

LEG. FINANCE - BILLS 1977 - 1978 954

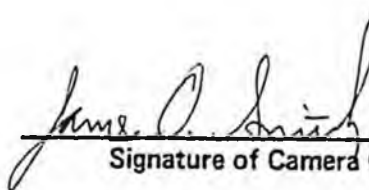
SB 401 thru SB 403



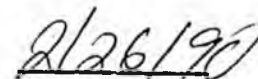
RECORDS CERTIFICATION



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Signature of Camera Operator



Date

COMMITTEE REPORT
SENATE

2/17/78

FURTHER: _____

Date: March 21, 1978

Mr. President:

The Committee on FINANCE has had SF 401
supplemental appropriations to the Department of Public Safety

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for SF 401

- and _____ new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

Original sponsor: Rules Committee by
request of the Governor

IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 401

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act making supplemental appropriations to the Department of Public Safety and the Department of Community and Regional Affairs; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA.

* Section 1. The sum of \$37,400 is appropriated from the general fund to the Department of Public Safety to be allocated as follows:

Cordova jail-redesign	\$22,400
Prisoner Transportation	15,000

* Sec. 2. The sum of \$13,226 is appropriated from the general fund to the Department of Public Safety for an audit exception on a fiscal year 1974 Criminal Justice Planning Agency grant.

* Sec. 3. The sum of \$15,000 is appropriated from the general fund to the Department of Community and Regional Affairs for the Fairbanks Town and Village Association, Tok Forum.

* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-070(c).

December 30, 1977

Gary Holthaus
Alaska Humanities Forum
429 D Street
Anchorage, Alaska 99501

Dear Gary:

Thank you for inviting me to submit this project proposal to the Alaska Humanities Forum. I know it is a last minute deal and it is weak on details, but, speaking in behalf of residents of Tok, I think it is important that it be considered as soon as possible.

PROJECT PERIOD: February 1, 1978 - June 30, 1978

PROJECT TITLE: Tok, Alaska, the Upper Yukon and Tanana River Basins and the Alcan Gas Pipeline; A One Day Community Forum on Rapid Growth

PURPOSE: The Fairbanks Town and Village Association for Development, Inc., at the request of residents of Tok, Alaska, proposes to assist in the development of an impact information exchange, and an impact monitoring and coordination program in Upper Tanana/Upper Yukon area east of Fairbanks to the Canadian border.

Few of the basic structures nor details of the program have yet been developed by the interested parties here and in those respective areas. Nevertheless several impact related meetings have been held in Tok, and within this past week an impact study committee has been formed to research the following issues:

1. Job training and placement
2. Public safety
3. Health
4. Community information, government
5. Business
6. Communications
7. Education
8. Transportation
9. Fuel
10. Land

Letter to Gary Holthaus
December 30, 1977
Page Two

However, the need for some kind of a public impact forum in Tok which is the commercial and service center for the Upper Yukon and Tanana areas has already been determined. FTVAD staff has been directed to see if financial and institutional support for such a forum is available.

As you and members of the Humanities Forum Board will recall, FTVAD and the social concerns committee of the Fairbanks Council of Churches conducted such a forum in April, 1975 at the peak of oil pipeline construction.

That forum, titled "Fairbanks and the Interior of Alaska; A One Day Community Forum on Growth," proved to be very successful and the document which evolved from the forum has become an international reference on "impact." Obviously the forum could not have taken place without the full support of the Alaska Humanities Forum.

In our view a forum in Tok, Alaska similar at least in scope and format though perhaps not in personalities and organization will be equally significant and, if anything, is even more urgently needed and desired by people in Tok and in the surrounding villages of the Upper Yukon and Tanana River basins.

Because of time constraints, therefore, I hope you will consider this letter and the accompanying descriptive materials as a request for approval at least in concept of a rural impact forum to be held in Tok, Alaska in late March.

The Fairbanks Town and Village Association proposes to handle all funds associated with the program, though our role will be more in the way of administrative support to people living in the area. Identification of local problems, issues, and local people for a forum steering committee will be the responsibility of people and existing institutions in Tok and the Upper Tanana and Yukon areas.

Our primary contacts with people in the Tok area include the following:

Mellie Terwilliger	Resident of Tok and Secretary of FTVAD
Bob John	Director, Upper Tanana Regional Development Council
Doug Ewers	Resident of Tok and member of the Board of Directors of FTVAD
Ron Taylor	Manager, Alaska National Bank of the North, Tok Branch
Norm Wallis	President, Tok Chamber of Commerce
Charlie Biederman	Executive Director, Upper Tanana Regional Council on Alcoholism

Letter to Gary Holthaus
December 30, 1977
Page Two

These people are aware of this proposal, and I am advised that Norm Wallis has already called you about it and expressed his support.

Since we contemplate inviting people from the Yukon Territory to the forum as well as humanists and, perhaps, some nationally recognized experts in this issue, we will need full-time administrative work beginning February 1, 1978 -- six weeks in advance of the Tok forum.

While we hope to secure front-end financial commitments from other sources we may not be able to secure cash in time to begin necessary advance work.

It would be very helpful therefore if, assuming the forum committee is able to grant concept approval, you, perhaps in consultation with a sub-committee of the Forum Board, could authorize an advance payment in February subject, of course, to our satisfying the criteria on matching funds and involvement of humanists.

Because of the broadly based interest in this issue by residents of Tok and residents of the smaller communities in the Upper Tanana and Yukon Basins, I am confident there will be ample resources available locally which can be applied toward the matching requirement. As we did with the Fairbanks forum, we expect to also invite several federal and state officials, as well as officials of the Alcan consortium to participate actively in the forum. We assume that their time and travel can also be valued as match.

As you know, there is a meeting in Tok on January 9th and 10th with FTVAD staff. I am advised that you will be at the meeting. If so it will be an excellent opportunity to nail down several conceptual parameters and details of logistics.

The attachments on the project budget and project calendar are based largely on our experience with the Fairbanks forum. The budget represents estimated total direct costs. In a sense it represents a worst case situation and assumes that we are unsuccessful in securing other cash commitments. I think we will be successful largely because of the national interest in this kind of an issue.

If the forum is able to accompany a concept approval with a preliminary commitment of at least \$10,000.00, it will get us off to a running start on attracting other contributors.

Finally, the Tok Impact Study Committee plans a meeting Tuesday night, January 3. I will probably call you late Tuesday afternoon to get a report for that group.

Thank you again for your encouragement, and I am looking forward to seeing you in Tok on the 9th.

Sincerely,

Jerry E. Smetzer
Executive Director

PROJECT CALENDAR
February 1, 1978 - June 30, 1978

Tok, Alaska, the Upper Yukon and Tanana River Basins
and the Alcan Gas Pipeline;
A One Day Community Forum on Rapid Growth

Coordinator's Duties - February 6 - April 28, 1978

Mon., February 6 - Fri., February 17	Development of promotional materials, sending letters of invitation, confirming attendance of special guests. Asking each community to send representatives to the conference. Developing contacts with the news media. Developing a master guest list, invitation list, participant list, resource list.
Mon., February 20 - Fri., March 3	Confirming arrangements for space; travel arrangements for area participants; lodging, transportation in Tok. Prepare evaluation and survey forms.
Mon., March 6 - Fri., March 17	Final organization arrangements: 1. Conduct of group sessions, notetaking, selection of moderator, method of reporting. 2. Final agenda confirmation. 3. Before and after events 4. Assembling packets for each registrant
Mon., March 20 - Fri., March 24	Final confirmation of participants.
Mon., March 27 - Tue., March 28	Assemble and lodge out of town participants. Provide with agendas, local maps, and information packets.
FORUM Day - Wed., March 29	Primary duty of the Forum coordinator on Forum day is to circulate among Forum groups and Forum participants to make sure everything is going smoothly and according to schedule.
Mon., April 3 - Fri., April 14	Forum follow-up. Resolving final billings. Compiling all final reports, surveys, evaluations, and photos.
Mon., April 17 - Fri., April 28	Preparation of final draft of Forum report.
Mon., May 1 -	Completion of final layout of Forum report.
Thur., June 1 -	Final report published. Final accounting submitted to the Alaska Humanities Forum
Fri., June 30 -	Project ends.

PROJECT BUDGET

Tok, Alaska, the Upper Yukon and Tanana River Basins
and the Alcan Gas Pipeline;
A One Day Community Forum on Rapid Growth

Personnel

1. Full-Time Coordinator February 1, 1978 - April 21, 1978 (11 wks. @ \$400/wk.)	\$4,400.00
2. 1/2-Time Secretary (11 wks. @ \$100/wk.)	1,100.00
	<u>\$5,500.00</u>

Contract Services

1. Accounting/Bookkeeping	\$ 225.00
2. Photography	500.00
	<u>\$ 725.00</u>

Travel and Per Diem

1. Upper Tanana and Upper Yukon Area Community Representatives (10 rep/coms for 2 days ea.)	\$1,000.00
2. Two Prominent Humanists	1,500.00
3. Canadian Representatives	1,000.00
4. Forum Staff Travel	500.00
	<u>\$4,000.00</u>

Other Direct Costs

1. Consumables	\$ 500.00
2. Telephone	500.00
3. Printing, Publishing, Advertising	2,500.00
4. Postage	500.00
5. Miscellaneous	500.00
	<u>\$4,500.00</u>

TOTAL

\$14,275.00

Introduced: 1/11/78
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 401

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE -- SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Public Safety; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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11 to the Department of Public Safety to be allocated as follows:

12 Cordova jail-redesign	\$22,400
13 Prisoner Transportation	15,000

14 * Sec. 2. The sum of \$13,226 is appropriated from the general fund to
15 the Department of Public Safety for an audit exception on a FY 74 Criminal
16 Justice Planning Agency grant.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

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STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2211

JAY S. HAMMOND, GOVERNOR

March 1, 1978

The Honorable John C. Sackett
Chairman
Senate Finance Committee
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Sackett:

Please amend Senate Bill 401 to accomodate a need for additional funds by the Department of Public Safety as follows:

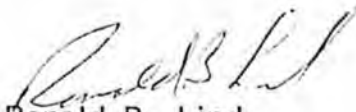
Section 1, line 13, should be amended to read:

Prisoner Transportation	<u>40,000</u>	[15,000]
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Current expenditure projections reveal that there will be a shortfall in travel funds before fiscal year end. Prisoner transportation requirements are running higher than was anticipated during preparation of the FY 78 budget.

Please refer to the attached two intra-office memos for additional information.

Sincerely,


Ronald B. Lind
Director

Attachments

cc: Steve Cowper, Chairman
House Finance Committee

Jay Hogan, Director
Legislative Finance Division

STATE
of ALASKA

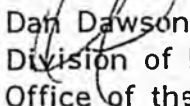
MEMORANDUM

TO: Ron Lind, Director
Division of Budget & Management

DATE: March 1, 1978

FILE NO:

TELEPHONE NO

FROM:  Dan Dawson, Budget Analyst
Division of Budget & Management
Office of the GovernorSUBJECT: Department of Public Safety,
Judicial Services AST Supplemental
Dated 12/2/77 for \$272,400

On December 19, 1977, you sent a memo to the Department of Law requesting the drafting of supplemental appropriation legislation in response to the Department of Public Safety's supplemental request.

The supplemental request contained a total of \$250,000 requested in travel funds for prisoner transportation expenses. Of that amount, \$100,000 was approved as a transfer from the Detachments & CIB appropriation. Senate Bill 400 is the legislation that would affect the transfer.

Of the remaining \$150,000 an amount of \$15,000 was approved as a request for additional general funds. The \$15,000 was approved to give the Department some relief for increased in-state prisoner transportation costs due to the unexpected rapid increase in prison populations during the first few months of the fiscal year. The funds would also help offset the increased costs of prisoner moves made during the interim arrangement with Bethel while negotiations for the Bethel Jail contract were stalled.

Approval of any of the remaining \$135,000 requested for prisoner transportation was withheld pending a review of the Department's expenditure trends later in the fiscal year when more accurate projections could be made.

The Department's fiscal officer and I made an analysis of the Judicial Services FY 78 travel expenditures through January 1978. The average monthly expenditure was calculated at \$35,600 using a delay factor of 1½ months from travel date to expenditure recording date. This calculation projected total FY 78 travel expenditures at \$427,200.

The appropriation of \$250,000, the \$100,000 requested for transfer by SB 400, and the \$15,000 additional general funds requested by SB 401 were subtracted from \$427,200 to arrive at the supplemental need of \$62,200.

The Department informed this office on February 22, 1978, that a line item transfer of \$40,000 from Personal Service to travel would be requested to help offset the projected need. This transfer would leave \$22,200 as the projected need. This amount was rounded to \$25,000 and is the amount requested for addition to SB 401.

STATE
of ALASKA

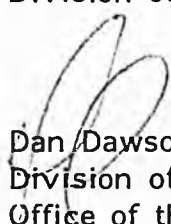
MEMORANDUM

TO: Ron Lind, Director
Division of Budget & Management

DATE: February 15, 1978

FILE NO:

TELEPHONE NO:

FROM:  Dan Dawson, Budget Analyst
Division of Budget & Management
Office of the GovernorSUBJECT: Public Safety Prisoner
Transportation Supplemental

According to the attached page of the Departmental Expenditure Analysis, January's travel expenditures for Judicial Services are quite high. The average monthly to date is 28.0 compared to January's 51.3.

A major reason for January's high expenditure recording appears to be a large January billing from Alaska Airlines for November and December flight activities, according to a Public Safety accountant. The Alaska Airlines January billing was almost \$10,000 higher than the December billing.

