

SECTION 10: EMPLOYEE DEDUCTIONS

Union Dues, Fees, and Contributions

INTRODUCTION

Most state employees are represented by collective bargaining agreements. Payment of union dues or fees and/or initiation fees is required as a condition of the agreement the employee is covered by. The varying dollar amounts are established by union directive. Dues/fees may be a fixed monthly or pay period amount, an amount based on earnings, or both. Employees may elect a contribution to their union's political advocacy fund (PAC). All dues, fees, PACS, and initiation fees are deducted from NET pay.

Dues and fees are specific to each union and are identified by a unique deduction number. The dues deduction indicates the member has union voting rights; a fees deduction indicates the member does not have union voting rights.

All dues, fees and contribution deduction records are set up by the Division of Finance (DOF) with the exception of Alaska Marine Highway vessel employees, which are set up and maintained by the Alaska Marine Highway Payroll Services staff. Union deduction records set up or changed require a completed union authorization form, signed by the employee. Union deduction records are inactivated by Payroll Services staff when an employee terminates or transfers out of the bargaining unit the employee is currently working under.

PROCEDURE

Establishing Deduction Records

Upon receipt of a union authorization form signed by the employee, DOF will set up appropriate deduction records on the A7 Deduction Control screen effective the first day of the current pay period. Retroactive dues contributions are not taken through payroll deductions. It is the employee's responsibility to ensure all dues required for employment are paid.

The frequency of deductions is established by the unions. Initiation fees set up on the A7 screen are entered by DOF and either take in full one pay period or are set up to automatically take over a series of pay periods. The records are end dated by Payroll Services staff when an employee separates State service. DOF will monitor initiation records in the case of a bargaining unit transfer.

General Government (GGU) Dues and People Contributions

Currently, GGU dues are collected in one pay period for the next pay period in which the warrant is paid. For example, dues collected in a warrant issued for pay period ending 03/31 and paid by pay day 4/15, are dues for the 04/01-04/15 dues obligation.

Example: A GGU employee begins working on 04/01. An authorization form is received 05/08 and the deduction is set up effective 04/16, prior to the 04/30 payroll processing. Dues taken would be taken in the 4/30 payroll and would cover the period of 05/01-05/15. Dues would not be retroactively collected for April. Any prior dues owed would be paid directly to the union by the employee.

GGU dues are \$5.00 per pay period in addition to a percentage assessment on the base wage earnings.

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GGU Dues calculation example for an employee with a base wage of \$2500.00:

E100	60.0	\$1818.18
E165	22.5	<u>\$681.82</u>
		\$2500.00
Flat amount		\$5.00
(zero to \$833)	$\$833.00 \times 1\%$	= \$8.33
(\$834 to \$1667)	$\$834.00 \times 1.05\%$	= \$8.76
(\$1668 to \$2500)	$\$833.00 \times 1.10\%$	= <u>\$9.16</u>
Total dues amount		\$31.25

ASEA People Contribution is a flat amount specified by the employee and is deducted from the first and second payroll of every month.

GGU does not have an initiation fee.

Supervisory (SU) Dues, EPIC Politics, and Initiation Fee

Supervisory union dues are a monthly deduction taken on the second payroll of a month (the payroll ending on the 15th). Dues pay for the month in which they are paid.

Example: Dues taken with PPE 11/15 paid in November are for the November dues obligation.

The APEA Epic Politics deduction is a flat amount specified by the employee and deducted with the second payroll of the month (the payroll ending on the 15).

SU does have an initiation fee which is deducted over the first four months, taken on the second payroll of a month (the payroll ending on the 15th), after receiving the signed authorization.

Confidential (KK) Dues, EPIC Politics, and Initiation Fee

Confidential union dues are taken at the rate equal to one hour at the employee's annualized hourly rate of pay each pay period. Dues are for the pay period in which they are taken.

Example: Dues taken with PPE 10/31 are for the 10/16 – 10/31 dues obligation.

The CEA Epic Politics deduction is a flat amount specified by the employee and deducted with the second payroll of the month (the payroll ending on the 15).

CEA does have an initiation fee which is deducted over the first four months, taken on the second payroll of a month (the payroll ending on the 15th), after receiving the signed authorization.

Correction Officer (GC) Dues and PAC

Correctional officers are paid on a bi-weekly schedule and have monthly dues split in two payments taken in the first two pay periods processing in a month. If a third pay period processes in a month, dues are not taken. Dues pay for the month in which they are paid.

Example: Dues taken with PPE 10/29 and PPE 11/12 both paid in November are for the November dues obligation.

The ACOA PAC deduction is a flat amount specified by the employee and deducted with the second payroll of the month.

Correctional Officers do not have an initiation fee.

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Labor, Trades & Craft (LTC) Dues, Political Arm, and Initiation Fee

Labor, Trades and Craft dues are a monthly deduction taken on the second payroll of a month (the payroll ending on the 15th). Dues pay for the month in which they are paid. In addition to the monthly amount, LTC has a percentage assessment taken on specified pay reported (see the include/exclude rules of includable codes). The LTC percentage assessment is deducted from every pay check.

Example: Dues taken with PPE 11/15 paid in November are for the November dues obligation.

The LTC Political Arm deduction is a flat amount (no less than \$5.00) specified by the employee and is deducted with the first payroll run of the month (the payroll ending on the last date of the prior month).

LTC does have an initiation fee that is deducted over the first four pay periods after receiving the signed authorization.

