer appoints at its expense counsel to represent member in a legal action.

Indemnification means Employer’s payment of a judgment or legal obligation that member incurred as a result of member’s duties for Employer.

b. Claims against a member as a state employee:

In legal actions under AS 09.50.250 against a member, AS 09.50.253 provides for certification by the Attorney General and for the action to proceed exclusively against the state if the action arose from conduct within the scope of member’s employment. A request for certification under AS 09.50.253 is made as provided in AS 09.50.253 and 9 AAC 33.010 and is not subject to the grievance arbitration procedure in Article 12 of this agreement.

c. Claims against a member under a federal or state law expressly authorizing a claim against a state official:

If AS 09.50.253 does not apply because federal or state law expressly authorizes an action against member, Employer will provide a legal defense and indemnify member as provided in sections 2 - 6.

Section 2. Providing a legal defense.

Employer will provide a legal defense to a member named as a defendant or respondent in a legal action if member was acting within the scope of member’s office or employment at the time of the incident out of which the action arose.

Section 3. Indemnification.

Employer will indemnify a member for a judgment or legal obligation if the judgment or legal obligation arose from member’s action within the scope of member’s office or employment.
except as provided in section 6.

Employer may provide a legal defense without assuming the obligation to indemnify member by notifying member in writing that it is reserving its right to deny payment of the judgment or obligation under this section.

Section 4. Scope of office or employment.

Member is acting within the scope of member's office or employment if

a. member was employed or authorized to perform the act or omission;

b. the act or omission occurred substantially within the authorized space or time of the office or employment;

c. a purpose of the act or omission was to serve the state; and

d. the act or omission did not constitute willful, reckless, or intentional misconduct, gross negligence, or malicious conduct.

Section 5. Disputes.

Employer’s decision to withhold a legal defense or indemnification is subject to review by complaint for breach of contract in the superior court of this state and is not subject to the grievance arbitration procedure in Article 12 of this agreement.

Section 6. Punitive Damages.

Employer will not indemnify member for a judgment against member for punitive damages.

ARTICLE-7
Working Rules

7.01 - Workweek.
The normal workweek for overtime-eligible employees shall consist of thirty-seven and one-half (37.5) hours in work or pay status from Sunday midnight to Sunday midnight within a maximum of five (5) consecutive days. All full-time employees shall be guaranteed a full workweek. Overtime exempt employees shall normally work thirty-seven and one-half (37.5) hours per week. The normal workweek shall consist of five (5), seven and one-half (7.5) hour days; however, with the mutual agreement of the employee and supervisor, the individual daily work schedule may be adjusted within the pay period to meet the needs of the agency and the desires of the employee. Hours worked in excess of thirty-seven and one-half (37.5) hours are not compensable except as otherwise provided in this agreement.

7.02 - Overtime.
All work performed by overtime eligible members of the bargaining unit in excess of Thirty-seven and one-half (37.5) hours of work in a workweek is overtime and shall be paid in accordance with the Fair Labor Standards Act.

7.03 - Compensatory Time.
Compensatory time off for overtime eligible employees shall be in accordance with the Fair Labor Standards Act. Overtime shall be paid in cash except where an overtime eligible employee requests in writing compensatory time off and the supervisor approves the request. The decision to grant or deny compensatory time off is left to the sole discretion of management.
and shall be consistent with the Fair Labor Standards Act guidelines. An employee may accrue not more than 240 hours of compensatory time. Compensatory time off shall normally be used during the pay period in which the overtime is worked. However, compensatory time not used by December 15 of the following calendar year shall be cashed out to the employee at the employee's annualized hourly wage notwithstanding the initial request to have it accrue as compensatory time.

7.04 - Lunch Periods.
A lunch period of not less than thirty (30) minutes nor more than one (1) hour shall be allowed, at the discretion of management, approximately midway of each shift.

7.05 - Relief Breaks.
All full-time employees shall be allowed one (1) relief break of fifteen (15) minutes in duration during the first (1st) half of the shift and another relief break of fifteen (15) minutes in duration during the second (2nd) half of the shift. Past practice shall continue regarding relief breaks for part-time employees.

7.06 - Holidays.
A. Subject to the provisions of B below, holidays shall be:

   The first of January - New Year's Day
   The third Monday of January - Martin Luther King, Jr. Day
   The third Monday in February - President's Day
   The last Monday in March - Seward's Day
   The last Monday in May - Memorial Day
   The Fourth of July - Independence Day
   The first Monday in September - Labor Day
   The 18th of October - Alaska Day
   The 11th of November - Veterans Day
   The fourth Thursday in November - Thanksgiving Day
   The 25th of December - Christmas Day

   Every day designated by public proclamation by the Governor of the State as a legal holiday.

   The holiday formerly known as Lincoln's Birthday shall be treated as a floating holiday. On the first day of the second pay period in July the personal leave account of all employees in leave accruing positions in pay status on that date shall be credited with one (1) additional day of personal leave.

B. The Employer may direct all employees to work on a day designated to be observed as a holiday, except for New Year's Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. If an employee is directed to work on a day designated to be observed as a holiday, the employee will be compensated as outlined in E & F below.

C. If a recognized holiday falls on Sunday then the following Monday shall be a holiday, and if the recognized holiday falls on Saturday then the preceding Friday shall be a holiday.

D. Part-time employees shall be entitled to those holidays on a pro-rated basis.

E. Each employee shall be entitled to, and compensated for, the holidays listed above provided the employee was in pay status on the regular work day immediately preceding the holiday and in pay status on the regular work day immediately following the holiday. All hours worked by overtime eligible employees on a holiday shall be compensated at the rate of one
and one-half (1.5) times the hourly rate of pay in addition to the applicable base wages for that holiday.

F. By mutual agreement, overtime ineligible bargaining unit members may elect to work on a holiday listed in A. above. In that event, the parties shall use the letter of agreement in appendix D and the bargaining unit member’s personal leave account shall be credited with one day (7.5 hours) of personal leave. Overtime eligible bargaining unit members are only eligible for this provision through advanced approval via individual letters of agreement. Otherwise, they must be paid in accordance with 7.06(E).

7.07 - Distribution of Overtime.
Compensable overtime shall be distributed as equally as is practical among employees in the same general classification within each agency. A record of actual compensated overtime hours worked shall be maintained and made available for reasonable inspection by appropriate CEA representatives with prior approval of the employee.

7.08 - Continuous Hours of Work.
An employee required to work a double shift shall not be required to work in excess of fifteen (15) hours within one (1) twenty-four (24) hour period except in an emergency.

7.09 - Termination Pay.
When an employee provides the Employer with a written two (2) weeks notice of termination, the employee’s wages become due immediately upon termination and shall be paid within five (5) working days.

7.10 - Frequency of Payday.
Effective November 1, 2010, or as soon thereafter as feasible, payday shall be on a bi-weekly basis with direct deposit on Thursday or Friday. Until such time, payday shall be the 15th and the last day of the month. If payday falls on a Saturday, Sunday or holiday, then the last working day before such Saturday, Sunday or holiday shall be the payday.

7.11 - Flexible Work Schedules.
Flexible work hours may be established by the commissioner of the employing department. The commissioner or the commissioner's designee shall be the approving authority for requests for flexible hours.

7.12 - Alternate Workweeks.
It is recognized that from time to time it is desirable to have employees work a schedule other than that provided in Article 7.01. An alternate workweek may be authorized by written agreement between the Director of the Division of Personnel & Labor Relations and the CEA under the provisions of Letter of Agreement CEA 10-KK-176 (Appendix B).

Other alternate workweek agreements may be established by written agreement between the CEA and the Labor Relations Section subject to the following conditions:

A. The Employer shall retain final authority for scheduling hours of work.

B. The Employer or the CEA may cancel the arrangement at any time with at least five (5) working days written notice to the other party.

C. When an affected employee is absent, leave shall be charged for the number of scheduled work hours missed.

D. No more than seven and one-half (7.5) hours of holiday pay shall be allowed for any holiday.
The written arrangement establishing the alternative workweek shall address how a full week's hours are to be achieved during workweeks, which include a holiday.

E. Personal leave accrual rates shall remain unchanged.

7.13 - Shift Changes.
Except in emergencies, an employee's shift shall not be changed without at least five (5) working days notice prior to the effective date of the change.

7.14 - Flexible Time Plan.
The parties recognize the normal workweek is 37.5 hours and that it may be necessary for overtime-exempt employees to work extraordinary hours to meet the mission of the agency. An FLSA exempt employee who has been authorized to work additional hours may submit a written request to the division director for approval of a Flexible Time Plan to offset excessive hours of work with a reduction of normal work hours at a later time.

An approved Flexible Time Plan is subject to the following conditions:

A. An employee who works in excess of 45 hours in a workweek shall be eligible for flextime credits retroactive to 40 hours of work in the week.

B. Flextime credits shall accrue in one-quarter (0.25) hour increments.

C. No flextime credits may be earned for travel time.

D. No more than 12 hours of work per day may be counted toward the 45 hour per work week threshold or toward flextime credits.

E. No more than two hundred (200) hours of flextime credits may be earned within a leave year.

F. Flextime credits may not be used in advance of performance.

G. Employees shall document on the flextime form all hours worked and all flextime used.

H. Accrued flextime credits may be used at any time business permits with the prior approval of the supervisor in the same manner as personal leave. Requests to use accrued flextime shall not be unreasonably denied.

I. Flextime credits earned in one leave year must be used by December 15, of the following year. Unused flextime credits shall be cancelled without payment if not used by the December 15, deadline. Upon separation from State service or the bargaining unit, accrued flextime credits shall be cancelled without payment. Accrued flextime credits may not be cashed out.

J. Disputes regarding the accrual or use of flextime credits are subject to the complaint procedures of Section 12.04.A. This shall be the sole and exclusive method of resolving such disputes.

K. Flextime credits shall be tracked and credited manually until the State implements an automated tracking system.

7.15 – Incidental Flextime Arrangements
From time to time, and with the prior approval of the supervisor, an (overtime ineligible)
employee may be absent for up to 4 hours in a day for the following, without submitting a leave slip:
Medical Appointments for the employee or family member
School events (this does not include regular, recurring events, such as volunteering as a classroom aid)
Weddings or funerals
Care of family members (including child care conflicts)
Other personal matters (this does not include time for which the employee may receive compensation in the form of goods, fees, salary or other payments from a third party)

Implementation of this section includes the expectation that there will be no reduction in the total productive hours. This section is not subject to the grievance procedure. Approval of time off requested under this article shall not be unreasonably denied.