The accountant also told me there is very little consistency in billings by travel vendors. Apparently Alaska Airlines and Wien field offices don't submit paper work in a timely fashion, and a lot of small operators and travel agencies bill sporadically.

Although the 51.3 is higher than the actual cost of prisoner transportation and other Judicial Services travel during January, it appears Judicial Services will need some relief in addition to the 100.0 which will hopefully be transferred from Detachments and CIB.

From June through December 1977, the Alaska prison population experienced a more rapid growth for that short a period than it had for many years. The average population climbed from 593 in June to 690 in December. Federal prison placements increased from 86 in July to 104 in December. At last count there are 113 Alaskan inmates in federal prisons with 14 placements applications still pending. These federal placements require trooper escort, and continuing litigation after placement can require prisoner appearances in Alaskan courts with additional demands for expensive trooper escort. This huge increase in prison population with the attendant transportation requirements has been the major cause for increased travel expense in Judicial Services AST.

Whether there will be a leveling off of the rapid prisoner population growth rate for the remainder of the fiscal year remains to be seen.

The first 7 months average of 28.0 is not representative. The Department says there is a normal 45 to 60 day lag from trip date to expenditure recording. This results in low expenditure recording during July and early August and high expenditure recording during June. This is apparently because prior

year bills received in July and early August are recorded on June's expenditure runs in addition to bills received in June. July and early August recordings are only for trips made during July and August for which the billings are promptly received and paid.

Based on these considerations, I think one could assume an average monthly expenditure for the remainder of FY 77 of somewhere between 28.0 and 51.3. Taking 45.0 as a probable maximum, FY 78 travel expenditures would total 420.7. In addition to the 100.0 requested for transfer from Detachments and CIB a supplemental of 70.7 would be needed. Perhaps a 75.0 supplemental would be reasonable.

Another consideration is that the Department may request a supplemental for FY 79, unless the prisoner population growth rate levels off. The Governor's FY 79 budget contains 369.0 for Judicial Services travel.

Attachment

DEPARTMENTAL EXPENDITURE ANALYSIS
 MONTH AND YEAR-TO-DATE 01/31/78
 TO NEAREST DOLLAR

PUBLIC SAFETY	GRP APPROPRIATION	Y-T-O EXPENDITURE	MONTHS EXPENDITURE	RESTRICTIONS	BALANCE
JUDICIAL SYSTEM					
AK STATE TROOPERS					
JUDICIAL SERVICE-AST					
JUD SVCS/CIVIL SECIN					
UNALLOCATED FUNDS	000			104,450	104,450-
PERSONAL SERVICES	100	1,564,100	823,041 52.6	138,439 8.8	741,059 47.3
TRAVEL AND MOVING	200	250,000	195,717 78.2	51,302 20.5	54,283 21.7
CONTRACTUAL SERVICES	300	234,300	70,641 30.1	17,935 7.5	81,034 34.5
SUPPLIES & MATERIALS	400	14,900	7,842 52.6	1,723 11.5	5,897 39.5
MACHINERY/EQUIPMENT	500	32,500	7,624 23.4	5,507 16.9	24,876 76.5
CAPITAL OUTLAY	600	39,800	39,795 99.9		5 .0
ASSIST/BENEFIT/GRANT	700		22,400		22,400-
PROGRAM TOTAL		2,135,600	1,167,060 54.6	214,906 10.0	780,304 36.5

PERSONAL SERVICES	100	1,564,100	71,956 45.8	13,734 8.7	75,244 50.4
TRAVEL AND MOVING	200	2,200	3 99 159.0		1,299 59.0
CONTRACTUAL SERVICES	300	2,500	1,108 44.3	32 1.2	2,392 95.6
SUPPLIES & MATERIALS	400	3,000	1,153 38.4	26 .8	1,369 45.6
MACHINERY/EQUIPMENT	500	1,000	49 4.9		951 95.1
PROGRAM TOTAL		157,900	78,765 49.8	13,792 8.7	78,657 49.8
DEPARTMENT TOTAL		37,793,600	18,320,356 48.4	3,003,869 7.9	5,435,225 14.3

STATE
of ALASKA

MEMORANDUM

RECEIVED

DEC - 2 1977

BUDGET & MANAGEMENT

TO: Ronald B. Lind, Director
 Division of Budget and Management
 Office of the Governor

December 2, 1977

DATE

FROM: Trygve R. Hermann, Director
 Division of Administrative Services
 Department of Public Safety

SUBJECT: FY 78 Supplemental Request for
 \$272,400 for Judicial Services

The Department of Public Safety, Division of Alaska State Troopers Judicial Services BRU requests you recommend for approval a supplemental appropriation of \$272,400 for FY 78 operating expenses. Of that amount, \$100,000 would be funded by a lapse in the Detachments and CIB BRU, based upon that approximate rate of underspending thus far in FY 78. Other requirements include approximately \$125,000 for increased out-of-state prisoner transportation costs, approximately \$25,000 for increased in-state prisoner transportation costs including those associated with the Bethel jail interim arrangement, and \$22,400 needed to pay the City of Cordova sufficient funds to implement a change order to allow slight redesign of the short term jail facilities built into the Cordova Civic Center.

The understatement of expenses in the Detachments and CIB budget, coupled with the over-expenditure of the Judicial Services budget, should also be reflected in the FY 79 Governor's budget to more properly reflect the balance of travel spending between these BRU's. The \$125,000 in additional general funds should also be included as an increase to the Judicial Services travel base, since these costs are incurred because of activity by the Court System and the Division of Corrections, Department of Health and Social Services. Besides those out-of-state prisoner transportation costs, an additional \$25,000 will be needed for in-state prisoner transportation costs including those connected with the Bethel Jail interim arrangement. These costs should also be included in the FY 78 budget for the Judicial Services BRU as an addition to the existing Governor's budget. Besides the increased in-state travel, the proposed contract between the Department of Public Safety and the City of Cordova was understated by \$20,000 in the FY 79 budget request. During FY 78, a payment of \$22,400 was made to the City of Cordova from the Judicial Services BRU to fund implementation of a change order in the Cordova Civic Center which is being built and designed to include short-term holding facilities which will be contracted by the Department of Public Safety. Based upon a verbal agreement from the Governor's office, and in keeping with the spirit of negotiations to create this arrangement, the department made this payment for the change order. All relevant documentation surrounding the Cordova jail facility is attached to provide the best perspective available. However, there is no specific written commitment.

Ron Lind, Director, Budget and Management -2- December 2, 1977
SUBJECT: Supplemental Request FY 78 for \$272,400 for Judicial Services

Should this supplemental appropriation request not meet with your recommended approval, please advise at your earliest convenience so that an Attorney General's opinion can be sought regarding the conflict in the statutes regarding the requirement of the Department of Public Safety to pay prisoner transportation costs and the requirement to stay within the existing appropriation. Once the funds statutorily available for prisoner transport are expended, there may exist a situation where court orders mandate prisoner transportation in conflict with the existing statutory guidance about overspending appropriations.

Further justification on the details and specifics of the cost increases will be provided and you will be kept up-to-date regarding projected deficits in the Judicial Services BRU.

Attachments

cc: Deputy Commissioner Talbert, Anchorage
Colonel Tom Anderson, Director, Alaska State Troopers
Captain Roger Iversen, Commander, Judicial Services

FY 78 SUPPLEMENTAL REQUEST ANALYSIS

	FY 76 ACTUAL	FY 77 FINAL AUTH.	FY 77 ACTUAL	FY 78 GOV. BUDGET	FY 78 INITIAL AUTH.	FY 78 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1 - 10/31	OTHER OBLIGATIONS 7/1 - 10/31	PROJECTED EXPENDITURES + ENCUMBRANCES 11/1 - 6/30	FY 78 (DEFICIT) OR EXCESS	FY 79 MAINTENANCE REQUEST
PERSONAL SERVICES	7,132.4	8,539.4	8,582.2	9,539.1	9,662.5	10,448.9	2,587.9	362.1	7,498.9	- 0 -	10,385.2
TRAVEL	525.6	368.7	432.4	468.0	463.3	463.3	92.1	55.3	215.9	100.0	685.9
CONTRACTUAL SERVICES	2,121.3	2,393.4	1,987.4	2,563.5	2,243.6	2,243.6	1,531.7	68.0	643.9	- 0 -	2,579.0
COMMODITIES	23.4	113.7	235.9	122.3	120.5	120.5	29.0	14.3	77.2	- 0 -	323.9
EQUIPMENT	142.2	178.0	276.4	268.1	274.6	274.6	213.7	32.7	28.2	- 0 -	111.6
LANDS, BLDGS. ...		103.4	113.3	84.0	84.0	84.0	84.0	- 0 -	- 0 -	- 0 -	87.0
GRANTS, CLAIMS, ...			0.1								75.0
MISCELLANEOUS											
TOTAL	10,155.9	11,696.6	11,627.7	13,045.0	12,848.5	13,634.9	4,538.4	532.4	8,464.1	100.0	14,247.6
FEDERAL RECEIPTS	140.1	124.3	124.3	130.4	130.4	130.4			130.4		130.4
REQUIRED GF MATCHING											
OTHER GENERAL FUND	9,985.8	11,572.3	11,503.4	12,914.6	12,718.1	13,504.5	4,538.4	532.4	8,333.7	100.0	14,107.2
INTER-AGENCY RECEIPTS											10.0
PROG. RECEIPTS	30.0										

AGENCY Public Safety

BRU Detachments & CIB

COMPONENT _____

REVISED 12/9/77

FY 78 SUPPLEMENTAL REQUEST ANALYSIS

	FY 76 ACTUAL	FY 77 FINAL AUTH.	FY 77 ACTUAL	FY 78 GOV. BUDGET	FY 78 INITIAL AUTH.	FY 78 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1 - 10/31	OTHER OBLIGATIONS 7/1 - 10/31	PROJECTED EXPENDITURES + ENCUMBRANCES 11/1 - 6/30	FY 78 (DEFICIT) OR EXCESS	FY 79 MAINTENANCE REQUEST
PERSONAL SERVICES	1,143.7	1,395.8	1,394.7	1,657.4	1,564.1	1,698.8	421.0	62.0	1,215.8	- 0 -	1,738.7
TRAVEL	101.9	215.7	223.3	279.0	250.0	250.0	105.9	63.5	330.6	[250.0]	269.0
CONTRACTUAL SERVICES	136.1	208.4	184.5	291.2	234.3	234.3	120.0	8.0	106.3	- 0 -	312.1
COMMODITIES	13.0	13.0	24.1	17.7	14.9	14.9	2.9	0.7	11.3	- 0 -	16.3
EQUIPMENT	12.6	35.9	35.9	53.5	32.5	32.5	- 0 -	1.3	31.2	- 0 -	31.8
LANDS, BLDGS. ...		34.5	34.5	39.8	39.8	39.8	39.8	- 0 -	- 0 -	- 0 -	40.2
GRANTS, CLAIMS, ...		36.0	36.0			- 0 -	22.6	- 0 -	[0.2]	[22.4]	
MISCELLANEOUS											
TOTAL	1,407.3	1,939.3	1,933.0	2,338.6	2,135.6	2,270.3	712.2	135.5	1,695.0	[272.4]	2,408.1
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	1,407.3	1,939.3	1,933.0	2,338.6	2,135.6	2,270.3	712.2	135.5	1,695.0	[272.4]	2,408.1
INTER-AGENCY RECEIPTS											

AGENCY Public Safety

BRU Judicial Services

COMPONENT _____

REVISED 12/9/77

4.1
January 11, 1978

The Honorable John L. Rader
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

Under the authority of art. III, sec. 18 of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill making supplemental appropriations to the Department of Public Safety.

Section 1 appropriates \$37,400 for the following: payment to the City of Cordova to implement a redesign in that city's new jail (\$22,400), and increased in-state prisoner transportation costs (\$15,000), resulting from the unexpected rapid increase in prison populations during the early months of this fiscal year.

Section 2 appropriates \$13,226 for an audit exception on a FY 74 grant from the Governor's Criminal Justice Planning Agency to the department. The department is to refund \$13,226 to the federal government because of an incorrect, indirect cost rate charged to the grant.

Sincerely,

S/JSK

Jay S. Hammond
Governor

STATE
of ALASKA

MEMORANDUM

58401


TO: Ronald B. Lind, Director
Division of Budget & Management
Office of the Governor

DATE: December 19, 1977

FILE NO:

TELEPHONE NO:

FROM:


Dan Dawson
Budget Analyst

SUBJECT: Department of Public Safety,
Judicial Services AST Supple-
mental Request dated 12/2/77
for 272,400

The amount approved for this supplemental is in two parts:

1. The request to "transfer" 100,000 from the detachments and CIB appropriation to the Judicial Services AST appropriation is approved. This "transfer" is requested to fund previously unanticipated increases in the number of prisoners transported out-of-State to and from federal prisons. A request to the Department of Law to draft legislation affecting this transfer will be submitted by a separate memorandum.
2. Of the 172,400 requested net increase to the Judicial Services AST appropriation, only 37,400 is approved. The request to fund the 22,400 redesign of the Cordova Jail is approved; and 15,000 is allowed for increased in-State prisoner transportation.

The balance of 135,000 requested for prisoner transportation - 10,000 for in-State and 125,000 for out-of-State - was considered excessive in light of the downward trend noted in last month's expenditure report.