Public Safety and Airport Security Officer (AA/AP) Dues and PAC

Public Safety and Airport Security officer dues are a monthly deduction taken on the second payroll of a month (the payroll ending on the 15th). Dues pay for the month in which they are paid.

Example: Dues taken with PPE 11/15 paid in November are for the November dues obligation.

The ACOA PAC deduction is a flat amount specified by the employee and deducted with the second payroll of the month.

AA/AP does not have an initiation fee.

Bargaining Unit Transfers

It is the responsibility of the payroll service agencies to end date union dues deductions for a change of bargaining unit. If it is known ahead of time that an employee will be transferring to a different bargaining unit the 1st of the next pay period, dues shall be end dated for the current pay period to eliminate the need for a refund. All union type deductions must be end dated, including dues/fees and PACS. If a dues authorization is on file for the old and new bargaining unit, in some situations, the employee may pay dues to both unions in the transfer pay period as the employee has rights in both unions. Both bargaining unit dues would apply even if the 1st of the pay period falls on the weekend or holiday as the employee is a member of both units.

GGU Transfer Dates

Processing Examples:

The transfer dates listed below assume the 2/15 pay period is the last pay period processed.

Barg. Unit Transfer Date	GGU Dues Taken	End Date Deduction	DOF Refund Dues
03/01 out of GGU	No, 2/28 & 03/15	02/15	Yes, if taken 02/28
03/05 out of GGU	Yes, 2/28 No, 03/15	02/28	No, 02/28
03/16 out of GGU	No 03/15	02/28	No 02/28, Yes 03/15
03/20 out of GGU	Yes, 03/15 No, 03/31	03/15	No 03/15, Yes 03/31
03/31 out of GGU	Yes, 03/15 No, 03/31	03/15	No 03/15, Yes 03/31

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Transfers:

Example: GG to SU 04/01

- GGU dues should NOT be taken PPE 03/31 for the 04/01-15 period (not in GGU in April).
- SU dues should be taken PPE 04/15 for the month of April (provided an authorization form is received).

Example: GG to SU 04/05

- GGU dues should be taken PPE 03/31 for the 04/01-15 period.
- SU dues should be taken PPE 04/15 for the month of April (provided an authorization form is received).

Example: SU to GG 04/01

- SU dues should NOT be taken PPE 04/15 for the month of April. Last dues taken were PPE 03/15 for March.
- GGU dues should be taken PPE 04/15 for the 04/16-30 period.

Example: SU to GG 04/05

- SU dues should be taken PPE 04/15 for the month of April.
- GGU dues should be taken PPE 04/15 pay for the 04/16-30 period (provided an authorization form is received).

Example: SU to KK 04/05

- SU dues should be taken PPE 04/15 for the month of April.
- KK dues should be taken PPE 04/15 pay for the 04/16-30 period (provided an authorization form is received).

Seasonal Leave Without Pay (SLWOP) and Layoffs

When an employee enters layoff status or goes to SLWOP, their dues deductions are **not** shut off. While a layoff is a type of separation, the employee maintains a relationship with the union until layoff rights expire. When/if they return to work in the same bargaining unit, a new dues authorization is not required.

For an employee on layoff or SLWOP who takes an interim second position with another bargaining unit, dues and fees records on the A7 - Deduction Control screen must be temporarily end dated by the payroll service agencies, while work is being performed in the other bargaining unit's position. When the employee returns to their original bargaining unit from layoff or SLWOP, a new dues authorization is not required. Clearly indicate on the Deduction Worksheet to DOF the action is a transfer (between BU/Dept) returning to SLWOP and note the dues record should be reviewed to ensure correct activation or inactivation of the existing A7 - Deduction Control screen records.

Shutting Off Deduction Records for Separations

When an employee separates from state service, payroll service agencies are responsible for inactivating the employee's union dues, fees, initiation fees, and PAC deductions on the A7 – Deduction Control screen.

On the A7 - Deduction Control screen, find the active union deduction record:

1. **DOC NUM** – Enter the source document number for this transaction.
2. **EFF DATE** – **Refresh** the effective date.
3. **DATE CODE** – Enter **Y**.
4. **END DATE** – Enter the end date (mmddyyyy).

Union records should be end-dated as listed in the table below:

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Barg. Unit	ETV Code	End-dating A7 Records
APEA (SS)	V401/405/406/408	Last day of pay period in which the employee worked
ASEA (GGU) (GG/GP/GY/GZ)	V407/430/432	Last day of the prior pay period processed
CEA (KK)	V401/404/403/400	Last day of pay period in which the employee worked
ACOA (GC)	V446/447/448	Last day of pay period in which the employee worked
LTC (LL)	V359/412/414 V426/427/411	Last day of pay period in which the employee worked
PSEA (AA/AP)	V419/420/V450	Last day of pay period in which the employee worked
TEAME (TM)	V429	Last day of pay period in which the employee worked
AVTECTA (TA)	V435/436	Last day of pay period in which the employee worked

Union Dues Deductions Adjustments

Dues/fees are the responsibility of the employee and the union, and the State will not normally collect or refund dues deductions.

DOF will make dues adjustments in some situations, such as when an employee transfers from one bargaining unit to another and dues for the prior union are not shut off and continue to take or when a dues authorization is sent to DOF and the record is incorrectly set up or was missed. An adjustment may be made to collect or refund the appropriate dues, however only if it is within one or two pay periods.

No adjustments will be made for an employee who defaults into full LWOP and no dues are taken. Payment of missing dues is between the employee and the union.