

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672

1351 SCOMM 51: BLUE RIBBON COMN. ON STATE PERSONNEL ACT 1978-1983

1. That applicants no longer be ranked on hiring registers.
Applicants should meet certain minimum qualifications to get on the register, but then the program managers should be allowed to select whoever they feel best qualified for the particular vacancy's responsibilities.
2. Establish a review panel for each professional job class. The function of the panel would be to establish criteria for the job class and to hear appeals from individuals denied certification by the normal process. Individuals who are not certified as being qualified for that job class would have the ability to appeal the decision of the analyst to the review panel. The panel could consist of approximately five individuals: two representatives from the Division of Personnel, specifically the Personnel Analyst responsible for certifying eligible candidates for that job class, and the personnel supervisor responsible for that job class; two representatives either working in that job class within State government or in a similar position in the private sector; and a representative program manager who supervises people in that job class.
3. Permanent fulltime probationary personnel should be evaluated in writing on their job performance quarterly for the length of their probationary period. Quarterly evaluations will assist the program manager in determining if the new employee can perform as needed.

January 27, 1979

DEPARTMENT OF NATURAL RESOURCES STATEMENT
TO THE BLUE RIBBON COMMISSION
ON STATE EMPLOYMENT ACT

Ladies and gentlemen of the Blue Ribbon Commission,

As a representative of the Alaska Department of Natural Resources, I appreciate this opportunity to discuss two items of critical concern to both the Commission and to the Department: state hiring procedures, and the use of temporary positions. My statement will attempt to identify some of the concerns that program managers within a line agency have, and which we feel should be taken into account in this committee's deliberations and recommendations that may be made regarding changes in State Personnel Act legislation. I will identify suggested courses of action which we think would help alleviate some of the problems that have been presented to this committee and which will still allow us to accomplish the many and varied programs that we as managers are hired to do. There are several other line program managers from the Department of Natural Resources in attendance here today who may be able to answer specific questions you may have at the end of this statement.

It is important that this Commission make recommendations which retain sufficient flexibility in the hiring system to allow the program manager to make the choice as to which person he wants to hire to do the job that he or she is responsible for. In order to accomplish this, current state hiring procedures require revisions. We recommend that the Commission consider the following changes in hiring procedures:

It is my opinion that many of the problems and abuses of temporary hires stem from the current hiring procedures that many times do not allow program managers to hire the people they feel are best qualified to do the work. Therefore, by taking care of these state hiring procedures problems, we will also go a long way toward solving the problems associated with temporary hires in state government.

I have the following recommendations regarding temporaries:

1. They should be hired from the unranked registers (as described above.)
2. The State should provide full fringe benefits for temporaries.
3. A category of project temporaries should be established to be used for carrying out one-time, limited duration tasks with a maximum duration of 36 months. These positions should be used for specific tasks mandated by the legislature or the federal government.
4. Temporaries should be able to work up to a maximum of nine months.

I recognize that there have been cases of temporary hire abuse in the past. However, these abuses can be most effectively dealt with at the departmental or program manager level rather than making sweeping changes in procedures and rules because of isolated cases of abuse.

CONCLUSION

In summary, I feel that there are revisions in state hiring procedures and in the use of temporary employees that should be made to make the system more equitable to the employers, the employees, and the taxpayers of the State of Alaska. I have identified some of these recommendations in a general way in this statement, but recognize that much more work and review is needed. Since any proposed revisions of the State Personnel Act will have a profound impact on our ability to accomplish our job, I suggest that future position papers/draft proposals be circulated within state government for review and comments. Thank you for your time and attention.

Statement presented by Al Carson, Deputy Director, Division of Lands

January 27, 1979

WORK SESSION SUMMARY
CATEGORIES OF EMPLOYEES SUBCOMMITTEE
Anchorage, January 26 & 27, 1979

The following are points raised in response to an APEA proposal passed out at the meeting (copy attached):

POINTS RAISED

1. Restricting temporary employment time to 60 days would be too restrictive on departments. A more appropriate solution would be to audit departmental use of temporaries.
2. Legislative finance committees should be informed of the problems inherent in using temporaries, so that they will be willing to create additional permanent positions.
3. The Department of Health and Social Services' policy on hiring temporaries was discussed. A subcommittee will review the policy and make a presentation. Appointed to the subcommittee were John Pugh, Lynda McCurry and Ken Humphreys. In the review, the subcommittee should research the possibility of requiring that temporaries be assigned salary ranges comparable to those assigned to similar permanent classifications.
4. There was discussion of the effects of Kelly vs. Hammond: What effect will the case have on legislative authority? Can the legislature require that departments create and fill permanent rather than temporary positions? Ken Humphreys will research the question and report to the subcommittee.
5. There was discussion on problems within the CETA program. CETA employees are being used by the state as an inexpensive work force. However, under federal regulations, CETA's cannot replace permanent employees. A letter was received from Jean S. Conway dated January 8, 1978 (copy attached). Also attached is a copy of CETA regulations.

The subcommittee adjourned and reconvened on Saturday afternoon. The following are motions adopted:

MOTIONS ADOPTED

1. Pat Murphy moved that the subcommittee recommend legislation on temporaries be introduced this session. The motion was adopted: One member opposed.
2. Don Fisher moved that the subcommittee shall recommend that a maximum time limit be required on temporary employment. The motion was adopted: Two members opposed.

There was discussion on the question of whether the Commission should recommend modification of the Collective Bargaining Act. It was decided that subcommittee proposals should be presented as joint legislative resolutions to have the effect of a policy statement, except where statute amendment is clearly

necessary.

3. Don Fisher moved that all temporaries shall be hired from eligibility lists (registers). The motion was adopted: One member opposed.

4. Pat Murphy moved that the number of temporaries shall be limited to 10% of the previous fiscal year's man-months worked, based on permanent classified positions within each department. The motion was adopted. Three members opposed.

Paddy Moriarty amended the motion that the number of temporaries shall be limited according to future figures, after further research. The amendment was adopted. Three members opposed.

5. Representative McKinnon moved that the subcommittee shall adopt a resolution to support the bill sponsored by Senator Ray on retroactive retirement benefits for permanent employees for prior temporary employment. The motion was adopted. Two members opposed.

6. Pat Murphy moved that the subcommittee shall adopt a resolution to support legislation introduced in the Senate recommending health insurance benefits for all employees after 30 days in service with the State of Alaska. The motion was adopted. Two members opposed.

DISCUSSION

The subcommittee discussed requiring Division of Personnel authorization before any department could hire a temporary. Justification for hiring a temporary rather than a permanent employee would be required, as is currently required by the Department of Health and Social Services. Pat Hunt and Ken Kareen will present their evaluation of the proposal at a later subcommittee meeting.

The subcommittee work session was chaired by Representative McKinnon.



MEMO

Date: January 26, 1979
To: Members, Blue Ribbon Commission on the Personnel Act
From: Paddy Moriarty *PM*
Deputy Ombudsman
Subject: Ombudsman position on APEA's 1/22/79 proposal

At the meeting of the Subcommittee on Categories of Employees this morning, it was requested that Subcommittee members express their agreement or disagreement with an APEA recommendation of January 22, 1979, proposing specific statutory changes.

For the record, the Ombudsman is in support of this proposal (See Mr. Flavin's January 11 memo attached). Mr. Flavin would prefer that the APEA proposal #2 read: (6) the procedure for certifying eligibles to any position in state service other than interim or emergency positions.

The specific language in APEA's proposal #3 and #4 may need some further review, but in substance and intent it has Ombudsman support. Perhaps an administrative appeal mechanism could be devised to address those few exceptions mentioned at this morning's meeting which do not fall within language in #3 or #4. It will not be possible to draft these sections to encompass each set of meritorious special circumstances.

Attachment



ombudsman

MEMO

Date: Jan. 11, 1979
To: Interested Folks
From: Frank Flavin
Subject: Eliminating the concept of temporary employees

1) add to AS 39.25.150 (6) so it reads:

(6) the procedure for certifying eligibles ^{to any} ~~for~~ positions
in the state service other than interim or emergency
positions.

OR

(6) the procedure for certifying eligibles for full-time,
part time, project or seasonal positions in state service.

2) Expand AS 39.25.150 (8) to read:

(8) emergency appointments to positions in the state
service for a period not to exceed thirty days, made
under conditions necessitating immediate action to provide
for carrying on work that must be continued in the
public interest. Successive emergency appointments
or more than three emergency appointments for one
person within one calendar year are prohibited.

3) Eliminate reference to temporary and seasonal appointments
in AS 39.25.150 (9) and replace it with an interim appointment
concept:

(9) interim appointments to positions in the state
service for a period not to exceed sixty days, made
where appropriate eligible lists are unavailable.
Successive interim appointments to the same position
are prohibited. No position in the state service shall
be filled through ~~an~~ interim appointments for a period
in excess of sixty days. Interim appointments may
be made without competitive examination.

4) Repeal AS 39.25.150 (10) dealing with provisional appointments.

WORK SESSION SUMMARY
CERTIFICATION, CLASSIFICATION & RECRUITMENT SUBCOMMITTEE
Anchorage, January 26, 1979

1. There was discussion on the decentralization of responsibilities for unique job classifications to departments.

a) Staff was instructed to arrange a "walk through" showing the process for classifying a position in a chosen department, Division of Personnel and Budget and Management.

2. Three subcommittee members, Ken Humphreys, Lynda McCurry and John Pugh, will examine the Department of Labor's Standard Operating Procedures Manual and advise the subcommittee on how that department has interpreted Personnel Rules.

3. Staff was instructed to find out how difficult it would be to identify unique job classes within departments.

4. The subcommittee proposed (not by formal motion) that the Commission should recommend that topics covered by Personnel Rules be negotiable through the collective bargaining process.

The subcommittee work session was chaired by Don Fisher.

WORK SESSION SUMMARY
MERIT SYSTEM/COLLECTIVE BARGAINING SUBCOMMITTEE
Anchorage, January 26, 1979

The subcommittee discussed recommending the following to the Commission:

RECOMMENDATIONS

1. Creation of a new department composed of the Division of Personnel and Labor Relations. This would ensure that the Governor would receive prompt notification on Labor Relations activities, since there would be a Commissioner in his cabinet. The state of Wisconsin has adopted such a system. The subcommittee will consider whether to make a formal recommendation after hearing from a representative from Wisconsin at the conference on February 6.

2. Composition and duties of Labor Relations, the Personnel Board and the Retirement Board. The Labor Relations Agency has no permanent staff and relies on the Labor Relations Section to provide support. Its workload is increasing, and a need for permanent staffing has been indicated. The Personnel Board meets only two or three times a year and is not very busy.

Ken Humphreys will research bills from the last two legislative sessions on the creation of a full-time Labor Relations Agency. He will also compile examples of Labor Relations Agencies in other states and in federal government.

The subcommittee work session was chaired by Don Fisher, upon the request of Representative Buchholdt, Chairperson.

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
Capitol Building, Juneau
January 10, 1979

MINUTES

Senator Ray, Chairman, called the hearing to order and invited public testimony.

PUBLIC TESTIMONY

Ivan Lewis, Record and Archives Center Manager, presented testimony concerning problems he has experienced in having his position reclassified and his salary range upgraded. He believes that his classification should be placed in the supervisory unit, in accordance with job responsibilities. Mr. Lewis, under direction of the State Archivist, is responsible for managing the entire Center and supervising Record Handlers. Mr. Lewis' position is at the same range as that of a Records Analyst II, but he must be knowledgeable in the duties of a Records Analyst III to function on a day-to-day basis (attached is the Division of Personnel's job description for Records Center Manager and Records Handler, pertaining to Mr. Lewis' testimony).

Since 1972, Mr. Lewis has been submitting P402's to the Division of Personnel explaining the responsibilities of his position and justification for reclassification. The most recent submission was a total of eight pages, describing his supervisory functions and all other aspects of managing the center. The paperwork was approved by John M. Kinney, State Archivist, and received by the Personnel Department in July, 1978. By October, it reached Carolyn Hinkey, an employee in the Classification and Pay Section of the Division of Personnel. Mr. Lewis pointed out that Ms. Hinkey is a Registered Nurse, but because of general educational requirements, she has been classified as a Register Analyst III. Ms. Hinkey and Mr. Lewis frequently discussed the subject of his reclassification, and Ms. Hinkey eventually requested information on other comparable positions. Mr. Lewis supplied her with information on positions within other states, which were at much higher salary ranges. He also provided detailed information from Robert Martin, President of the Anchorage Records Center, in writing. Mr. Lewis' responsibilities are the equivalent of Mr. Martin's, the only exception being accounting functions which Mr. Martin handles. The state's range 21 would be the equivalent of Mr. Martin's salary.

On January 1, Mr. Lewis was informed by the Division of Personnel that he was reclassified at range 15 at longevity step "J". Mr. Lewis' response to this was discouragement. He has been in this professional position for eight years, yet is being compared to a Mail Run Supervisor. Mr. Lewis stated that Ms. Hinkey misquoted information on comparable positions, and she flatly refused to take information received into consideration. He was told that he should be satisfied with a one step

increase even though his range is below that of a Central File Clerk at range 16.

Senator Ray asked Mr. Lewis how long it would take to retrieve a normal record from the center. Mr. Lewis responded that it would be done within five minutes and that he directly supervises three employees responsible for receiving, classifying, controlling and storing a variety of office records. The files are organized according to needs and systems are audited regularly. All records entering the center must be inventoried daily. Mr. Lewis and two other employees are authorized to handle security files.

Mr. Lewis mentioned his concern about testifying, stating that he had testified before the legislature in 1976. Following his testimony, he submitted a P402 for a salary increase. It was recommended that his position be downgraded two steps. Commissioner Allen questioned the topic of his testimony before the legislature. Mr. Lewis responded that it was in regard to Executive Order 28, on dividing the archives and placing records under Surplus Property.

Senator Ray asked how many employees were involved in the center's operation. Mr. Lewis replied that there are four people who pull and hand deliver files. The central mail system is not used because of the records' importance. Senator Ray asked if there was an active file retention system. Mr. Lewis responded that files are kept active for six months before going into dead storage and that 2,000 searches are done every month.

Mr. Lewis stated that he had tried to bring this matter to the attention of Pat Hunt, but a Personnel Officer refused to give him permission, even if he took a day of annual leave. Pat Hunt responded that he is concerned about the testimony heard. He stated that Mr. Lewis is apparently responsible for heavy supervisory duties and that he should be compensated accordingly. He suggested that there was a discrepancy between what his functions are and how they have been recorded. Mr. Lewis informed the Commission that all the correspondence he received was signed by Mike McMullen, Chief of Classification and Pay. Mr. McMullen reports to Ken Kareen, who reports to Pat Hunt. Senator Ray commented that the problem should have been brought to Pat Hunt's attention. Pat Hunt asked if Mr. Lewis had spoken with the director of his division. Mr. Lewis stated that he was sent to the Deputy Director, who responded in a negative manner. The matter has since been turned over to APEA.

Greg O'Claray pointed out that it is not the Commission's function to become involved in grievances. Senator Ray responded that it is a concern to maintain an open door policy in all departments. Commissioner Allen concurred.

Mr. Lewis mentioned another problem regarding the elimination of a Micro Film Operator III position. It should be classified at a manager level, and upgrading of the position has been stopped in Classification and Pay. Because of a budget cut of \$3,000, the center would be unable to fill the position even if it were classified at a higher range. Mr. Lewis continued, stating that the position could have been filled if the Division of Personnel had acted within six months in reclassifying to a management level. Senator Ray pointed out that if the Finance Committee doesn't hear justification for the existence of a position, it will be cut.

Commissioner Allen stated that he had heard a different version of the story: The Micro Film Operator position was advertised, without any response. Mr. Lewis stated that there had been a response and that if the specifications had been completed for the management reclassification, the applicant would have qualified. There are three individuals employed by the state as Micro Film Operator III's who would seek a management position in that field. This ended Mr. Lewis' testimony.

Bruce Kindred, a temporary employee with the state, suggested that the Commission should recommend that court leave be made available to temporaries. The Personnel Rules state that temporary employees hired for periods of less than 12 consecutive months are not eligible to receive compensation for time spent on jury duty. Section 4 of Article 29 of the APEA contract provides that employees who are called to serve as jurors or subpoenaed as witnesses shall be entitled to court leave. The contract defines the word "employee" as a person in state service who is paid a salary or wage and holds probationary, permanent, or provisional status. The Division of Labor Relations has refused to interpret the definition to include temporaries.

Mr. Kindred pointed out that after being on active jury duty for one week, he lost a sizeable portion of his salary, even though minimally compensated by the court system. He feels that serving on a jury is a civic responsibility and that temporaries should not be treated differently from permanent employees.

Senator Ray suggested that the Commission should recommend that this section of the law be changed. Niel Thomas responded that this might also be applied to military leave for reserve members. Senator Ray pointed out that one chooses to enter the reserves. The question was referred to the Category of Employees Subcommittee.

Don Kinderis, an Alaskan resident, presented his problems in trying to obtain work with the state for over two years. Prior to his relocation to Juneau, he owned a business in mechanical systems balance for commercial enterprises. This work involved knowledge of building mechanics and engineering.

Mr. Kinderis has been on 28 registers during the past two years and is number one on several. He has never had an interview. On many occasions, he has received notification of interviews

two or three days after the date of the interview. In some instances, classifications that he has been registered for have been eliminated.