STATE
of ALASKA

MEMORANDUM

RECEIVED

DEC - 2 1977

BUDGET & MANAGEMENT

TO: [] Ronald B. Lind, Director
Division of Budget and Management
Office of the Governor

DATE : December 2, 1977

FROM: Trygve R. Hermann, Director
Division of Administrative Services
Department of Public Safety

SUBJECT: FY 78 Supplemental Request for
\$272,400 for Judicial Services

The Department of Public Safety, Division of Alaska State Troopers Judicial Services BRU requests you recommend for approval a supplemental appropriation of \$272,400 for FY 78 operating expenses. Of that amount, \$100,000 would be funded by a lapse in the Detachments and CIB BRU, based upon that approximate rate of underspending thus far in FY 78. Other requirements include approximately \$125,000 for increased out-of-state prisoner transportation costs, approximately \$25,000 for increased in-state prisoner transportation costs including those associated with the Bethel jail interim arrangement, and \$22,400 needed to pay the City of Cordova sufficient funds to implement a change order to allow slight redesign of the short term jail facilities built into the Cordova Civic Center.

The understatement of expenses in the Detachments and CIB budget, coupled with the over-expenditure of the Judicial Services budget, should also be reflected in the FY 79 Governor's budget to more properly reflect the balance of travel spending between these BRU's. The \$125,000 in additional general funds should also be included as an increase to the Judicial Services travel base, since these costs are incurred because of activity by the Court System and the Division of Corrections, Department of Health and Social Services. Besides those out-of-state prisoner transportation costs, an additional \$25,000 will be needed for in-state prisoner transportation costs including those connected with the Bethel Jail interim arrangement. These costs should also be included in the FY 78 budget for the Judicial Services BRU as an addition to the existing Governor's budget. Besides the increased in-state travel, the proposed contract between the Department of Public Safety and the City of Cordova was understated by \$20,000 in the FY 79 budget request. During FY 78, a payment of \$22,400 was made to the City of Cordova from the Judicial Services BRU to fund implementation of a change order in the Cordova Civic Center which is being built and designed to include short-term holding facilities which will be contracted by the Department of Public Safety. Based upon a verbal agreement from the Governor's office, and in keeping with the spirit of negotiations to create this arrangement, the department made this payment for the change order. All relevant documentation surrounding the Cordova jail facility is attached to provide the best perspective available. However, there is no specific written commitment.

Ron Lind, Director, Budget and Management -2- December 2, 1977
SUBJECT: Supplemental Request FY 78 for \$272,400 for Judicial Services

Should this supplemental appropriation request not meet with your recommended approval, please advise at your earliest convenience so that an Attorney General's opinion can be sought regarding the conflict in the statutes regarding the requirement of the Department of Public Safety to pay prisoner transportation costs and the requirement to stay within the existing appropriation. Once the funds statutorily available for prisoner transport are expended, there may exist a situation where court orders mandate prisoner transportation in conflict with the existing statutory guidance about overspending appropriations.

Further justification on the details and specifics of the cost increases will be provided and you will be kept up-to-date regarding projected deficits in the Judicial Services BRU.

Attachments

cc: Deputy Commissioner Talbert, Anchorage
Colonel Tom Anderson, Director, Alaska State Troopers
Captain Roger Iversen, Commander, Judicial Services

FY 78 SUPPLEMENTAL REQUEST ANALYSIS

	FY 76 ACTUAL	FY 77 FINAL AUTH.	FY 77 ACTUAL	FY 78 Gov. BUDGET	FY 78 INITIAL AUTH.	FY 78 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1 - 10/31	OTHER OBLIGATIONS 7/1 - 10/31	PROJECTED EXPENDITURES + ENCUMBRANCES 11/1 - 6/30	FY 78 (DEFICIT) OR EXCESS	FY 79 MAINTENANCE REQUEST
PERSONAL SERVICES	7,132.4	8,539.4	8,582.2	9,539.1	9,662.5	10,448.9	2,587.9	362.1	7,498.9	- 0 -	10,385.2
TRAVEL	525.6	368.7	432.4	468.0	463.3	463.1	92.1	55.3	215.9	100.0	685.9
CONTRACTUAL SERVICES	2,121.3	2,393.4	1,987.4	2,563.5	2,243.6	2,243.6	1,531.7	68.0	643.9	- 0 -	2,579.0
COMMODITIES	234.4	113.7	235.9	122.3	120.5	120.5	29.0	14.3	77.2	- 0 -	323.9
EQUIPMENT	142.2	178.0	276.4	268.1	274.6	274.6	213.7	32.7	28.2	- 0 -	111.6
LANDS, BLDGS. ...		103.4	113.3	84.0	84.0	84.0	84.0	- 0 -	- 0 -	- 0 -	87.0
GRANTS, CLAIMS, ...			0.1								75.0
MISCELLANEOUS											
TOTAL	10,155.9	11,696.6	11,627.7	13,045.0	12,848.5	13,634.9	4,538.4	532.4	8,464.1	100.0	14,247.6
FEDERAL RECEIPTS	140.1	124.3	124.3	130.4	130.4	130.4			130.4		130.4
REQUIRED GF MATCHING											
OTHER GENERAL FUND	9,985.8	11,572.3	11,503.4	12,914.6	12,718.1	13,504.5	4,538.4	532.4	8,333.7	100.0	14,107.2
INTER-AGENCY RECEIPTS											10.0
PROG. RECEIPTS	30.0										

AGENCY Public Safety

BRU Detachments & CIB

COMPONENT _____

REVISED 12/9/77

FY 78 SUPPLEMENTAL REQUEST ANALYSIS

	FY 76 ACTUAL	FY 77 FINAL AUTH.	FY 77 ACTUAL	FY 78 Gov. BUDGET	FY 78 INITIAL AUTH.	FY 78 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1 - 10/31	OTHER OBLIGATIONS 7/1 - 10/31	PROJECTED EXPENDITURES + ENCUMBRANCES 11/1 - 6/30	FY 78 (DEFICIT) OR EXCESS	FY 79 MAINTENANCE REQUEST
PERSONAL SERVICES	1,143.7	1,395.8	1,394.7	1,657.4	1,564.1	1,698.8	421.0	62.0	1,215.8	- 0 -	1,738.7
TRAVEL	101.9	215.7	223.3	279.0	250.0	250.0	105.9	63.5	330.6	[250.0]	269.0
CONTRACTUAL SERVICES	136.1	208.4	184.5	291.2	234.3	234.3	120.0	8.0	106.3	- 0 -	312.1
COMMODITIES	13.0	13.0	24.1	17.7	14.9	14.9	2.9	0.7	11.3	- 0 -	16.3
EQUIPMENT	12.6	35.9	35.9	53.5	32.5	32.5	- 0 -	1.3	31.2	- 0 -	31.8
LANDS, BLDGS. ...		34.5	34.5	39.8	39.8	39.8	39.8	- 0 -	- 0 -	- 0 -	40.2
GRANTS, CLAIMS, ...		36.0	36.0			- 0 -	22.6	- 0 -	[0.2]	[22.4]	
MISCELLANEOUS											
TOTAL	1,407.3	1,939.3	1,933.0	2,338.6	2,135.6	2,270.3	712.2	135.5	1,695.0	[272.4]	2,408.1
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	1,407.3	1,939.3	1,933.0	2,338.6	2,135.6	2,270.3	712.2	135.5	1,695.0	[272.4]	2,408.1
INTER-AGENCY RECEIPTS											

Mike

RECEIVED

Ronald B. Lind, Director
Division of Budget & Management
Office of the Governor

August 15, 1977

RECEIVED
DEC - 6 1977
BUDGET & MANAGEMENT

Trygve R. Hennemann, Director
Division of Administrative Services
Department of Public Safety

FY 78 Supplementals

In reference to your August 3, 1977, memorandum I felt that it was important that you be aware that there are several areas within the Department of Public Safety Budget which will likely result in the need for supplemental funding.

1. At the request of the Office of the Governor, six temporary employees for which no funds are budgeted were hired to alleviate the public congestion at the Fairbanks Driver/Vehicle Service Headquarters.
2. Operation of the Cordova 30-day jail facility was initially projected at \$50,000. The Judicial Services budget is extremely tight and \$22,400 of the \$25,000 budget amendment has been disbursed to the City of Cordova for the change order allowing the short-term facility which leaves us with no funds for its operation between October and June.
3. With the closing of the Bethel jail we have incurred inordinate expenses for prisoner care in that location which cannot be covered by the Judicial Services section.
4. Basic operating expenses, primarily postage and funds budgeted for intrastate communications through RCA will be severely underfunded if any significant rate increase is granted.
5. A revision by the Department of Administration in rents charged to Public Safety employees will result in a \$115,000 shortfall in Housing Program Receipts. Compliance with the P.S.E.A. labor agreement requires the Department to construct new residential duplex units as well as improve current units. To proceed with construction and upgrade housing per the labor contract will require supplemental General fund monies to replace the lost program receipts.

There may be other areas warranting attention but we do not have them specifically identified this early in the fiscal year. We anticipate submitting these requests in accordance with the FY 79 budget instructions.

cc: Richard L. Burton, Commissioner
Mike Clemens, Finance Officer

TRH:llw

4-11-77
Funding of Cordova
Jail Contract

April 12, 1977

Mr. Perry Lovett, City Manager
City of Cordova
P. O. Box 1210
Cordova, Alaska 99574

Dear Mr. Lovett:

The Department of Public Safety has reviewed the February 16, 1977 proposal submitted to Governor Hammond by your former City Manager, Richard Wilson. We are currently preparing a contract for both presentence and postsentence care of state prisoners for a period up to 30 days. We understand that in special cases such as work release in the community, the contract may provide for slightly longer than 30 day sentences and you would be willing to accommodate these cases also.

\$ 6388-89 per month for 9m

As per your proposal, the State would pay \$57,500 in equal monthly installments for full jail services, beginning October 1, 1977 and ending June 30, 1978. Due to your anticipated receipt of federal funds for construction of the facility and the fact that debt service to the City of Cordova will likely be reduced by perhaps as much as 40%, we feel that the details of future year contracts should yet be negotiated. I am hopeful that we can, in the next few months, put together something like a five-year contract.

With regard to the \$23,900 change order for floor layout alterations described in the March 29, 1977, letter to you from Modern Construction, it is our feeling that, in light of additional federal participation, the special \$100,000 allocation of state General Funds made earlier will cover this.

If you have any further questions about our commitment, please give me a call.

Very truly yours,
Richard L. Burton

Richard L. Burton
Commissioner

RLB:cb

cc: V. Kent Dawson
William Huston

bs
4/23/77

Richard L. Burton
Commissioner
Department of Public Safety.

July 21, 1977

4322

Trygve R. Hermann
Director
Division of Administrative Services
Department of Public Safety

Judicial Services

For the record, this is to advise that the payment of \$22.4 to the City of Cordova has been processed and that in making this payment we are making the need for a supplemental appropriation for Judicial Services a near certainty. Our estimate of operational payments to Cordova for FY 78 is about \$50.0 of which \$25.0 was added as a budget amendment. The balance is partially offset from maintenance of past costs in the budget, however, I estimate a \$10.0 operating shortfall plus the \$22.4. The J.S. budget is very lean otherwise and cannot reasonably assume these added costs.

TRH:lw

cc: Mike Clemens, Finance Officer ✓

cc: Jos MARRATH, BUDGET ANALYST ✓

Phone: (907) 424-3237
or 424-3238

CITY OF CORDOVA

Box 1210

Reply to:

CORDOVA, ALASKA 99574

"The Friendly City"

June 14, 1977

Commissioner Richard Burton
State Dept. Public Safety
Pouch N
Juneau, Alaska

Dear Commissioner Burton:

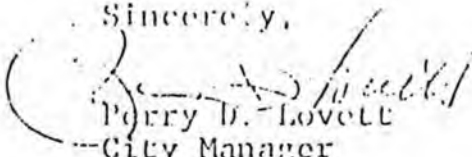
We wish to thank you for your help in obtaining the funds necessary to authorize the change order in the Cordova Civic Center to provide a thirty day hold facility. As you are aware, construction is underway with the foundation already completed. We should have the building on site about June 23.

We are now making partial payments to the contractor. I am requesting the \$22,400 agreed upon for the aforementioned change order to place in the Civic Center Construction account.

The Contractor is on schedule and should be completed in October as planned. We should get together with you or your staff soon regarding the space requirement for the trooper and motor vehicle representative. The floor plan should be decided on shortly so that everything will jell together.

Your assistance in forwarding the funds and discussion of the space requirements is appreciated.

Sincerely,


Perry D. Lovett
City Manager

✓ 1' K. 1 A. 1
Cordova Point
4 PC-1 A 5 T
Jail Facilitation

February 14, 1977

Mr. Richard G. Wilson
City Manager
P. O. Box 1210
Cordova, Alaska 99574

Dear Mr. Wilson:

This letter is to confirm our conversation in the Governor's Office with Kent Dawson, Jessie Dodson, Lois Jund, and Rep. Keith Specking.

It is my understanding that the City of Cordova will take the necessary steps to place the City Jail in condition satisfactory to house prisoners until the completion of the new City/Public Safety Building.

I am interested in learning what progress has been made in this regard.

Sincerely yours,

[Signature]
Richard L. Burton
Commissioner

SA-1 Nov 12 57
Men. Copy.