ARTICLE 8 -
Leave

8.01 - Rate of Accrual.
All full-time employees holding permanent, probationary or provisional status shall accrue personal leave as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Hours Per Pay Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 2</td>
<td>7.50</td>
</tr>
<tr>
<td>2 - 5</td>
<td>8.44</td>
</tr>
<tr>
<td>5 - 10</td>
<td>9.38</td>
</tr>
<tr>
<td>10 +</td>
<td>11.25</td>
</tr>
</tbody>
</table>

Personal leave accruals for partial months of service shall be on a prorated basis. Employees who work less than full-time shall accrue personal leave on a prorated basis according to the above schedule and hours in pay status. Accrued leave shall be posted on a semimonthly pay period and shall be available for use when posted. In determining years of service for the purpose of computing personal leave, all permanent/probationary/provisional service with the Territory and State of Alaska is included.

Employees transferring into the bargaining unit who have accrued annual leave shall have the hours of annual leave transferred to the employee's personal leave account.

8.02 - Changes of Accrual Rate.
All accrual rate changes shall become effective the first day of the pay period following the pay period in which the employee completes the service requirement and becomes eligible for the higher accrual rate.

8.03 - Medical Leave Bank and Transfer of Accrued Sick Leave.
A. An employee who transfers into the Confidential Unit who has accrued sick leave shall have fifty percent (50%) of that sick leave transferred to the employee’s personal leave account and fifty percent (50%) of that sick leave transferred to a medical leave bank. Banked medical leave may only be taken in accord with this Article.

B. Medical Leave Bank. Such leave as is provided in Paragraph A, above, shall be available for use in the event of a medical disability which prevents the employee from working or illness or injury to a member of the employee’s immediate family. The supervisor may require a physician’s certificate. If the employee has no Medical Leave Bank leave balance, or if that balance is exhausted during the period of disability/absence, leave shall be charged to the employee’s Personal Leave accrual in accordance with Section 8.04-
Utilization & Disposal, of this article, below.

C. Except as otherwise provided in 8.05 (D), upon separation from State service, the hours in an employee’s medical leave bank shall be transferred to the CEA Catastrophic Medical Leave Bank. The Labor-Management Committee established at Article 11 shall develop the procedures regarding use of this leave bank.

8.04 - Utilization and Disposal.

Personal leave shall be used for any and all purposes for which sick and/or annual leave have heretofore been used. This includes medical or dental appointments, and illness or injury of the employee or the employee’s immediate family.

Personal leave requests require the prior approval of the supervisor except in the case of illness or injury to the employee. Employee requests shall be given full consideration and, to the extent practicable, approved. However, the parties agree that the final decision with regard to approval or disapproval of any request shall be based on the supervisor's evaluation of the needs of the job. In an absence due to illness or injury, the supervisor may require a physician's certificate. Employees shall not be required to provide a physician's certificate for illnesses of less than three (3) days unless improper use is suspected.

Personal leave accrued but not used shall accumulate until separation; however, at least 37.5 hours of personal leave must be used each full leave year (December 16 of one (1) calendar year through December 15 of the following calendar year). Approved leave without pay shall count toward the mandatory 37.5 hours usage. Part-time employees shall have the mandatory leave requirement prorated based upon the number of hours the employee is regularly scheduled to work.

If the employee fails to use the 37.5 hours in any full leave year, the employee shall be entitled to payment for the unused portion. This payment shall be at the employee's annualized hourly rate and shall be included in the first (1st) regular payroll following the close of the leave year. The period of time for which payment is made shall be deducted from the employee's personal leave balance. It is understood that, should the employee fail to schedule the 37.5 hours leave, the Employer may direct that the employee take the personal leave at any time to satisfy the 37.5 hours requirement.

8.05 - Separation.

A. Employees who separate from State service for any reason including layoff shall receive within seven (7) days a lump sum payment for all accrued unused personal leave. Unused personal leave will be paid out at the employee's current hourly rate of pay at the time of separation.

B. Employees who go on personal leave and subsequently give notice of resignation, or who do not return to work, shall be considered to have separated on the last day worked. No additional leave shall accrue after the last day worked.

C. Any exception to the policy stated in B. of this section requires the prior written approval of the Commissioner of the Department of Administration.

D. In case of death of an employee who, at the time of death, is a bargaining unit member all unused sick leave shall be paid to the employee's designated beneficiary in a lump sum at the employee's annualized hourly rate of pay.

8.06 - Funeral Leave.

If a death occurs among members of an employee's immediate family, the employee shall be
excused from work and allowed to use up to 75 hours of leave to attend the funeral and make
arrangements. The funeral leave time shall be charged first to personal leave, then to medical
leave or, if no leave is available, to leave without pay. Additional days may be authorized under
extenuating circumstances. Immediate family, for the purpose of funeral leave, shall mean
husband, wife, child, father, mother, any person “in loco parentis” to the employee, sister,
brother, father-in-law and mother-in-law, grandparents, grandchildren, stepchildren and foster
children.

8.07 - Leave Cash-In.
Employees having in excess of 37.5 hours of personal leave shall, upon request to the
Employer, receive payment for accrued but unused personal leave at the annualized hourly rate
of pay. Under no circumstances may an employee receive a leave cash-in which would reduce
the employee’s leave balance below 37.5 hours. Payment shall be made no later than one (1)
pay period following the pay period in which the request is received.

8.08 - CEA Leave Bank.
Upon written authorization, new employees in the bargaining unit shall have seven and one-half
(7.5 hours) of personal leave assessed and transferred to the CEA Leave Bank as soon as a
sufficent amount is posted to individual leave accounts. Such reduction shall not be applied
toward the mandatory leave usage as required in Section 4 of this Article.

The purpose of the Bank is to provide CEA with a reserve of personal leave to provide for
employee training, Association business meetings, contract negotiations and other purposes
authorized by the CEA President. Voluntary contributions in increments of seven and one-half
(7.5) hours may be made by any employee.

Each leave assessment and contribution shall be converted to its dollar value at the rate of pay
of the employee from whom the leave was received. Those dollars (with benefit costs) shall be
placed in the CEA Cash Business Leave Bank. For each hour of business leave used in
accordance with other provisions of this section, dollars shall be withdrawn from the bank equal
to the hourly rate (with benefits) of the employee utilizing the leave.

Upon notice by the President of CEA to the Employer, each employee who has authorized a
deduction shall be assessed personal leave in equal amounts.

All personal leave transferred to the Bank is final and not recoverable for recredit to an
employee’s individual leave account.

Withdrawal requests from the CEA Leave Bank shall be made by the President of CEA
addressed to the Director of the Division of Personnel. The President and officers of CEA
assume complete responsibility for:

A. evaluating requests for use of the Leave Bank;

B. approving withdrawal requests in given amounts.

Withdrawal from the Bank shall be made only when leave has been approved on the same
basis as any personal leave request. Such approval shall not be unreasonably denied.

8.09 - Donations of Personal Leave.
Employees shall be allowed to donate personal leave to and receive donations of annual or
personal leave from employees in this unit, those represented by a different union, or non-
covered employees for medical purposes subject to the following conditions:
A. Each employee wishing to donate personal leave shall submit a leave request showing the amount of personal leave he or she wishes to donate in increments of not less than two (2) hours.

B. Each request shall state, "Leave donation to (employee name), (Employee identification number)."

C. Until a new Time and Attendance system is implemented, leave slips will be the standard form for the donation of personal leave.

D. All leave requests for a particular recipient shall be delivered to the Payroll Supervisor of the recipient’s Service Center for processing each pay period as needed or will be submitted through the online time and attendance system, when implemented.

E. The Employer shall, for purposes of computation, convert the donated leave hours to dollars at the hourly rate of the donor. The dollars shall then be converted to hours of leave at the hourly rate of the recipient, and the resulting number of hours shall be added to the recipient’s donated leave account for use as medical leave. The total amount of donated leave credited to the employee’s donated leave account shall not exceed 300 hours during the life of the current agreement. Leave donations shall be credited to the recipient’s donated leave account during the pay period in which received by the Division of Finance. Donated leave may not be used until all accrued personal and medical leave has been exhausted.

F. Once the Division of Finance has completed the above process, the State shall not be obligated for further processing or liabilities resulting there from. Once the donation has been transferred to the recipient, the donation cannot be withdrawn, modified or otherwise returned to the donor’s leave account. Leave donations shall not reduce the mandatory leave usage requirements established in this Article. Upon the death of an employee, any unused donated leave shall be paid in cash to the employee’s beneficiaries at the employee’s annualized hourly rate.

G. Except as otherwise provided in this Article, upon separation from State service, the hours remaining in an employee’s donated leave bank shall be converted to the CEA Catastrophic Medical Leave Bank. The Labor Management Committee established in Article 11 shall develop the procedures regarding use of the Catastrophic Medical Leave Bank.

8.10 - Court Leave.
An employee who is called to serve as a juror or subpoenaed as a witness shall be entitled to court leave. Court leave shall be supported by written documents such as subpoena, marshal’s statement of attendance, and compensation for services, per diem and travel. Employees shall turn over to their employing departments all moneys received from the court as compensation for service and in turn shall be paid their current salary while on court leave.

8.11 - Military Leave.
An employee who is a member of a reserve or auxiliary component of the United States Armed Forces is entitled to a leave of absence without loss of pay, time or performance rating without regard to other compensation earned during that period on all days during which the employee is ordered to training duty, as distinguished from active duty, with troops or at field exercises, or for instruction, or when under direct military control in the performance of a search and rescue mission. The leave of absence may not exceed sixteen and one-half (16.5) working days in any leave year.

8.12 - Family Leave.
Qualified employees may be granted family leave. When taking family leave, a qualified employee must exhaust all accrued personal and medical leave as provided in Section 8.03, and donated leave (in that order) before entering leave without pay except that an employee may elect to retain up to 37.5 hours of personal leave in his or her leave account for use upon return from leave taken under this provision. When taking leave due to pregnancy, childbirth, foster care placement or adoption, the leave entitlement must be taken consecutively.