Pat Hunt stated that vacant positions should be sought out by individuals. Often, applicants are unemployed for so long that they are extremely aggressive in presenting themselves to prospective employers. He suggested that Mr. Kinderis let the departmental personnel offices know of his availability. He emphasized that the Division is responsible only for sending out registers, and that Mr. Kinderis should find out who is looking for employees by stopping by the Division to look at the lists of vacant positions.

Mr. Kinderis mentioned that he knows many people in the design management and energy conservation fields working for the state. He is listed as number 8 out of 24 applicants on the register for Design Manager I, but there are no others in the state with his level of expertise in mechanical systems balance. He is aware of Building Manager Specialist I, II and III positions that have been open in the state, but he has never been notified or interviewed.

Commissioner Allen asked Mr. Kinderis if he knew whom to speak with in the appropriate divisions where the openings had occurred. Mr. Kinderis responded that he knew of one in the Division of Public Works or Buildings. After going to the Division of Personnel and presenting his problems, he never received a response or the service he expected. He has even been sent to the wrong locations at times. Frank Flavin stated that he has seen this type of problem while working in the Ombudsman's Office. It happens because departments are not required to interview each applicant within the top five on a register. Ken Spray noted that because Mr. Kinderis had been on the top five of numerous registers for some time, program managers are probably avoiding any contact with him, believing that he has been judged an undesirable employee.

Pat Murphy stated that an applicant should not have to be an aggressive job seeker to find a position. That would be losing track of the entire register concept. He believes that each of the top five applicants should have the chance to be interviewed. A prospective employer can get a much better perspective of an applicant through a personal interview.

John Pugh interjected that the Department of Health and Social Services is interviewing applicants on the registers in chronological progression, starting with number one. The interviewing process continues until an applicant is hired. He believes that this should be a state requirement.

Niel Thomas questioned Mr. Kinderis on the times he had received notification of interviews too late to be able to attend: Could the delays be attributed to RCA or the postal system? Lynda McCurry responded, stating that there are serious delays in deliveries made by both. Mr. Thomas suggested that either calling applicants or giving them more time to respond would solve the problem.

Frank Flavin pointed out that program managers have previously testified that registers are not valuable because individuals have been on registers for long periods of time and are therefore not qualified for positions. Mr. Kinderis has presented another side of the situation. Senator Ray stated that someone is needed within the Division of Personnel to follow through on service to applicants. Commissioner Allen supported the concept that all five applicants should be offered interviews and that sufficient time should be given for response to notification of interviews. The departments should not rely on RCA or the postal system.

Frank Flavin added that these matters could be handled much faster if the Department of Administration had a grievance person or trouble-shooter. Not all employees or applicants are aware of the concept of the Ombudsman's Office.

Ken Spray brought up the subject of the state paying travel expenses for initial interviewing of applicants. He related examples of non-residents being brought to Alaska at the state's expense to fill high-level positions. John Pugh suggested that one way to avoid travel expenses would be to use outside locations: There is a need to encourage departments to hold interviews state-wide. One particular complaint is that Anchorage residents are never considered for positions in Juneau.

Niel Thomas suggested that telephone interviews could be a solution, especially for rural residents and where there are no staff members to handle interviews in isolated locations. This would eliminate paying for transportation until an initial screening process had been completed.

Ken Spray responded that, because of Local 71's experiences, he believes initial telephone interviews to be an exercise in futility. John Pugh stated that an individual has the right to be interviewed at least by phone.

Senator Ray commented on the tendency to believe that the Division of Personnel is the "bad guy", responsible for the system's problems. The Division's functions are entirely different from what is generally understood by the public.

Frank Flavin stated that when departments avoid filling vacancies, the Ombudsman's Office receives complaints from applicants not being interviewed. If there was a requirement to interview the top five, the Office would lose this indicator. Commissioner Allen responded that an applicant would be able to distinguish the difference between a cursory and a meaningful interview. Pat Murphy suggested that a written record of interviews be maintained consisting of general comments and reason for not hiring. Senator Ray concurred that some type of procedure would have to be implemented to justify not hiring. Commissioner Allen commented that the summaries would be the subjective opinions of each interviewer and that putting this information on the register or within the applicant's personnel file would be unfair to the applicant.

Mr. Kinderis suggested that mandatory interviewing of the top five with a short evaluation given to the person being interviewed as a possibility. There would then be an understanding reached when the applicant is not hired.

Commissioner Allen suggested that frequently, when a name is on a register for long periods of time, an interviewer's attitude toward that applicant may be negative before an interview actually takes place. This may have been Mr. Kinderis' problem in finding employment.

Niel Thomas discussed the possibility of supplying a written explanation for not hiring, which would be available to the applicant upon request. This could be based solely on job requirements and an applicant's qualifications. It would do away with paperwork and complaints.

Ken Spray indicated that with Local 71's preferential hiring system, the union contract specifies that the employer must present justification to both the union and the applicant for not hiring. This justification points out an applicant's strengths and weaknesses for future reference. Mr. Spray elaborated that the public looks upon the Division of Personnel as a service-oriented agency. However, the initial concern of the Division is to provide management with positions.

Frank Flavin stated that when discrepancies or problems are brought to the Division's attention, they respond well. The audit and grievance role has not been emphasized and some type of monitoring system should be initiated. Senator Ray concurred that someone should be placed within the Division to monitor the operational procedures to see that people and registers are treated fairly.

Pat Murphy suggested that the audit function be assigned

to an outside group, thus ensuring compliance with set guidelines. Commissioner Allen stated that he would like to be in a position to receive complaints within the Department before they are brought to the attention of other agencies.

John Pugh expressed his belief that the audit and grievance functions are very important within private businesses and are treated accordingly. He recommended the creation of a proper audition role. Pat Hunt stated that people represented by unions have adequate means of representation. Senator Ray disagreed, stating that representation is only adequate after a complaint has been filed.

Pat Murphy asserted that APEA cannot, at this time, provide representation until a complaint is filed with them. Senator Ray agreed that action can only be taken after the fact by these agencies. Therefore, an active monitoring system is needed. Ken Spray pointed out that the option of filing grievances and going into binding arbitration is open to employees. He added that Local 71 has represented individuals neither employed by the state nor members of that union. Some are reluctant to pursue grievances. Niel Thomas suggested that case-by-case review of past grievances could possibly identify a number of problem areas, which would be helpful in devising recommendations.

Commissioner Allen commented that the discussion had not focused on a solution. He asked if requiring all top five eligibles be interviewed was something the Commission would like to implement. Senator Ray responded that specific recommendations be drafted and prepared for presentation at the next meeting in Anchorage. Commissioner Allen agreed to consider implementing a pilot program requiring interviews for all top five applicants on registers.

Jim Donner, a temporary Correctional Officer at the Lemon Creek facility, testified regarding his reactions to the state's hiring system. He finds that there are insufficient opportunities for temporaries to fill permanent positions. The time it takes to be tested and to have an application processed is a deterrent to applying for permanent positions. Mr. Donner, after working as a temporary in many departments, is an advocate of Local 71's preferential hiring system.

On one occasion, Mr. Donner was hired in an emergency situation, worked for two weeks and was then hired as a temporary. One month later, he was informed that he owed the state money because he had been overpaid. The money he was offered initially was an inaccurate figure, and he was forced to pay the difference back.

Mr. Donner has been a temporary at the Lemon Creek Facility three times in the past, as a Correctional Officer and as a Chief Steward. Each time, he has been paid at an entry-level range 13, while others in the same permanent positions were at much higher ranges.

Mr. Donner believes that Division of Personnel's tests are discriminatory and do not relate to actual job requirements. Too much emphasis is placed on educational requirements and vocabulary testing. He stated that tests should be based on job descriptions and the actual duties to be performed in each class.

Senator Ray asked if the educational requirements are too high, or if there is too much emphasis placed on requirements rather than experience. Mr. Donner responded that entry-level requirements and credit for experience are fine. Sometimes, credit is not given for experience in particular positions. Pat Hunt explained that the Division of Personnel has created many substitutions for requirements and that the Division develops tests from descriptions supplied by departments. Lynda McCurry added that personnel officers have direct input into the makeup of examinations. Mr. Donner expressed his concern that educational requirements are particularly rigid for women and that the entire application and evaluation process is time consuming. Applicants are not given sufficient time to respond to notification of available positions and registers are circumvented continually.

Senator Ray asked if there is some type of pool of permanent employees within the state to fill in when the need arises. This would be particularly useful in supplying an employer with someone while in the process of filling a permanent position.

Dan Haynes, an employee with the state for ten years, testified concerning his recent termination for insubordination. He explained that there was a personality conflict with his supervisor and that he was not recommended for rehire on his evaluation. As a result, he must work for six months as a temporary or in the private sector before he is eligible for testing and placement on registers. Mr. Haynes pointed out that if he were able to work for another six years, he would be able to retire.

Senator Ray asked if a supervisor has the authority to recommend on a termination evaluation that an employee not be rehired. Ken Spray replied that it is possible. Niel Thomas questioned if this meant that the individual's name would be removed from all registers. Senator Ray asked if the decision could be appealed. Pat Hunt replied that it is grievable and that most often, a terminated employee will not be recommended for rehire for a

certain period of time. Commissioner Allen asked why, if Mr. Haynes had been terminated in June, he could not be placed on the registers again, since the time limit had expired. Mr. Haynes responded that he is not eligible because the rule requires that an individual be employed for six months before being considered for rehire.

Senator Ray pointed out that not recommending rehire within the same department would be reasonable, but on a state-wide scope it isn't. Mr. Haynes said that his union did take the matter to the Commissioner's level and then recommended no further action. Ken Spray stated that Local 71 has, in some instances, negotiated "not recommended for rehire" into "voluntary termination". However, clear-cut insubordination is a different story.

Senator Ray expressed concern that one supervisor can stipulate that an employee not be rehired statewide for a certain amount of time. Commissioner Allen agreed that this option should not be used lightly, but said that it seems inconsistent for the state to be able to rehire immediately as a temporary.

Senator Ray suggested that cause for termination should be clearly documented. Frank Flavin stated that he could see no reason for removing an individual from the registers, but did see the need to explain the termination. Niel Thomas pointed out that in state service, everyone has the right to see their written performance evaluations. Ken Spray added that an employee has the right to a rebuttal of any evaluation which is to be included in a permanent employee file. Senator Ray suggested that employee evaluations be reviewed at interviews. He asked if record files follow an employee from job to job. Pat Hunt responded that the Division of Personnel has master files which are maintained for the duration of employment with the state. Departments maintain personnel files for a period of six months, after which they are sent to the Archives Center for storage. Commissioner Allen stated that many employees wish to see evaluations on past performance and that they can be pulled from Division of Personnel's files for review.

Don Kinderis testified again. Three years ago, he worked for the Department of Fish and Game. After ten weeks, he was informed that there was insufficient work to keep him on, and he was dismissed. Two years later, he received a copy of his evaluation, which he had requested many times. The evaluation, dated the day he left, stated that he had too many personal problems to be a state employee and did not address the quality of his work. Mr. Kinderis believes that this information is on his record and is one reason that he has been unable to find a job. Mr. Kinderis explained that his supervisor disliked the fact that he had his own methods of performing his duties, des-

pite the proficiency he displayed. Mr. Kinderis had not seen the evaluation before it was mailed to him, had never signed it and was offered no reason for why it was not discussed at the time of his dismissal.

Senator Ray suggested that this would be a good reason for considering a trouble-shooter or auditor within the Division of Personnel to look into these matters. Don Fisher stated that an evaluation should be made available before an employee leaves a position as well as a statement of the reason for dismissal. Commissioner Allen requested that Mr. Kinderis see Ken Kareen to discuss the discrepancies between his evaluation and the reasons he was given for dismissal.

COMMITTEE BUSINESS

NCSL Conference

Don Fisher brought up the subject of an honorarium for Dr. Couturier. Frank Flavin made a motion that the Commission approve the honorarium in the amount of \$500.00. Don Fisher added that Dr. Couturier might come for less. The motion was adopted for an honorarium in the amount of \$500.00. Senator Ray and Greg O'Claray opposed. Pat Hunt asked why Wisconsin and Minnesota speakers were chosen to present their state personnel procedures. Don Fisher explained that the two states had recently revised their personnel structures and can offer innovative alternatives for the Commission's consideration.

USCSC Meeting in Washington:

Terry Cramer advised the Commission that there will be a meeting of the USCSC in Washington. NCSL is a co-sponsor and would like to invite three Commission members to attend. Senator Ray appointed himself, Greg O'Claray and Pat Murphy to represent the Commission. Niel Thomas also expressed a desire to attend the meeting at his own expense.

Commission Expenses:

Senator Ray stated that he wishes to be advised of anticipated unusual travel expenditures for Commission members (i. e. car rentals). The Chair or the full Commission must approve those expenditures prior to incurring them.

Subcommittee Reports:

John Pugh recommended that the subcommittees prepare reports to use in drafting the Commission's report to the legislature. The Commission agreed to hold a work session in Anchorage on

January 26 for individual subcommittees to prepare recommendations. Senator Ray directed the staff to use the postal service directly to send out summaries and material needed for the next meeting to members in Anchorage.

Niel Thomas asked whether the Commission will request continuation. Senator Ray pointed out that the work of the Commission is in its formative stages, and the Commission should justify its existence by presenting an initial report to the legislature.

PUBLIC TESTIMONY

Kit Stewart, a Finance Officer with the Department of Environmental Conservation, expressed her satisfaction with the state's hiring procedures. One problem that she has encountered is that an employee within the department has a criminal record, which was not revealed in the individual's application.

Senator Ray responded, stating that this is a very sensitive matter. Information on criminal convictions is confidential. Pat Hunt explained that applicants' criminal records are checked when applying for positions in Public Safety or correctional facilities. Greg O'Claray stated that he could not see why it was important that Ms. Stewart have this information. Having to reveal a criminal record could lead to discrimination against the applicant. Ms. Stewart replied that the issue that concerned her was that the applicant had falsified the application form. Ms. Stewart added that, at present, it is impossible to verify whether the employee is misrepresenting facts on an application. Senator Ray questioned the relevance of this in regard to the employee's performance.

Ron McMahon, an Ecologist with the Department of Environmental Conservation, stated that job classifications assigned by the state do not relate to actual job functions. Existing classifications cover many specialized jobs in different departments. Mr. McMahon suggested that the Division of Personnel consider reclassification studies. He is presently coordinating a project review, which has nothing to do directly with Ecologists, and feels that his title should be Program Coordinator. The Division of Personnel had received the position description and said that the closest classification would be Ecologist.

Niel Thomas asked if Mr. McMahon had read the class specifications on what his duties consist of. He also questioned whether a department hiring from that register would be looking for an Ecologist. Mr. McMahon answered that he is not doing the work of an Ecologist, but must be familiar with the field.

Senator Ray commented that possibly the department is afraid to reclassify existing positions because that might result in positions being placed at lower salary ranges.

Mr. McMahon also brought up the subject of entry-level positions for Chemists. In order to qualify for a Chemist I position, an applicant must have one year of experience. There is no Chemist Trainee classification in the state.

Pat Hunt asked whether the departments would request Chemist Trainees if the class were created. Mr. McMahon stated that it would be filled, providing a career ladder for laboratory technicians. Ken Kareen explained that the Chemist series has been examined by the Division of Personnel, and departments stated that they need experienced applicants rather than trainees.

Niel Thomas expressed the Human Rights Commission's perspective in relation to equal employment opportunity. The state should compete with private firms for recent college graduates. The lack of trainee positions is one reason why EEO practices in the state are inadequate. To compete with private firms, Mr. Thomas suggests creating a Chemist Trainee class to provide greater opportunities for women and members of minority groups.

Senator Ray pointed out that trainee positions are looked upon adversely by Budget and Management: Why train on-the-job when applicants have received training in school? Niel Thomas responded that in higher-level positions, orientation can take up to a year, even for new employees with prior experience in the field.

Pat Hunt stated that no department has requested a Chemist Trainee position, and that it would be pointless to create a classification without justification. Mr. McMahon responded that he was not the first person to make the suggestion and that a position of this type would be used in his department. Similar fields do have entry-level starting points. Senator Ray observed that one of the easiest solutions would be to re-write minimum qualifications to allow recent graduates an opportunity to apply. The topic was referred to the Certification, Classification and Recruitment Subcommittee for review.

CORRESPONDENCE RECEIVED

Terry Cramer presented the following summaries on correspondence received:

Mrs. James L. Sumner wrote to the Commission regarding her belief, as a foster parent, that Social Workers should be considered professionals in that field. To maintain the qual-

ity of workers, Mrs. Sumner suggests that either educational requirements be increased or training after hire be closely supervised.

A concerned taxpayer wrote in regard to examinations for semi-professional positions. Examinations were described as outmoded, inaccurate, laborious and invalid, as well as not being pertinent to the actual jobs or selection of candidates. Also mentioned was the time it takes to schedule testing in Anchorage (weeks), which is held in a room with inadequate ventilation. The attitude of Anchorage employees in the personnel office was described as "very rude". The individual concluded the letter by stating that it is hoped that the Commission's investigation will result in procedures to teach these people to act as a service organization.

Marilyn Martin attached to her correspondence a copy of a letter to Governor Hammond pertaining to citizen evaluations of Commissioners. She referred to problems experienced when her position as Wage/Hour Investigator in the Resident Hire program was eliminated. Ms. Martin was assured that she would be transferred to another Department of Labor position if the U.S. Supreme Court ruled the Resident Hire Law unconstitutional. She knew of vacancies in unemployment fraud investigator classification and was on the register for Claims Investigator I. Two positions in Anchorage and Juneau were filled by other state employee transfers. A position in Fairbanks was filled by someone who may not have been a state employee. Ms. Martin was not contacted about any of these positions. She is now unemployed and questions the ethics of the situation and the follow-through of Commissioner Orbeck's policies by the Department of Labor's staff.