Department of Public Safety

SA-4 Contracts
& Leases

April 11, 1977

V. Kent Dawson
Executive Assistant
Office of the Governor

LB

Richard L. Burton, Commissioner
Department of Public Safety

Funding of Cordova Jail Contract

A review of our FY 78 budget submission indicates a saving of approximately \$3,000 in prison transportation and \$5,000 under the current prisoner contract system. The Cordova proposal would require \$57,500 during FY 78 resulting in an addition of \$49,500 to the Department of Public Safety budget to provide a 30-day holding facility in that location.

file copy



STATE
of ALASKA

MEMORANDUM

RECEIVED

OCT 27 1977

BUDGET & MANAGEMENT

TO:

DATE: October 26, 1977

Ronald B. Lind, Director
Division of Budget and Management
Office of the Governor

FILE NO:

TELEPHONE NO:

FROM:

Trygve R. Hermann, Director
Division of Administrative Services
Department of Public Safety

SUBJECT: FY 78 Supplemental Request

The Department of Public Safety requests a \$13,226 supplemental appropriation to reimburse LEAA for unresolved audit exceptions from an FY 74 grant from the Criminal Justice Planning Agency (#72-A-029).

After the final grant audit, \$13,226 remains an audit exception; only \$416 is attributed to direct costs. The remainder is from use of an incorrect indirect cost rate. The Department has sought and received time extension to January 1, 1978 to research, document and justify the indirect cost rate. The Department does not have an indirect cost plan, and this will speed up its completion. The absence of an indirect cost system was identified as a problem before the audit exceptions were presented, but staff work could not be done prior to that.

It is doubtful that audit exceptions on the indirect cost rate could be resolved retroactively, and the Department can't pay an FY 74 liability using current year funds. The only alternative is to seek a supplemental appropriation to satisfy the CJPA claim.

Since the grant was monitored and administered through the Office of the Commissioner, the supplemental appropriation is requested in the same BRU in FY 78.

Attachments

cc: Charles G. Adams, Executive Director
Criminal Justice Planning Agency

Charles G. Adams
Executive Director
Criminal Justice Planning Agency
Office of the Governor

September 1, 1977

Richard L. Burton
Commissioner
Department of Public Safety

72-A-029 Unresolved
Audit Exceptions

In accordance with your August 24 memo on this subject, we are requesting an indefinite time extension to research, document and justify the indirect cost rate.

The Department of Public Safety will prepare an indirect cost plan for future grant submissions; procedures learned during preparation of a current cost plan may better enable departmental staff to retroactively document the indirect cost rate subject of the audit exception.

In the event this indirect cost rate cannot be resolved, we plan to request a supplemental appropriation to make payment in general funds for audit exceptions of grant 72A029.

Even if approved, supplemental appropriations will likely not be available until late May or early June of 1978. State administrative and accounting procedures do not permit payment, from current year funds, of a liability dating from August 1 of 1973. Therefore, resolution of the indirect cost, or approval of a supplemental to pay for these audit exceptions, are the only two alternatives. If the indirect cost rate cannot be resolved, and if the supplemental appropriation is not approved, there is no apparent way of resolving this general fund liability because of the audit exception.

Your staff efforts to help resolve other audit exceptions on this grant are appreciated. We will keep you advised of the progress of our supplemental appropriations request.

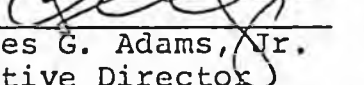
cc: Trygve R. Herman, Director, Div. of Administrative Services, DPS

MEMORANDUM

MW / 7249
RUS

TO: Richard Burton
Commissioner
Dept. of Public Safety

DATE: August 24, 1977

FROM: 
Charles G. Adams, Jr.
Executive Director
Criminal Justice Planning Agency

SUBJECT: 72-A-029 Final Audit
Resolution

On June 6, 1977, an analysis of resolution activity required on the above captioned audit report was sent to your office. August 8, 1977, Tim Vogel met with Randy Super of my office and provided additional documentation and substantiation for costs requiring the same.

This analysis will follow the same sequence as listed in the summary of my memorandum dated June 6, 1977.

- 1A. Adequate documentation is required for personnel costs in the amount of \$19,700. "Documentation may take the form of estimations, certifications, and detailed explanations. Adequacy will be evaluated on reasonableness and on the preponderance of information."
- 1B. The Criminal Justice Planning Agency finds the documentation submitted by the Department of Public Safety adequate justification of the reported personnel costs in the amount of \$19,700. See Attachment 1 for the calculations. The Criminal Justice Planning Agency finds the questioned costs in the amount of \$19,700 as allowable and justified. Therefore, recommendation #1 is considered resolved.
- 2A. "Adequate justification for the expenditure of \$143 in travel funds to transport personnel to attend the WICHIE Program. "Justification must show how this cost was necessary and proper for the attainment of project goals and objectives."
- 2B. Justification was not forthcoming and the Criminal Justice Planning Agency finds this expenditure to still be an unallowable project expenditure.
- 3A. "Certification that travel expenses in the amount of \$1,096 which were for 73-A-032, but were charged to 72-A-029; were 1) necessary and proper to the attainment of the project goals and objectives of 72-A-029, and 2) were incurred during the grant period."

- 3B. The Department of Public Safety has submitted justification of travel expenses in the amount of \$1,096. The Criminal Justice Planning Agency finds that the documentation submitted meets both conditions outlined in 3A above. The Criminal Justice Planning Agency therefore considers this item resolved.
- 4A. "Adequate documentation is required for the following consultant expenses: 1) cash match expenditures of \$35,100 and 2) the unexplained expense of \$9,275."
- 4B. The Criminal Justice Planning Agency has reviewed the final audit report and determined that the \$9,275 adjusting entree is in fact a portion of the \$35,100 questioned costs. Therefore, this questioned cost of \$9,275 is addressed in the \$35,100 questioned costs.

The Department of Public Safety has provided documentation which supports \$34,827 of the \$35,100 questioned consultant costs. The Criminal Justice Planning Agency has determined that the documentation provided is adequate justification of the allowability of those questioned costs.

- 5A. "Documentation of federal approval for the indirect cost rate of 14.8%. If documentation is not available, justification which supports such a rate will be considered."
- 5B. The Department of Public Safety was unable to provide any additional justification for the differences in the reported and approved indirect cost rates. The Criminal Justice Planning Agency finds this reported expenditure to still be an unallowable cost.

The following shows the results of the actions taken above. As may be seen, \$13,226 of questioned costs are still unresolved.

<u>Questioned Costs</u>		<u>Resolved</u>	<u>Unresolved</u>
Personnel:	\$19,700	\$19,700	-0-
Travel:	143	-0-	143
	1,096	1,096	-0-
Consultants:	35,100	34,827	273
	9,275	9,275	-0-
Indirect:	12,763	-0-	12,763
			*47
TOTAL:	\$78,077	\$64,898	\$13,226

*Unresolved Direct Costs \$416
Approved Indirect Rate 11.2%

Questioned Indirect Costs \$ 47

Mr. Burton

-3-

August 24, 1977

Should you wish to request additional time in which to research, document, and justify the unresolved costs in #2 and #5 above, please formally notify my office on or before 9/2/77.

In the event that you do not desire additional time to resolve the unresolved questioned costs, please forward to the Criminal Justice Planning Agency an adjustment voucher transferring \$13,226 from the Department of Public Safety to the Criminal Justice Planning Agency for our refund to LEAA.

Attachment I

1.	A.	Clerk 7	8,244 + 1,428 =	\$ 9,672
	B.	P.S. Systems Ana.	5,940 + 850 =	6,790
			Subtotal	\$16,462
	C.	Corrections	5%	\$ 1,000
	D.	Court System	5%	1,000
	E.	Fairbanks Police Dept.	3%	500
	F.	Dept. of Law	5%	1,000
				<u>1,000</u>
				\$19,962

Calculations

22 (work days/mo) x 12(mo) =
 264 x 7.5 (hrs./day) =
 1980 x 5% (of total time) =
 99 ÷ 7.5 =

264 wk. days/yr.
 1980 work hrs/yr.
 99 hrs.
 13.2 days

One meeting a month attended by each (C,D,E & F above) more than meets the required match.

11.6.1 116 - 7/10/1 7'

MEMORANDUM

State of Alaska

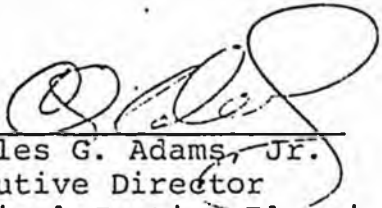
TO: Richard L. Burton
Commissioner
Department of Public Safety

DATE: September 8, 1977

FILE NO:

TELEPHONE NO:

FROM:


Charles G. Adams, Jr.
Executive Director
Criminal Justice Planning Agency

SUBJECT: 72-A-029, Final
Audit Report

In response to your memorandum of September 1, 1977 on the above captioned subject; the Criminal Justice Planning Agency approves a time extension to research, document and justify the indirect cost rate to January 1, 1978.

It is our understanding that the Department of Public Safety will be seeking a supplemental appropriation to make payment in general funds for the audit exceptions of Grant #72-A-029.

Additionally during this time the Department of Public Safety will be preparing an indirect cost plan for the department. The procedures learned during this preparation should better enable departmental staff to retroactively document and justify the indirect cost rate subject of the audit exception.

Should you or your staff have any questions please contact me at your earliest convenience.

	2. Improper use of grant funds:		
	a. Consultant rate used exceeds the maximum allowable per LEAA limitations and the total cost billed exceeds the approved budgetary expenditure.	\$123,000	
	b. Assessment of dues for law enforcement undercover investigation.	<u>35</u>	\$123,035
	3. Expenditure not properly documented.		<u>9,274</u>
	Total questioned consultant and contractual services		<u>\$167,410</u>
D. Indirect Costs -	1. The indirect cost rate used was not proper. The subgrantee used 14.8%, but the last Federal approved rate was 11.2%.		
	a. Amount charged	\$ 52,500	
	b. Amount allowable	<u>39,737</u>	<u>\$ 12,763</u>
	2. Indirect cost questioned due to direct cost being questioned:		
	a. Questioned direct cost	\$188,406	
	b. Approved indirect cost rate	<u>x 11.2%</u>	
	Questioned indirect cost	<u>\$ 21,101</u>	<u>\$ 21,101</u>
	Total questioned indirect cost		<u>33,864</u>
	Total questioned costs		<u>\$222,305</u>

Note 2 - Cash Match

Federal regulations require the subgrantee to contribute a certain percentage of match funds in order for Federal funds to be allowable. The grant budget for this grant was based on a Federal share of 73.7% and a matching share, to be provided by the subgrantee, of 26.3%, of which 40% must be cash match and the balance in-kind match. In Note 1, we have questioned all of the cash match of \$44,900.

FY 78 SUPPLEMENTAL REQUEST ANALYSIS

	FY 76 ACTUAL	FY 77 FINAL AUTH.	FY 77 ACTUAL	FY 78 Gov. BUDGET	FY 78 INITIAL AUTH.	FY 78 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1 - 10/31	OTHER OBLIGATIONS 7/1 - 10/31	PROJECTED EXPENDITURES + ENCUMBRANCES 11/1 - 6/30	FY 78 (DEFICIT) OR EXCESS	FY 79 MAINTENANCE REQUEST
PERSONAL SERVICES	977.0	1,309.6	1,278.0	1,451.7	1,367.7	1,469.2	401.2	54.5	1,013.5	0	1,531.2
TRAVEL	28.6	61.3	64.3	65.3	50.0	52.4	11.8	7.1	33.6	(0.1)	54.7
CONTRACTUAL SERVICES	72.7	191.8	152.0	112.9	111.9	111.9	55.0	19.0	38.2	(0.3)	202.7
COMMODITIES	22.2	34.3	44.4	36.8	36.4	36.4	49.4	(13.0)	0	0	42.1
EQUIPMENT	10.0	41.2	31.2	8.1	6.0	6.0	5.8	0.2	0	0	6.4
LANDS, BLDGS, ...		17.5	17.4	21.8	21.8	21.8	21.8	0	0	0	22.0
GRANTS, CLAIMS, ...											
MISCELLANEOUS				53.0	53.0	30.6	0.4	0	43.0	(12.8)	
TOTAL	1,110.5	1,655.7	1,587.3	1,749.6	1,646.8	1,728.3	545.4	67.8	1,128.3	(13.2)	1,859.1
FEDERAL RECEIPTS				68.4							
REQUIRED GF MATCHING											
OTHER GENERAL FUND	1,110.5	1,655.7	1,587.3	1,681.2	1,646.8	1,728.3	545.4	67.8	1,128.3	(13.2)	1,859.1
INTER-AGENCY RECEIPTS											

AGENCY Public Safety

BRU Office of Commissioner

COMPONENT

REVISED

If any of the questioned match funds are subsequently disallowed by CJPA and LEAA then a proportionate amount of Federal funds would also be disallowed.

Note 3 - Federal Funds Computation

Total Allowable Costs (Per Audit)	\$184,993
Maximum Federal Share (Budgeted Percentage)	<u>73.7%</u>
Maximum Federal Share of Allowable Costs	\$136,340
Reported Federal Receipts	<u>299,998</u>
Balance Due to Federal Government	<u>\$163,658</u>

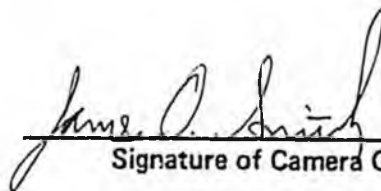
Balance due is subject to the final determination as to the allowability of questioned costs by CJPA and LEAA.



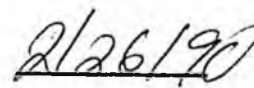
RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.