The period for utilizing family leave entitlements shall commence with the first day of family leave. An employee may be required to recertify the qualifying reason for remaining on family leave. An employee may be required to provide a fit-for-duty statement prior to returning to work.

8.13 - Other Approved Absences.
Upon application and approval of the appointing authority, an employee may be granted leave of absence with or without pay. Such leave shall not normally exceed twelve (12) continuous months. Continuous service credit shall not accrue during the period of leave without pay. Approval of said leave of absence shall not be unreasonably withheld.

8.14 - Leave Anniversary Date.
The leave anniversary date must be advanced one (1) month later for each twenty-three (23) days of leave without pay in a leave year.

ARTICLE 9 -
Time Off to Vote

The Employer shall provide reasonable and necessary time off for employees covered by this Agreement to vote in local, municipal, borough, State, federal and special elections; provided that the employee is unable, in the view of the Employer, to vote outside working hours.

ARTICLE 10 -
Safety Equipment

It shall not be a violation of this Agreement nor grounds for dismissal if an employee refuses to work on an unsafe job, provided the job is found to be unsafe by the Alaska Department of Labor and Workforce Development. Any safety equipment required by AS18.60 to make a job safe, shall be supplied by the Employer. The Employer shall abide by AS18.60 standards.

Disciplinary action shall not be taken under this Article until the Department of Labor and Workforce Development has made a finding on safety, providing that the employee or CEA has made a formal request for a Department of Labor investigation. If the Department of Labor finds the job to be safe and in the remote possibility that subsequent disciplinary action is taken, the employee shall have recourse to the established settlement of disputes procedure.

ARTICLE 11 -
Labor-Management Committee

11.01 - Purpose.
In order to facilitate communication between the parties and to promote cooperative employer and employee relations the Employer and CEA agree to form a joint Labor-Management Committee which shall meet as necessary to discuss matters of mutual concern.
11.02 - Committee Composition.
The Committee shall be composed of three (3) members appointed by the President of CEA and three (3) members appointed by the Commissioner of the Department of Administration and/or the Director of the Division of Personnel and Labor Relations. Additional individuals may be included in particular labor-management meetings by mutual agreement.

11.03 - Meetings and Agenda.
The Labor-Management Committee may meet at the request of either party.

Labor-Management Committee meeting agendas shall be prepared in advance. The parties shall attempt to compile a mutually agreeable agenda. However, if this is not possible, each party may propose up to three items for inclusion on the agenda. Agenda items will be deleted at the mutual agreement of the committee members.

Labor-Management meetings shall be conducted in good faith. The parties shall alternate responsibility for chairing the meetings; the chair shall be responsible for preparing and distributing meeting minutes.

11.04 - Committee Evaluation and Training.
At the conclusion of each calendar year, the parties shall discuss the Labor-Management Committee concept and shall determine whether to continue, modify or terminate it.

ARTICLE 12 - Settlement of Disputes

12.01 - No Strike or Lockout, Picket Lines.
A. CEA agrees that during the life of this Agreement, CEA, its agents or its bargaining unit members shall not authorize, instigate, aid or engage in any work stoppage, slowdown, sick-out, refusal to work, picketing or strike against the Employer.

B. If a picket line is established and sanctioned by CEA and officially announced by the CEA President, it shall not be a violation of this Agreement and it shall not be cause for discipline or discharge in the event an employee refuses to enter upon any property involved in such a primary labor dispute or refuses to go through or work behind any such primary line, including primary picket lines at the Employer's place of operation. The provisions of this paragraph do not apply to those class one employees described under AS 23.40.200 or to class two employees if enjoined pursuant to AS 23.40.200.

C. The Employer agrees that during the life of this Agreement there shall be no lockout.

D. Any violation of this Section by CEA or the Employer is not subject to the grievance-arbitration procedure and either party may pursue such legal remedies as provided by law.

E. Disciplinary action taken against an employee for violation of this Section is subject to the grievance-arbitration procedure.

12.02 – Grievances.
A. Grievance Procedure. It is desired that differences between employees and supervisors be resolved as quickly as possible. To achieve this goal, employees are encouraged to discuss such differences with their supervisor as soon as possible after they are aware of the event leading to the difference and prior to filing a grievance. Supervisors are similarly encouraged to be responsive to such discussions. Adjustments may not conflict with this
Agreement or applicable laws, regulations, or policies and shall not be precedential. Such discussion is at the employee's option and the time limits for filing a grievance shall be adhered to. If the supervisor has not responded, or the employee is not satisfied with the supervisor's response, the employee must file a written grievance at Step One within the time frames set forth below.

A grievance shall be defined as any controversy or dispute involving the application or interpretation of the terms of this Agreement arising between the CEA or an employee or employees and the Employer.

Grievances shall be processed on forms provided by the Employer. The grievance shall state the facts giving rise to the grievance, the specific provision(s) of the Agreement that are alleged to have been violated, and the remedy requested. If the Employer fails to render a decision within the allotted time, the grievance may be advanced to the next step by the CEA. Time frames may be extended by mutual agreement of the parties.

**Step One:** An employee shall individually, or with a CEA representative, present the written grievance to the first level supervisor outside the bargaining unit within twenty (20) working days of the disputed action or the date the employee is made aware of the action, whichever is later. The supervisor shall respond in writing within ten (10) working days of receipt. The written grievance shall state specifically which Article(s) and Section(s) the Employer may have violated and the manner in which the violation is alleged to have occurred.

Settlements reached at Step One shall be binding only if such settlements are consistent with the provisions of this Agreement, the policies and regulations of the Employer, and the authority of the respondent. Grievances settled at Step One which are found to be inconsistent with the provisions of this Agreement, the policies and regulations of the Employer, and/or the authority of the respondent may be reopened by the Employer through written notice to CEA within ten (10) working days after receipt of the settlement. CEA may advance such a grievance directly to Step Two.

**Step Two:** If the grievance is unresolved at the prior Step, an appeal may be submitted by the CEA representative in writing to the Commissioner of the Department of Administration within ten (10) working days after the prior Step response is due or received. Within five (5) working days of receipt at Step Two, the grievance shall be the subject of a conference between the CEA representative and a representative of the Commissioner of the Department of Administration. If the representatives are unable to resolve the grievance, the Commissioner or designee shall respond in writing within ten (10) working days after the conference.

B. Disciplinary Grievances. All grievances resulting from dismissal, demotion for cause, or a single suspension in excess of thirty (30) days of a permanent employee shall be entered into the procedure at Step Two. Such grievances shall be brought to the attention of the Employer within ten (10) working days of the action or knowledge thereof.

C. Class Action Grievances: A class action grievance is a controversy or dispute which affects two (2) or more employees in the same manner. Class action grievances shall be submitted by the CEA representative to the first (1st) level supervisor having jurisdiction over all grievants. Class Action grievances must identify grievants by the class of affected employees with sufficient specificity that the class will be readily identifiable.

12.03 - Arbitration.
A. Board of Arbitration. Within thirty (30) days of the signing of this Agreement, the Employer and the CEA shall jointly request from the US. Federal Mediation and Conciliation Service
(USFMCS) the names of 21 qualified arbitrators. From the list of 21 arbitrators the Employer and the CEA shall alternately strike from the list one name at a time until 11 names remain on the list. This list of 11 arbitrators shall be used by the parties to select individual arbitrators for hearings. This does not preclude the parties from compiling a mutually agreeable list without the assistance of USFMCS.

For each hearing, the parties shall select the arbitrator by alternately striking one (1) name at a time until only one (1) name remains on the list. The parties shall alternate on striking the first (1st) name. The name of the arbitrator remaining on the list shall be accepted by the parties as the arbitrator, and arbitration shall commence on a mutually acceptable date.

B. Selection of the Arbitrator. If a grievance is not resolved at Step Two the CEA may request arbitration. This request shall be submitted to the Director of the Division of Personnel and Labor Relations or designee in writing within twenty (20) working days after the response from Step Two is due or received. The CEA shall state specifically which Article(s) and Section(s) the Employer may have violated and the manner in which the violation is alleged to have occurred. The parties shall meet within twenty (20) working days after receipt of the request for arbitration to strike names and to make arrangements to contact the arbitrator about scheduling the hearing. The CEA shall contact the Employer to strike names.

C. Authority of the Arbitrator. Questions of arbitrability shall be decided by the arbitrator. Once a determination is made that the matter is procedurally arbitrable or if such preliminary determination cannot reasonably be made, the arbitrator shall then proceed to hear the merits of the dispute.

The parties agree that the decision or award of the arbitrator shall be final and binding. The arbitrator shall have no authority to rule contrary to, amend, add to, subtract from or eliminate any of the terms of this Agreement. The arbitrator shall have no power to modify a penalty or other management action except by finding a contractual violation.

Expenses incident to the services of the arbitrator shall be borne as designated by the arbitrator. Normally, the losing party shall be expected to pay the arbitrator’s expenses. If neither party can be considered the losing party, the arbitrator shall apportion expenses using the arbitration decision as a guide.

D. Removal of Documents. Documents implementing penalties, which are later reversed, shall be removed from the employee's personnel file. This does not preclude the maintenance of such records in the files of Labor Relations, provided such documents shall not be forwarded to potential employers within or outside State government.

E. Arbitration Witnesses. A Confidential Unit member who is required to appear as a witness for CEA for an arbitration proceeding shall be granted time off subject to the CEA Business Leave Bank.

12.04 – Complaints.
A. Complaint Procedure. A complaint shall be defined as (1) any controversy, dispute or disagreement arising between the CEA or an employee or employees and the Employer which does not involve the application or interpretation of the terms of this Agreement, or (2) the appeal of the discharge, demotion or suspension of a probationary employee not holding permanent status in another classification. Such matters are not included in the definition of a grievance as set forth in Section 2. The following shall be the sole and exclusive method of resolving complaints.

Complaints shall be processed on forms provided by the Employer. The complaint shall
state the facts from which it arises, the rules, procedures or conditions which should be considered and the remedy requested. If the Employer fails to render a decision within the allotted time, the complaint may be advanced to the next step by the CEA. Time frames may be extended by mutual agreement of the parties. Adjustments to complaints shall not conflict with this Agreement or applicable laws, regulations or written policies.