A copy of a memo to Jay Hammond, Governor, was received by the staff in reference to the Anchorage Field Office of the Division of Personnel. The staff was described as being rude and condescending. The author suggested that if the Commissioner insisted on courtesy, these rotten attitudes would not have existed for the past several years.

Ms. Irene Price elaborated on her testimony before the Commission on December 1. She emphasized that she spoke only on her own behalf. Ms. Price indicated that she believes communication to be a problem between the Division of Personnel and other state agencies, particularly in the following situations:

1. Initiation of tests for a given job classification without the knowledge of the affected unit.

2. Reclassification of positions without communication with the incumbent.

Dan Crevensten wrote in support of an increase in the use of part-time positions. He identified advantages for the state:

1. The use of temporary positions would be reduced.
2. There would be a better match between available positions and the amount of work.
3. Studies have shown that part-time employees have greater productivity and less absenteeism.
4. Equal employment goals could be easier to meet.

In his experience, Mr. Crevensten felt that state agencies should take into consideration part-time work. By the time an applicant interviews with a supervisor, it is too late to implement such a program.

IN ATTENDANCE

Commissioner Allen
Ken Humphreys (for Myrt Charney)
Frank Flavin
Pat Hunt
Lynda McCurry
Pat Murphy
Greg O'Claray
John Pugh
Ken Spray
Niel Thomas

ALTERNATES IN ATTENDANCE

Ken Kareen
Darlene Howard
Robert Maurant
Janet Bradley

January 29, 1979

Minimum Qualifications:

One year of experience in maintaining Minicomputer Hardware, Computer Peripheral Equipment and Telecommunications Equipment. AND Four years of experience in computer programming, systems analysis, design of telecommunications networks or system/field engineering for a computer manufacturer.

Two years of the above four years must be at the level of EDP Programmer IV, Systems Analyst II or Systems Programmer II.

Substitution: A college degree in computer science, electrical engineering, physics, mathematics or industrial engineering may substitute for up to two years of the required four years of non-specific work experience.

RECORDS HANDLER Class Code 1832-74-2

General Government Salary Range 12

Positions in: Juneau

Definition:

Under supervision of the Records Center Manager, receives, classifies, controls and stores a variety of office records.

Minimum Qualifications:

Graduation from high school or the equivalent, and two years of experience in the handling of stock, merchandise or inventory, including maintenance of records and/or reports. College education in an appropriate field may be substituted for up to one year of the required experience on a year-for-year basis.

RECORDS CENTER MANAGER Class Code 1836-79-1

General Government Salary Range 15

Positions in: Juneau

Definition:

Under general direction of the State Archivist, participates in planning and is responsible for the day-to-day management of the State Records Center; performs and directs activities to acquire, arrange, describe, preserve, retrieve, and dispose of inactive and semi-active records from any and all state agencies.

Minimum Qualifications:

Graduation from an accredited college or the equivalent with a major in history, government, political science, business or public administration, management, library science or closely related field; AND Two years of experience beyond the clerical level in a full-time records management program where duties concerned receipt, description, organization, disposal and retrieval of records in a records system characterized by a variety of different kinds and sources of documents and/or records.

Substitution: Clerical/secretarial, supply, library or records management experience may substitute for the required college education on a year-for-year basis.

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
Categories of Employees Subcommittee
Anchorage Legislative Information Office
January 4, 1979

MINUTES

The Categories of Employees Subcommittee hearing was called to order by Representative McKinnon. Public testimony was invited.

PUBLIC TESTIMONY

Jim Thiele, a temporary employee with the Department of Fish and Game, presented his views on the six-month limitation of temporary employment as specified in the new APEA union contract. Mr. Thiele explained that it is not economically feasible to live the whole year on six-month's salary. He feels that his position could be classified as a permanent seasonal category since it is recurrent. The new limitation on temporaries in the APEA contract denies individuals the right to return to employment within a department for a period of six months after termination from that department. The explanation provided Mr. Thiele on why the Department of Fish and Game did not reclassify his position to permanent seasonal was that each PCN number must be approved by the legislature. He does not believe temporary employees consider receiving fringe benefits as necessary as having opportunities for employment available.

Mr. Thiele is on a number of registers, but has never been hired from one. After being tested for a Fisheries Biologist I position, he worked as temporary in that classification for two years. When he took a reexamination, he received a lower score despite his additional two years of experience. Another inequity in the testing process was highlighted when Mr. Thiele took two tests, Game Biologist I and II, and scored much higher on the more difficult test for Game Biologist II. Mr. Thiele, in answer to Frank Flavin's question on whether he would prefer to become a full-time employee, stated that he preferred to have the flexibility available to temporaries.

Pam Rogers, a permanent employee with the Planning and Research Division of the Department of Natural Resources, expressed her concerns regarding the lack of opportunities available to temporaries to fill permanent positions. Temporaries working within the department are not considered for employment in newly classified permanent positions because many are not within the top five on registers, even though they have experience in working in the department. Ms. Rogers believes that time spent in temporary positions should be counted towards the probationary period for permanent positions.

On the topic of registers within the state, Ms. Rogers stated that supervisors are circumventing the eligible lists to hire temporaries. Upon initial hire in temporary positions, individuals are being promised permanent positions as soon as funding is approved and PCN's are created. These temporaries are hired at salary ranges that are inconsistent with their level

of skill. People already employed by a department are given preference over others on registers in hiring.

Pat Kirschner, an employee with the Planning and Classification Section of the Department of Natural Resources, asked committee members if, after the six-month temporary has ended, whether an employee can work for another state department as a temporary. She had heard many conflicting rumors. Niel Thomas answered that you can be employed by the state again within another department. Representative McKinnon believed that was part of the new contract provisions. He stated that in the past, a temporary could go from one position to another within the department after the period had expired. Ms. Kirschner expressed her desire to continue working in a section where she is familiar with the work for more than six months.

Ms. Kirschner sees the move to severely limit the temporary employment period, or to do away with it altogether, as being undesirable. Even if additional permanent positions were created, her department would still have to use temporaries on various projects that are not recurrent but do last longer than six months. Representative McKinnon agreed that there is a valid need within the Department of Natural Resources for temporaries because of the fluctuating time periods of projects. The duration of these projects is dependent upon the time needed for completion and the funding available. As an alternative to temporary employment without benefits, Ms. Kirschner suggests that promotions and merit increases be available to temporary employees based on performance and longevity of the individual's employment on the project. Niel Thomas commented that a "project" category would also be valuable to employees within the Department of Fish and Game.

Ms. Kirschner concluded by stating that she prefers a nine-month period for temporaries, because the individuals could at least survive economically on that basis. The six-month period presents economic problems for specialists who are limited by their expertise in a particular position in only one department.

Jim Curatolo, a temporary employee with the Department of Fish and Game, presented his belief that temporaries are being taken advantage of more than ever because of restrictions imposed by the new union contract. He stated that many temporaries work in that capacity because they find it preferable to work only nine months a year, gaining experience and skills that would otherwise be unavailable to them.

Mr. Curatolo believes that salary ranges for temporaries are much lower than those of permanent employees, regardless

of skills and qualifications. Temporaries can provide for their own benefits and retirement if they are compensated with higher salaries.

As previous witnesses testified, Mr. Curatolo would like to continue working on his present project for an extended amount of time. He is aware of another project that will be available after his six months has ended, but because it is within the same department, he will not be eligible. The project he is working on is federally subsidized with OCS funding. Niel Thomas asked how Mr. Curatolo's position would be classified if he were working as a permanent employee. Mr. Curatolo explained that his is a Biologist II position, but that he is being paid at a Biologist I level. Representative McKinnon asked whether the proposal for the project could have included provision for a permanent position which would terminate at the end of the project.

Mr. Curatolo said that he would rather have the option of choosing the project he wants to work on each year, and that if a permanent seasonal position classification was authorized, this choice would be eliminated. Representative McKinnon asked whether he would be required to return to the project he had last worked on. Niel Thomas asked whether there would be a number of positions within the same classification which he might apply for. Mr. Curatolo responded that his experience in a particular project would lead to being employed in the same position.

Frank Flavin inquired whether the six-month temporary period was a product of APEA bargaining or if it was a decision between the state and the Legislature. Representative McKinnon noted that judging by testimony heard, temporaries are being misused and are not given the benefits of permanent employees. Using temporaries is a way of avoiding application of merit principles. Instead of improving the abusive treatment of temporaries, the APEA contract has created many additional difficulties. Niel Thomas added that it seems there is a need for a "project" category which would not apply to seasonal recurrent positions and would allow the position to last for the duration of the project.

Claude Hoffman, a Cadastral Engineer with the Department of Natural Resources, presented his opinions as a Program Manager. Mr. Hoffman supervises 31 employees. He is involved in a departmental survey that has been funded with \$7 million by the Legislature for 12 months. Permanent positions were authorized by the Legislature at the end of the last session. Mr. Hoffman has been hiring temporaries for the program who are capable of doing the job. Many of his professional staff were in the top five on the registers and were temporaries within

the department. Mr. Hoffman believes that he has been hiring temporaries fairly and placing them in permanent status whenever possible. He has reduced the number of temporaries in his department by 80% over the past six months. Despite the reduction, he must retain some temporary positions, and would like to be able to offer temporary employees the same benefits as permanent employees. Mr. Hoffman does not believe that program managers should hire temporaries and promise permanent position when they are unsure whether that is a possibility. He prefers to have permanent employees in the department, but because of the process involved in writing out P402's, having them put into the budget and approved by the Division of Personnel, creating PCN's and getting registers, this is very difficult when there are immediate deadlines set. These "crash" programs leave very little time to plan for the department's employment needs. Mr. Hoffman suggests that a possible solution would be in having the Division of Personnel work jointly with the department in preparing a budget package to include positions in permanent, seasonal and temporary employment categories.

Niel Thomas asked if there would be any problem in hiring temporaries from the registers. Mr. Hoffman replied that a major problem is the time involved in the processing of paperwork to and from Juneau. Mr. Thomas suggested that temporary positions could be reduced to very short terms, with exceptions for employment on specific projects to permit time to have permanent positions classified. Mr. Hoffman also pointed out that in order to get qualified people, Department of Natural Resources had to advertise state-wide. Mr. Thomas stated that some type of incentive for Personnel to move as fast as possible in classifying permanent positions would be helpful. Mr. Hoffman agreed that the Division has problems in the extensive workload involved in filling new positions. His department has the budget for positions, but is unable to expedite the creation of permanent positions, and has had to use temporaries in the mean time.

Niel Thomas inquired whether Mr. Hoffman believes there are too many classifications. Mr. Hoffman replied that was not a problem in his department's series of positions. Frank Flavin asked what Mr. Hoffman's opinions were regarding the registers. Mr. Hoffman answered that he is please with registers and the way applicants are placed on them. He also believes they provide an adequate selection.

Mr. Hoffman also expressed his ideas on the ranking of individuals on the registers. He believes that there are inequities in scoring which result from different personnal analysts within the Division of Personnel using a variety of scoring standards. He suggested that evaluation of applications be based on qualifications and skills gained during work rather

than on number of years in service. Mr. Hoffman stated that he had spent quite a bit of time with the Division of Personnel earlier in the year, and the staff members there had probably been rated on longevity and been hired from the top five on the register.

Frank Flavin asked whether working with the top five or with the top one-third on the registers would be preferable. Mr. Hoffman responded that working with the top five is not difficult. Normally, one or two eligibles will decline to take a position because of special duties they cannot handle. Sometimes, Mr. Hoffman does have to go below the top five to fill a vacancy because some applicants refuse the positions and others are still on the register although they have found employment.

Niel Thomas asked where Mr. Hoffman reports in the department. Mr. Hoffman answered that he reports to the Assistant Commissioner, who oversees three divisions. Niel Thomas asked if he had been instructed in Equal Employment Opportunity and Affirmative Action matters. Mr. Hoffman replied that the basics had been covered. Representative McKinnon inquired concerning whether restrictions are placed on hiring temporaries for new positions. Mr. Hoffman answered that no restrictions were put upon hiring of temporaries, and he initially hired temporaries and had positions classifications changed to permanent. Many temporaries have left because they were unable to get on the top of registers to be hired as permanent. He does not believe in using unethical methods to come in below budget and is not tempted in hiring temporaries to cut down on spending.

Ed Levy, an Engineering Technician with the Department of Transportation and Public Facilities, offered a different perspective. He is the only permanent seasonal employee working in his division. The majority of the employees within the division are college students who cannot complete the six-month period of seasonal employment because they have to return to school in the fall. These temporaries are being trained by the division, but cannot achieve permanent seasonal status even though they return each year. Local 71 will send them back out to the department annually because they are familiar with particulars of the work, but does not allow their classification as permanent seasonal because they are not able to finish the season. This problem is causing financial difficulties for temporaries because they are not credited with their time in service and cannot go beyond initial temporary wages. Representative McKinnon asked what happens when the students return to school. Mr. Levy explained that the division fills in as best it can until the end of the season. College students feel that they are being used by Local 71 and that they are paying dues for nothing. Mr. Thomas asked if Mr. Levy would lose his job as a permanent

seasonal if he left in September. Mr. Levy answered affirmatively, and added that the Local 71 contract does not permit an employee to be considered as permanent seasonal unless the individual can work the entire duration of the season.

Patricia Fowler, a permanent employee with the Department of Natural Resources, is an Associate Planner. She presented her complaints regarding the time it takes to get on a register and the difficulties in trying to be promoted to a higher classification. Ms. Fowler was promoted from her position as a temporary Research Analyst II to her present classification. If she had wanted to try for a permanent position as a Research Analyst II, she would have been unable to get on the top of the register because her specialty is planning. Four to six weeks after Ms. Fowler applied for the position of Associate Planner, she tried to find out what her status was concerning the application. She was unable to get an answer.

Ms. Fowler pointed out that in the past, temporaries had been employed by the department for up to 18 months. This practice is only now beginning to change. Ms. Fowler began as a temporary employee and worked towards getting a permanent position. Methods suggested by her colleagues included making herself invaluable to the department. Experience as a temporary, according to Ms. Fowler, is not considered in the placement of temporaries in permanent classifications. Because of the turnover in temporaries, the department has to train employees over and over again. She has observed that in order to place temporary employees into permanent positions, her department notifies the top five applicants on the register, but discourages interest in the positions to be able to get to the people they want. Ms. Fowler has personally responded to notifications, only to be told that the position is extremely undesirable. Temporaries are one way of getting around the register.

Ms. Fowler continued, commenting on the fact that offices with a large number of temporaries are subject to recurrent turnover and have organizational problems. Most temporaries have no future with a department, and because they are aware of this, they have no incentive to perform well.

Niel Thomas asked what Ms. Fowler's position is within the department. Ms. Fowler replied that she is a Coordinator for A95, which is a permanent position where she works on casual management. Mr. Thomas also asked how the duties of the position were presented to her when she began as a temporary. She replied that the person occupying the position prior to her arrival had taken a leave of absence. Ms. Fowler took over her functions within the office and was never asked if she wanted permanent employment. She was never informed by the department

that there was a vacant permanent position available. Ms. Fowler, like many temporary employees does not like short-term positions. She enjoys being able to get involved in her work and not having to spend her time constantly seeking permanent employment. She was informed at the time of her hire as a temporary that the duration of her employment would not exceed four to six weeks. At that time, she thought that it would be highly unlikely that the position would be for such a short period of time. Other employees in the department explained to her that everyone there had started out as a temporary, and that supervisors liked hiring temporaries because it gave them additional opportunity to observe an employee's performance. Ms. Fowler added that it is very difficult to terminate permanent employees because supervisors don't want to go through grievance proceedings. Another discrepancy that Ms. Fowler had noted was that permanent positions at higher ranges are not being filled. Temporaries are being hired to fill these positions at lower ranges to make up for budget limitations.

Brent Petrie, Chief of the Water Department Section of the Department of Natural Resources, testified regarding problems he has witnessed as a program manager. The problems he addressed were in hiring, administrative budgets, and putting in proposal for changes. Mr. Petrie has worked as a temporary, permanent, supervisory and general government unit employee during his tenure with the state. He currently is working under a program supplemented by a federal grant, where temporary employees are needed for more than 30 days. Some temporary positions can last for up to nine months. To put temporaries into permanent classifications, he must identify funds available. Federal programs run for specific projects that may only last for a year. By the time Budget and Management and Legislative Finance have approved the permanent classifications, only six months may be left in the fiscal year. The program would need temporaries, in that instance, for the six months spent in getting approval for permanent positions. It is difficult to plan for positions in recurrent federal grant programs subsidized by discretionary state funds since the formula application must be approved annually by Budget and Management.

Niel Thomas inquired concerning Mr. Petrie's definition of discretionary funding. Mr. Petrie explained that this funding is generally used in contracted projects. Temporary employees often do a variety of jobs on short-term projects of up to nine months. It is very difficult to get permanent classifications based on discretionary funding. Some funds are coming in annually, in which case estimates can be made of tasks to be accomplished. Mr. Petrie added that he would prefer to create permanent classifications for this need. Budget and Management can authorize the classification of positions through confirmation that funds

are available. Program managers are reluctant to spend the time involved.