Signature of Camera Operator



Date

COMMITTEE REPORT
SENATE

2/6/78

FURTHER: _____

Date: _____

Mr. President:

The Committee on FINANCE has had SB 403 extending leaves of absence of certain temporary employees of state

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____
- and _____ new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

1/11/78

Date: Feb. 3, 1978

Mr. President:

The Committee on STATE AFFAIRS has had SB 403 extending leaves of absence of certain temporary employees of state under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s)
- () recommends it be replaced with CS for _____
- and _____ () new title () same title
- () AND attaches a Letter of Intent () New Fiscal Note
- ~~() reports it back without recommendation~~ ^{individual rule}
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

~~1. [Signature]~~
1. Brad Bradley
1. [Signature]
1. Lee Kay
1. John Huber

[Signature]
Chairman

403

Introduced: 1/11/78
Referred: State Affairs
and Finance

1 IN THE SENATE

BY RAY AND HUBER

2 SENATE BILL NO. 403

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act extending leaves of absence to certain tempo-
7 rary employees of the state."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 39.20.310(7) is amended to read:

10 (7) temporary employees hired for periods of less than 30
11 consecutive days [12 CONSECUTIVE MONTHS];

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COMMITTEE COPY

ALASKA STATE LEGISLATURE

TENTH... Legislature SECOND Session

SENATE BILL..... NO. 403....

ByRAY AND HUBER.....

"An Act extending leaves of absence to certain temporary employees of the state."

leaves of absence

Introduced in the Senate1/11, 19...78

HISTORY IN THE SENATE

19	78	Read first time and referred to Committee on												
1	11	State Affairs and Finance												
2	6	Reported back with recommendation that <i>J. P. to Governor</i>												
		Read second time and												
		Read third time and												
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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Reconsideration														
PASS	Effective Date													
Yeas	Yeas													
Nays	Nays													
Absent	Absent													
Excused	Excused													
		Reported correctly engrossed Signed by President Sent to House												

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on												
		Reported back with recommendation that												
		Read second time and												
		Read third time and												
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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Absent	Absent													
Excused	Excused													
		Reported correctly engrossed Signed by Speaker Returned to Senate												

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19		Received from House
		Reported correctly enrolled
		Sent to Governor
	 By Governor
		Filed with Lt. Governor
		Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 558/SB 403
 Title Leaves of Absence to Temporary State Employees
 Requested by House State Affairs/senator Ray Date 1/19-24/78

II. FISCAL DETAIL
 Agency Affected All
 Program Category Affected All
 Budget Request Unit(s) Affected All

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		417.4	438.3	460.2	488.2	507.4
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		417.4	438.3	460.2	488.2	507.4

FUNDING (Thousands of Dollars)

Impossible to distribute at this time.

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
 Based on data from Div. of Personnel & Labor Relations, Labor Research sections: Assume annual number of temporary employees at 1901
 Average length of service 2.7 mo.
 75% employment greater than 30 days
 Salary range 8 - Step A
 Sick Leave average at 8 days per employee year
 salary increase at 5% annual rate
 $1901 \times .75 = 1425.75 \times 2.7 = 3850 \div 12 = 321$ SL $321 \times 8 = 2658 \div 21.65$ dys
 $AL \ 321 \times 15 = 4815 \div 21.65$ dys
 FY 78 cost 341 mo. $\times \$1005 = \$342,705$ Months Sick Leave 118.6
 Benefits $\times 1.16$ Months Annual Leave 222.4
 $\$397,538$ Total 341.0

IV. DATE 1/24/78 PREPARED BY RJC Russell Clark/Ken Cates KC
 AGENCY Department of Administration
 PHONE 465-2293 and 4407

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Duncan/Ray
 Governor's Office - Keith Specking
 33-001 (Rev. 12/77) Personnel - Pat Hunt

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

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Bill/Resolution No. HB 558/SB 403
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FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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Based on data from Div. of Personnel & Labor Relations, Labor Research sections: Assume annual number of temporary employees at 1901

Average length of service 2.7 mo.

75% employment greater than 30 days

Salary range 8 - Step A

Sick Leave average at 8 days per employee year

salary increase at 5% annual rate

1901 x .75 = 1425.75 x 2.7 = 3850 + 12 = 321 SL 321 x 8 = 2658 + 21.65 days
 AL 321 x 15 = 4815 + 21.65 days

FY 78 cost 341 mo. x \$1005 = \$342,705 Months Sick Leave 118.5
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IV. DATE 1/24/78

PREPARED BY Russell Clark/Ken Cates
 AGENCY Department of Administration

Original: Legislative Finance

PHONE 465-2293 and 4407

cc: Budget and Management

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33-001 (Rev. 12/77) Governor's Office - Keith Specking
 Personnel - Pat Hunt

Introduced: 1/11/78
Referred: State Affairs
and Finance

1 IN THE SENATE

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ALASKA PUBLIC EMPLOYEES ASSOCIATION

State Headquarters: 130 Seward Street, Suite 508, Juneau, Alaska 99801 • Tel: (907) 586-2334

February 6, 1978

Senator John C. Sackett, Chairman
State Finance Committee
Pouch V
Juneau, Alaska 99811

Re: SB 403, 404, 405, 406.

Dear Senator Sackett:

The Alaska Public Employees Association is requesting your support in the passage of SB 403, SB 404, SB 405 and SB 406 in order to remedy the inadequate to non-existent benefits provided temporary employees by the State of Alaska and to correct the abusive use of temporary appointments in lieu of a permanent appointment by the State.

Under Title 39 of the Statutes of the State of Alaska temporary employees are denied the following benefits:

1. Alaska Statute 39.20.310 denies temporary employees annual leave, sick leave, terminal leave, and court leave.
2. Alaska Statute 39.30.100 denies temporary employees group life and health insurance.
3. Alaska Statute 39.35.680 denies temporary employees the right to participate in the State Retirement System.
4. The operation of the Personnel System provided for in Title 39 of the Labor Relations in a manner which deprives temporary employees of a permanent appointment and requires them to remain in a temporary status.

For your perusal, please find enclosed the following information concerning temporary employees:

Exhibit I. Testimony to be presented on behalf of Alaska Public Employees Association.

Exhibit II. SB 403 and Referenced Chapter and Statute.

Exhibit III. SB 404 and Referenced Chapter and Statute.

Exhibit IV. SB 405 and Referenced Chapter and Statute.

Exhibit V. SB 406 and Referenced Chapter and Statute.

Exhibit VI. Report of Status of Temporary Employees as of November 1977.

Exhibit VII. Ombudsman's Report. Re: State Personnel System December 16, 1977.

Exhibit VIII. Personnel Roster from Division of Public Assistance.

Exhibit IX. Attorney General's opinion. Re: Health & Retirement Bargainability.

Thank you for your time and consideration of this matter.

Very truly yours,

Cherie Shelley

Cherie Shelley
Government Relations Specialist

CS:1b

January 28, 1978

TESTIMONY PRESENTED BY ALASKA PUBLIC EMPLOYEES ASSOCIATION

Re: Temporary Employees

Mr. Chairman: Members of the Committee:

I am Cherie Shelley, Government Relations Specialist for Alaska Public Employees Association and I am here to present testimony on Senate Bills 203, 204, 205, and 206 which deal with temporary employment by the State of Alaska.

Although members of the Committee may receive many "give-me" or "pork barrel" requests, this is not such legislation. A.P.E.A. views this legislation as an attempt to remedy the most serious problems now facing our membership and state employees generally. I would like to present you with the following information:

1. As you know Title 39 of the Alaska Statutes deals with "Public Officers and Employees" and also sets up the Personnel Act. Title 39 has remained substantially unchanged since 1960. It has not kept pace with collective bargaining instituted in 1972, with the needs of state employees nor with the need of the State of Alaska generally. (See Ombudsman Report Re: Personnel, Exhibit VII.) The most serious inequity in Title 39 is the situation created for temporary employees.
2. Under Title 39 of the Statutes of the State of Alaska temporary employees are denied the following benefits:
 - a. Alaska Statute 39.20.310 denies temporary employees annual leave, sick leave, terminal leave, and court leave.
 - b. Alaska Statute 39.30.100 denies temporary employees group life and health insurance.
 - c. Alaska Statute 39.35.680 denies temporary employees the right to participate in the State Retirement System.

I

- d. The operation of the Personnel System provided for in Title 39 of the Alaska Statutes is run by the Division of Personnel and Labor Relations in a manner which deprives temporary employees of a permanent appointment and requires them to remain in a temporary status.
3. The situation described above might be equitable if "temporary employment" truly meant "temporary employment," however, it most emphatically does not. Approximately two and one-half years ago I began working in the field of labor and labor relations. At that time I understood a temporary employee to be an employee who worked for an employer for a period of thirty days or less, which is the definition of a temporary employee in the private sector. Temporary employment is not so defined in the State of Alaska as some temporary employees have been the same temporary position for a period as long as eight years. (See Report of Status Exhibit VI.)
4. Currently there are approximately 1,500 temporary state employees. Approximately 1 out of every 7.5 state employee is a temporary. As of December 17, 1977, 206 "temporary" employees had been in this status for a period of 9 months or longer.
5. As a side note, just prior to this Legislature convening, the Division of Personnel, aware of the spotlight focusing upon abuses within the Division, dismissed temporary employees in mass, indicating to the terminated employees that A.P.E.A. had forced the terminations, which is not correct. Of the temporary employees remaining, many have been employed by the State of Alaska for periods well over six months. If this problem is ever going to be corrected, it must be done now.
6. Can the members of this Committee imagine working for the State for a period of 23 months or 24 months and receiving no annual leave, sick leave, health benefits, retirement benefits, etc.

A.P.E.A. can provide you with a long list of "horror" stories illustrating the unfairness and inequities of such situations. However, what may concern this Committee most are the abuses and the manipulation of the Personnel and Merit System carried out "in the name of use of temporary employees." The following is a list of the abuses which have occurred through the use of temporary employees:

- a. Rule 3 of the Personnel Rules on "Recruitment and Examination" becomes in part meaningless through the by-passing of this entire procedure.
 - b. Rule 4 of the Personnel Rules on the use of "Eligible Lists" is even more meaningless. The State in the case of every hire of a temporary simply by-passes this entire merit procedure. It by-passes exams and eligible lists because temporaries do not have to take these exams.
 - c. It violates the concept of hiring Alaska residents for there is no check on whether these temporaries are residents or not. In some cases, temporary hires are used as a way of getting non-residents on Personnel Registers above residents.
 - d. Hiring of temporaries before they have taken the exam or been put on the register so that persons on the registers are simply by-passed.
 - e. Failure to meet minimum qualifications and a failure to be on the eligible list to the detriment of those "who play the game fairly." (See Ombudsman's Report Re: State Personnel System, Exhibit VII.)
7. Legislative funding of permanent positions are simply disregarded through the use of temporaries as temporary employees are less costly, permanent positions are simply left vacant and a temporary employee carries out the functions of the budgeted permanent position. (See the attached personnel roster from the Division of Public Assistance, Exhibit VIII.)

8. Equally important, the principles of simple due process and fairness are violated by the use of temporary appointments. Temporary employees have no rights. They can be hired, fired, disciplined, and moved here and there with no recourse whatsoever. For a true temporary position of thirty days or less (as defined in the private sector) such action would probably be equitable, however, temporary appointments are now used as a "pre-probationary period." Thus, the employee serves 9 months or longer in temporary status and then must serve as additional probationary period of 6-12 months.
9. House Bill 560 is a conservative effort to deal with the previous discussed inequities of temporary employment. Bill 560 provides for the following changes in the existing system:
 - a. temporary appointments shall be made only from eligible lists for appointment;
 - b. temporary appointments shall meet the minimum qualifications required of individuals seeking permanent employment in the class into which they are to be hired;
 - c. waiver of the requirements of (a) and (b) may be granted by the director as to any temporary appointment but that, if granted, each waiver shall be accompanied by a written statement providing reasons for the waiver and the statement shall be a public document; and
 - d. temporary appointments to positions in state service may not exceed 10 per cent of the total number of classified state employees.

In conclusion, based on my experience in this area, I believe that this is the most abused and unfair of state employment. The problem has been evolving since 1960 and has reached serious proportions. Abuses are flagrant and morale

among 1 out of every 7.5 employees is low to non-existent.

Thank you,

Cherie Shelley

Cherie Shelley
Government Relations Specialist
Alaska Public Employees Association

Chapter 20. Compensation and Allowances.

Article

- 1. Salaries (§§ 39.20.010—39.20.100)
- 2. Travel Regulations (§§ 39.20.110—39.20.190)
- 3. Leaves of Absence (§§ 39.20.200—39.20.350)
- 4. Payments Due to Deceased State employees (§§ 39.20.360—39.20.400)

Article 3. Leaves of Absence.

Section

- 200. Computation of annual leave
- 210. Determining years of service
- 220. Requirement that employment be continuous
- 230. When annual leave may be taken
- 240. Accumulation of annual leave
- 245. Denation of annual leave
- 250. Terminal leave
- 260. Medical leave

Section

- 270. Court leave
- 280. [Repealed]
- 290. Definition of days of leave
- 295. Special regulations on leave period
- 300. Annual and sick leave transfers with officer or employee
- 310. Exceptions
- 320. Adoption of rules
- 330. Departments to keep leave records

§ 39.20.200

PUBLIC OFFICERS AND EMPLOYEES

§ 39.20.230

Section

340. Leave of absence for reserve members of armed forces

Section

350. Restoration of reserve members to former positions

Sec. 39.20.200. Computation of annual leave. Officers and employees of the state are entitled to annual leave with pay which is credited at the conclusion of each pay period. Leave shall be credited as an appropriate portion of the following annual accrual rates:

(1) 112.5 hours in the case of officers and employees with less than two years of service;

(2) 157.5 hours in the case of officers and employees with two but less than five years of service;

(3) 180.0 hours in the case of officers and employees with five but less than 10 years of service;

(4) 225.0 hours in the case of officers and employees with 10 years or more of service. (§ 11-5-6 a ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960; am § 10 ch 148 SLA 1976)

Cited in State v. Worden, 7 Alas. L.J. No. 9, p. 641 (Sept., 1969).