**Step One.** An employee may individually, or with a CEA representative, present the written complaint to the first level supervisor outside the bargaining unit within twenty (20) working days of the action or inaction or the date the employee is made aware of the action or inaction, whichever is later. The supervisor shall respond in writing within ten (10) working days of presentation.

**Step Two.** If the complaint is unresolved at Step One, an appeal may be submitted by the CEA representative in writing to the Commissioner of the Department of Administration within ten (10) working days after the Step One response is due or received. Upon request of the CEA, a conference between the CEA representative and a representative of the Commissioner of the Department of Administration shall be convened to discuss the complaint. If the representatives are unable to resolve the complaint, the Commissioner or designee shall respond in writing within twenty (20) working days after receipt of the appeal or the date of the conference, whichever is later. The decision of the Commissioner of the Department of Administration is final and shall settle the matter.

**B. Group Complaints.** A group complaint is a controversy, dispute or disagreement which affects two (2) or more employees in the same manner. Group complaints shall be submitted by the CEA representative to the first (1st) level supervisor outside the bargaining unit having jurisdiction over all complainants and may be appealed upward from that level until final settlement by the Commissioner of the Department of Administration. Time limits and procedures shall be as for individual complaints set out above. Group complaints must identify complainants by name, job class and department to the extent possible.

**C. Conversion to Grievance.** If in the opinion of the CEA representative a matter initially filed as a complaint does involve the application or interpretation of this Agreement, the complaint may be converted to a grievance at or before Step Two. The grievance must be filed on a grievance form with copies of the complaint and all responses attached. Nothing in this section shall limit the Employer's right to raise questions of arbitrability.

**12.05 - Review of Individual Positions.**
An employee may obtain a review of the classification of his/her position in the following manner:

The Union shall submit a request for review to the Director of the Division of Personnel and Labor Relations or designee. The request for review shall include a copy of the full position description from the On-Line Position Description system and the union will provide an analysis supporting their request. The employee shall complete a full position description describing the duties, level of authorities and responsibilities performed.

The Division of Personnel and Labor Relations shall review the employee’s duty description with the employee’s supervisor as part of a position analysis. A final position description shall be completed to reflect the actual duties assigned and performed. The completed PD shall be reviewed in conjunction with existing class specifications for proper classification. Not later than sixty (60) calendar days following receipt of the request, the Director of Personnel and Labor Relations or designee shall render a decision and notify both the supervisor and the Union.

**A. Reallocations shall be made effective in accord with 2 AAC 07.035.** If the Director or
designee determines that the position should be upgraded but funds are not available the employing department shall restrict the duties to be consistent with the classification at the funded level.

B. No more than one (1) request may be processed for a position under this section in any twelve (12) month period unless substantial changes in duties have occurred.

C. The foregoing procedure shall be the sole and exclusive method of resolving classification disputes, notwithstanding the other provisions of Article 12.

ARTICLE 13 - Wages

13.01 – Wages.

A. Effective July 1, 2010, CEA members shall convert to the Supervisory Unit salary schedule in effect on July 1, 2010. This schedule is found in Appendix D.

B. Effective July 1, 2011, the salary/wage schedule in effect on June 30, 2011, shall be increased by two percent (2%).

C. Effective July 1, 2012, the salary/wage schedule in effect on June 30, 2012, shall be increased by two percent (2%).

D. The minimum rate of pay in the assigned salary range for a job classification shall normally be paid upon initial appointment or hire. Any exception shall require the written approval of the Director of the Division of Personnel prior to an employee beginning employment in the class.

E. Pay increments, computed at the rate of 3.75% of the employee’s base salary, shall be provided after an employee has remained in the final step within a given range for two years, and every two years thereafter, if, at the time the employee becomes eligible for the increment, the employee’s current annual rating by the employee’s supervisor is designated as “acceptable” or better service.

13.02 - Geographic Differentials.
The parties agree that members of this bargaining unit shall receive the geographic differentials as provided for in Appendix A.

13.03 - Swing and Graveyard Shift Differentials.
A. All full-time employees who work a "swing" shift beginning between 12:00 noon and 7:59 p.m. are entitled to a 3.75 percent increase over their basic hourly wage or salary as established by this Article for all hours worked in each such shift. All part-time employees who work a "swing" shift beginning between 4:00 p.m. and 7:59 p.m. are entitled to a 3.75 percent increase over their basic hourly wage as established by this Article for all hours worked in each such shift.

B. All employees who work a "graveyard" shift beginning between 8:00 p.m. and 5:59 a.m. are entitled to a 7.5 percent increase over their basic hourly wage or salary as established by this Article for all hours worked in each such shift.

13.04 - Standby Pay.
When employees are ordered to remain home, or periodically report their whereabouts and be
available for immediate recall, their names shall be placed on a standby roster. An amount equal to 10 percent of seven and one-half (7.5) times the employee's hourly base salary shall be paid to an employee who is assigned to a standby roster for each calendar day or portion of a calendar day of such assignment. The daily rate of compensation shall include geographic and shift pay as may be appropriate.

13.05 - Reallocation of Position. 
If an employee is reclassified to a higher salary range based upon the work already being performed, the employee's status and step placement shall remain unchanged. An employee who has earned a pay increment must remain at that pay increment in the new range for two years. If an employee is reclassified to a higher salary range based upon work that they have not already been performing, their step placement shall be determined in accordance with Article 13.08.

An employee holding a position which is reallocated to a classification at the same pay range shall remain at the same step assignment.

An employee holding a position which is assigned to a lower pay range or reallocated to a classification which carries a lower pay range shall be treated in the following manner:

A. If the employee's current salary is the same as any step in the new range, the employee shall enter the new range at that step;

B. If the employee's current salary falls within the lower range, but between steps, the employee's salary shall remain frozen until that employee earns the next merit increase or pay increment at which time that employee shall be placed at the next higher step;

C. If the employee's current salary exceeds the maximum of the new range, it shall remain frozen until it is the same as any step or falls between steps which appear on the salary schedule at the lower range, whichever is earlier.

Salaries which are frozen shall not be subject to any salary increase including contractually negotiated adjustments or cost-of-living adjustments to the salary schedule. For purposes of this paragraph employees whose positions are subject to a reallocation from one (1) class to another may not be paid at a pay increment unless they have earned such step in the class occupied prior to the reallocation action or until said step is earned in the class to which the position was reallocated.

Time served at Step F or a pay increment of the higher range shall be counted as time served at Step F or a pay increment of the lower range.

13.06 - Anniversary Dates. 
The merit anniversary date or any other pay increment date must be advanced one (1) month later for each twenty-three (23) days of leave without pay in a leave year.

13.07 - Rehire Employees. 
If an individual, eligible for rehire, is reappointed to a class or to a parallel class with prior approval of the Director of the Division of Personnel and Labor Relations under Section 20.04, in which the employee previously held permanent or probationary status, the appointing authority may make the appointment at the same step in the salary range for the class that the employee occupied before separation, provided that the rehire occurs within a period of three (3) years. If appointed above the beginning step of the range, the employee's merit anniversary shall be the beginning of the pay period following completion of one (1) year of service after hire or the equivalent for part-time employees. An employee reappointed at a pay increment must
complete two (2) years of service after hire before moving to the next pay increment.

If an individual is rehired with prior approval of the Director of the Division of Personnel and Labor Relations in a lower class in the same class series, the employee may be paid at the step in the range of the lower class of positions that best reflects the earned step based on creditable State service or at such other step approved in advance by the Director of the Division of Personnel and Labor Relations.

13.08 - Promoted Employees.
A. If an employee in frozen pay status is promoted to a higher job class, the promotion shall result in, at a minimum, a one (1) step real increase in compensation.

B. An employee who has served one-half (1/2) or more of the time required to be considered for the next step increase shall, upon promotion to a position in a higher salary range in the bargaining unit, be placed at Step A of the higher range or such other step as shall provide an increase of two (2) steps, whichever is greater.

C. An employee who has served less than one-half (1/2) of the time required to be considered for the next step increase shall, upon promotion to a position in a higher salary range in the bargaining unit, be placed at Step A of the higher range or such other step as shall provide an increase of one (1) step, whichever is greater.

D. A promoted employee entering the new range at a pay increment shall be treated as if that increment had been earned in the new range and granted further increments accordingly.

E. For purposes of this section, "steps" means both pay increments and merit steps.

13.09 - Acting in a Higher Range.
An employee who has received prior written delegation to perform essentially all of the duties of a specific position at a higher range for fifteen (15) consecutive calendar days shall be paid at the step of the higher range that would be appropriate in case of promotion, retroactive to the first (1st) day of such duties. Upon commencement of the employee's regular duties, the employee's pay rate shall return to normal. Such delegation shall not exceed sixty (60) days unless extended by the Director of the Division of Personnel and Labor Relations.

Accrued leave used or cashed out while in acting status shall be paid at the employee's regular rate of pay.

It shall not be a violation of this Agreement, nor cause for disciplinary action, if an employee declines to accept a written delegation of authority. Employees shall be informed of the expected length of a delegation of authority at the time it is offered.

13.10 - Subfills.
An employee who subfills a position within the bargaining unit for more than fifteen (15) days shall receive full credit for the time served, for promotional purposes, by submittal of a written report to be placed in the employee's personnel file. This provision does not apply to positions that are flexibly staffed.

13.11 - Penalty Pay.
If the employee does not receive the paycheck on payday or within twenty-four (24) hours of the close of business on payday, the employee shall be entitled to penalty pay of forty dollars ($40.00) for every day thereafter that the check is late, provided the employee files notice with the Employer on forms provided by the Employer within the next regular business day. Failure to provide notice to the Employer within the specified time period shall forfeit claim for penalty
pay until such notice is given. In no case may penalty pay exceed four hundred dollars ($400.00) for any single incidence of late pay.

Verified pay shortages shall be paid no later than fifteen (15) days after verification of a written complaint. However, verified pay shortages of one hundred dollars ($100) or less shall be paid on the next regular semimonthly warrant. If not paid as provided in this paragraph, the penalties set forth above shall apply.

13.12 - Demotions.
A. Demotions for Cause. An employee who is demoted for cause shall enter the new range at the step occupied at the higher range.

B. Voluntary Demotion. An employee holding permanent status in a classification may request a voluntary demotion to a lower class in the same class series and shall retain permanent status in the lower class. An employee who is granted a voluntary demotion shall be paid at the step in the range of the lower class that best reflects creditable State service at or above the range demoted to.