Mr. Petrie offered an example of the time it takes to have a permanent classification created. He wrote a P402 in May of 1978, and it took until December before he could actually request a register. Something had to be done in the interim to provide the staffing necessary to handle the project. Pressure is applied by the Legislature to complete projects on schedule, but the task is made very difficult by the lengthy procedures involved in processing paperwork through the state. Mr. Petrie suggested that the Legislature should examine a package including P402's and the departmental budget to expedite the implementation of new programs.

Mr. Petrie suggested that when a large grant or appropriation comes through, the Division of Personnel might consider adding to its staff with funds appropriated from the agency's project budget to process P402's for that program. Representative McKinnon commented that this is a fairly common practice in other states. Projects created by the Legislature are forcing departments to submit large amounts of paperwork to the Division of Personnel.

Another suggestion presented by Mr. Petrie was to create a means of compensating temporary employees for their lack of benefits through a pro-rated hourly salary adjustment that would increase depending upon the duration of employment. Mr. Petrie thought that by staggering the paperwork submitted to the Division, some of the delays might be avoided. Frank Flavin pointed out that there may be too many categories of employees and that a solution would be to combine categories. He also suggested that benefits of permanent employees be available to temporaries after 90 days.

Mr. Petrie listed a number of problems the commission should consider:

- 1) lower salary ranges and lower classifications put on temporary employees
- 2) discouraging employees from accepting positions so as to reach applicants below the top five on the register
- 3) Unqualified applicants being placed on registers because personnel analysts lack knowledge of skills needed for positions and their dependency on the descriptions supplied in P402's

- 4) inconsistent evaluations and ratings of applicant skills and experience

Representative McKinnon questioned whether the department could more accurately describe job classifications. Mr. Petrie replied that they could if personnel officers in both the Department and the Division of Personnel conferred with program managers to create lists of qualifications and backgrounds essential to the work involved. Niel Thomas asked if he was referring to the decentralization of personnel functions into individual departments. Mr. Petrie believes that the personnel offices of the departments could handle this function with additional staff.

Mr. Petrie asked how someone would go about applying to departments and how applicants could be consistently rated by each department. Niel Thomas answered that applicants would probably not know where to go and that an information pamphlet would have to be written with instructions on how to go about applying for a job. Frank Flavin pointed out that this would leave audit functions the responsibility of the Division of Personnel.

Mr. Petrie concluded his testimony by stating that he will encourage others to testify at the January 27 meeting in Anchorage.

Peggy Merritt, a temporary Game Biologist I with the Department of Fish and Game, agreed with previous testimony offered by her colleagues within the Department. In regard to recruitment, Ms. Merritt has found that the Division of Personnel often evaluates applicants incorrectly. In one case, an applicant who knew very little about the special skills involved in working in a certain position was on the top of the register. The department was forced to hire someone very low on the register to find an applicant with the skills necessary. She suggested applicants be judged by a peer group and not by the Division of Personnel. Her supervisor would like her to stay on longer than six months, but she cannot regardless of the inefficiency resulting from her termination.

There is one PCN for Game Biologist I for that division, and the position was moved to Nome. Her supervisor, who has been in the same division for many years, has been unable to get a permanent classification for anyone else in the division. The funding is unavailable, yet there is a great need for someone who is familiar with new scientific methods to renovate the archaic practices still used by the division.

Niel Thomas asked what percentage of temporaries in the department are women. She replied that there is one woman work-

ing as a permanent Game Biologist and approximately six women temporaries elsewhere in the department. Mr. Thomas also asked if the department has a hard time reaching applicants with skills necessary for the job. Ms. Merritt explained that some of the most qualified applicants are very low on registers, although their peers would rate them very highly.

Ms. Merritt continued, explaining that she resents the cut off of temporary employment to six months when the job still needs to be completed. Because of budget cuts, permanent positions are no longer available and termination of temporaries is now mandatory because of the APEA contract. The union has taken action that temporary employees do not approve of and never voted on.

One other problem not mentioned previously is the non-existence of hazard pay for temporaries. Ms. Merritt travels by air continuously in hazardous conditions, yet receives no additional compensation as do permanent employees. Niel Thomas asked if she is paid for actual hourly work. Ms. Merritt responded that once above a certain pay range, extra hours put in on the job are not compensated. Ms. Merritt would like to be compensated for this lack of benefits.

Ruth Moulton, an employee with the Department of Natural Resources, presented her questions to the committee members: Why are temporaries being penalized to eliminate abuses within the personnel system? Aren't the unions, Division of Personnel and the Legislature aware of the fact that employees become more and more valuable with time spent in positions? Representative McKinnon explained that the APEA contract with the Division of Personnel and Labor Relations sets out the rules which departments must follow. Frank Flavin stated that none of these parties has the unilateral ability to change the policies. Representative McKinnon continued by explaining that there are laws in the books stating that temporaries cannot receive benefits, retirement and annual leave. Temporaries benefit from salary increases negotiated by unions and from lobbying efforts to increase fringe benefits available to them. Therefore, they do receive some return for their dues. Ms. Moulton replied that her best interests have not been represented by the union. Frank Flavin noted that the union is concerned with the supervisory abuse of temporary employees and has tried to eliminate this problem by limiting the duration of temporary employment. Temporary employees are not receiving benefits and are working unlimited amounts of time. Ms. Moulton pointed out that one advantage of being a temporary is in being able to go from one position to another, thereby gaining valuable experience.

(11)

IN ATTENDANCE

Representative Joe McKinnon, Chairman
Frank Flavin, Vice Chairman
Niel Thomas

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
Full Commission Hearing

Fairbanks North Star Public Library
December 13, 1978

MINUTES

In the absence of Senator Ray and Don Fisher, Representative Buchholdt chaired the meeting.

PUBLIC TESTIMONY

Mr. Fathy A. Elshamma moved to Fairbanks from Egypt in 1976 and worked as an Accountant with the Native Association for 13 months. During a vacation, he returned to Egypt and along with his family relocated to Fairbanks. Mr. Elshamma has been seeking employment since his return. He is listed on six registers and willing to accept employment in Juneau, Anchorage and Ketchikan, as well as in Fairbanks.

Mr. Elshamma was contacted on November 7, 1978, by Tom Lusk about a Bank Examiner I position in Juneau. In his conversation with Mr. Lusk, Mr. Elshamma indicated that he would be willing to accept immediate employment in Juneau and would be willing to take the next plane out of Fairbanks if necessary. Mr. Elshamma was instructed to wait for a response. One week later, he received a letter stating that the position had been filled. He questioned why he was never called back and brought the matter to the Governor's Office. The job was still listed as being open on that date, and the office verified the opening by phone. Mr. Elshamma had received a letter stating that the position had been filled.

Niel Thomas asked Mr. Elshamma if he had tried to contact the individual who was responsible for contacting him. He replied that he had not. Mr. Thomas suggested he call back and request an explanation. Mr. Thomas also suggested that a complaint should be filed if a satisfactory explanation was not provided.

Ms. Marianne Berry, a PHN, advised the committee of the problems they continue to have with reclassification of PHN positions throughout the state. Niel Thomas told the committee that the Assistant U.S. Labor Secretary, who is responsible for enforcing compliance with equal pay for equal work laws, has been in the state and is considering U.S. Government suit.

COMMITTEE DISCUSSION

Representative Buchholdt briefly discussed the written testimony received by a representative of the Classified Personnel Organization dated December 13, 1978. Copies will be sent out with committee minutes.

IN ATTENDANCE

Representative Thelma Buchholdt
Ken Humphreys (for Myrt Charney)
Pat Hunt
Darlene Howard (for Pat Murphy)
Lynda McCurry
Bob Maurant (for John Pugh)
Sheila Gottehrer (for Frank Flavin)
Ken Spray
Niel Thomas

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
Certification, Classification & Recruitment
Subcommittee Meeting
North Star Public Library
December 13, 1978

MINUTES

The Certification, Classification and Recruitment Subcommittee was called to order by Representative Buchholdt, in the absence of Senator Ray, Chairman.

PUBLIC TESTIMONY

Will Conwell, a Mining Engineer with the Department of Natural Resources, spoke of several state practices which he finds objectionable. The first items he brought to the committee's attention were the inequities in the hiring system and the mismanagement within individual departments rather than in the Division of Personnel. Specifically, he mentioned the lack of equal pay for equal work for similar job classifications and misuse of temporary hires. The guidelines set by the Governor are not being followed by departmental management.

Mr. Conwell gave examples of similar positions with quite broad salary range differences. Studies of these positions had been done by departmental employees, comparing them to similar positions in private industry. The findings confirmed that the jobs were similar and salary ranges should have been equal. After submitting the study to the commissioner of the department, Mr. Conwell was told that it would have to be disregarded because it should have been conducted by the Division of Personnel. The matter was taken to Ed Styer, an employee of the Division, for a desk audit. The results were never made available, nor were the recommendations on classifications. The P402's for the department had not been done since 1971.

Mr. Conwell also described an experience he had in applying for a promotion to a new position. After receiving a very high rating when tested by the Division of Personnel, he received no further indication of an opening being available. Mr. Conwell felt that he was overlooked, probably because of misuses of the register, and someone else filled the position.

Other examples Mr. Conwell presented in regard to temporary employment were of up-grading or down-grading positions to appoint favored applicants, misuse of evaluation forms and the hiring of temporaries who lack minimum qualifications. He believes that there are sufficient names on the registers to hire permanent employees. The temporaries being hired stay in the positions long enough to enable them to gain minimum qualifications, and thus be hired in permanent status.

Niel Thomas stated that there is a tendency within the state to place newly created classes of positions at higher salary ranges than similar long-standing positions. This has resulted in the large number of similar classifications at different pay ranges.

Kathy Carr-Lundfelt, Assistant Director of the Human Rights Commission for the Northern Region, testified that the northern region and rural communities are neglected by the state personnel system. Employee concerns about terms of employment are constantly delayed because they have to be answered by Juneau or Anchorage. The staffing of the Personnel Department in Fairbanks is inadequate, being limited to two employees. For this reason, recruitment is insufficient, especially in the case of minorities and Alaskan natives. Program managers are not trained in recruitment, and registers do not contain people interested in working in rural areas. When the top five or ten names on the register are not available, program managers become frustrated and hire temporaries as an alternative.

One particular problem Ms. Carr-Lundfelt encountered was in organizing a Better Writing Workshop, a program given by the Division of Personnel. For a period of 18 months, she constantly arranged for classes which were then cancelled by the instructor. The delay was due to the instructor's having to be flown out of Juneau. Ms. Carr-Lundfelt suggested that the Division of Personnel should station instructional staff in Fairbanks or should contract with firms there to provide resources to state employees.

Also not to be overlooked are the range classification problems, Ms. Carr-Lundfelt asserted. "Secretaries" are made available only to supervisors at the Director level or above. Others below that level are allowed to hire only clerk typists even though the responsibilities may be equal to those of a secretary. The Division of Personnel has three secretarial classifications: Secretary I, II and III. Directors are allowed to have Secretary I's, Deputy Commissioners can hire Secretary II's and Commissioners are assigned Secretary III's. Ms. Carr-Lundfelt has had to hire temporaries in the clerical class to maintain office functions. Clerical employees are reluctant to fill permanent positions in clerk classifications when their actual duties are secretarial in nature. Ms. Carr-Lundfelt's classification and salary range were established a long while ago, and Division of Personnel is reluctant to reclassify. There appears to be more control over classifying new positions than reclassifying old.

Ms. Carr-Lundfelt pointed out the discrepancies between requirements for entry level clerical positions, where a high

school degree is required, and entry level draftsman positions, where only a year of experience is required. Despite the greater educational requirement for clerical positions, draftsman positions are classified at higher salary ranges. Minimum qualifications don't accurately reflect skills necessary for the job. Artificial minimum qualifications discourage both women and minorities.

Ms. Carr-Lundfelt expressed the belief that the unions are as responsible as the Division of Personnel in taking action on these matters. Career ladders are not available to many individuals and across-the-board percentage increases in salary provide less compensation for clerical employees than for employees in different classifications at higher salary ranges. Ms. Carr-Lundfelt suggests cost-of-living increases be concentrated at lower salary ranges to compensate for this effect.

Ron Galbraith, a former Assistant Professor of English with the University of Alaska, commented on the register system. He has been seeking state employment since last summer and is on 15 registers. After being placed on the registers, he followed instructions by keeping in touch with the Personnel Department. When a program manager is filling a position, only one call is made to an applicant. If the individual is not reached at that time, no further effort is made to contact him or her.

Lynda McCurry asked whether Mr. Galbraith had ever been contacted as a result of being on a register. Mr. Galbraith answered that only once within the last few months had he been contacted, and that was a call to ask whether he wished to remain on the register.

David Giles, a Field Representative of APEA, brought to the committee's attention four distinct problems that he feels should be addressed. He sees these problems as typical within the state's recruitment, examination and hiring processes.

- 1) Temporary Hire. Program managers have a tendency to hire temporary employees over permanent employees and use the temporary period as an addition to the probationary period required. During their temporary employment, these individuals are encouraged to get on registers so that they may be hired and placed in the permanent position.

- 2) Notification of Job Openings. Individuals listed on registers are supposed to be notified of openings. Mr. Giles gave an example of one individual who was removed from a register because he had not replied to a notification of a position open in his classification. In actuality, the notification was never sent. The department claimed to have sent an RCA night

but RCA indicated that no letters had been sent on the date specified.

3) Bush Positions. Within the Department of Community and Regional Affairs, individuals applying for "bush" positions are submitting applications and being interviewed, but no action is being taken in hiring. The registers are being requested repeatedly. The people interviewed from the first register were not notified that a second register had been requested. The department indicated that the position requires someone with experience in the bush, and that therefore, they were unable to hire from the first register. However, not only did one of the applicants on the first register have bush experience, but Mr. Giles also does not believe there could be any need for bush experience in these positions.

4) Applying for New Positions. One person tried to apply for a particular position for a period of two years, submitting applications to Juneau every three months. He was continually informed that they were lost. The application was finally sent by registered mail, and the individual was informed that there would be a delay in processing the application because of an overload in paperwork. Mr. Giles believes this is a typical problem experienced in the Fairbanks region.

Niel Thomas asked Mr. Giles whether he was familiar with the personnel rule of justifying hire of an applicant below the top five on the register in unique and unusual circumstances. He replied that he was not familiar with any department having used that practice in Fairbanks.

George Morrisson, a Personnel Assistant with the Department of Health and Social Services, asked that the commission not recommend tightening of rules so much that he and other supervisors cannot accomplish their duties. He has experienced many difficulties in finding qualified individuals for positions both in Fairbanks and the bush areas. Many applicants desire to relocate out of Fairbanks to Anchorage or Juneau. Many times after working an entire register, Mr. Morrisson has been unable to find an applicant qualified for a permanent position and willing to work in the bush. The only alternative left to him is to hire temporaries who may not meet minimum qualifications but who can do the job. These temporaries often cannot pass the examinations to be placed on registers, because the examinations do not test for the skills needed.

Niel Thomas inquired about the recruiting practices in the Health and Social Services Personnel Office. Mr. Morrisson indicated that he is the only personnel employee in Fairbanks. In an aside, he indicated that has salary range problems also. Because his position is classified by the number of employees

dealt with, he stated that he is at a lower salary range than he should be. Mr. Thomas also asked if Mr. Morrisson was instructed to actively recruit because of the lack of applicants. Recruitment is handled by the personnel office in Juneau. Only after discovering people are not available on registers is he instructed to recruit applicants.

Representative Buchholdt questioned whether testing administered orally would be a possible solution to written tests that must be processed through Juneau. Mr. Morrisson replied that it would be difficult to administer the tests in certain areas, because there would be a problem in finding qualified people to give the tests.

Ms. Lucille Owen, a Supervisor in the Unemployment Insurance Section of the Department of Labor, testified regarding the problems in using the register in hiring permanent employees. She has a total of 21 employees in her office. Ms. Owen once sent out 49 telegrams to applicants on a register, receiving replies from only a very few. Many were already working and did not want the position, but wished to remain on the register in case a better opportunity became available. The entire process took ten days. Ms. Owen would like to see applicants removed from the register if they are holding equivalent classifications or above. She stated that names are not being removed from the register when applicants are hired.

Niel Thomas asked when she would be permitted by Personnel to request removal of a name from a register. Ms. Owen circles "failure to respond" on the register after unsuccessful attempts to reach applicants. Lynda McCurry stated that that should be sufficient reason for a name to be removed from the register, but it is not unusual for a name to be sent out a number of times when a department requests registers for the same classification for several vacancies.

Pat Hunt explained that updating the data base within the Division of Personnel is secondary to other functions such as recruitment, certification and payroll. Eligible lists are certified for 60 days, and before one is returned, others may be sent out.

Another complaint Ms. Owen presented to the committee was that Division of Personnel no longer tests applicants for proficiency in typing and shorthand. She has had to give her own tests to applicants, and they have not met the requirements for the job classifications despite their claims on applications. Ms. Owen suggested that applicants be investigated more thoroughly by Personnel, both by experience and testing.

In hiring temporaries, Ms. Owen would like to have some means of changing the classifications to permanent once the temporary has been trained. Lynda McCurry asked how many permanent seasonal classifications were authorized within the department. Ms. Owen replied there are 18, and an additional five or six would be needed for peak workload periods if the department were to avoid hiring temporaries.

Ms. Owen also expounded on the incomplete information supplied on bulletins describing positions. They do not accurately reflect the type of work experience needed, nor the duties to be performed. She must rely on the registers when hiring, and only recruits when seeking temporaries.