Am. Jur. reference. — 43 Am. Jur., Public Officers, §§ 162, 383.

Sec. 39.20.210. Determining years of service. In determining years of service for the purpose of computing annual leave all service with the Territory and State of Alaska is included. A change in the rate of accrual of annual leave by an officer or employee takes effect upon the beginning of the monthly pay period following the monthly pay period in which the officer or employee completes the prescribed period of service. (§ 11-5-6 b ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.220. Requirement that employment be continuous. Notwithstanding § 200 of this chapter, an officer or employee is entitled to annual leave only after having been employed currently for a continuous period of 90 days under one or more appointments without break in service. When an officer or employee completes a period of continuous employment of 90 days an amount of annual leave is credited to him equal to the amount which, but for this section, would have accrued under § 200 of this chapter during the period. (§ 11-5-6 c ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.230. When annual leave may be taken. Annual leave may be taken by an officer or employee at any time business permits upon permission by the head of the department or agency for whom the officer or employee works. Each officer and employee shall, during each 12-month period, take at least five days annual leave. (§ 11-5-6 d ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Use of Friday afternoons during winter months as annual leave. — This section would be adequate authority for the commissioner of health, at his discretion, to permit an employee of the Department of Health and Welfare to use each Friday afternoon during the winter months as

annual leave, provided the employee has accumulated enough annual leave (or compensatory leave if such had been legally authorized), and provided further that "business permits." 1959 Op. Att'y Gen., No. 6.

Sec. 39.20.240. Accumulation of annual leave. The annual leave which is not used by an officer or employee during a 12 month period accumulates for use in succeeding 12 month periods until it totals not to exceed 60 days at the end of the 12 month period, unless his department or agency head certifies in writing that the employee or officer was denied the opportunity to use leave accumulated in excess of 60 days during the 12 month period. The Department of Administration shall promulgate regulations and forms to insure proper annual leave control. (§ 11-5-6 e ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960; am § 1 ch 37 SLA 1967; am § 1 ch 31 SLA 1971; am § 1 ch 151 SLA 1972)

Effect of amendments. — The 1971 amendment added the language beginning "unless his department" in the first sentence and added the second sentence.

The 1972 amendment inserted "during a 12 month period," substituted "12 month

periods" for "years," substituted "12 month period" for "calendar year," and substituted "during the 12 month period" for "between January 1 and December 31 of each year," all in the first sentence.

Sec. 39.20.245. Donation of annual leave. A state employee may donate one or more days of annual leave a year to the memorial scholarship revolving loan fund, or to a scholarship account in the fund, under AS 11.40.810 — 14.40.845. The commissioner of administration shall pay to the account of the memorial scholarship revolving loan fund, or to a scholarship account in the fund, an amount equal to the value of the day or days of annual leave contributed by the employee. (§ 2 ch 33 SLA 1969; am § 23 ch 136 SLA 1974)

Effect of amendment. — The 1974 amendment rewrote this section.

Sec. 39.20.250. Terminal leave. (a) Terminal leave for unused annual leave shall be allowed as a lump sum upon separation from service. The lump-sum payment equals the compensation that the officer or employee would have received if he had remained in the service until the expiration of the period of unused annual leave.

(b) If the officer or employee is re-employed in the state service before the expiration of the period covered by the unused leave payment, he shall refund to the state an amount equal to the compensation covering the period between the date of re-employment and the expiration of the unused leave period. The leave represented by a refund shall be re-

credited to the officer or employee by the employing department or agency.

(c) The lump-sum payment authorized by this section is not considered salary or compensation except for purposes of taxation. (§ 11-5-6 f ACIA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Right of former treasurer of territory to assume duties as secretary of state.
 receive accumulated terminal leave upon See 1960 Op. Att'y Gen., No. 18.

Sec. 39.20.260. Medical leave. (a) Officers and employees are entitled to medical leave with pay which accrues at the equivalent of 112.5 hours per year. Medical leave which is not used during the 12-month period in which it accrues accumulates and is available for use in succeeding 12-month periods.

(am § 11 ch 148 SLA 1976)

(b) No department or agency head may grant medical leave with pay unless he is satisfied that the absent officer or employee is absent for medical reasons. If the absence exceeds three consecutive working days, the department or agency head may require a doctor's certificate showing the disability.

(c) The taking of medical leave with pay shall be reduced by the amount of wage continuation payments made under the Alaska Workmen's Compensation Act.

(d) When a member of an officer's or employee's immediate family is afflicted with a medical disability requiring the attendance of the officer or employee, or where his presence at his job would jeopardize the health of his fellow employees, and either of these contingencies is supported by a doctor's certificate, the officer or employee may, with the consent of the employee's department or agency head, avail himself of medical leave with pay, within the limits prescribed by this section, the same as if he were personally under a medical disability.

(e) A female employee, otherwise qualified for a leave of absence, may take a maximum of nine weeks maternity leave immediately preceding and following childbirth. This leave is chargeable first to medical leave and if that is not sufficient, then to annual leave, providing that if after medical and annual leave are exhausted the employee may go on leave without pay for the balance of the nine-week period. A person taking maternity leave shall otherwise be treated as any other employee taking medical or annual leave of absence.

(f) Upon his separation from state service, and unless he reenters employment of the state within six months of his termination, the unused medical leave of an officer or employee is automatically canceled without pay for it. If an officer or employee when terminated by the state reenters the state service within six months after his termination, he is entitled to credit for one-half of the medical leave he had accrued at the time of his termination.

(g) Upon the death of the spouse or other member of the immediate family of an officer or employee, the officer or employee may avail himself of not more than five days of accrued medical leave with pay (§ 11-5-6 g ACIA 1949; am § 1 ch 122 SLA 1957; am § 1 ch 145 SLA 1960; am § 1 ch 82 SLA 1966; am § 2 ch 27 SLA 1967; am § 51 ch 32 SLA 1971; am § 3 ch 151 SLA 1972; am § 1 ch 67 SLA 1974)

Effect of amendments. — The 1971 amendment inserted "officer or" in the second sentence of subsection (e).

The 1972 amendment substituted "12 month period" for "year" and "12 month periods" for "years" in the second sentence of subsection (a).

The 1974 amendment rewrote this section.

Legislative committee report. — For report on ch. 32, SLA 1971 (HB 111 am), see 1971 House Journal, p. 138.

Sec. 39.20.270. Court leave. Court leave shall be granted to an employee who is classified as full-time, whether permanent or temporary. An officer or employee called to serve as a juror or subpoenaed as a witness is entitled to administrative leave with pay, but compensation received by him or to which he is entitled, whichever is greater, for service as a juror or witness shall be deducted from pay to which he is entitled as a state officer or employee. (§ 11-5-6 h ACIA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.280. Maternity leave.

Repealed by § 2 ch 67 SLA 1974.

Revisor's note (1974). — The intent of the amendment to AS 39.20.280 contained in § 105, ch. 127, SLA 1974, was to bring the former language of that section into conformity with art. I, § 3 of the Constitution of the State of Alaska. As the repeal of AS 39.20.280 by § 2, ch. 67, SLA

1974 removes the necessity for the change contained in ch. 127, the repeal of that section is considered to prevail.

Editor's note. — The repealed section derived from § 11-5-6 i ACIA 1949; § 1, ch. 182, SLA 1957; § 1, ch. 145, SLA 1960; § 105, ch. 127, SLA 1974.

Sec. 39.20.290. Definition of days of leave. The days of leave provided for in §§ 200 — 330 of this chapter mean days upon which an officer or employee would otherwise work and receive pay, and are exclusive of holidays. (§ 11-5-6 j ACIA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.295. Special regulations on leave period. In accord with the procedures established in § 320 of this chapter, the Department of Administration shall promulgate rules defining and establishing a uniform beginning and a uniform concluding date for the 12 month periods applicable to leave use and accumulation by officers and employees of state government. (§ 2 ch 151 SLA 1972)

Sec. 39.20.300. Annual and sick leave transfers with officer or employee. When an officer or employee terminates employment with

one department, office, institution, or agency of the state government and is employed by another department, office, institution, or agency of the state government without break in service, his accumulated annual and sick leave transfers with him and shall be credited to him in the employing department, office, institution, or agency. (§ 11-5-6 k ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.310. Exceptions. Sections 200 — 330 of this chapter do not apply to

(1) members of the state legislature, the governor, the lieutenant governor, and justices and judges of the supreme and superior courts, but nothing in §§ 200 — 330 of this chapter may be construed to diminish the salaries fixed by law for these officers by reason of absence from duty on account of illness or otherwise;

(2) magistrates serving the state on less than a full-time basis;

(3) officers, members of the teaching staff, and employees of the University of Alaska;

(4) certificated teachers employed by the state to teach in schools operated by the Department of Education or by the state-operated schools;

(5) persons employed in a professional capacity to make a temporary and special inquiry, study, or examination as authorized by the governor, the legislature, or a legislative committee;

(6) members of boards, commissions, and authorities who are not otherwise employed by the state;

(7) temporary employees hired for periods of less than 12 consecutive months;

(8) persons employed by the division of marine transportation as masters and members of the crews operating the state ferry system who are covered by collective bargaining agreements as provided in AS 23.40.040. (§ 11-5-6 l ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960; am § 1 ch 134 SLA 1961; am § 4 ch 93 SLA 1962; am § 3 ch 24 SLA 1966; am § 1 ch 62 SLA 1972)

Revisor's note (1971). — In this section "secretary of state" has been changed to "lieutenant governor" in conformity with the 1970 Alaska constitutional amendment (SJR 2) changing the designation of that office.

Effect of amendment. — The 1972 amendment added "or by the state-operated schools" at the end of paragraph (4).

Sec. 39.20.320. Adoption of rules. The director of the division of personnel in the Department of Administration shall prepare and submit rules necessary to carry out the intent of §§ 200—330 of this chapter. These regulations shall be submitted to the commissioner of administration within 60 days of July 1, 1960. The commissioner of administration shall review the rules and submit them to the personnel board. The rules, or any part of the rules, have the force and effect of

law 60 days after they are submitted to the personnel board if not disapproved by the personnel board. Amendments to the rules shall be prepared and submitted in the same manner, and have the force and effect of law 30 days after they are submitted to the personnel board if not disapproved by the personnel board. The rules adopted under § 200—330 of this chapter relate to the internal management of state agencies and their adoption is not subject to the provisions of the Administrative Procedure Act (AS 44.62). (§ 11-5-6 in ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.330. Departments to keep leave records. Each department, office, institution, or agency of the state government shall keep for its files a complete annual and sick leave record, covering each of its employees, on forms prepared and supplied by the Department of Administration. These records are subject to annual audit and approval by the director of personnel of the Department of Administration. (§ 11-5-6 in ACLA 1949; am § 1 ch 182 SLA 1957; am § 1 ch 145 SLA 1960)

Sec. 39.20.340. Leave of absence for reserve or auxiliary members of armed forces. (a) An employee of the state, or a political subdivision, with the approval of the city council or borough assembly, 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 efficiency rating on all days during which he or she 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 16½ working days in any 12-month period. (§ 1 ch 49 SLA 1976)

Effect of amendment. — The 1972 amendment substituted "12 month period" for "calendar year" in the last sentence of subsection (a).

Sec. 39.20.350. Restoration of reserve members to former positions. A member of a reserve component of the United States Armed Forces employed by the state, or a political subdivision or a municipal corporation with the approval of the city council who is ordered to duty by proper authority, shall, when relieved from duty, be restored to the position held by him when ordered to duty. (§ 2 ch 20 SLA 1951)

Cited in *State v. Worden*, 7 Alas. L.J. No. 9, p. 641 (Sept. 1969).

Introduced: 1/11/78
Referred: State Affairs
and Finance

1 IN THE SENATE

BY RAY AND HUBER

2 SENATE BILL NO. 403

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act extending leaves of absence to certain tempo-
7 rary employees of the state."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 39.20.310(7) is amended to read:

10 (7) temporary employees hired for periods of less than 30
11 consecutive days [12 CONSECUTIVE MONTHS];

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Article 3. Personnel Rules.

Section	Section
140. Amendment of personnel rules	155. Vocational substitution program
160. Scope of rules	
163. Personnel rules for certain departments	

Sec. 39.25.140. Amendment of personnel rules. (a) The director of personnel shall prepare and submit to the commissioner of administration any proposed amendments to the personnel rules for all positions and employees subject to this chapter.

(b) The commissioner of administration shall review the amendments and submit them to the personnel board.

(c) At the time he submits the amendments to the personnel board, the commissioner of administration shall, by posting in public buildings throughout the state, give notice that the personnel board has the amendments under consideration. The amendments have the effect of law 30 days after they are submitted to the personnel board if not disapproved by the personnel board. The personnel board, if requested, may hold public hearings on the amendments.

(d) The rules may provide for exemptions and modifications which are necessary to assure the continuity of federal grants to agencies supported in whole or in part by federal contributions.