C. Time served at Step F or a pay increment of the higher range shall be counted as time served at Step F or a pay increment of the lower range.

13.13 - Transfers.
A. An employee appointed to a position in the same classification or a successor classification, at the same pay range, or a parallel class shall retain the step held prior to the transfer and the employee's merit anniversary or pay increment date and status shall remain unchanged.

B. An employee appointed to a position in a different classification (which is not parallel) at the same pay range shall retain the step held prior to the transfer. The employee shall serve a new probationary period and shall establish a new merit anniversary date. If an employee is at a pay increment, the date the employee is eligible for the next increment remains the same.

13.14 – Step Placement Upon Movement to a Position in a Lower Range
A. An employee who is appointed to a position in a lower job classification not in the same, parallel or closely related class series shall be paid at the step in the range of the lower class of positions that best reflects the earned step based on creditable State service.

B. The employee shall serve a new probationary period in the lower class and shall have a new merit anniversary date established.

C. This does not preclude an employee from receiving an advanced step placement in lieu of a step placement based on creditable State service should they meet the established criteria.

13.15 - Dispatchers.
Employees of the Alaska Marine Highway System functioning as Dispatchers shall be compensated as follows for work performed by telephone outside of regular work hours. For calls received within four hours after completion of the regular work day, the time worked shall be recorded on the timesheet in fifteen (15) minute increments. For calls received later than four hours after completion of the regular work day, the time worked on the timesheet shall be recorded in thirty (30) minute increments.

13.16 - Overpayments.
Overpayments discovered after one (1) year from the date the overpayment was made shall be forgiven by the Employer provided the employee was not directly involved in the calculation or
certification of the payroll resulting in the error and the overpayment was not the result of fraud, deception or the employee’s negligence.

**ARTICLE 14 - Insurance**

14.01 - Employee Health Insurance Plan.
The Employer shall provide a policy of group insurance, generally referred to as the Commissioner’s Plan under AS 39.30.090, covering full time employees, their spouses, and eligible dependents.

The Employer shall seek to maintain a plan with prudent reserves and minimal cost shifting. This Article shall in no way limit the Commissioner’s authority under AS 39.30.095.

The Employer’s health insurance shall increase by the amount of money, for all employees, that is necessary to fund comparable coverage under the “Select Benefits Economy Plan.”

The eligibility of employees and their dependents for coverage and the precise benefits to be provided shall be as set forth in the insurance plan documents, consistent with AS 39.30.090. The Employer shall provide written notice to the CEA of changes to the level of health insurance benefits at least sixty (60) days prior to implementation.

The Employer’s responsibility under this section is limited to the payment of necessary contributions required to purchase the insurance coverage. The Employer has no liability for the failure or refusal of the third party administrator to honor an employee’s claim or to pay benefits and no such action on the part of the third party administrator shall be attributable to the Employer or constitute a breach of this Agreement by the Employer. Under no circumstances shall the Employer be responsible for paying any health insurance benefits directly to an employee. Disputes regarding individual claims shall be adjudicated solely through the procedures provided by the third party administrator, except that an allegation that the Employer has failed to pay the required premium may be subject to the grievance procedure set out at Section 12.02.

The Employer expressly waives its right to require the CEA to bargain collectively and the CEA expressly waives its right to require the Employer to bargain collectively over all matters relating to the provision of a group health insurance plan established pursuant to AS 39.30.090 and AS 39.30.095.

14.02 – Employee Life Insurance.
A. Employer Provided Life Insurance: The Employer will insure the life of every employee in the principle amount of two thousand dollars ($2,000).

B. Employee Purchased Life Insurance: The Employer will continue to make available an Optional Life Insurance Policy to each employee who is eligible for coverage under the Employer provided health insurance plan. The amount of the optional life insurance available for each employee to purchase will be an amount equal to the employee’s annual base income rounded to the next highest thousand. The maximum amount available will be $100,000.

14.03 – Travel and Accidental Insurance.
The Employer will insure the life of every employee against accidental death while the employee is traveling within the scope of his/her State employment in the amount of one hundred thousand dollars ($100,000). The Employer will make a timely good faith attempt to alter the existing policy to allow for the payment of death benefits to a beneficiary (beneficiaries) at their
option over a five (5) year period or a lump sum payment provided that such a change is at no additional cost to the Employer.

14.04 - Re-negotiation.
If a state or national health insurance plan becomes law that requires participation by employees covered by this Agreement, or if health benefits come taxable during the term of this Agreement, the parties shall reenter negotiations within thirty (30) days.

One member designated by the Association shall participate on the Health Benefits Evaluation Committee.

ARTICLE 15 -
Travel and Per Diem

Travel, moving, per diem, and meal allowances shall be paid in accordance with the provisions of the Administrative Manual, in effect at the time of travel, including provisions for payment of actual expenses, as appropriate in all communities.

If an employee chooses to work in a State office, with prior supervisory approval, while on personal travel, the employee’s duty station shall remain unchanged and they will not be entitled to travel provisions under this Article. Under this provision, the employee will not be required to use leave while performing the duties of their position.

ARTICLE 16 -
Personnel Files

16.01 - Employee Access.
Employees shall have access to their personnel file or files. Before any notation is placed in the personnel file, the employee shall be given a copy. Secret files shall not be kept on any employee.

16.02 - File Review Procedure.
The employee, either individually or accompanied by a CEA representative, may request in writing that particular disciplinary documents concerning a warning or reprimand be removed from the employee’s personnel file. Such a request shall be made to the employee's division director and shall include a rationale for the removal. The director may grant or deny the request, and such decision shall not be subject to further review, notwithstanding the provisions of Section 12.02 (grievance procedure). If the request is denied the director shall provide the employee with a written explanation of the reason for denial.

Documents removed pursuant to this procedure shall be forwarded by the employee’s supervisor to the Director of the Division of Personnel and Labor Relations. The parties agree that such documents may be maintained as part of the Labor Relations files, provided that such documents shall not be forwarded to potential employers within or outside State government.

An employee may invoke this procedure only once per calendar year.

ARTICLE 17 -
Unit Responsibilities and Disciplinary Actions

A. In cases of discharge, suspension or demotion for just cause the Employer agrees to notify
the employee and President of CEA in writing concurrent with commencement of the action.

B. No employee shall disclose any confidential information pertaining to the Employer's business. Proven violation of this section shall be deemed sufficient cause for appropriate disciplinary action.

C. CEA and the Employer agree that sexual harassment by or against an employee covered by this Agreement shall not be condoned and may result in disciplinary action.

D. CEA and the Employer agree that with the exception of instances of egregious misconduct, including but not limited to chemical or alcohol intoxication, being under the influence of alcohol or drugs while on the job, disobedience, dishonesty, physical misconduct, abusive or lewd behavior, theft or fraud with a nexus to the workplace, the unauthorized possession, viewing or accessing of pornography or lewd materials at work or on State equipment, or abandonment of duties, all permanent employees shall be given two (2) weeks notice or two (2) weeks pay prior to discharge.

E. Employee behavior shall conform to that specified in the Executive Ethics Act, AS 39.52.

F. Employees recognize that the need for security of privileged information pertaining to contract negotiations or confidential information under AS 39.25.080, is a requirement for acceptable fulfillment of the employees' duties and responsibilities.

ARTICLE 18 - Performance Evaluations and Probationary Periods

18.01 - Frequency of Evaluation.
A. An employee holding probationary status shall receive a written performance evaluation halfway through, and at the completion of, the probationary period.

B. An employee holding permanent status shall receive annually a written performance evaluation. The performance evaluation shall be due on the employee’s merit anniversary date.

C. The purpose of the evaluation is to improve communication between the supervisor and employee, improve motivation and develop employee skills. The evaluation shall outline performance standards for the next rating period and a plan for meeting performance goals including training needs for that period.

D. Unless the Employer takes an affirmative action to deny a merit increase through a performance evaluation, the employee’s performance shall be considered “acceptable” and any monetary increase shall be effective on the merit anniversary date.

18.02 - Review of Evaluations.
All performance evaluations shall be reviewed with the employee by the rater. An employee who is dissatisfied with a performance evaluation may make a written rebuttal within ten (10) working days of its presentation to the employee for signature. The written rebuttal shall be attached to the evaluation prior to finalization and become a part of the employee’s personnel file.
18.03 – Merit Increases or Pay Increments.

(a) Merit increases and pay increments may be granted or withheld based upon the appointing authority's evaluation of an employee's performance.

(b) A merit increase of one step in the salary range shall be given on the merit anniversary date to an employee whose performance is considered "acceptable" or better and of progressively greater value to the state unless the appointing authority takes proactive action to deny a merit increase documented in a performance evaluation before the merit anniversary date. Any monetary increase shall be effective on the merit anniversary date.

(c) If an employee receives an overall performance evaluation of "Outstanding," a merit increase of two steps in the range may be given on the merit anniversary date at the discretion of the appointing authority. No merit increase may place an employee at a higher salary level than the top merit step of the employee's assigned salary range.

(d) A merit increase or pay increment may be withheld if the employee has received an overall performance rating of "Low Acceptable" or "Unacceptable." An appointing authority may grant a merit increase when one has been withheld once the employee demonstrates improved performance resulting in a new evaluation with an overall performance rating of "Acceptable" or better. Such increase is effective the first day of the pay period after the employee's performance evaluation documenting the improved performance is signed by the division director.

18.04 - Performance Evaluation Disputes.

An employee who is dissatisfied with a written performance evaluation which does not involve the denial of a performance incentive may obtain review of that evaluation through the following procedure, which shall be the sole and exclusive remedy for such disputes.

A. An Overall Rating of Mid Acceptable or Higher: An employee who is dissatisfied with a written performance evaluation that includes an overall rating of mid acceptable or higher may attach a written rebuttal to his or her performance evaluation prior to finalization of the evaluation.

B. An Overall Rating of Low Acceptable or Lower, or A Specific Rating of Unacceptable: An employee who receives an overall rating of low acceptable or lower, or a specific rating of unacceptable, may obtain review of that evaluation, or the specific area rated unacceptable, through the following procedure:

Level One: Within thirty (30) days after receipt of a copy of the finalized evaluation, the employee must submit through the CEA a written request to the Director of the Division of Personnel and Labor Relations, Department of Administration, asking that the Director investigate allegations that the evaluation includes factual inaccuracies, or that in the preparation of the evaluation management has been arbitrary or capricious, or has been motivated by discrimination or bias.