Niel Thomas asked what the percentage for minority hire was within the department. Ms. Owen replied approximately 20% of her employees are minorities who have been hired from a register.

Darlene Howard asked if there is sufficient interest in the Fairbanks region to fill seasonal positions. Ms. Owen replied that because of the availability of temporaries, she assumes that seasonal positions would also be filled. The lay-off time would be in summer, which is considered a desirable time to be out of work. Ms. Howard asked if seasonal position programs were generally understood by the public. Ms. Owen answered affirmatively. Ms. Howard also asked if a cost model report on productivity based on volume versus staffing had been done. Ms. Owen replied that she can anticipate yearly lay-offs, and in the past, the attrition of temporaries handled the necessary decrease in staff.

Ms. Owen also pointed out that security checks are not made by the Division of Personnel, although she thought it a necessity when the employee would be handling cash flow. Shiela Gottehrer asked whether she meant more than verification of references. Ms. Owen answered that a total security check of an applicant's background would not be difficult. Representative Buchholdt asked for statistics on how many people were found to create problems which could have been avoided by security checks. Ms. Owen responded that there have been only a very few; only three cases where an employee was dishonest. In one instance this resulted in termination of an employee. She felt very uncomfortable with the situation and had to be very careful in handling it. Ms. Owen also stated that non-performance had never been a problem in her office.

Bob Mourant questioned her procedures in checking backgrounds: Is the employee given a chance for rebuttal? Ms. Owen answered that she had been successful in contacting former employers either by phone or correspondence to determine and employee's past performance. Pat Hunt stated that the

the Division of Personnel does not require a security check, except when the position requires that the employee be bondable.

Mr. Leo Winegar, a resident of Fairbanks for three years, presented testimony on his dissatisfaction with the state's hiring procedures. Since his arrival in the state, Mr. Winegar has put in many applications for positions he qualifies for. He is on nine or ten registers and holds a B.A. and a Master degree in Business Administration and Economics. He also has one year of study towards a Ph.D. On many of the registers, he is listed number one. Mr. Winegar has been notified only once of an opening. A number of the positions he had been registered for have been abolished over the past three years, leaving him discouraged by the system.

IN ATTENDANCE

Representative Thelma Buchholdt
Pat Hunt
Lynda McCurry
Ken Spray
Niel Thomas
Shiela Gottehrer (for Frank Flavin)
Ken Humphreys (for Myrt Charney)
Bob Mourant (for John Pugh)
Darlene Howard (for Pat Murphy)

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
Merit System/Collective Bargaining Subcommittee
Fairbanks North Star Public Library
December 13, 1978

MINUTES

Representative Buchholdt, Chairperson, called the meeting to order. There being no response to an invitation for public testimony, the hearing was opened to committee discussion.

COMMITTEE DISCUSSION

Pat Hunt began the discussion by stating that all issues covered by the committee indicate that the question of the merit system versus collective bargaining must be addressed. He asked if it is the intention of the committee to limit the scope of bargaining available to employees. What effect would the amendment of statutes have on future union contracts? Mr. Hunt also questioned the role of the legislature in the area of union contracts: Would it be politically feasible to limit bargaining rights?

Ken Spray responded by stating that he believes the committee does not want to limit collective bargaining rights. He suggested the separation of personnel and labor relations functions. At present, personnel is more regulatory than service oriented, and labor relations is influenced by this emphasis.

Niel Thomas questioned what is negotiable under collective bargaining. Pat Hunt replied that all conditions of employment are negotiable. The only exception, in accordance with an Attorney General's opinion, is retirement plans. The leave system, salary, wages, hours, insurance and classification are all negotiable.

Niel Thomas asked if anyone could conceive of a system in which the Legislature basically funds the personnel structure that emerges from the collective bargaining process without any other particular role over what is bargained. Ken Spray responded by stating that the Public Employment Relations Act is structured so that the responsibility is left to the Executive Branch. The Legislature maintains control over funding the agreement reached.

Representative Buchholdt suggested the major question appears to be the continuation of collective bargaining in conjunction with the merit system, modification of one or both, or elimination of one.

Ken Humphreys explained that as it stands, the Alaska Collective Bargaining Act is very broad in scope. The trend in other states has been towards very broad definitions of collective bargaining acts. It is within the Legislature's authority to limit and define conditions. However, he believes this would put additional constraints upon the unions and the

state government, causing additional conflicts.

Pat Hunt stated that the Constitutional mandate for a merit system for state employees could be fulfilled by a statutory requirement that those principles be incorporated in each collective bargaining agreement. The Personnel Rules would then set out a merit system to govern the terms of employment of non-unionized state employees not otherwise exempt from its coverage.

Niel Thomas questioned the testimony of individuals seeing the merit system as being against their rights for freedom of expression. Ken Spray added that labor relations was created for stability of labor, and that collective bargaining draws power from the labor movement, supplying employees with individual representation.

Niel Thomas brought up the question of the cost impact of collective bargaining. Ken Humphreys stated that his research indicates employee's salaries increased more before collective bargaining was enacted. In his study, he compared the increased percentages in employee salary seven years prior to the collective bargaining act implementation and seven years after. The salaries increased a total of 35% over the 73% cost-of-living increase within the past 14 years. This averaged out to a 2.5% annual increase. The cost of fringe benefits was not taken into consideration in his analysis. Mr. Humphreys is in the process of completing additional studies which he will make available to the committee.

PUBLIC TESTIMONY

Mary Langan, a freelance writer with Alaska Industrial Magazine, presented her views on the state personnel system. She had experienced working in both clerical and supervisory levels as a temporary with the state. Ms. Langan pointed out five major problems she had faced while employed by the state:

1) In 80 to 90% of government jobs, employee enthusiasm, creativity and initiative are stifled. The ideal employee is one whose attendance is prompt, who does not express new ideas which are contrary to "the system".

2) The recruitment of minorities and women is very limited. In some instances, temporaries are hired for permanent positions to avoid minority hiring.

3) There are inequities in the implementation of rules and federal regulations within both management levels and within the Division of Personnel. One example Ms. Langan mentioned was a delay in receiving her paycheck after termination. Federal law requires payment within three days of employee termination. The state took two weeks in sending out her check, and when

she protested, she was advised that the state was exempt from that provision of the law. Ken Spray explained that the state is not exempt from this federal statute.

4) At the job service office of the state, books on vacancies in state government are not readily available to the public.

5) The promotional ladder and the merit system are subject to misinterpretation and office politics, resulting in discrimination against women and minorities. Ms. Langan suggested that promotions be decided by a committee consisting of objective members not employed by the state.

COMMITTEE REVIEW

Representative Buchholdt directed the committee to consider the possibilities to recommend and refine during the next meeting in Anchorage. Each committee member will prepare a list of ideas for consideration. The staff will provide a summary of information presented to date.

In conclusion, Representative Buchholdt pointed out the advantages of having both the merit system--employee motivation and reward for performance--and the collective bargaining process--mandated by the Legislature to provide a voice to employees.

Niel Thomas presented his opinion that there is a general misunderstanding of the two by the public. He suggests the distinctions and definitions be clarified for the benefit of state employees.

Darlene Howard addressed the problems she sees within the systems--procedural and operational methods at the administrative level.

IN ATTENDANCE

Representative Thelma Buchholdt, Chairperson
 Pat Hunt
 Lynda McCurry
 Ken Spray
 Niel Thomas
 Ken Humphreys
 Darlene Howard (for Pat Murphy)
 Bob Maurant (for John Pugh)

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
CERTIFICATION, CLASSIFICATION & RECRUITMENT SUBCOMMITTEE
December 1, 1978

The meeting was called to order by Don Fisher. Public testimony was invited. A summary of the testimony follows.

PUBLIC TESTIMONY

1. Personnel Systems in Private Industry

Upon the invitation of Niel Thomas, three personnel officers employed in private Alaskan industry presented their views on personnel functions and offered suggestions to resolve state problems.

Lee Valwalt, an Employee Relations Supervisor with the Alaska Gas & Service Company, attested to her belief in a centralized personnel department. However, she emphasized the absolute necessity of an operable communication system between individual department heads and personnel officers within the personnel department. Ms. Valwalt's company is relatively small, with 100 unionized employees (technically skilled) and 45 exempt employees (management and supervisory). The union contract applies to promotions, evaluations and merit increases. The company has three categories of employment: regular (full-time), part-time (20-30 hours weekly) and casual (limited duration of six months employment). After the six month period has ended, casual help has the option of being hired on a regular employee basis (depending on vacancies) or of being laid off.

All non-exempt employees are required to become members of the union within one month of their initial hire, in accordance with contract provisions. All benefits are available to regular employees; part-time employee benefits are pro-rated. Casual help is not eligible for benefits.

Employees do receive annual increases and are subject to annual reviews. A committee of department heads evaluates the company employees in conjunction with personnel officers and decides on promotions and merit increases. Contract interpretations support a centralized control for promotions and merit reviews.

The union can request that a group of jobs/positions be reclassified. It is not clear whether a failure of the company to reclassify as requested is a grievable issue. In practice, the company consults with the union shop steward before initiating a reclassification on its own. To date, the union has been satisfied with the grade system, so the issue has not been raised.

Notice of vacant positions is posted on a bulletin board for 72 hours to give employees the opportunity to apply for promotions or transfers. If no employees are interested in the vacancy, then the personnel officer looks through the applicant files. Applications are retained for a period of two years grouped

by skill level without numerical rank designations, which is similar to the register concept. If the files do not produce a qualified applicant, the company recruits from outside sources such as referrals and employment agencies.

The personnel office interviews all applicants for a position and eliminates those who fail to meet the minimum requirements. All qualifying applications are submitted to the department head, who conducts his or her own interview. The personnel officer and the department head discuss the candidates prior to the department head's decision to hire an applicant. There are no written tests for applicants--they are evaluated through a personalized interviewing system which has apparently been effective for Alaska Gas & Electric Company.

The authority to hire, fire, evaluate and promote employees is coordinated between the personnel officers and the department heads. A department cannot create, reclassify or abolish a position without personnel's consent. The decision-making process is a combined effort, where both must be aware of all activities.

Dave Eubanks, a Personnel Director with an oil and gas production and exploration company which has corporate offices in Ohio, expressed his belief that a non-structured personnel system is a major contributing factor to employee motivation. In private industry, employee productivity directly relates to the company's profit. Thus, incentives such as merit increases and promotion have an effect upon the overall budget. It is important to have ample ways and means of evaluating and providing incentives. Ms. Valwalt also mentioned that a certain percentage of her company's budget would be allocated for merit increases after discussion with department heads.

Jerry Thorn, the third witness, concurred with the other's opinions. He also added that as a Personnel Director with the Cargosteen Company (approximately 300 employees throughout Alaska), he interfaces with many established unions from time to time. His bargaining thrust is to maintain management prerogatives to retain control over operation of the business.

Mr. Thorn does not have job descriptions for every job, but does have them for management positions. The issue on classification of positions is grievable, and he checks with unions prior to classification of new positions. Standards used for determining qualifications for positions are accomplished through job analysis and qualitative evaluation. Promotions are based on proven performance and merit increases are considered upon request. The company gives a cost-of-living increase every six months and fringe benefits are taken into consideration.

2. State Employees

Mr. Albert Carson, Deputy Director of the Division of Lands, Department of Natural Resources, had four major areas of concern:

- 1) Class specification categories are too broad in definitions of minimum qualifications. Because of this, applicants on registers do not possess the skills necessary for positions open to them. Departments use preferential recruitment methods to avoid the process of eliminating these unsatisfactory applicants.
- 2) Pay levels are inconsistent for comparable positions.
- 3) Division of Personnel's evaluations and point systems are inaccurate in measuring experience, skills and qualifications. Professional skills are often not recognized and may be misjudged.
- 4) The forms used for analysis do not identify areas of expertise.

Carmen Price an employee with the Department of Transportation, testified that the performance of duties above an assigned job classification is not credited to the employee. Supervisors have the ability to document the functions being performed by an employee in order for the employee to be given credit for this experience when applying for promotions or increases. Apparently, it is not common for supervisors to verify an increase of duties and responsibilities being handled by an employee. In many cases, this is because of personality clashes and extensive amounts of time and paperwork involved.

Jo Fenety, a Leasing Officer with the Department of Transportation, had a few additional comments: Applications phrased in personnel language receive higher evaluations than applications not using those terms. She believes that the Division of Personnel presently appears to employees as a regulatory body and that it should increase its emphasis on the provision of services.

Irene Price, Right-of-Way Assistant with the Department of Transportation, agreed with prior testimony regarding the lack of interaction between departments and Division of Personnel. One problem not previously brought to the Committee's attention is the unwillingness of supervisors to fire unsatisfactory employees. There is a tendency to pass these employees from department to department, causing frustration for both the employee and the departments in addition to hindering departmental performance.

Cecilia Kleinhoff, a Social Worker with the state, offered additional testimony to the problems within Division of Personnel. She opposed the substitution of experience for accredited degrees; especially in regard to Social Workers. She feels that generalizing qualifications in that instance is objectionable and that testing is not adequate to determine professional skills.

3. Flex Time

Ms. Kleinhoff also suggested that flex time and job sharing were two methods of providing better service to the state. Darlene Howard stated that some departments are using a flex-time system and that each program manager can decide whether to allow the employees to shift their work hours. Ms. Howard also suggested that the Commission research the response to flex time and study the pros and cons of operations in other states. Senator Ray

pointed out that the convenience of having offices open during lunch time and after hours would be of benefit to the public.

IN ATTENDANCE

Senator Bill Ray
Donald Fisher
Representative Richard Eliason
Darlene Howard (for Pat Murphy)
Ken Humphreys (for Myrt Charney)
Ken Kareen (for Pat Hunt)
Lynda McCurry
Greg O'Claray
John Pugh
Ken Spray
Niel Thomas
Representative Thelma Buchholdt

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
CATEGORIES OF EMPLOYEES SUBCOMMITTEE
Legislative Information Office, Anchorage
November 30, 1978

MINUTES

The meeting was called to order by Representative McKinnon, Chairperson. Public testimony was invited. A summary of the points raised follows.

QUESTIONS AND ISSUES PRESENTED

1. Temporary employees working within a bargaining unit are required to belong to the appropriate union.
 - A. Temporaries have to pay the same union dues as permanent employees but do not receive the same benefits.
 - B. Employees who have philosophical disagreements with belonging to unions are required to join the appropriate union to hold a state job.

Discussion

Unions are required by law to represent all employees within the bargaining units which they represent. Union negotiating and lobbying efforts benefit both permanent employees and temporary employees, at least on the issues of salary levels. Recent APEA efforts resulted in securing holiday pay for temporary employees. Over half of the lobbying effort of APEA last legislative session was spent trying to persuade the legislature to extend to temporary employees the health and annual leave benefits provided to permanent employees of the state. The legislation passed the House but not the Senate.

- C. Have temporary employees been polled on the union's negotiating priorities?
- D. Have temporary employees ever been represented on the governing board of APEA?
- E. Can members of the union have a prioritized list of the union's bargaining positions?
- F. Has a temporary employee ever served as a member of the union negotiating team?
- G. There should be a board position for a temporary employee to represent directly the concerns of other temporaries.

Discussion

Before new contract proposals are drafted, APEA polls all of its members, including temporary employees, on negotiating priorities. The questionnaire indicates the employment status of the

person answering, so that issues can be identified according to class of employment. The union uses results of the questionnaire in preparing its proposals.

There is nothing to prevent a temporary employee from holding office in the APEA, although Ms. Howard is not aware of any temporary employee who has ever been elected to the board. Under the present by-laws, a temporary could be an active union member only during the time of employment for the state.

2. Benefits for temporaries.

- A. No medical leave or retirement benefits.
- B. No job security.
- C. Temporary employment does not apply to the probationary period, even if the temporary employee is hired as a permanent for the same job.
- D. Union contracts can address the inequities of benefits for temporary employees.

Discussion

Lack of medical, leave and retirement benefits can only be addressed through the legislature, and, as indicated above, APEA spent considerable effort last session attempting to have legislation passed to do so. By union contract, APEA members can have one-third of their time as a temporary applied towards the probationary period required of a permanent position provided that there is no break in service and that the jobs are the same.

Local No. 71, Public Employees union, has negotiated to increase the wages of temporary employees to compensate for the lack of benefits. Temporaries receive an additional \$1.32 per hour during the first 120 days they work as temporaries. If that period is extended by agreement, then the base salary of the temporary shifts from Level A of the wage scale to Level B. This system discourages the state from hiring temporaries for positions which should be classified as permanent. The union has found cases in which the state has ignored the union contract provisions about increased pay and has had to force compliance through arbitration.

3. Time limitations on length of temporary jobs.

- A. A limit of six months as a temporary was recently instituted for positions within the APEA bargaining unit. The limit used to be nine months.
- B. Local No. 71 has negotiated a 120-day limit to temporary employment, with extensions possible by mutual agreement between the union and the state.

Discussion

The new time limit for APEA members has caused a problem where supervisors were misinformed and therefore misinformed temporaries. The problem came about partly because there were a number of new supervisors in that particular job in a short period of time.

For discussion of the Local No. 71 system, see discussion under (2) above, Benefits for temporaries.

4. Promises to temporary employees about being hired for future permanent positions.

- A. Division of Personnel does not always classify a new position as the program manager may have expected.
- B. The better practice is to make no promises about permanent hire to temporary employees.

Discussion

If a program manager promises a permanent position to a temporary employee and then learns that the Division of Personnel has classified that position at a lower range than expected, then the temporary must wait while the position is reclassified. The time required for that process may extend beyond the time the temporary is permitted to work. That will cause the temporary to lose the cross-over of time served toward probationary period.