(e) The rules adopted under this chapter relate to the internal management of state agencies and their adoption is not subject to the Administrative Procedure Act. The rules may be published in the Alaska Administrative Register and Code for informational purposes. (§ 12 ch 144 SLA 1960; am § 5 ch 5 SLA 1966)

Legislative committee report. — For report on ch. 5, SLA 1966, see 1966 House Journal, pp. 50 and 51.

A right clearly created by statute cannot be taken away by regulation. *Mueller v. Alaska State Bd. of Personnel*, Sup. Ct. Op. No. 396 (File No. 735), 425 P.2d 145 (1967).

State personnel rules are not subject

to the provisions of the Alaska Administrative Procedure Act. *Cannose v. Department of Administration*, 6 Alas. L.J. No. 2, p. 40 (Feb., 1968).

Stated in *Kelly v. Zamarek*, Sup. Ct. Op. No. 705 (File Nos. 1255, 1256), 486 P.2d 906 (1971).

Cited in *State in Egenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

Sec. 39.25.150. Scope of rules. The personnel rules shall provide for

(1) the preparation, maintenance, and revision by the director of personnel, subject to approval by the commissioner of administration and the personnel board, of a position classification plan for all positions in the classified and partially exempt services; in the position classification plan all positions shall be grouped together into classes on the basis of duties and responsibilities; the position classification plan shall include for each class of position an appropriate title, a description of the duties and responsibilities, training and experience qualifications, and other necessary position specifications;

(2) the preparation, maintenance, revision, and administration by the director of personnel of a pay plan for all positions in the classified and partially exempt services; the pay plan shall be prepared after consultation with the appointing authorities or their designee, and with representatives of interested employee groups; the pay plan shall be based upon the position classification plan, shall provide for fair and reasonable compensation for services rendered, and shall be based on the principle of like pay for like work; commissioners' salaries are not the maximum limit for the pay plan and in exceptional circumstances higher salaries may be specified; the pay plan may provide for uniform starting pay, increments, and area and time differentials; the pay plan prepared under this section may be amended, approved or disapproved by the legislature in regular or special session; after the pay plan is put into effect, no salary or wage payment may be made to a state employee covered by the pay plan unless the payment is in accordance with this chapter and the rules adopted under this chapter;

(3) the use of sound employee selection methods, including open competitive examinations to test the fitness of applicants for positions in the state service;

(4) promotions from within the state service when there are qualified candidates in the state service; vacancies shall be filled by promotion whenever practicable and in the best interest of the state service, and promotion shall be by competitive examination whenever possible; in considering promotions, applicants' qualifications, performance record, seniority, and conduct shall be evaluated;

(5) the establishment and maintenance of eligible lists for appointment and promotion; the names of eligible candidates shall be placed on eligible lists in order of their relative performance in the examinations;

(6) the procedure for certifying eligibles;

(7) a period of probation not to exceed one year before an appointment to a position becomes permanent, except that a permanent employee receiving a promotional appointment retains permanent status in the service and the job class from which appointed for the duration of the probationary period, and may be demoted to his former class without right of appeal, § 170 of this chapter notwithstanding, but if dismissed from the service he has appeal rights under § 170 of this chapter;

(8) emergency appointments to positions in the state service;

(9) temporary appointments to positions in the state service which are determined to be of a seasonal or temporary nature;

(10) provisional appointment without competitive examination when appropriate eligible lists are not available;

(11) transfers from one department to another and from another merit system jurisdiction to the state service;

(12) transfers from one area of the state to another;

(13) the payment of transportation costs when an employee transfers from one area to another at the request of the employer;

(14) the reinstatement of a person who resigns in good standing;

(15) layoffs for reason of lack of funds or work, abolition of positions, or material changes in duties or organization; both performance and seniority records shall be considered in the development of layoff orders;

(16) the development, maintenance, and utilization of employee performance records;

(17) the imposition of disciplinary suspension without pay for not longer than 30 days in any 12-month period;

(18) the procedures for review of disputed personnel actions and for resolving employee and interagency grievances;

(19) hours of work for all employees in the state service;

(20) methods and procedures covering overtime work and pay;

(21) the delegation, where feasible, of personnel responsibilities and duties to the principal departments of the executive branch;

(22) other rules and administrative regulations, not inconsistent with this chapter, which are necessary for its enforcement;

(23) the granting of employment preference rights to a veteran at each time he applies for employment, not within the area of promotion, when he possesses the necessary qualifications in the job classification for which he applies under this chapter; the term "veteran" means a person with 90 days or more active service in the armed forces of the United States who has been honorably discharged after having served during any period between April 6, 1917, and December 1, 1919, between September 16, 1940, and December 31, 1947, or between June 27, 1950, and a date to be determined by the legislature which shall be on or about six months after the termination of hostilities involving forces of the United States in Viet Nam; the term "disabled veteran" means a veteran who is rated by the United States Veterans' Administration as having at least a 10 per cent service-connected disability; in the examination to determine the qualification of applicants for entrance into the classified service under merit system examination, five additional points shall be added to the passing grade of a veteran and 10 additional points shall be added to the passing grade of a disabled veteran; if a position in the classified service is eliminated, employees shall be released in accordance with rules which give due effect to all factors; if all job qualifications are equal, the veteran shall be given preference over the nonveteran and the veteran shall be kept on the job. (§ 13 ch 144 SLA 1960; am § 1 ch 130 SLA 1961; am § 1 ch 147 SLA 1962; am § 1 ch 117 SLA 1966; am § 1 ch 33 SLA 1967; am § 3 ch 226 SLA 1970; am § 1 ch 39 SLA 1971; am § 3 ch 42 SLA 1971; am § 1 ch 21 SLA 1973)

Revisor's note. — The pay plan prepared under (2) of this section is set out in AS 39.27.010.

Effect of amendments. — The first 1971 amendment rewrote paragraph (7).
The second 1971 amendment inserted

"and shall be based on the principle of like pay for like work" in paragraph (2).

The 1973 amendment inserted "at each time he applies for employment, not within the area of promotion" near the beginning of paragraph (23).

Legislative committee report. — For report on ch. 33, SLA 1967 (SB 114), see 1967 House Journal, pp. 439-440.

The scope of rules prepared pursuant to AS 39.25.050 is limited severely in this section, leaving the director of personnel very little discretion and virtually no policy-making power. *Kelly v. Zamarello*, Sup. Ct. Op. No. 705 (File Nos. 1255, 1256), 445 P.2d 906 (1971).

Chapter attempts to ensure most efficient expenditure of public funds. — This chapter and the personnel rules attempt to ensure the state and its taxpayers that public funds will be spent in their most efficient manner. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

This section and personnel rule 7 05 prescribe the only manner in which the state may become obligated to pay for overtime performed by a classified service employee. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

A public employee is not entitled to payment for overtime in the absence of a valid contract executed pursuant to statutes or regulations specifically authorizing such compensation in addition to the employee's fixed monthly salary. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

When employee entitled to compensation for overtime. — This chapter and the applicable regulations adopted thereunder do not entitle an employee in the classified service, who is paid a fixed monthly salary, to receive any compensation for overtime, either in the form of cash or compensatory leave time unless: he is a member of the class eligible to receive overtime payment under personnel rule 7 05.2; he has worked hours in excess of his scheduled hours; and his appointing authority has authorized in writing payment for such overtime work. Even if these conditions are satisfied, personnel rule 9 04 stipulates that the employee is entitled to overtime pay only at his hourly rate. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

The establishment of normal working hours and provision for compensatory time off for work beyond those hours do not, of

themselves, give the employee a right to payment for overtime. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

Requirement of an express written authorization for payment for overtime cannot be circumvented by the implied contract theory. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

A public employee undertakes to perform the duties of his position, whether these duties, or the hours necessary to perform them, are increased or decreased. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

When a public servant is paid by time, for example by the month, rather than by the quantity of work performed, he is expected to perform his duties without extra compensation for overtime or holiday hours worked. This chapter and the personnel regulations are reflective of this widely accepted policy. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

The regulatory scheme under this section and personnel rule 7 05 centralizes decision-making power with respect to overtime in the appointing authority who presumably has a broad view of the department's needs and is shielded from dangers of favoritism by his distance from the particular employee. *State v. Bogenrife*, Sup. Ct. Op. No. 918 (File No. 1665), 513 P.2d 13 (1973).

Right of probationary employee to appeal dismissal. — The intended scope of AS 39.25.170(a) and its relation to paragraph (7) of this section is of sufficient importance to warrant legislative review in order that any potential ambiguity in the Personnel Act, in regard to the question of whether a probationary employee in the classified service has the right to appeal his dismissal to the personnel board, may be obviated. *Mueller v. Alaska State Bd. of Personnel*, Sup. Ct. Op. No. 336 (File No. 738), 425 P.2d 145 (1967), decided prior to the first 1971 amendment to this section.

Any ambiguity in personnel rule in regard to the right to appeal a dismissal to the personnel board should be resolved in favor of an employee who was promoted from a position in which he had (or subsequently attained) permanent status. *Mueller v. Alaska State Bd. of Personnel*, Sup. Ct. Op. No. 336 (File No. 738), 425 P.2d 145 (1967), decided prior to the first 1971 amendment to this section.

ALR reference. — Power to suspend or lay off public officers for a temporary period without pay as an economy and as a disciplinary measure, 11 ALR 432.

Sec. 39.25.153. Personnel rules for certain departments. (a) Each personnel officer for the departments of highways, fish and game, education, labor, and health and social services shall be permanently employed by and located within that department.

(b) The personnel officers specified in (a) of this section are authorized to adopt regulations providing for the activities specified in §§ 39.25.150(1)—(10), (13)—(18), (20) and (22) of this chapter for those classes of employees which are unique to the respective departments specified in (a) of this section. The initial determination as to which classes of employees are unique within the respective departments shall be made by the personnel officer in consultation with the commissioner of his department and subject to the approval of the director of personnel within the Department of Administration. Regulations adopted under this subsection relate to the internal management of state agencies and their adoption is not subject to the Administrative Procedure Act (AS 44.02).

(c) The personnel officers within the departments specified in (a) of this section are subject to all provisions of this chapter not in conflict with this section. (§ 14 ch 207 SLA 1975)

Effective date. — Section 15, ch. 207, SLA 1975, provides: "This Act takes effect July 1, 1975."

Sec. 39.25.155. Vocational substitution program. (a) It is the purpose of this section to establish a liberal system under which Alaskan residents not employed by the state who do not meet the minimum educational or experience criteria for state employment may demonstrate their abilities and achieve temporary or permanent state employee status. This program is intended for use primarily in remote or underemployed areas where the opportunity to gain required hiring qualifications does not exist, but where there is a local need for employees with certain vocational skills. The provisions of this section apply notwithstanding the provisions of § 150(3) of this chapter.

(b) The director of personnel shall establish vocational standards as alternatives for educational or experience levels now required for nonprofessional occupational areas under the state personnel system and incorporate these alternatives into the state classification plan.

(c) Applicants shall be placed on eligible lists for the vocational classification indicated in their applications submitted to the division of personnel in the order of their relative ranking based on an assessment of their technical ability, place of residence and without written examination. Aptitude or occupational tests may be given if a position requires a specific ability.

(d) The director of personnel shall establish rates of pay for the selected vocational substitution classifications in relation to the beginning entry classification pay rates. However, vocational substitution personnel may not be classified lower than one pay range below the range to which the classified position is allocated.

(e) The director of personnel shall embody a concept combined of technical ability, place of residence, local hire and area unemployment in the personnel rules to accomplish the intent of this section.

(f) Applicants selected under this section are subject to the provisions of § 160 of this chapter.

(g) In this section "resident" means a person who has been domiciled in Alaska for at least one year immediately before filing his application. (§ 1 ch 14 SLA 1971)

Sec. 39.25.150. Scope of rules. The personnel rules shall provide for

(24) the employment of persons in permanent positions on a part-time basis of 15 hours or more a week, including the employment of two persons to fill one permanent full-time position; these employees shall be designated as permanent part-time employees.

(§ 1 ch 27 SLA 1976)

Effect of amendments.

The 1976 amendment, effective January 1, 1976, added paragraph (24).

As the rest of the section was not affected by the amendment, it is not set out.

1 IN THE SENATE

BY RAY

2 SENATE BILL NO. 405

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act amending general requirements of state per-
7 sonnel rules to define temporary employment require-
8 ments."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 39.25.150(9) is repealed and re-enacted to read:

11 (9) temporary appointments to positions in the state service
12 which are determined to be of a seasonal or temporary nature; provisions
13 of the personnel rules with respect to temporary employment shall re-
14 quire that

15 (A) temporary appointments shall be made only from
16 eligible lists for appointment;

17 (B) temporary appointments shall meet the minimum quali-
18 fications required of individuals seeking permanent employment in
19 the class into which they are to be hired;

20 (C) waiver of the requirements of (A) and (B) of this
21 paragraph may be granted by the director as to any temporary
22 appointment but that, if granted, each waiver shall be accompanied
23 by a written statement providing reasons for the waiver and the
24 statement shall be a public document; and

25 (D) temporary appointments to positions in state service
26 may not exceed 10 per cent of the total number of classified state
27 employees;

Chapter 30. Social Security and Insurance.

Article

- 1. Old Age and Survivors Insurance (§§ 39.30.010 — 39.30.020)
- 2. Group Life and Health Insurance (§§ 39.30.050 — 39.30.100)
- 2. Special Hazard Insurance (§ 39.30.130)

Article 2. Group Life and Health Insurance.