The written request must state specifically the allegations to be investigated and, to the degree that information in support of those allegations is known, identify the facts surrounding the controversy. The list of allegations to be investigated shall not be expanded after the initial submission to the Employer except by written mutual agreement of the parties.
Upon receipt of a written request, the Director shall transmit a copy of the request to the employee’s director or section manager if the employee works in the Division of Personnel and Labor Relations. The division director or section manager shall have thirty (30) days to assign an investigator outside the complaint’s direct chain of command to investigate and make written recommendations to the Director regarding revision of the evaluation, with a copy to the CEA.

**Level Two:** In the event the dispute is not resolved by the recommendations to the Director of the Division of Personnel and Labor Relations, the employee through the CEA shall submit a written request for informal hearing to the Director of the Division of Personnel and Labor Relations within ten (10) days after receipt of the recommendations. Absent such a request, the Director shall adjust the evaluation in accord with the recommendations, provided that those recommendations are not in violation of law or regulation.

If a hearing is requested, every reasonable effort shall be made to schedule the hearing within thirty (30) days of the request and in no case later than sixty (60) days. If feasible, hearings shall be conducted by an individual outside the employing department and bargaining unit, mutually acceptable to both parties. The employee and the employing department shall have one (1) hour each to present additional testimony and documentary evidence, which shall be considered by the Hearing Official together with the employee's initial request and the Level One recommendations.

The Hearing Official shall issue a final decision within fifteen (15) working days after the close of the informal hearing revising those contested facts found to be inaccurate. Other contested portions of the evaluation shall be revised upon a finding by the Hearing Official that in the preparation of the evaluation management has been arbitrary or capricious, or was motivated by discrimination or bias.

**18.05 - Performance Incentive Appeals.**

In instances in which an employee has not been awarded a performance incentive, the following shall be the sole and exclusive method for resolution:

**Level One:** The employee must appeal within fifteen (15) working days after receipt of a copy of the finalized evaluation that fails to grant a performance incentive. The appeal must be made in writing through the CEA to the Director of the Division of Personnel and Labor Relations setting forth the reasons the employee disagrees with the Employer's action. The Director shall respond in writing within fifteen (15) working days after receipt of the appeal.

The Director shall review the appeal in conjunction with the subject performance evaluation and any rebuttal thereto, pertinent related performance documents and statements, the employee's job description and class specification.

The Director shall respond to the appeal in writing within twenty (20) working days after receipt of the appeal. If the Director grants the appeal, the CEA and the employing department or agency shall be so notified concurrently, together with the rationale for the Director's determination.

**Level Two:** In the event that the Director does not grant the appeal, the Union may advance the appeal to the neutral third (3rd) party selected in accordance with the procedures below by submitting a written request to the Director of the Personnel and Labor Relations within ten (10) working days after receipt of the denial at Level One. The request may include additional argument in support of the CEA's position, to which the Director may make a written response; neither party shall submit new evidence in conjunction with these written statements. The
Director of the Division of Personnel and Labor Relations shall forward copies of the Level One appeal and response to the neutral third (3rd) party within ten (10) working days of receipt of the CEA's request. The submission shall include all documents and written arguments reviewed by the Director at Level One. Any dispute concerning the admissibility or relevance of performance related documents shall be resolved by the neutral third (3rd) party at such time as the appeal is forwarded for final decision.

The neutral third (3rd) party shall render a written decision and rationale within thirty (30) days after receipt of the appeal. The decision shall be binding and non-reviewable. Costs associated with the neutral third (3rd) party shall be borne equally by the parties.

Selection of a Neutral: The Employer and the Union shall jointly select the neutral third (3rd) party. In the event that agreement has not been reached within thirty (30) days after signing of the Agreement, the neutral shall be selected by alternately striking names from the list of arbitrators provided for in Article 12 until one (1) name remains and that individual shall be appointed.

18.06 - Probationary Periods.
The probationary period shall be regarded as a part of the examination process that shall be utilized for closely observing the employee's work and adjustment to the position. Employees who, in the judgment of the Employer, have satisfactorily passed the probationary period shall be retained and given permanent status in the job class at the end of the applicable probationary period. Employees who, in the judgment of the Employer, have not or will not satisfactorily pass the probationary period shall not be retained in the job class.

A. The probationary period for an employee in ranges 5 through 13 shall be six (6) months and for ranges 14 and higher it shall be one (1) year. The employee's merit anniversary date shall be the first day of the pay period following the completion of the probationary period.

An employee who has satisfied the requirements for completion of the probationary period except for duration may, with the prior written approval of the division director, be granted permanent status on the first day of any pay period following completion of one-half (1/2) of the prescribed probationary period.

The Employer may, after written mutual agreement with the employee, extend the probationary period for a period not to exceed three (3) months.

B. An employee who is promoted prior to the completion of a probationary period to a higher level position in the same class series shall be granted probationary credit for actual time worked in the lower job class. Upon successful completion of probation in the higher job class the employees shall be considered as also completing probation in the lower level job class. If such an employee is notified of failure to complete the probationary period in the higher job class, the employee shall be returned to a vacant position in the class which the employee left.

C. Upon promotion, upon rehire or upon appointment to a position at the same or lower salary range which is in a different class series and is not parallel, an employee shall serve a new probationary period and establish a new anniversary date.

D. 1. Voluntary Movement. Employees with permanent status in a job class may accept an appointment to a position in another class. If such an employee is notified of failure to complete the new probationary period, the employee shall be returned to a vacant position in the class in which the employee holds permanent status and which the
Employer decides to fill, with no right of appeal of the action.

2. Reclassification to Another Job Class. If an employee who is reclassified fails to satisfactorily complete his or her probationary period, the employee shall be returned to a vacant position in the class in which the employee holds permanent status and which the Employer decides to fill, with no right of appeal of the action.

3. Returns. Such returns in D 1. and 2. above shall be accomplished as follows:

   a. by placement in a vacant position in the employing agency;

   b. if applicable, by placement in a vacant position in the immediately prior employing agency from which the employee moved specifically in order to accept the position in which the employee has failed to complete the probationary period;

   c. if placement cannot be made in accordance with items a. or b. above, the employee shall be placed on layoff from the class and department in which permanent status is held.

E. Employees returning from layoff to the same job class or lower job class in the same class series shall not be subject to the probationary period except to complete any incomplete probationary period.

18.07 - Permanent Status.
Permanent status in State service shall be attained with satisfactory completion of the initial probationary period. Permanent status in a job class shall be obtained on the day following the satisfactory completion of the probationary period unless an employee has been, in accordance with other provisions of this Agreement:

A. Separated;

B. Demoted during the probationary period;

C. Extended in the probationary period; or

D. Notified in writing by the appointing authority prior to the completion of the probationary period that the employee will not successfully complete the probationary period. In such cases, an employee may, at the discretion of the appointing authority, continue in the position not to exceed ten (10) working days past what would have been the end of the probationary period. Every effort shall be made to notify the employee that the probationary period will not be successfully completed at least fourteen (14) calendar days prior to its expiration. Whatever the reason, failure to give fourteen (14) calendar days notice does not mean that the employee gains permanent status.

An employee holding permanent status in a job class at the time of promotion shall, upon promotion, retain permanent status in State service and the job class in which permanent status is held, or in the job class in which the employee attains permanent status through service at a higher level in accordance with this contract, for the duration of the new probationary period.

ARTICLE 19 - Training

The Employer agrees to give each employee a minimum of fifteen (15) hours training each year
if available, job-related and financially feasible for the division. Information exchanges shall not be construed as training in interpreting this Article.

In addition the Employer may, upon written request, allow a leave of absence with pay to employees when such employees have been chosen by CEA to attend training classes, seminars, conferences or University of Alaska classes which are job-related provided:

A. Such leave does not exceed ten (10) working days per calendar year;

B. Leave is requested in writing at least ten (10) days in advance;

C. Requests for such leave shall be made by the President of CEA; and

D. The cost of attending the training sessions, seminars or conferences shall be borne solely by CEA or the employee.

E. Such leave shall not be unreasonably withheld.

F. CEA Training Committee: This Committee will have an annual budget of $20,000 to provide training to Bargaining Unit Members, subject to legislative funding. Such training will be recommended by the Committee and is subject to approval by the Commissioner of Administration. Funds are intended to be used to provide training in-state and will not be used for out-of-state travel. The Training Committee shall be comprised of two representatives from each party.

ARTICLE 20 - Recruitment and Appointments

Except as specifically provided in this Article, all recruitment, examination, and appointment to positions in the Confidential Unit shall be made in accordance with the Personnel Rules in effect at the time of the recruitment, examination or appointment. Any substantive change to the Personnel Rules shall be reviewed by the Labor Management Committee established at Article 11 prior to submission to the Personnel Board.

Except as otherwise provided, Workplace Alaska shall be the sole recruitment process used for all positions within the confidential bargaining unit for the duration of the parties’ collective bargaining agreement. Any substantive change to Workplace Alaska shall be reviewed by the Labor Management Committee established at Article 11 prior to implementation.

20.01 - Merit Principles.
The parties agree that it is their mutual intent to strengthen the merit principles in the bargaining unit and shall use all due diligence to maintain merit principles among the employees of the unit.

20.02 - Applicant Pools.
The group of applicants generated through Workplace Alaska or other recruitment devices shall be known as the applicant pool. Applicant pools used to fill vacancies in the Confidential Unit, including final ratings, shall be open for inspection by a CEA representative. Confidentiality of information regarding non-bargaining unit members shall be respected and not open for inspection.

20.03 - Appointments.
When the Employer is filling a vacancy in the bargaining unit:
A. The position shall be offered first to employees within the bargaining unit on the layoff list as provided in accordance with Section 21.04.

B. If none of the employees on the layoff list are available, an opportunity to interview shall then be given to laid off employees within the bargaining unit, for job classes for which the employee meets the minimum qualifications and for which they apply. If the laid off employee is not chosen for the position, the hiring manager shall provide a verbal explanation, to each applicant in layoff status who requests one, stating why they were not selected.

C. If no one is selected per A or B above, the position shall then be filled by promotion or hire of a qualified candidate from one of the following groups:

1. Employees within the bargaining unit who are available and interested, meet the minimum qualifications of the opening, and apply for the opening.