No promises should be made to temporary employees about permanent employment beyond a commitment to consider them as any candidate with similar experience and skills will be considered. This is to ensure that the program manager is not locked into a commitment and therefore unable to hire someone more qualified, should such an applicant appear on the register at the time of permanent hire.

5. Compensation for temporary employees who take time from work to testify before this commission.

Some supervisors are refusing to consider the time that their temporary employees spend testifying to the committee as time spent working for the state. Therefore, some temporaries were unable to attend the meetings. The APEA representative in Anchorage will work with the employees who did attend and with their supervisors to ensure that they are compensated for their time. If she is unable to do so, she will advise the commission.

6. None of the temporary employees who addressed the committee had been required to be on the register before being hired for their present positions.

7. The use of temporary employees in positions for which there are permanent funds available.

- A. Local No. 71 has identified some 500 unfilled permanent positions within the scope of its bargaining units which it believes should be filled or deleted from the budget.

Discussion

Local No. 71 believes that the state is hiring temporary employees rather than filling presently vacant permanent positions in significant numbers. The union secured from the Division of Personnel and Labor Relations a list showing vacant PCN's within its bargaining unit. It has identified some 500 such vacancies, some of which have been vacant since the early 1970's. (A copy of the list is available from the commission staff.)

Some of the 500 positions may be funded through the Capital Improvement Funds, and therefore, the statistics may be skewed to that extent. Sue Greene of the Governor's office indicated that perhaps 100 of the positions might be CIF positions.

Local No. 71 has received requests for temporary employees within the job classes covered by the permanent-position vacancies on the list.

The Legislative Budget and Audit Committee is programming a computer to provide information on all PCN's vacant for more than a reasonable length of time. The legislature can then delete the position from the agency's budget, should it wish to do so. There is presently a monthly list prepared by the Division of Personnel which shows all of the vacant PCN's in the state and indicates the date of vacancy. Mr. Kareen estimated that approximately 20% of the PCN's are vacant at any one time.

- B. Departments contract with private firms for work which could be performed by state employees. Contracting costs more to the state and increases the risk that public services will be jeopardized through a strike.

Discussion

Departments can contract with private firms for work which state employees could perform as well without any oversight by the Division of Personnel. In some cases, contractors with the state fail to fulfill all of the contract commitments, leaving the state to hire its own employees to pick up the slack. For example, one contract called for the private contractor to provide janitorial services. When the contractor failed to do so, the state had to hire a member of Local 71 to fill the gap. One private contractor submitted two bids for a construction job, one based upon using his own equipment, and the other, at about \$40,000 less, based on using the state's equipment. The higher cost bid was accepted, but then the contractor used the state's equipment to perform the work.

In some cases, the higher cost of subcontracting with private firms results from the higher wages charged by members of private industry unions.

Since state statutes place limitations on public service unions' right to strike, which are not placed on unions operating in the private industry field, there is greater danger that projects will be impeded by strikes when the state contracts with employers using private industry members than when the state hires its own employees.

Albert Baffone charged that the state of Alaska was following a policy of reducing the size of the Local 71 membership with the aim of drying up that union.

8. Problems with the use of CETA program employees within the Department of Corrections.

- A. As temporary employees, CETA's within the Department of Corrections are limited to a nine-month period of service and receive no benefits, as permanent employees do.
- B. CETA employees are taking the place of permanent employees within the Department, in violation of federal regulations.
- C. Some CETA's are placed in supervisory positions over permanent employees who are paid at a higher salary rate than the CETA's.
- D. CETA's are paid much less than permanent employees doing the same job.
- E. Because of the Department of Correction's reorganization of staff, the state has frozen the Correctional Officer I register, and CETA's cannot apply for permanent positions.

The Comprehensive Employment Training Act is a federal legislative program aimed at providing people who are members of groups which traditionally have difficulty finding jobs with experience to enable them to find permanent employment. Federal regulations prohibit replacing permanent employees with those paid through the CETA program. The federal government provides \$1,039 maximum per month in salary for those employed under the program. States using the program are free to supplement that salary if they desire.

The Division of Corrections has a number of CETA employees, classified as temporary employees by the state, who are paid at a salary range 9. The positions were meant to be Media Appreciation and Recreation Aides. However, because the Ridgeview

Correctional Center (where approximately 27 CETA's work) is severely understaffed, the CETA employees have been doing the work of Correctional Officer I's, who are classified at SR 13. These positions have just been reclassified from SR 11. CETA's are paid \$2.00 less per hour than Correctional Officer I's. Since CETA's are classified as temporary employees, they have no benefits or job security. There is nothing in the federal legislation requiring that CETA's be classified as temporaries. There are non-CETA temporary employees who are paid at the Correctional Officer I salary range. There are CETA employees working in supervisory roles over Correctional Officer I's who make substantially more than they do, which is bad management practice.

Niel Thomas suggested that the commission should consider recommending that the legislature provide a supplement to CETA funds so that departments are required to pay appropriate salaries for the CETA's they employ. The federal government could also be asked to provide a wage supplement to the salary money it provides to Alaska, since the Alaskan cost of living is so much higher than the cost of living in the lower 48 states.

Aggravating the other problems faced by the CETA's employed in the Division of Corrections is the fact that the Division is undergoing reclassification of Correctional Officer positions. No job applications are being accepted for the positions of Correctional Officer I, so CETA's whose period of temporary employment must end because the six or nine-month period has elapsed cannot get on the register for a permanent position in the field in which they have been working.

The Division of Corrections has answered these problems by deciding to employ no more CETA's rather than by trying to keep the program and provide an opportunity for the underemployed to gain skills and experience to make them employable by adjusting the inequities in the present system.

At one time, there were a number of CETA positions within the bargaining unit of Local No. 71. However, by contract, the state was required to pay each CETA employee the existing wage rate for any union member. The state no longer has any CETA positions within the bargaining unit.

The CETA regulations require that people employed under that program receive equal treatment with other employees similarly situated. That language has been interpreted by the state to mean treatment comparable to any other temporary employee. The Municipality of Anchorage, which has a substantial number of CETA's, treats them as permanent employees entitled to all the benefits provided other permanent employees.

9. Problems of Program Managers in staffing programs.

1. Time to get permanent positions filled from register and yet to meet legislative directives.

2. Treatment of temporary employees.

Discussion

Because creating new positions and hiring from the register takes a considerable amount of time, departments cannot use that system when given legislative directive to remedy a problem quickly. Last session, the legislature passed HB720, directing that by November 1, 1978, the Department of Natural Resources designate 30,000 acres of state land for disposal under the homesite entry program and the open-to-entry program. The act included other directions, and the legislature appropriated funds for 100 new positions for the department. By the time that the legislation had passed (it was approved by the Governor on July 18, 1978), enough time did not remain to both meet the legislative deadline and also to hire permanent employees from the register to fill the new positions. Temporary employees were hired and the department at the same time began the process of creating new permanent positions. (P402's had to be prepared for each new position describing the particular duties of the employee in this job, even though most fell within existing job classes.)

In order to allow the department to staff the program quickly, the Division of Personnel set aside all other tasks for four to six days to speed the paperwork. There was some delay in the Division of Budget and Management, which had to sort through four different appropriation bills affecting this program to ensure that proper authorization existed to establish these positions.

Departments may have short term projects to handle which require particular expertise. If the department lacks the time to be able to hire a permanent employee, it will hire a temporary while beginning the paperwork to establish a permanent position. The project may last beyond the six-month limit on the employment of a temporary, but it is quite possible that the permanent position may not yet be authorized. This hinders the department in the operation of its programs.

When hiring temporaries for professional positions, there is a problem using the register. Most professional people who are good candidates for a particular position are likely to already be employed and will be unwilling to leave a permanent job, with the benefits and protections it affords, for a temporary position, even if there will be a permanent position to replace the temporary one. Furthermore, it is bad management practice to advise any temporary employee that she or he will be hired for a future permanent position, since not only is there the possibility that the permanent positions will be established at a lower salary range than the department expects, but also, by the time that the department is authorized to fill the permanent position, there may be someone more qualified on the register whom the department will prefer to hire.

When filling a temporary position, the registers may be of some assistance in locating possible employees. Mr. Reed stated

that it was his practice to call for a register, to review the applications of those on the register and to contact those whom he did not know personally to inquire whether they were interested in the temporary position available. Those whose situation he knew, he would not contact unless he expected them to want a change.

WITNESSES

1. Barbara Eakin, temporary Administrative Assistant II with the Division of Lands of the Department of Natural Resources since July 31, 1978. The Division of Lands is in the process of seeking classification of a permanent position of Accounting Clerk III for which she expects to be "strongly considered."
2. Karen Holser, a temporary Water Technician with the South Central Division of Water Section of the Department of Natural Resources. She is working under a program created by HB720 to reduce the backlog in water rights applications. The legislature authorized 52 permanent positions, all of which have been filled. In addition, the department created temporary positions funded from money made available probable through the vacancy of permanent positions.
3. Ruth Moulton, a temporary employee of the Division of Planning and Classification of the Department of Natural Resources. She has held temporary positions with the state three times and prefers to work as a temporary employee.
4. Al Baffone, Business Manager of Local No. 71 of the Public Employees Union.
5. Helen Collier, a temporary employee under the Comprehensive Employment Training Act (CETA), working as a Media Appreciation and Recreational Aide with the Department of Corrections.
6. Barbara Kelly, a temporary Accounting Clerk I with the Division of Lands of the Department of Natural Resources.
7. Steven Reed, Chief of the Planning and Classification Division of the Department of Natural Resources. He has held the position for one year.
8. Bob Dawkins, Journeyman Plumber with the state.
9. Eleanor Andrews, Field Representative with the Anchorage APEA.

INVITED WITNESS

Frank Flavin advised the Committee that he had invited Mike Smith, Assistant Commissioner/Director of Lands with the Department of Natural Resources. Mr. Smith was unable to attend.

Materials Distributed:

APEA Interoffice Memo on Categories of Employees

IN ATTENDANCE

Representative Joseph McKinnon
Representative Richard Eliason
Ombudsman Frank Flavin
Darlene Howard (for Pat Murphy)
Ken Humphreys (for Myrt Charney)
Ken Kareen (for Pat Hunt)
Lynda McCurry
Greg O'Claray
John Pugh
Ken Spray
Niel Thomas

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
MERIT SYSTEM/COLLECTIVE BARGAINING SUBCOMMITTEE
Municipality of Anchorage Assembly Chambers
November 30, 1978

MINUTES

The meeting was called to order by Representative Buchholdt, Chairperson. Public testimony was invited.

PUBLIC TESTIMONY

Tom Phillips, an employee with the Department of Transportation, Division of Maintenance and Operation, presented his views on the implementation of Governor Hammond's policy on merit increases by the Department of Transportation and Public Facilities. Deputy Commissioner James O'Sullivan has changed previous departmental policy by requiring that the evaluation of employee performance be "outstanding" or "exceptional" to qualify the employee for a merit increase. The new policy requires that the director of each region review all evaluations. When the employee's performance justifies awarding a merit increase, the evaluation is reviewed by the Deputy Commissioner. As part of the new system, all supervisors were required to attend a training course on "Measuring Job Performance".

Apparently, the Governor's policy is not being applied consistently within state government. Mr. Phillips indicated that in the department across the hall from him, merit increases were being awarded on the basis of "acceptable" evaluations, as well as "outstanding".

Darlene Howard advised the committee that in the APEA supervisory unit contract, the contract language spells out when merit increases may be awarded. These contract provisions are consistent with Personnel Rules.

Mr. Phillips has filed a grievance after being denied a merit increase. (His supervisor, Clyde Dolly, confirmed his position and testified later in the meeting.) Deputy Commissioner Patrick Ryan has received the grievance form submitted by Mr. Phillips, and as of the meeting date had not acknowledged the situation. Mr. Phillips is awaiting further action.

In response to Representative Buchholdt's inquiry as to how many employees within his department could be considered "outstanding", Mr. Phillips replied that a very small percentage of state employees are evaluated as outstanding. He believes that employees deserving merit increases are not receiving them as a direct result of interpretation of the Governor's policy.

Albert Baffone, Business Manager of Public Employees Local No. 71, was next to testify in regard to the merit system. He regards the merit system as counter-productive and inadequate in covering all employees. Mr. Baffone suggests that the merit system be governed by a collective bargaining process. He pointed out that the legislature is burdened with many problems in labor relations and could expedite proceedings by considering solution adopted by unions.

Public Employees Local No. 71 works on a preferential hiring system. When the state calls the local seeking an applicant, the name of a qualified individual is given within 48 hours. The state provides a description of the position, classification, and any particular qualifications necessary. These specifications are taken into consideration by the union in referring an applicant, in accordance with contract guidelines. The employer may reject the applicant referred from the union, in which case another applicant will be recommended. There are no tests given by the union. Applicants are evaluated on the basis of their experience. Mr. Baffone stated that the system has approximately a 95% accuracy rate in placing these applicants. Under current laws, this system could be adopted by the state.

In addition, Mr. Baffone testified that despite the inference made that state employees cannot be fired, Local No. 71 has many cases of employees who were in fact fired. It is their policy to file a grievance on every case which a member brings to them, so that they have standing to investigate the matter. If their research shows that the management action was justified, then they withdraw the grievance, documenting for their own protection their reasons for doing so. Unions are liable to their members for failure to represent.

Clyde Dolly, Manager of the Department of Transportation and Public Facilities, proceeded to testify that he is in favor of employees' associations and merit increases. Merit increases are one of the tools applicable to employees for inspiring and rewarding performance.

Mr. Dolly further indicated that employee morale has declined because of the change in the merit increase policy and the inconsistent application by different departments. Because there is a lack of funding, there is also little opportunity for supervisors to recognize the abilities of their employees by promoting them.

In answer to a question, Mr. Dolly stated that if a supervisor recommends a merit increase, the evaluation form is returned to the supervisor with directions to rewrite it. In Mr. Dolly's opinion, the instructions given on how to evaluate employee performance discourage a supervisor from evaluating an employee

as outstanding or exceptional. This was the basis for Tom Philip's grievance.

Mr. Dolly continued, adding that he is in favor of the register system. Ken Spray asked how long it took him to get employees off the register. Mr. Dolly explained that it takes at least three weeks to hire through the register, but he is given the top five names to consider. As a program manager in a previous position, he had experience working with the preferential hiring system. In hiring from the union, he received a response within three days. However, he was sent one individual at a time, and had to justify not selecting the first person sent. There was no way for the supervisor to know whether the second person would be more qualified for a particular job.

Greg O'Claray asked why it took Mr. Dolly three weeks to be able to hire someone from the register. Mr. Kareen responded that it was probably a result of internal departmental procedures. Lynda McCurry indicated that it takes her department an average of two days to receive a register from the Division of Personnel once requested.

Mr. Dolly concluded that although the register system takes a minimum of three weeks to hire an employee, as opposed to 48 hours when using the preferential hiring system, he would rather be given a choice of five applicants who have been tested for qualifications and experience. With the preferential system, the first candidate to meet minimum qualifications must be hired, and the opportunity to have a choice is not supplied.

Ron Felty, an employee with the Municipality of Anchorage, stated briefly that he was present to observe proceedings because of an interest in the concept of the merit system and the application to the labor environment. Representative Buchholdt explained that the commission is designed to take an overall view of personnel practice within the state and to cover as many topics as possible, including all government entities.

Beverly McCartney, an employee with Community and Regional Affairs Department, was present to observe proceedings and offered a few comments on another problem within the state. She indicated that her department is not filling permanent positions in order to create vacancy funds to use to provide merit increases to remaining employees. For example, the Property Control office has lost staff members who have not been replaced. As a result, none of the new property received has been tagged during the last four months. This vacancy factor has not been articulated in writing, yet it is currently practiced by numerous departments.

Darlene Howard amplified this point. A November memo from

the Governor indicated changes in procedures and funding for merit increases. APEA challenged the provisions of the memo and their contract now specifies how merit increases are to be awarded. In response, Niel Thomas commented that concern over expenditures controls the work force. Budgetary procedures are left to the discretion of divisional management. Misinterpretations of guidelines, insufficient funds and lack of controls lead to manipulation of budgetary allowances.

Ken Kareen pointed out that the process in itself controls the state work force and the amount of money spent. First, there are a set number of positions, designated as "man-months", authorized in the budget. Second, each department is authorized a set amount of money. The department cannot hire more than the combination of what the two permit.

Niel Thomas suggested that better management oversight would be performed by the legislature if the concentration were on the executive performance of tasks and goals set, rather than the structural aspects of the executive branch--how many people are employed and where they are placed. The legislature needs to hold the executive branch accountable for achieving the goals the legislature sets.

Representative Buchholdt questioned Ms. McCartney on whether she felt that her department was providing adequate service. Ms. McCartney indicated that because of vacancies, employees in the department are doing considerably more work and not receiving sufficient compensation for additional responsibilities and a heavier workload. State employees are becoming frustrated with their work, lack of recognition and insufficient funding for increases and promotions. There is a serious decline in employee morale.

John Pugh asked Representative Buchholdt whether, as a legislator, she had been aware that the merit increases for present employees had not been funded for the past two years. She did not recall. He asked because APEA has been castigated for seeking both merit increases and cost-of-living adjustments for its membership, while the administration uses the existence of merit increase possibilities to hold down wage increases.