Section

- 90. Procurement of group insurance
- 100. Definitions

Sec. 39.30.090. Procurement of group insurance. The Department of Administration may obtain a policy or policies of group insurance covering state employees and employees of other participating governmental units subject to the following conditions:

(1) A group insurance policy shall provide one or more of the following benefits: life insurance, accidental death and dismemberment insurance, weekly indemnity insurance, hospital expense insurance, surgical expense insurance, dental expense insurance, audio-visual insurance, or other medical care insurance.

(2) Each eligible employee of the state, his spouse and his unmarried children chiefly dependent on him for support and each eligible employee of another participating governmental unit shall be covered by the group policy, unless exempt under regulations adopted by the commissioner of administration.

(3) A governmental unit may participate under a group policy if

(A) its governing body adopts a resolution authorizing participation, and payment of required premiums;

(B) a certified copy of the resolution is filed with the Department of Administration; and

(C) the commissioner of administration approves the participation in writing.

(4) Repealed by § 14 ch 47 SLA 1974.

(5) Repealed by § 14 ch 47 SLA 1974.

(6) The Department of Administration shall obtain the insurance policy from any insurer authorized to transact business in the state under AS 21.09 and 21.90.

(7) The Department of Administration shall make available bid specifications for desired insurance benefits to all insurance carriers licensed in the state and qualified to provide the desired benefits. The specifications shall be made available on or before July 1, 1965, and at least once every succeeding five years. The lowest responsible bid submitted by an insurance carrier with adequate servicing facilities shall govern selection of a carrier under this section.

(8) If the aggregate of dividends payable under the group insurance policy exceeds the governmental unit's share of the premium, the excess shall be applied by the governmental unit for the sole benefit of the employees.

(9) A person receiving benefits under AS 14.25.110, AS 22.25 or AS 39.35 who is not 65 years of age may obtain major medical and life insurance under this section for himself and any dependents who have not reached the age of 65 years.

(10) A person receiving benefits under AS 14.25.110, AS 22.25 or AS 39.35 who is 65 years of age or older but who has dependents who are under 65 may obtain major medical insurance for these dependents under this section.

(11) A person receiving benefits under AS 14.25.110, AS 22.25 or AS 39.35 may obtain major medical and prescription drug insurance under this section for himself and any dependents to cover costs which are not covered by the federal old age survivor's and disability insurance program.

(12) A person electing to have insurance under (9), (10) or (11) of this section shall pay the cost of this insurance.

(13) No person may elect for coverage under (9), (10) or (11) of this section unless he was or is presently eligible for coverage under this section. (§ 2 ch 151 SLA 1955; am § 1 ch 108 SLA 1959; am § 1 ch 105 SLA 1965; am § 1 ch 70 SLA 1968; am § 66 ch 69 SLA 1970; am § 1 ch 123 SLA 1970; am § 1 ch 159 SLA 1972; am §§ 1, 2 ch 46 SLA 1973; am §§ 13, 14 ch 47 SLA 1974)

(14) For each permanent part-time employee the state shall contribute one-half the state contribution rate for permanent full-time state employees, and the permanent part-time employee, as a condition of employment, shall contribute the other one-half.

(§ 2 ch 27 SLA 1976)

insurance," in paragraph (1) and substituted "\$27.50" for "\$17.50" in paragraph (5).

The 1974 amendment inserted "his spouse and his unmarried children chiefly dependent on him for support" and "each eligible employee" preceding "of another

1970 House Journal Supplement No. 2, p. 7. For report on ch. 159, SLA 1972 (FCCS HCS CSSB 263), see 1972 House Journal, p. 924.

Stated in State v. Worden, 7 Alas. L.J. No. 9, p. 611 (Sept., 1969).

Sec. 39.30.100. Definitions. In § 90 of this chapter

(1) "eligible employee" means

(A) an employee who has served in permanent full-time or part-time employment with the same governmental unit for 90 days or more, except an emergency or temporary employee, and

(B) an elected or appointed official of a governmental unit, effective upon taking the oath of office;

(2) "governmental unit" means the state, a borough, municipal corporation, or other political subdivision of the state, and the North Pacific Fishery Management Council;

(3) "insurance", "insurance carrier" and "insurance policy" include health care services, health care service contractors and contracts. (§ 1 ch 151 SLA 1955; am § 2 ch 105 SLA 1965; am § 3 ch 27 SLA 1976; -- § 2 ch 86 SLA 1977)

Effect of amendment. — The 1976 amendment, effective January 1, 1976, substituted "permanent full-time or part-time employment" for "full-time employment" and "an emergency" for "a part-time, emergency" in paragraph (1)(A).

The 1977 amendment, effective July 1, 1977, added "and the North Pacific Fishery Management Council" to the end of paragraph (2).

Introduced: 1/11/78
Referred: State Affairs and
Finance

1 IN THE SENATE

BY RAY AND HUZER

2 SENATE BILL NO. 404

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act extending the benefits of group insurance to
7 certain temporary employees of the state and its
8 political subdivisions; and providing for an effective
9 date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 39.30.100(1)(A) is amended to read:

12 (A) an employee who had served in permanent full-time,
13 permanent [OR] part-time, or temporary employment with the same
14 governmental unit for 30 days or more, except an emergency [OR
15 TEMPORARY] employee, and

16 * Sec. 2. AS 39.30.090(14) is amended to read:

17 (14) For each permanent or temporary part-time employee elect-
18 ing coverage under this section the state shall contribute one-half the
19 state contribution rate for permanent full-time state employees, and the
20 [PERMANENT] part-time employee, as a condition of employment, shall
21 contribute the other one-half.

22 * Sec. 3. This Act takes effect July 1, 1978.

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Chapter 35. Public Employees' Retirement System of Alaska.

Article

1. Administration (§§ 39.35.010 — 39.35.110)
2. Membership (§§ 39.35.120 — 39.35.153)
3. Contributions by Employees (§§ 39.35.150 — 39.35.240)
4. Contributions by Employers (§§ 39.35.250 — 39.35.290)
5. Service (§§ 39.35.300 — 39.35.399)
6. Benefits (§§ 39.35.400 — 39.35.545)
7. Participation by Political Subdivisions and Public Organizations (§§ 39.35.550 — 39.35.650)
8. General Provisions (§§ 39.35.660 — 39.35.690)

Parlisor's note (1974). — The intent of the amendment made by § 103, ch. 127, SLA 1974, was to bring the former language of AS 39.35.620(b) into conformity with art. 1, § 3 of the Constitution of the State of Alaska. As the reenactment of that subsection by § 29, ch. 1, SLA 1974 removes

the necessity for the change made in ch. 127, the reenacted version contained in ch. 1, SLA 1974 is considered to prevail.

Effect of amendment. — The 1974 amendment rewrote subsection (b) and added subsections (c) — (h).

Sec. 39.35.620. Distribution. A distribution made as a result of termination of participation by an employer may, to the extent that no discrimination in value results, be paid in cash or in annuity contracts, in the discretion of the board. (§ 44 h ch 143 SLA 1960)

Sec. 39.35.610. Conclusiveness of action taken upon termination. In making a distribution, the determinations, divisions, appraisals, apportionments, and allotments made are final and conclusive and not subject to question. (§ 44 i ch 143 SLA 1960)

Sec. 39.35.650. Refunds to employers. In no event may an employer receive an amount from the pension fund, except that, upon termination of participation, the employer shall receive the amount which remains after the satisfaction of all liabilities of the system to the employees of the employer and arising out of variations between actual requirements and expected actuarial requirements. (§ 44 j ch 143 SLA 1960)

Article 8. General Provisions.

Section
660. Nonguarantee of employment
670. Fraud

Section
680. Definitions
690. Short title

Sec. 39.35.660. Nonguarantee of employment. This chapter is not a contract of employment between an employer and an employee, nor does it confer a right of an employee to be continued in the employment of an employer, nor is it a limitation of the right of an employer to discharge an employee with or without cause. (§ 38 ch 143 SLA 1960)

Sec. 39.35.670. Fraud. A person who knowingly makes a false statement, or falsifies or permits to be falsified a record of this system, in an attempt to defraud the system, is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$500, or by imprisonment for not more than twelve months, or by both. (§ 41 ch 143 SLA 1960)

Sec. 39.35.680. Definitions. In this chapter, unless the context otherwise requires,

(1) "active member" means an employee who is employed by an employer, is receiving compensation for seasonal, permanent full-time, or permanent part-time services, and is making contributions to the system.

(2) "actuarial adjustment" means equality in value of the aggregate expected payments under two different forms of pension payments, considering expected mortality and interest earnings on the basis of tables adopted from time to time by the board;

(3) "administrator" means the person appointed by the commissioner of administration under § 50 of this chapter;

(4) "average monthly compensation" means the result obtained by dividing the compensation earned by an employee during a considered period by the number of months, including fractional months, for which compensation was earned; the considered period consists of the three consecutive calendar years during the period of credited service which yields the highest average, or if the employee does not have three consecutive calendar years, his period of credited service; an employee must have at least 120 days of credited service in the last calendar year in order to be used as part of the three consecutive calendar years;

(5) "beneficiary" means a person designated by an employee to receive benefits that may be due from the system upon the employee's death;

(6) "board" means the Public Employees Retirement Board;

(7) "calendar year" means the period beginning on January 1 and ending on December 31;

(8) "compensation" means the total remuneration earned by an employee for personal services rendered, including cost-of-living differentials, but does not include retirement benefits, welfare benefits, per diem, expense allowances, or medical leave or annual leave not used by the employee;

(9) "credited service" means the number of years, including fractional years, recognized for computing benefits that may be due from the system;

(10) "deferred vested member" means an inactive member who meets the five-year credited service requirement to qualify for a retirement benefit;

(11) "dependent child" means an unmarried child of an employee, including one adopted, who is dependent upon the employee for support and who is either (A) under 19 years old or (B) under 23 years old and registered at and attending on a full-time basis an accredited educational or technical institution recognized by the Department of Education; age restrictions set out in this paragraph do not apply to a child who is totally and permanently disabled;

(12) "disabled member" means an employee who is terminated, who has not received a refund from the system and is receiving a disability benefit from the system;

(13) "early retirement" means retirement for a member who is at least 50 years old and has a minimum of five years credited service;

(14) "elected official" means a member whose compensation results from personal services rendered as an elected representative and who elects coverage under § 125 of this chapter;

(15) "employee contribution account" means the account maintained by the system to record the mandatory contributions of each employee, including interest and adjustments to the account in accordance with § 100 of this chapter;

(16) "employee savings account" means the account maintained by the system to record the voluntary contributions of each employee, including interest and adjustments to the account in accordance with § 100 of this chapter;

(17) "employer" means the State of Alaska or a political subdivision or public or quasi-public organization of the state which participates in the system;

(18) "fiscal year" means the period beginning on July 1 and ending on June 30 of the following calendar year;

(19) "former member" means an employee who is terminated and who has received a total refund of the balance of his employee contribution account, or who has requested in writing a refund of the balance in his employee contribution account, or who is eligible for a refund under § 200(b) of this chapter;

(20) "inactive member" means an employee who is terminated and who has not received a refund from the system or an employee on leave-without-pay status or layoff status;

(21) "member" or "employee"

(A) means a person eligible to participate in the system and who is covered by the system;

(B) includes

(i) active member;

(ii) inactive member;

(iii) vested member;

(iv) deferred vested member;

(v) non-vested member;

(vi) disabled member;

(vii) retired member;

(C) does not include

(i) former members;

(ii) persons compensated on a contractual or fee basis;

(iii) casual, emergency or temporary workers;

(iv) persons covered by the Alaska Teachers' Retirement System;

(v) employees of the division of marine transportation engaged in operating the state ferry system who are covered by a union or group retirement system to which the state makes contributions; and

(vi) justices of the supreme court or judges of the superior or district courts of Alaska;

(22) "military service" means active duty service in the armed forces of the United States;

(23) "nonoccupational disability" means a physical or mental condition which, in the judgment of the administrator, presumably permanently prevents an employee from satisfactorily performing his usual duties for his employer or the duties of another position or job which his employer makes available and for which the employee is qualified by training or education, not including a condition resulting from a cause which the board, in its regulations has excluded;

(24) "non-vested member" means an active or inactive member who does not meet the five-year credited service requirement to qualify for a retirement benefit;

(25) "normal retirement" means retirement for a member who is at least 55 years old and has a minimum of five years credited service, or who is any age and has 30 years or more of credited service, or a peace officer or fireman who is any age and has 20 years or more of credited service;

(26) "occupational disability" means a physical or mental condition which, in the judgment of the administrator, presumably permanently prevents an employee from satisfactorily performing his usual duties for his employer; however, the proximate cause of the condition must be a bodily injury sustained, or a hazard undergone, while in the performance and within the scope of the employee's duties and not the proximate result of the wilful negligence of the employee;

(27) "peace officer" or "fireman" means an employee occupying a position as a peace officer, chief of police, correctional officer, correctional superintendent, qualified employee of the Department of Fish and Game, fireman, or fire chief;

(28) "pension fund" means all assets held in the name of the system;

(29) "permanent full-time" means an employee who is occupying a permanent position which regularly requires working 30 or more hours a week;

(30) "permanent part-time" means an employee who is occupying a permanent position which regularly requires working at least 15 hours but less than 30 hours a week;

(31) "prescribed rate of interest" means the rate of interest used for computing employer contributions, for preparing actuarial tables used by the system and for crediting interest to employee contributions and savings accounts, and for charging interest on employee indebtedness accounts;

(32) "qualified employee of the Department of Fish and Game" means a full-time employee of that department whose duties necessitate a significant amount of field work, travel, or exposure to hazardous working conditions, and who holds a position which is designated as complying with the requirements of this section by regulations adopted by the commissioner of administration after consultation with the