2. Candidates in the open-competitive or State employee pool.

3. Transfer and/or rehire candidates.

4. Candidates available through the Employer's expanded certification procedures.

5. Positions at Range 8 and below may be filled through Workplace Alaska, or by referral from the State Department of Labor and Workforce Development's employment service, or the State's Welfare to Work or successor program, or other employment referral services.

D. Interviews and Selection.

1. First consideration and an opportunity to interview shall be given to those employees in the bargaining unit who apply for the vacancy and have advised the Employer that they meet the minimum qualifications for the opening and who are available and interested in appointment.

2. If the appointing authority determines an employee does not meet the minimum qualifications for an opening, the appointing authority shall contact the employee to discuss the specific reasons for non-qualification. The employee shall have three (3) days from receipt of notice from the appointing authority to provide additional information regarding their qualifications.

3. The above provisions apply only to appointments to vacancies in this bargaining unit.

4. An applicant pool shall expire 90 days following the date of the recruitment closure. An applicant pool may be extended by mutual agreement of the parties.

20.04 - Rehire.
An individual who separated from a job class in good standing while holding a permanent or probationary appointment may be appointed without application to the same class, provided such reappointment takes place within three (3) years, from the individual's date of separation from the job class. Upon advance approval of the Director of the Division of Personnel, such reappointment may be in a lower class in the same class series, a successor class, or in a parallel class.

20.05 - Transfer.
An employee shall be eligible for transfer within the same or a successor job class, or parallel job class, at the same pay range.

20.06 - Reclassification.
When a position is reclassified upward the incumbent shall be certified to the position provided there is no one on the organizational unit layoff list for the new job class. If a member is on layoff from the job class of the reclassified position, the most senior of the layoff candidate or incumbent shall be certified to the position. If the incumbent of the reclassified position is not certified to the position the provisions of the Article 21 shall apply. A layoff candidate who declines appointment to the position shall continue to retain full layoff rights in accordance with Article 21.04, E.

20.07 - Notification of Vacancies.
The Employer shall establish and maintain an electronic mail system to notify employees of job postings on Workplace Alaska. All bargaining unit members, including those in layoff status, may subscribe to the notification system.

20.08 – Reassignments.
Prior to reassignment to another program or service center, the affected employee and supervisor shall meet and confer. The supervisor shall take into consideration the employee's preferences.

ARTICLE 21 - Layoff

21.01 - General Provisions.
A. If it becomes necessary to reduce the number of employees in the bargaining unit due to lack of funds, work, or other conditions beyond the control of the employees, the Employer shall advise CEA of the impending layoff as soon as possible, preferably one month before the effective date of layoff, thereby enabling CEA to suggest alternatives to layoff. The Employer shall meet and confer regarding CEA’s suggestions.

B. No permanent or probationary employee in the bargaining unit shall be laid off while there are emergency, nonpermanent, provisional, or intern employees serving for periods longer than 30 calendar days in the same agency in the same job class or in other job classes performing work to which the permanent or probationary employee could reasonably be assigned, including consideration of the minimum qualification for the class and providing that the permanent or probationary employee has designated conditions for recall consistent with the needs of the agency.

C. No emergency, nonpermanent, provisional, or intern position may be established or filled performing the bargaining unit work until all qualified bargaining unit members on layoff have been offered the opportunity to perform the work. Positions shall be offered first to employees in layoff in the following order:

1. from the job class and organizational unit,

2. from the department,

3. from other departments.

If a laid off employee accepts or declines an appointment to an emergency or nonpermanent position in accord with this section, their layoff rights shall not be impacted.
21.02 - Order of Layoff.
A. Organizational units for the purpose of layoff for positions in this bargaining unit shall be the following:

<table>
<thead>
<tr>
<th>Division</th>
<th>Location</th>
<th>Job Classification</th>
<th>Position Status</th>
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</table>

In the event of the consolidation of two or more organizational units, all positions shall be combined into a single pool prior to determining the order of layoff.

B. In instances where computation of layoff seniority and the establishment of a layoff order are required, the Director of the Division of Personnel shall certify a list to the appointing authority with a copy to CEA. Confidentiality of information shall be respected.

C. Layoff seniority shall be computed based upon the employee's length of probationary and permanent time in the classified service.

D. Employees shall be listed in ascending order of layoff seniority.

1. Those employees entitled to super seniority under the terms of this Agreement shall head the seniority list and shall be the last to be laid off in the organizational unit.

2. Ties: if two or more employees have identical layoff points, the order of the layoff will be determined by the following:

   a. Veterans’ Preferences per AS 39.25.150(19): a veteran will be given preference for the position over a non veteran.

   b. The employee who has the least months, or parts thereof, of permanent/probationary State service will be laid off first.

   c. In any case that cannot be determined by the application of a. and b. above, it will be at the Employer’s discretion to determine which of the two (2) or more employees to lay off.

21.03 - Notification.
In every case of the layoff of a permanent employee, the appointing authority shall make every effort to give written notice to the employee at least 30 calendar days in advance of the effective date of the layoff. The appointing authority shall give permanent and probationary employees at least two weeks written notice.

21.04 - Rights of Laid-Off Employees.
A. A laid-off employee shall be placed on the layoff list for certification. When a certification is requested, the one (1) employee highest on the layoff list for that organizational unit in that job class or a successor job class shall be certified for the vacancy.

B. If no organizational unit layoff list exists, the Employer shall select from among the laid off employees from other organizational units within the department in the same job class or a
successor job class.

C. If no departmental layoff list exists, the Employer shall select from among the laid off employees from other departments in the same job class or a successor job class.

D. A laid off employee shall be considered a member of the bargaining unit. A laid off employee may decline to interview or decline to accept a position without loss of layoff rights.

E. Return from layoff anytime in the three (3) year period restores the employee's medical leave bank balance.

F. The Employer shall provide an additional thirty (30) calendar days of group health insurance upon the expiration of regular plan coverage.

G. A laid-off employee may pay for the State's health insurance coverage for a period of three (3) years while not employed by the State.

H. A laid-off employee may subscribe to the electronic mail notification system established at Section 20.07.

21.05 - Termination of Recall Rights.
An employee's rights to be recalled from layoff shall terminate when any of the following occur:

A. the employee resigns from State service;

B. an employee’s application for refund of retirement contributions is processed by the Division of Retirement and Benefits;

C. the employee is appointed to a position at the same or higher salary or wage range than the position from which laid off;

D. the employee has been in layoff status for three years.

21.06 - Contracting Out.
A. Feasibility Study. Decisions to contract out work shall be made only after the affected agency has conducted a formal feasibility study determining the potential costs and other benefits that would result from contracting out the work in question. The study shall include all costs associated with contracting out the work including, but not limited to, wages, benefits, administrative costs, agency overhead, program supervision, and audits. The study shall similarly determine the costs of performing the work with bargaining unit members. The Employer agrees to notify CEA within one (1) week of its decision to conduct a formal feasibility study, indicating the job classifications and work areas affected.

The Employer shall provide CEA with no less than thirty (30) calendar day’s notice that it intends to issue bids to contract out bargaining unit work where the decision would result in displacement of bargaining unit members. During this thirty (30) day period, the Employer shall not release any bids and CEA shall have the opportunity to submit an alternate plan that shall be given fair consideration. The notification by the Employer to CEA of the results of the feasibility study shall include all pertinent information upon which the Employer based its decision to contract out the work including, but not limited to the total cost savings the Employer anticipates.

Nothing in this Article shall prevent the Employer from continually analyzing its operation for
the purpose of identifying cost-saving opportunities. No employees shall be laid off and their work contracted out unless such study shows that the contracting action shall be at less cost to the Employer.

B. Placement of Employees. If the Employer makes a decision to contract out work that shall result in the displacement of an employee, it shall make every effort to place employees elsewhere in State government in the following order of priority: within the division, within the department, or within State service generally. In the event an employee must be displaced as a result of contracting out, such displacement shall be made in accordance with Article 21.

C. Compliance. Upon request to the issuing agency, CEA is entitled to receive a copy of any audit performed on any State contract. When a contract has been issued under the provisions of this section that directly results in the displacement of employees, CEA may request that a cost effectiveness audit be performed during the life of that contract. The State agrees to conduct three (3) audits during the life of this agreement. Requests for contract compliance audits shall be made directly to the Office of Management and Budget (OMB). Upon receipt of a request, OMB shall advise CEA of the proposed schedule for audit conduct and compliance. CEA shall be provided a copy of the final audit report within seven (7) working days of its completion.

ARTICLE 22 -
Legal Trust

A. In addition to the wages paid under Article 13, the Employer agrees to pay the Confidential Employees Association, APEA/AFT Legal Trust Fund (hereinafter the Fund) $10.00 per month per employees (excluding non-permanent employees) in pay status in the month for which the contribution is made.

B. The Employer shall remit the amount due for the previous month to the Fund by the tenth (10th) of each month.

C. The Fund shall be sponsored and administered by APEA/AFT and the Employer shall have no voice in the amount or type of service provided by this plan. Services provided by the Fund shall not be used in actions involving or in a position adverse to the State of Alaska. The Fund shall attempt to obtain the maximum service possible for the bargaining unit members.

D. This Article confers only the right to demand and enforce payment of the required contributions. Failure by the State to remit the required contributions does entitle the Association, its members, or any other person to file a grievance or other cause of action for harm or damages which might result from failure to remit. The provision or retention of legal assistance under the Article is the sole and exclusive responsibility of the Association and/or the member. Unless such actions are taken to demand and enforce payment by the State of the required contributions the Association agrees to defend, indemnify, and hold harmless the State against any and all legal actions, orders, judgments, or other decisions rendered in any preceding as a result of the implementation of this Article.

ARTICLE 23 -
Superseding Effect of this Agreement

If there is any conflict between the terms of this Agreement and any personnel memoranda or personnel rules, the terms of this Agreement shall supersede those memoranda or rules in their
ARTICLE 24 - Savings Clause

A. Should any part of this Agreement be rendered or declared invalid by reason of any subsequently enacted legislation or by decree of a court of competent jurisdiction, the invalidation of a part or portion of this Agreement shall not invalidate the remaining portions and they shall remain in full force and effect.

