

STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION
DIVISION OF PERSONNEL
STANDARD OPERATING PROCEDURE

**Supervisory Geographical Differential - Article 24.3 B of the
Supervisory Unit collective bargaining agreement
DOP-SOP 18**

A. Purpose

The purpose of this Standard Operating Procedure (SOP) is to outline the procedures and eligibility requirements for requesting, approving, and managing supervisory differentials under Article 24.3 B of the Supervisory Unit Collective Bargaining Agreement.

B. Scope

This SOP applies to members of the supervisory bargaining unit.

C. Authority

Supervisory unit Collective Bargaining Agreement (CBA) article 24.3.B authorizes the geographic differential requests.

Effective July 1, 2007, when a subordinate employee in the same geographic location as their supervisor is paid a geographic differential, other than statutory Alaska residency differential provided pursuant to AS 23.240.210 (a), the geographic differential specified in the subordinate's collective bargaining agreement shall be applied to the supervisor.

D. Roles and Responsibilities

a. Employee (employee requesting differential)

- Ensure their Position Description (PD) in the OPD system accurately reflects supervisory authority over qualifying subordinate positions.
- Initiate and submit supervisory geographical differential requests to the Union with all required documentation to support the request.
- If an employee is receiving the differential, the employee is responsible for monitoring any changes affecting eligibility. It is the employee's responsibility to notify Division of Personnel (DOP) Employee Planning and Information Center (EPIC) and Department Human Resource Business Partner (HRBP) of any changes affecting eligibility (e.g., transfers, promotions, vacancies, subordinates going to Seasonal Leave Without Pay (SLWOP)).
- Cooperate with annual audits and provide requested information.

b. Union Representative

- Ensure requests are complete and accurate before submission.
- Submit request to EPIC on employee's behalf
- Serve as a point of contact for questions or clarifications regarding the process to their members.

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- c. Division of Personnel (DOP) Director (or designee)
 - Communicate decisions to all relevant parties.
 - Ensure requests are processed within the established timeline and in accordance with the Collective Bargaining agreement.
 - Oversight of the consistent implementation of this differential by all parties.
 - d. Employee Planning and Information Center (EPIC)
 - Support the Director of Personnel in the review of requests and determination regarding eligibility of the employee for supervisory differential requests in accordance with Article 24.3 B and this SOP.
 - Maintain records of all supervisory differential requests, denials and approvals.
 - Conduct annual audits to verify ongoing eligibility.
 - Notify affected parties of audit results, eligibility changes, and overpayment issues.
 - Provide guidance on corrective actions when eligibility changes occur.
 - e. Payroll Services or Agency Payroll staff
 - Implement approved supervisory differentials in the payroll system.
 - Notifies EPIC of changes to the position(s) or employee(s) of the supervisor position and/or qualifying subordinate position.
 - Adjust pay as indicated by DOP following approvals, denials, or eligibility changes.
 - Recover overpayments in coordination with DOP.
 - f. Department Human Resource Business Partner (HRBP)
 - Coordinate with EPIC during audits and when changes in supervision occur.
 - Remind department management and supervisors of the importance of timely communication of changes to EPIC.
 - g. Department Management
 - Ensure timely communication of changes to the employee receiving the differential or their subordinates to EPIC.
- E. Process Overview
- The supervisory geographic differential is requested by the APEA union in the form of a letter to the Division of Personnel Division Director or designee, typically sent by email, with a CC to the Employee Call Center: EmployeeCallCenter@alaska.gov. The director (or designee) shall make every effort to respond to requests within thirty (30) calendar days of receipt, but under no circumstances will the differential be applied retroactively.

Eligibility Criteria

To be considered for a supervisory geographic differential, several criteria must be met:

- Subordinate Position: The subordinate position must be classified, permanent and must receive a higher geographic differential percentage above the base salary than the supervisor's position based off the bargaining unit contract language for Geographic

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- Differential or Substance Steps. Non-permanent, on-call, and emergency positions cannot be used to establish or maintain eligibility for supervisory geographic differential.
- Location: The location of the qualifying subordinate position must be the same as the supervisor's and reflected as such in their current Position Descriptions (PD).