Representative Eliason suggested that there are two solutions to the inequities in the present system: 1) have a single bargaining unit for all state employees, or 2) repeal the collective bargaining act.

Ken Spray pointed out that there are inequities in the private sector, where different unions representing different trades had negotiated different wages.

Representative Eliason pointed out that it is not the responsibility of the legislature to bring about equal pay scales between unions. Mr. O'Claray explained that unions that grew out of the private industry unions have philosophical problems with the concept of a merit increase system. This comes about because of the control which The Boss exercised over his work force and the resentment felt by workers towards his potentially arbitrary and unchecked discretion. Therefore, unions rely on salary increases for time in service and the promotional ladder as the way to reward competence.

Ken Foot, a State Trooper from the Fairbanks office of the Public Safety Employees Association, indicated that because of personal experiences, he believes there are not sufficient promotional opportunities available to reward service to the state. Therefore, in his opinion, merit increases should be retained to compensate for this lack of upward mobility.

After a brief discussion on possibilities for rewarding deserving employees, John Pugh suggested that President Carter's Productivity Bonus may be worth consideration.

IN ATTENDANCE

Representative Buchholdt, Chairperson
Representative Eliason
Ken Kareen (for Pat Hunt)
Lynda McCurry
Darlene Howard (for Pat Murphy)
Greg O'Claray
John Pugh
Ken Spray
Niel Thomas
Ken Humphreys (for Myrt Charney)

MINUTES

PERSONNEL ACT REVIEW COMMISSION November 16, 1978

The third meeting of the Blue Ribbon Commission on the State Personnel Act was called to order in Room 123 of the State Capitol by Chairman Bill Ray at 1:30 p.m., November 16, 1978. Following roll call, Chairman Ray suggested that the proposed rules of procedure be considered. Adoption of rules was approved by acclamation.

Representative Eliason stated that he had missed the previous meeting and asked for permission to distribute a statement of potential problems the commission should consider.

Chairman Ray suggested that all commission members request and invite their alternates to be present at all meetings. In this way, the alternates will be current on commission activities and can make a meaningful contribution if their principle member is absent. The Chairman asked the secretary to invite the alternates and keep them informed of all meetings. He also reminded the legislators to keep this in mind because of potential conflicts in meeting times during the legislative session.

Don Fisher told the commission about a conference he attended in Olympia, Washington, on October 18 by the National Council of State Legislatures. He explained that the Council's Project TRAIN is focusing on personnel systems and problems involved. The group is headed by Mr. Couturier, who is well known for his work in this field. He suggested that TRAIN would be able to come to Juneau and work with the commission without expense to the State. We only need to furnish a meeting room and group of interested participants for the presentation.

Mr. Fisher moved that TRAIN be invited to Juneau. It was approved by acclamation. The Chairman and secretary will work to set up a couple of days for the presentation, to be scheduled after the legislature is in session.

The Chairman asked for a subcommittee report from the Merit System/Collective Bargaining group. Niel Thomas stated that they did not meet because of the late notification of the November 9 meeting. They will meet at a later date.

Frank Flavin moved to abolish the subcommittee on Merit System/Collective Bargaining, because the merit system question could be addressed in another subcommittee. Chairman Ray disagreed. He stated that the legislature expects to be informed on that topic.

Discussion followed concerning the areas of responsibility of each subcommittee. The commission must be sure to cover all of the important topics.

A vote on Mr. Flavin's motion was taken and failed. The Merit System/Collective Bargaining subcommittee will stand as is.

Representative McKinnon reported on the Category of Employees subcommittee. They plan to first address the problem of temporary, seasonal, and part-time employees. He also expressed a concern about overlooking certain topics because of vague subcommittee assignments. Chairman Ray referred to the October 3, 1978, meeting minutes listing topics of concern for subcommittees. Because of the over-lapping of members on each subcommittee, he feels sure that the commission will be able to cover all necessary topics.

The meeting was opened to public speakers. Roger Thayer, Personnel Officer, Department of Transportation & Public Facilities spoke first. Mr. Thayer suggested that the personnel system be decentralized to some extent. Recruitment, certification, and classification are areas that individual departments could successfully take charge of. Departmental personnel offices could classify their own unique positions, thus increasing accuracy and eliminating Division of Personnel paperwork. Classification of general state-wide jobs could go through the Division of Personnel. He agreed with the concept of promotions within a department whenever possible and of hiring new people at entry-level jobs.

Discussion followed regarding the need for a person to be on several registers for classifications of the same type. Ken Kareen explained that it was necessary to operate that way because higher levels of the same type of job may require additional skills such as supervisory abilities, while placing less emphasis on technical skills.

The Division of Personnel's veto power over classification was discussed and seen as a problem. Many people see the division as impossible to work with, or through, because of the time involved.

Lynda McCurry explained that classification changes need to be looked at when a person has a change in responsibility. If you have a change in tasks, that may call for a re-classification. If you have a larger volume of work, that may call for an additional person at the same classification.

Danny Plotnik, Coordinator of the Office on Aging, addressed the commission next on the problem of workers in the federally-funded SCSEP Program being classified as temporary employees. He introduced Eileen Rehwald, who expanded on the problem. Several of her people have been terminated because of the time limitations on State temporary employees.

These employees, under the federal program, were still eligible for additional hours of work. Also, federal guidelines preclude labeling employees under the SCSEP Program. She introduced one of the employees affected by this problem, Luberta Escholt. Ms. Escholt appealed to the commission to try to do something that would help her and others in the same situation.

Chairman Ray directed the matter to the Classification of Employees subcommittee to look into establishing these as partially-exempt positions. The APEA will also look into this matter. There should be some work completed by November 30.

Mary McClinton was the next speaker. Mary presently has a case being considered by the Human Rights Commission. She was employed by the Department of Community & Regional Affairs, which reorganized its staff, and had been excluded from transfer to another job. She was the only member of the staff to be excluded. Even though she was among the top five on a large number of registers, she has not found another state job. She would like to see the system improved so that this does not happen to others.

Some discussion followed on related problems. Frank Flavin hoped that if Ms. McClinton was found to be qualified and was indeed discriminated against that some disciplinary action would be taken against those persons responsible.

LaRae Jones, Personnel Officer from the Governor's Office, spoke next. She commented on how little training there was in the state system to provide new employees with the technical training needed on the workings of the specific systems. There have been two training sessions since last May, but she felt there should be more. People could do their jobs more effectively if they didn't have to learn by trial and error.

Public participation ended.

Chairman Ray made additions to subcommittee memberships. Ken Spray, Niel Thomas, and Lynda McCurry were added to the Categories of Employees subcommittee. John Pugh was added to the Collective Bargaining subcommittee.

Chairman Ray reported that the Centralization/Decentralization subcommittee met, heard testimony, and will meet again.

Questions arose regarding the appropriate subcommittee for classification and hiring processes. The responsibility was given to the Centralization/Decentralization subcommittee. Niel Thomas asked if it would be possible to rename the committee. It was moved by acclamation that the subcommittee be renamed "Classification, Certification, and Recruitment".

Mr. Thomas asked whether the Commission needed to investigate the other classes of state employees; namely, partially exempt and fully exempt.

Mr. Spray stated that there are presently 253 vacant permanent positions in jobs covered by APSE members. He suggested that the situation be investigated.

Chairman Ray stated that the meetings would continue in the order given previously; the subcommittees followed by the full committee. Work will be given at least one week in advance of the meeting dates. Also, note that a quorum of eight people is not necessary to hold meaningful discussions.

Representative Eliason recommended that the "Merit Increase Paper" be referred to the Merit System/Collective Bargaining subcommittee. It was agreed.

Chairman Ray read correspondence received by the Commission from Loren Jones. The letter was referred to the Certification/Classification/Recruitment subcommittee.

Meeting dates were set for the next meetings in Anchorage. They are November 30 and December 1, 1978. All members will be notified of the meeting place and can receive a T.R. from Legislative Affairs.

The next meeting was tentatively set for December 12 and 13 in Fairbanks.

The meeting was adjourned at 4:00 p.m.

Members in Attendance:

Bill Ray
Don Fisher
B. B. Allen
Dick Eliason
Frank Flavin
Ken Humphreys (for Myrt Charney)
Ken Kareen (for Pat Hunt)
Lynda McCurry
Joseph McKinnon
Pat Murphy
Greg O'Claray
John Pugh
Ken Spray
Niel Thomas

BLUE RIBBON COMMISSION ON THE STATE PERSONNEL ACT
Full Commission Meeting
Juneau
November 16, 1978

ADDENDA

The following is an addenda to the Full Commission Minutes for the Blue Ribbon Commission hearing of November 16, 1978. The addenda was proposed by Ken Kareen, to be inserted on Page 2, as a substitute for Paragraph 5. The addenda was adopted at the Full Commission hearing on January 10, 1979:

Discussion followed regarding the need for an applicant to take different examinations when the job classes applied for are in the same class series (i.e., Accountant III, IV, V). Ken Kareen explained that different skills may be required and test contents emphasize those differences. Tests for a lower level job are concentrated on technical knowledge in aspects of the work, while higher level jobs in series make more demands on supervisory/management skills and knowledge, which are the subject of testing.

Also, Page 2, Paragraph 6, should read:

The Division of Budget and Management's veto power over classification studies was discussed and seen as a problem.

MINUTES

CATEGORIES OF EMPLOYEES SUBCOMMITTEE HEARING

November 16, 1978

The Subcommittee on Categories of Employees met at 9:00 a.m., Thursday, November 16, 1978, in Room 123 A of the State Capitol Building, Representative Joseph McKinnon, Chairperson, presiding.

Representative McKinnon suggested that the subcommittee identify short and long-term goals.

TOPICS IDENTIFIED

1. Use of Temporary Employees: The use of temporaries circumvents the merit system because departments are not required to hire from the register. Temporaries do not receive most state employee benefits and are therefore cheaper to employ. Departments can hire individuals as temporaries in order to allow them to fulfill experience or residency requirements and then hire them as permanent employees.
2. Contractual Employees: The same kinds of abuses (by-passing of tests, eligibility lists and minimum job qualifications) that occur in the use of temporaries can occur when departments contract out work that could be done by permanent employees.
3. Categories of State Employees: Is it appropriate for the state to have all of the categories presently in use--permanent full-time, permanent part-time, permanent seasonal, probationary, emergency, temporary and contractual?
4. Proliferation of Unique Job Classifications: Alaska has an excessive number of classifications when compared with other states having a similar number of state employees.
5. Equal Pay for Equal Work: Job categories which were created many years ago tend to be set at lower salary ranges than those created more recently, even though they may require the same kinds of training, experience and responsibilities. The salary ranges of some positions, such as secretarial, are tied to the salary range of the employee's supervisor rather than the requirements of the job.
6. Delays in processing applications to get on eligibility registers.
7. University of Alaska employees and court system employees are outside the state's merit system because of constitutional provisions.
8. Effect of the Rule of Five on Affirmative Action: Where EEO problems exist, affirmative action hiring can be accomplished by establishing EEO compliance as a justification for looking below the top five candidates.

9. The state's system of reclassifying positions.

SUGGESTIONS ON OPERATION OF THE COMMISSION

1. The Committee Structure: Care should be taken that problems are not overlooked because they fail to fall within existing committee structure. After more public input, the committee structure should be examined to consider modifications. Is the Merit System/Collective Bargaining Subcommittee necessary?

2. Adequate input from program managers who have particular knowledge of problems in the state's personnel system needs to be gathered. The Commission should consider preparing a questionnaire for distribution to state employees.

3. A crash course or dictionary on the terminology and paper flow in the personnel system for commission members. Staff will work on this.

JOB CATEGORIES IN THE STATE PERSONNEL SYSTEM

1. Trainees are generally employed in short term, probationary positions in which the employee involved is trained for a particular permanent job classification. Individuals employed under a federal program in which there is no assurance of continued funding (for example, the CETA program) are also classified as trainees.

2. Permanent seasonal positions are used where the job is needed for less than the full year, and departments concerned expect the individual to return to fill that job from year to year. For example, Fish & Game has salmon counters who are permanent seasonal employees. If the department does not expect to have the same individual returning to the job from year to year, then the department lists the job as a temporary position. The Personnel Division encourages departments to use the permanent seasonal category, but since there are adequate applicants for temporary jobs, departments with budget limitations will use the temporary category.

3. Emergency employees are appointed by some departments only where there is danger to life or property. Others will use an emergency appointment where it saves them money. An emergency appointment is authorized for 30 days with three one-month extensions possible. The employee does not have to meet the minimum qualifications, and the department can appoint to any job classification it wishes. Division of Personnel is notified of the appointment after it has been made. There are two categories of recurring emergency appointments: escorts for mental patients and for prisoners.

4. The temporary employee category was designed to meet the short-term needs of an agency. It can be used where a permanent position becomes vacant, and the agency needs to have someone to do the work during the selection process. Temporaries usually do only part of the work assigned to the permanent position.

A temporary position lasts for a period of six months with a possible three-month extension. Unlike emergency appointments, temporary employees must meet the minimum qualifications of the job class to which they are appointed, and the duties they are to perform must be consistent with the duties of that job classification.

The Division of Personnel does a post-audit of the departments temporary positions. Presently, the division examines about 10% of the positions. The division has the authority to remove a person improperly filling a temporary position. It gives notice to the department involved, and the department has two weeks to correct the error (for example, by reclassifying the position to one for which the holder has the necessary minimum qualifications), or to let the employee go.

In making temporary appointments, the department is not required to consult the register for the job classification. The Department of Health & Social Services is the only department that has a policy of hiring temporary employees from the register. A system could be established to accommodate a requirement that departments hire temporaries from the register, though it would require some time to ensure that applicants on the temporary register were willing to be considered for temporary positions and to speed up the process of providing registers to departments.

Sometimes departments are put in a position of having to use temporaries because of a delay in receiving federal funds. The department makes timely application for a program to the federal government indicating, for example July 1 as the starting date of the state program. The department gets no formal response from the federal government until August 15--45 days into the program's life. In order to get the program going quickly, the department hires temporaries immediately, rather than take additional time to advertise and screen applicants for permanent positions. The department may have received verbal assurances that the funding would be approved prior to receipt of the formal approval. It could therefore have gambled on formal approval being granted, and could have begun hiring for permanent positions to permit program operation as soon as federal funds were received. However, if the federal money did not appear, the state would have to pay for salaries it had not intended to finance. Emergency appointments are not used in the same way, as an alternative to permanent appointments.

Mr. Thomas suggested that the use of emergency appointments could be expanded, but the requirements for temporary appointments should be tightened. If an agency had a vacant secretarial position, it could hire someone instantly for the five days it would take to hire a secretary from the register.

APEA has gathered information on the use of temporaries by the state, which show that many of the needs temporaries are

filling are permanent needs, either seasonal or full-time. Pat Murphy presented the following data:

	<u>TOTAL # OF TEMPS</u>	<u>DEPT. OF FISH & GAME</u>	<u>DEPT. OF LABOR</u>
July, 1978	1,701	522	93
July, 1977	1,863	508	158
July 1976	1,887	500	112

In answer to a question about whether those needs are year-long or seasonal, Mr. Murphy provided the following figures:

	<u>TOTAL # OF TEMPS</u>	<u>DEPT. OF FISH & GAME</u>
November, 1977	1,146	163
November, 1976	1,196	177
November, 1975	1,148	109

Mr. Murphy asserted that the Department of Fish & Game appears to have a recurring need for some 500 to 525 permanent employees each summer, and the Department of Labor some 100 to 150 permanent employees.

Mr. Kareen pointed out that a temporary position stays on the payroll, whether or not it is filled by an employee, until the department fills out papers indicating that position is no longer needed. Wages are drawn only according to the time sheets turned in to the Division of Finance. Mr. Murphy indicated that his figures were not checked for whether the position was actually filled.

Mr. Murphy stated that he had no problems with managers having discretion to hire temporaries for 45 to 60 days, but did have problems with 6 to 9 month terms.

Mr. Kareen asked whether there was anything that precluded APEA from negotiations on the length of time of a temporary position. Mr. Murphy explained that Mr. Hunt held the position that the length of temporary employment was statutory, and therefore non-negotiable.

PUBLIC TESTIMONY

Eileen Maki, a Public Health Nurse I (PHN I) working at the Juneau Health Center, spoke. She identified problems of concern to PHN's.

1.) Classification: At present, Public Health Nurse I's are classified at Range 14, Public Health Nurse II's at Range 15, and Public Health Nurse III's at Range 17. Public Health Nurse Trainees are at Range 12. In February, 1978, the Chief of the Section of Nursing requested that all PHN's prepare P402's describing their duties and justifying reclassification of those positions to higher salary ranges. The deadline for delivering the P402's to each nurse's supervisor was March 17. The forms were reviewed, and in early April, they were sent to the Section of Nursing for further review and for the development of a uniform job description for each job class. They apparently remained in the Section of Nursing for about six months, until the end of October or the beginning of November.

On November 3, Ms. Maki and another PHN I from the Juneau Health Center, Constance Trollan, met with Mike McMillan, a Personnel Analyst with the Division of Personnel. Mr. McMillan told them that he had just received the requests for reclassification and that he would not be able to perform his evaluation until after the Division of Budget & Management had identified funding for the potential increase of the Health & Social Services budget.

At the November 3 meeting, Ms. Maki and Ms. Trollan discussed with Mr. McMillan the discrepancy between the salary ranges assigned PHN's and those assigned other positions in state employment, such as institutional nurses. In particular, they questioned Mr. McMillan about the classification of Physician's Assistants to Range 17, while PHN I's are at Range 14.