B. The parties agree to confer immediately for the limited purpose of arriving at a mutually satisfactory supplement to this Agreement covering terms and conditions of employment not specifically covered by this Agreement caused by changes in laws, statutes, personnel rules, executive orders or other conditions. The Employer and CEA agree to designate representatives having authority to negotiate for their respective interests.

ARTICLE 25 - Conclusion of Collective Bargaining

It is agreed that this Agreement shall be construed according to its written provisions, without regard to any discussions or negotiations, written or oral, which the parties have had leading to or resulting in the execution and delivery of this Agreement or any amendments to it, and that nothing which is not a written and executed portion of this Agreement shall be referred to in connection with its construction.

This Agreement is the entire Agreement between the Employer and CEA. The parties acknowledge that they have fully bargained with respect to terms and conditions of employment and have settled them for the duration of this Agreement. This Agreement terminates all prior agreements and understandings and concludes all collective bargaining for the duration of this Agreement.

However, nothing contained herein shall be interpreted as precluding the right of the parties by mutual agreement to negotiate on matters that develop after entering into this Agreement.

Any additions, deletions, or changes that are negotiated during the life of this Agreement shall be in the form of an addendum or memorandum of understanding and shall become a part of this Agreement.

ARTICLE 26 - Printing of this Agreement

The parties agree that a CEA representative and a person appointed by the Employer shall meet and mutually agree on the format, size and specifications of the Agreement. The parties shall designate the number of copies of the Agreement each desires and each party shall be responsible for the cost involved in printing that number of copies. CEA shall be responsible for the distribution of the copies of its membership and such copies may be distributed during work hours. The Employer shall agree to provide an online copy of the current agreement.

ARTICLE 27 - Implementation of this Agreement

Following the signing of this Agreement, the Employer shall make every effort to submit the monetary terms of this Agreement to the legislature at the earliest possible date and support its
In case of a delay in implementing the monetary terms of this Agreement, the Employer shall be held free of any punitive measure. Such immunity is to apply to all time prior to the date that is ninety (90) days subsequent to the date upon which an appropriation, adequate and for the specific purpose, becomes law or all time prior to the date that is ninety (90) days subsequent to determination by a court of competent jurisdiction that such implementation may legally be made.
ARTICLE 28 -
Term of the Agreement

This Agreement shall become effective July 1, 2010, and shall remain in effect until June 30, 2013.

Either party may give notice during the month of December 2012, of its desire to negotiate a successor agreement. Negotiations shall commence no later than February 1, 2013.

The parties recognize that the monetary terms of the agreement are subject to legislative approval and funding in accord with AS 23.40.215. Should the legislature fail to fund the terms of this agreement, the parties agree to return to negotiations upon demand of either party. If the parties have not reached agreement within ten days (except by mutual agreement to extend the time period) they agree that impasse exists in accord with AS 23.40.070-260 and the provisions of section 12.01 are waived.

This agreement is effective July 1, 2010.

For the State of Alaska: For the CEA – APEA-AFT:

Annette Kreitzer, Commissioner
Department of Administration

Bruce Ludwig
Business Manager

Kate Sheehan
Chief Spokesperson

Aaron Gelston, President
Negotiator

Kim Garnero
Negotiator

Worth Barthel  Vice President - CEA
Negotiator

Nicki Neal
Negotiator

Gerald Pierce, Executive Board Member
Negotiator

Rob Weber, Treasurer
Negotiator

Pete Ford
Chief Spokesperson-APEA/AFT
APPENDIX A - GEOGRAPHIC DIFFERENTIALS

The following pay differentials are approved as an amendment to the basic pay plan provided for in Article 13.

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<th>Percentage Above Basic Pay Plan for Fiscal Year 11</th>
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APPENDIX B - SIGNED
APPENDIX B

LETTER OF AGREEMENT - MASTER
ALTERNATE WORKWEEK
10-KK-176

It is agreed and understood between the parties that the following terms and conditions of employment shall apply to those employees who obtain approval for assignment to an alternative workweek schedule option. All provisions of the collective bargaining agreement shall remain in full force and effect except as modified herein.

The following terms and conditions apply to all alternative workweek schedules described below:

1. Management reserves the right to make final determinations concerning individual scheduling; the employee's wishes shall be considered before final determination is made.

2. Employees shall be assigned staggered work hours and days in order to ensure coverage of the Monday through Friday, 8:00 a.m. to 5:00 p.m. open office hours.

3. Individual work schedules established as a result of this Agreement may be changed only with written prior approval of the Supervisor.

4. Overtime shall apply to overtime eligible employees for hours worked in excess of thirty-seven and one-half (37.5) hours per workweek.

5. Leave shall be charged hour-for-hour based on the hours the employee was scheduled to work. Employees shall accrue Personal Leave at the regular rate.

The following terms and conditions describe the alternative work schedule options available.

Alternate Workweek Schedule #1

A. Workdays shall consist of eight (8) days of eight and one-half (8.5) hours each, plus one (1) day at seven (7) hours with the tenth day off, for a ten (10) day, seventy-five (75) hour work period.

B. The established workweek will be specifically noted on the assignment form and shall end after thirty seven and one-half (37.5) hours of scheduled time.

C. If a holiday falls on the employee's scheduled day off, the day of observance shall be rescheduled to another day within the pay period. The day of observance shall be credited at seven and one-half (7.5) hours. The difference between the hours the employee is scheduled to work and seven and one-half (7.5) hours shall, at the employee's request and business permitting:
   1. be added to/subtracted from other days within the workweek; or
   2. be taken as Personal Leave in order to maintain the established schedule.

D. Employees may be assigned to a workweek of five (5) seven and one-half (7.5) hour days when travel assignment, staff training or other reasons require such scheduling.
Alternate Workweek Schedule #2

A. The workweek shall normally consist of thirty-seven and one-half (37.5) hours within four (4) consecutive days. No single day may be scheduled to exceed ten (10) hours. Specific written schedules shall be established by the Supervisor in writing for each individual, with either a one (1) hour or one-half (0.5) hour lunch break.

B. A designated holiday normally shall be observed on the calendar day on which it falls. It is agreed that during a week in which a holiday falls, the workday on which the holiday is observed shall be scheduled as a seven and one-half (7.5) hour day and the remaining three (3) workdays shall be ten (10) hours each. At the employee's request and business permitting, the difference between the hours the employee is scheduled to work and seven and one-half (7.5) hours may:
   1. be added to/subtracted from other days within the workweek; or
   2. be taken as Personal Leave in order to maintain the established schedule.

This agreement shall become effective July 1, 2010, and shall remain in effect for the duration of the 2010 - 2013 agreement between the State of Alaska and the Confidential Employees Association.

For the State of Alaska:   For the CEA:

___________________________  ______________________________
Nicki Neal, Director    Bruce Ludwig
Division of Personnel & Labor Relations  Business Manager
Department of Administration

___________________________  ______________________________
Date       Date

Assignment to Alternate Workweek
Under Master Letter of Agreement
10-KK-176

Having agreed to the terms of the Alternate Workweek Master Letter of Agreement (10-KK-176), the following employee is hereby appointed to the alternate schedule designated below:

PCN   Employee Name   Job Classification
_____________ ___________________________ ________________________

The terms and conditions of employment shall be in accord with Option_______ (One or Two) as set forth in the Master Letter of Agreement.

Option #1 Schedule:
The workweek begins on ____________ (day) at __________ (time) and ends on ____________ (day) at __________ (time). My scheduled hours are as follows:

|   |   |   |   |   |   |   |   |   |

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Option #2 Schedule:

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This assignment shall become effective on ____________ and shall remain in effect through ____________ or until canceled by either party upon fifteen (15) days written notice. In the event of cancellation, the affected employee(s) shall return to a normal work schedule in the first workweek following the required notice period.

Bargaining Unit Member Approval:

----------------------------------  
Member Signature                   Date

----------------------------------  
Member’s Supervisor’s Signature    Date

Department Approval:

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Division of Personnel & Labor Relations  Date

cc: CEA-APEA/AFT
APPENDIX C - SIGNED
APPENDIX C

LETTER OF AGREEMENT – MASTER
ALTERNATE WORK SCHEDULE FOR OVERTIME EXEMPT EMPLOYEES
10-KK-177

It is agreed and understood between the parties that the following terms and conditions of employment shall apply to those overtime-exempt employees for whom the alternate work schedule has been approved.

1. Management reserves the right to make final determinations concerning individual scheduling; employee’s preferences shall be considered before final determination is made.

2. Scheduling shall ensure coverage of the office during regular business hours.

3. Individual work schedules shall be established under this agreement with the approval of the supervisor. The parties recognize the need for flexibility to deal with workload demands.

4. Holidays shall be credited at seven and one-half hours. Leave shall be charged on an hour-for-hour basis as needed to complete the required hours in the pay period.

5. Employees shall account for the required minimum hours each pay period as hours worked, holiday pay, paid leave, or leave without pay.

The intent of this alternate work schedule is to allow authorized employees to have one additional day off each pay period while fulfilling the minimum required hours and accomplishing the mission of the agency; due to the work load and needs of the agency, the day off may vary from one pay period to the next.

This agreement shall become effective July 1, 2010, and shall remain in effect for the duration of the 2010 - 2013 agreement between the State of Alaska and the Confidential Employees Association.

For the State of Alaska: ________________________________
Nicki Neal, Director
Division of Personnel & Labor Relations
Department of Administration

For the CEA: ________________________________
Bruce Ludwig
Business Manager

Date Date

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Assignment to Alternate Work Schedule
Under Master Letter of Agreement
10-KK-177

Department / Division: ____________________________ Location: ________________

Having agreed to the terms of Master Letter of Agreement 10-KK-177, the following employee is hereby appointed to the alternate work schedule:

PCN   Employee Name   Classification
_________   _________________   ___________________________

This assignment shall become effective on ___________ and shall remain in effect through ___________ or until canceled by either party upon fifteen (15) days written notice. In the event of cancellation, the affected employee(s) shall return to a normal work schedule on the first work day of the pay period following the required notice period.

Bargaining Unit Member Approval:

_________________________________________  __________________
Member Signature      Date

_________________________________________  __________________
Member’s Supervisor’s Signature    Date

Department Approval:

_________________________________________  __________________
Division of Personnel & Labor Relations   Date

cc: CEA-APEA/AFT
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