Approval Requirements

For the supervisory geographic differential to be approved, the employee must ensure that their PD in the Classification's Online Position Description (OPD) system accurately reflects the correct Supervisory Authority for the qualifying subordinate positions. Likewise, if the qualifying position(s) lack the correct Supervisor Information in their PD, the request may be denied and must be resubmitted once the PD is updated.

Effective Date

The effective date for the supervisory geographic differential is the first day of the following pay period after approval. Retroactive adjustments are not permitted under any circumstances.

Seasonal Positions

Employees must closely monitor the status of their qualifying subordinate's seasonal positions. Eligibility for the differential applies only when at least one qualifying subordinate is actively working and not on SLWOP. When a subordinate begins a seasonal layoff, the employee and department management must notify EPIC to end the differential effective the SLWOP start date. The differential will resume on the subordinate's first day back from SLWOP, and EPIC must be notified to reinstate it.

Limitations

The differential ends when an employee who is receiving the differential leaves the position (transfer, promotion, etc.), if the qualifying subordinate is reassigned, laid off, placed on SLWOP, or another change in position status or location occurs that would disqualify approval of the differential. It is the responsibility of both the employee and department management to notify the Division of Personnel, on or before the effective date of such a change, to avoid the occurrence of overpayment. If an overpayment occurs, the full overpayment will be collected from the employee.

If the employee's position has a location change, the differential may need to be removed by payroll if they no longer supervise a qualifying position at the same geographic location, or the differential may remain if the supervisor still meets the criteria. This is something Payroll

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Services/Agency Payroll staff and EPIC staff review prior to the action being processed.

If an employee is subject to a personnel action affecting pay such as promotion, demotion, etc., step placement will be determined using their regular pay rate. If the employee is eligible for a differential in the new position, a new request must be submitted by the union.

A supervisor of an employee who is receiving a supervisory geographic differential is not eligible for a differential if they are claiming eligibility based on the same subordinates. An employee is not eligible for a differential while in temporary acting status. If the supervisory position is double-filled, only one employee may receive the differential. If an APEA supervisor oversees multiple eligible employees, they will receive credit for only one geographic differential increase.

Annual Audit

Annually, EPIC will review all active SU Differentials by verifying the locations and the Supervisory Authority for the employee and the Supervisor Information section of those positions that provided eligibility at the time of the request. We identify any other positions that might provide eligibility at that time and note changes that no longer grant eligibility. EPIC then works with Department Human Resource Business Partners (HRBP) to review, verify and notify EPIC of any changes to supervision. The goal is to not find any discrepancies.

Workflow

This workflow outlines the step-by-step process for requesting and processing a Supervisory Differential under Article 24.3 b of the APEA Collective Bargaining Agreement.

Step 1: Request Initiation

- Upon notification of the employee, APEA representative submits a formal request via email to the Director of the Division of Personnel and the Employee Call Center.
- The request must include:
 - Employee's name, position title, and PCN (Position Control Number)
 - Qualifying subordinate's name, position title, and PCN
 - Evidence that the subordinate is compensated at the same or higher salary range
 - Confirmation that all relevant Position Descriptions (PDs) are current and accurate in the OPD system

Step 2: Initial Review

- The Director (or designee) reviews:
 - Current PDs to confirm supervisory authority and reviews all PD's of record related to the request to determine the reporting structure and if one or more of the

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subordinate positions receives a higher geographical differential than the supervisor.

Step 3: Director's Decision

- The Director (or designee) makes a final determination.
 - If approved:
 - The effective date is the first day of the pay period following approval.
 - Notifications are sent to the supervisor, union, HRBP, employees Division Director, EPIC, and Payroll Services/Agency Payroll staff.
 - Payroll Services increases the employee's salary by the subordinate's geographical differential amount while still maintaining the same range and step. The employee continues to progress through steps based on performance or service.
 - If denied:
 - A denial letter is issued with reasons and guidance for resubmission if applicable.

Step 4: Ongoing Monitoring and Audit

- Employees and departments must notify EPIC of any changes affecting eligibility.
- EPIC conducts annual audits to verify continued eligibility and coordinates with HRBPs for updates.