The justification for classifying Physician's Assistants reads, in its entirety:

This new class aligns internally with the class of Associate Attorney I at SR-17. It also aligns with SR-17 pay-wise for similar jobs in private industry. (Memo from Daniel H. Morrissey, Chief, Classification and Employee Development, Division of Personnel & Labor Relations, and Lee Antrim, Personnel Analyst, April 15, 1976)

Mr. McMillan checked the PHN files kept by the Division of Personnel for a classification analysis for PHN I's to compare with that of the Physician's Assistant. Apparently, none exists, since Mr. McMillan was unable to find one.

Ms. Maki explained the educational and training requirements for PHN I's and Physician's Assistants. A PHN must have a B.A. in Nursing from a school accredited by the National League of Nursing, with course work in the public health field. She or he must be licensed as a Registered Nurse by the State of Alaska. A PHN is authorized to practice within her area of expertise without the supervision of an M.D., including diagnosis and treatment of some conditions. In addition, she or he is responsible for nursing kinds of care for some of the patients, beyond the responsibilities of Physician's Assistants. Physician's Assis-

tant is required by the state to have a Certificate of Competency from an Physician's Assistants Program. The state does not examine the source of the certificate to evaluate its program nor is a college degree required. Some have been military medical programs, others have more extensive training. The state does not have an examination and licensing program for Physician's Assistants, as it does for Registered Nurses. Physician's Assistants are allowed to diagnose and treat conditions within the level of their training and are required to be supervised by an M.D.

Some discrepancy in range assignments may result from the fact that the PHN classification has existed since statehood, while the Physician's Assistant classification was only recently created. Of more concern is the fact that apparently all of the Physician's Assistants employed by the state are men, and all of the PHN's are women.

2. Career Ladder: At present, there is no career ladder in the PHN's field, since there are only a limited number of supervisory positions and the itinerant PHN is located only in rural areas. To advance beyond the PHN I level, an employee is forced to relocate.

The Trainee position cannot be considered an entry-level position for PHN I, since advancement to that level requires a B.A. with public health course work. Experience cannot be considered a substitute.

There is a PHN Trainee in Ketchikan who has just completed a training program in Women's Health Care, but despite the added skill she brings to her job, she remains a PHN Trainee because she lacks a four-year degree.

COMMITTEE DISCUSSION

1. Reclassification procedures: Mr. Kareen explained that the Division of Personnel policy requiring identification of funding sources before proceeding with a review of the reclassification requests was established when Joe Henry was Commissioner of the Department of Administration. Because of the magnitude of the reclassification of PHN's, the Division of Personnel can only proceed after it receives approval from the Governor's Division of Budget & Management, which will first get approval from the department in question. This ensures that the Governor is informed of the fiscal impact of proposed changes. Given its present level of staffing, the Division of Personnel can only afford to do a limited number of reclassification studies, and this system provides some insurance that those on which further action will be taken receive priority. The Division of Personnel does not have the authority to change this system unilaterally.

A member of the audience pointed out that a budget document justifying the requested reclassifications should be prepared by the department and sent with the P402's to the Division of Per-

sonnel for transmittal to the Division of Budget & Management and that if this were not done, that Budget & Management might refuse to act. Mr. Thomas pointed out that in private industry, this kind of insistence on paper flow would not hold up a valid personnel action.

Representative McKinnon asked whether a department could reclassify a position to become effective at the beginning of the next fiscal year if funding were approved by the legislature. Mr. Murphy answered that that was proposed for the position of Pioneer Home Aides, but the Commissioner of Administration refused to allow it.

It was proposed that the system be changed to provide that the Division of Personnel have the responsibility for initiating reclassifications where inequities exist. Personnel should make its recommendations to the Division of Budget & Management, which would have the responsibility for identifying funding needs. If Budget & Management determined that sufficient funds were not available in the department, then it would prepare a supplemental appropriation for submission to the legislature. Once the Division of Personnel decides that a reclassification is valid, the those positions should have to be appropriately reclassified.

At a minimum, the Division of Personnel should make recommendations on all reclassification requests submitted to it so that the Division of Budget & Management has sufficient information on which to make its decision. APEA has found a number of instances in which Budget & Management refused to ask for additional funding for what were valid reclassifications, and therefore, the legislature was never presented with the question on funding for its consideration.

2. Potential State liability for failure to reclassify: If the PHN's of the state choose to bring suit under the Federal Equal Pay Act, the state would face a potential liability in the neighborhood of \$2.5 million. Assuming 50 PHN's at Range 14 earn an average of \$20,000 annually, the total present salary of PHN's is \$1 million. If PHN's were reclassified to Range 17 (the Physician's Assistant range) averaging \$26,000 annually, the total salaries would be \$1.3 million. The Federal Equal Pay Act allows consideration of the salary levels of the past two years, and if the plaintiff/employee proves willful misconduct, damages may be awarded for the past three years. In addition, the court may award attorney's fees and interest to successful litigants. In some cases, attorneys will work on a contingent-fee basis. Instead of charging clients by the hour for time spent on the case and requiring payment as the case progresses, an attorney will charge clients a predetermined percentage of the judgement in the event the case is successful. This enables clients who cannot afford to pay attorney's fees in advance to bring suit.

The state should recognize that there is a chance that if suit were brought, the state could lose. In private industry, that kind of potential liability is enough to cause the employer to ensure that appropriate changes are made so that the employees affected do not choose to sue.

One of the reasons that the state does not respond in the same manner is the budgetary system of paying for judgements. Payment for judgements against the state is proposed by an Attorney General's bill, which the legislature rarely scrutinizes. On the other hand, increased funds for reclassifications of positions within a department become part of the department's operating budget, which the legislature may examine and question in some detail. The system therefore makes it easier to pay a more expensive judgement than for the department to act on its own initiative at a lower overall cost.

Pat Murphy pointed out that the legislature appropriates money for permanent positions (PCN's) as part of the general appropriation. Therefore, permanent positions do not decrease the funds available for departmental programs. However, temporary positions are not part of that general appropriation, and funding for temporary employees may have to come from program funds.

3. Legislative budgetary process: Representative McKinnon noted that the House automatically, in most instances, adds the necessary funds for reclassifications to the maintenance budget. Legislative oversight should not hinder valid reclassifications.

Senator Ray cautioned that a decision by a department to reclassify positions does not bind the legislature to fund all of those positions. The legislature cannot reclassify the positions, but it can refuse to fund some of them, causing the department to have to decrease the number of its employees in order to pay the increased amount.

4. Letter to the Governor: Representative McKinnon, as Chairperson of the subcommittee, will write Governor Hammond requesting his position on the reclassification difficulties experienced by the PHN's. The staff will assist in drafting the letter.

5. Future subcommittee meetings: The next subcommittee meetings will focus on temporary employees. Later meetings will consider the reclassification question.

IN ATTENDANCE

Senator Bill Ray
 Representative Joe McKinnon
 Ombudsman Frank Flavin
 Niel Thomas
 Linda McCurry
 Ken Kareen (for Patrick Hunt)
 Patrick Murphy
 Darlene Howard (Alternate for Patrick Murphy)
 Ken Humphreys (for Myrt Charney)

MINUTES

CLASSIFICATION, CERTIFICATION & RECRUITMENT SUBCOMMITTEE HEARING

November 15, 1978

The Subcommittee on Classification, Certification & Recruitment met at 1:30 p.m. on Wednesday, November 15, 1978. Chairman Bill Ray opened the meeting to public testimony.

CENTRALIZED PERSONNEL OFFICERS

Fred Cook, a member of the Confidential Employees Association, spoke on behalf of the Association. A poll of its membership showed that the personnel officers of the state believe that the personnel functions of the state should not all be placed in the Division of Personnel. Reasons given were that the Division of Personnel regulates rather than provides services and that personnel officers employed directly by the Division of Personnel would be seen by the departments in which they worked as outsiders, owing no loyalty to the department. They would therefore be less effective in working with the departmental planning process and meeting departmental staffing needs.

Lynda McCurry spoke of her experience as a personnel officer employed by the Division of Personnel and placed in a department from 1973 to 1975. She found that there was considerable friction between the commissioner of her department and the Director of Personnel about her role. Others in her department looked upon her as an outsider, and the expectations about her duties were unclear. The stormy relationship between her department and personnel, partly caused by personality problems, led to an extensive contract being written about her position.

Under the existing system, personnel officers should be placed directly under the head of the agency in which they are working, so that they have the base of authority to operate effectively. The relationship between Personnel and personnel officers needs to be changed.

Senator Ray asked Mr. Kareen for the Division's problems with the decentralization of personnel officers. The problem is in having a personnel officer provide adequate information to the Division for the action which needs to be taken. Although the Division tries to rely on personnel officers, sometimes they have to meet with program managers to get accurate information. If the information is inadequate or incorrect, then the personnel analyst may have to return the forms to the department in question to be redone, causing considerable delay. In response to a question of whether the Division of Personnel entered into the departmental grievance collective bargaining process, Ms. McCurry's answer was negative. They had overturned an agreement which she had negotiated, however.

TEMPORARY HIRING

Mr. Kareen explained that each department has the authority to establish job qualifications and to hire whomever they wish, provided

that the employee meets the minimum qualifications for that job class, and that Alaska hire laws are complied with. Division of Personnel audits a certain number of the temporary positions after the department has acted to ensure compliance.

CLASSIFICATION

Ms. McCurry told the committee that at present the final decision on the classification of a particular position is made by the Division of Personnel. Normally, the Division can process the papers to create a new position within two days after receiving them from the department. The classification is made by a personnel analyst after reviewing the department's recommendations. She suggested that decisions about classification of unique job classes and recruitment for open positions within them become the responsibilities of the department concerned. All decisions should be made in full compliance with the merit principles of the state. General job classes should remain the responsibility of Personnel.

The commissioner of a department has the authority to abolish a particular job within the department and contract out the work, without review by the Division of Personnel. Should the commissioner decide to increase the salary range of an employee of the department, then the Division of Personnel has and should retain a reviewing and controlling role.

The Division of Personnel puts first priority on the classification of new positions, and second on reclassifications of existing jobs. Last upon their list is the updating of duties on existing jobs. All departments should review the requirements of each job every two or three years to determine whether the position should be reclassified because the duties have changed.

Frank Flavin told the committee that the Ombudsman's office has found two major problem areas: isolated instances of individual abuse which need attention, and frustration with the time consumed in going through the Division of Personnel which leads program managers to cut corners. In addition, the Division is so occupied with day to day functions, it is incapable of devoting time to its audit functions.

DELEGATION OF PERSONNEL FUNCTIONS TO DEPARTMENTS

Phyllis Woodman, Personnel Officer for the Department of Education, told the committee of the system her department uses. Staff from the department worked with the Division of Personnel to learn how to evaluate applications for the unique job classes within their department. Division of Personnel collects applications for those job classes and then sends them to the department. It takes a day or two for the department to evaluate, score and rank them. They are then returned to the Division of Personnel for inclusion on the eligibility register. New listings appear on the division's computer within five to seven days. Division of Personnel audits the department's work to ensure compliance with the merit system. Mr. Kareen pointed out that this system is available to other departments, should they choose to learn how to do it, but that Division of Personnel is responsible for insurance that the merit system principles are adhered to, and therefore that training is necessary.

Ken O'Donnell, Personnel Officer from the Department of Health & Social Services, told the committee that when Health & Social Services tried handling classification and certification for the 150 unique job classes, they found that they did not have the staff to properly handle the volume of paper and therefore they no longer use that system, except for a few laboratory and nursing assistant positions. Health & Social Services has a large number of employees and a high rate of turnover in some classes. The system used in the Department of Education would only work if the staffing in Health & Social Services was increased. The department has not had problems in making changes in its 150 unique job classes through the Division of Personnel.

Mr. O'Donnell stated that he believes that the job of personnel officer belongs within the departmental structure and that it is important for the personnel officer to have ready access to the commissioner of the department. Otherwise, too much pressure can be generated by program managers.

Roger Thayer, Personnel Officer with the Department of Transportation and Public Facilities, spoke. He indicated that Commissioner Harris of the Department of Transportation and Public Facilities favors the complete decentralization of personnel functions, with all decisions left to the individual department. Mr. Thayer, himself, favors decentralization of some personnel functions. The Department of Transportation and Public Facilities presently handles recruitment, examination and certification in more than 50 job classes which are unique to that department. Division of Personnel establishes minimum qualifications for those positions. If experience shows that the minimum qualifications either screen out all applicants by being too stringent, or fail to screen out applicants who lack the necessary skills, then the department asks the Division of Personnel to change the minimum qualifications, and the department regrades those applications in the job class. Some controls need to be kept on a department's use of redefinition of minimum qualifications to avoid abuse.

ELIGIBILITY LISTS

Ms. McCurry indicated that the major problem with the hiring process is the time it takes an applicant to get on the eligibility list. Mr. Kareen said that being put on a register can take from 10 days to 8 or 9 weeks. Evaluation of work experience and education takes longer than grading the tests given by the department, although time for notification of examinations adds to the time required for those positions tested.

The Ombudsman's office receives complaints that the eligibility lists sent to departments are irrelevant--either the list is too long to be useful or it lacks people with the qualifications to do the job.

Ms. McCurry said that the time that it takes a department to receive a list of eligibles is short, although in the case of clerical registers, the lists are usually out of date, due to failure of the people on the list to advise the Division of a change in address or status.

Mr. Thayer said that because the Division of Personnel lacks ade-

quate staff, there is little coordination between program managers and the Division on establishing criteria to analyze the applications for a particular position. That problem would be resolved by delegating responsibility for hiring in unique job classifications to the individual departments. Ms. McCurry added that even if the department did not become solely responsible for rating applicants, that when there is a difference between the department and the division about the rating for a particular candidate in a unique job class, the department should make the final decision.

Mr. Spray stated that if an applicant uses the "magic words" in detailing his past experience, the Division of Personnel will rate that applicant much higher than someone with the same experience who hasn't used those key words.

The Ombudsman's office receives complaints from people who have been in the top 5 on the register for some time and have never been considered for a position.

The Human Rights Commission has found that minority applicants for state jobs have been having difficulty in actually being hired. Minority applicants are frequently found in the middle of the register and therefore, departments who are required to hire from the top five do not have an opportunity to consider them for open positions.

Mr. Flavin asked whether there was a meaningful distinction between the top five and the top ninety-five on the common job class registers. Mr. Thayer indicated that for the most part, the distinction is artificial. Mr. Flavin suggested that the Division of Personnel should select those applicants who are generally qualified, without ranking, so that more time could be spent on other division functions. Mr. Kareen pointed out that where a particular job takes unique skills, the supervisor can select someone from below the top five, provided that a written justification is filed. For example, in data processing there are a number of different machines, languages and systems. If the top five on the register do not have a background in the particular system in use, the the supervisor can look lower on the list for someone who does. Mr. Thomas pointed out that this system can also be used to address affirmative action, where a department has been found to have a problem in that area.

Mr. Thayer related that the Department of Transportation and Public Facilities does not use this selective certification system, although it had been used in the past. There had been problems, and the practice was dropped. Most of the department's positions are filled through promotions rather than through hiring new people, so the limitation on considering the top five has not been a problem. People on the promotional list are not counted when the top five are indicated.

Mr. Flavin suggested that the Division of Personnel should audit the use of promotional lists for hiring to ensure compliance with the merit principles of the state.

There was discussion about the requirement that applicants take

the examinations for each level in a job class such as secretary or accountant. Mr. Kareen explained that one reason the state requires tests at each level is to provide a fair system for ranking candidates at lower level positions. Studies have shown that when switching to different levels, there is no consistent grouping of higher-level applicants. Further, lower levels in a job class may require more extensive technical knowledge, while the higher, supervisory level will require more managerial and supervisory skills. This is true, for example, with the positions of Accountant III and Accountant IV.

Many job applicants with the state expect to eventually be hired, once they have been placed on a register. They become upset when others, lower on the list, receive jobs before they do. Confusion may result from thinking of the register as a union-hall hiring list, although the Division of Personnel provides information explaining what being on the register means. In addition, a number of the higher level jobs within a class are filled by promotion, limiting those people who are considered and hired from the register.

RURAL RECRUITMENT AND HIRING

Representative Sally Smith addressed the committee from Fairbanks through the teleconferencing system. She pointed out that, at the regional level, the state personnel system functions even less quickly than in Juneau. Some personnel actions are routed through Anchorage offices before reaching Juneau for a decision. Job specifications may not reflect the skills needed to do the work in the regional office and therefore, the list of eligibles provided will be inappropriate.

For filling positions in the bush areas, the minimum qualifications become a more severe problem. Frequently, the educational requirements in the minimum qualifications preclude hiring someone who could do the work lacking the formal education specified. More emphasis should be placed on knowledge of the immediate community and its needs, with less emphasis on education in writing specifications for rural jobs. Recruitment of candidates for particular jobs could be handled on a decentralized basis, provided the Division of Personnel maintained an active auditing role to guard against favoritism.

Rep. Smith also said that being removed from central departmental decision-making causes other problems. While she was working for the Department of Community and Regional Affairs, she tried to fire an unsatisfactory employee. She was required by the department to schedule an interview between the employee and the department's personnel officer. The personnel officer did not come to Fairbanks until after the employee's probationary period had ended.

ALASKA PUBLIC SERVICE EMPLOYEES HIRING

The APSE contract with the state affects the procedures for hiring their members. When there is a vacancy, the union is notified of the position and the skills required. They search their membership list and then send over the next person on their list who is qualified for