

## LETTER OF AGREEMENT PAY EQUITY

This agreement is between the State of Oregon, acting through its Department of Administrative Services (Employer) on behalf of the Agencies covered by this Letter of Agreement (Agreement) Oregon Department of Transportation, Oregon Department of Forestry, and Oregon Parks and Recreation Department (Agency) and the Association of Engineering Employees of Oregon (Association).

The purpose of this Agreement is to provide procedures to implement unscheduled pay equity adjustments consistent with Oregon law, and, to identify the appeal procedure to have Agency or Employer decisions concerning pay equity reviewed.

The parties agree to the following:

1. **Application to Current Employees:** The Employer, an Agency Head or designee (with CHRO approval) may provide an unscheduled salary step increase to correct a pay inequity between employees who perform work of a comparable character and are similarly-situated based on relevant factors, identified in Oregon law [ORS 652.220(2)] by which individual employees may be compensated differently. Unscheduled salary step increases may be initiated by:
  - a. Periodic statewide equal pay analysis processes;
  - b. Employee request, and,
  - c. Agency identified inequity.
2. **Application to Returning Employees (including but not limited to reemployment and return from layoff):** An Agency Head or designee may offer a greater rate of pay than prescribed in the applicable labor agreement when the Agency identifies a pay inequity between employees in the same classification who perform work of a comparable character.
3. If an Agency plans to grant an unscheduled salary step increase to an employee(s), the Agency shall first forward the recommendation to CHRO, Classification & Compensation for review and analysis. The CHRO shall approve or disapprove the recommendation and shall provide a written response back to the Agency. If approved, the Agency may take action to implement the pay equity adjustment.
4. An employee may request a pay equity review by submitting a written request to the Agency Human Resource department. The Agency Human Resource department shall review the merits of the request based on the relevant factors and issue a decision in writing within sixty (60) days, unless an extension of time is mutually agreed to in writing.
5. Pay equity adjustments are generally effective the date an employee made a written request to the Agency, or the date the Agency submitted a request to DAS Classification and Compensation, whichever is earlier.

6. In the event an employee receives an unscheduled salary step adjustment for any of the reasons identified in Section 1, the employee's salary eligibility date shall remain the same.
7. Agencies shall retain all documents pertaining to decisions involving pay equity.
8. If the employee meets with the Agency or Employer, the employee may request and obtain Association representation.

**9. Appeal Procedure – Agency-Level Pay Equity Decisions**

- a. If an employee wishes to appeal an Agency's pay equity decision, the employee, or Association on the employee's behalf, shall submit a completed Pay Equity Appeal Form to the Agency Head (or designee), as identified in the collective bargaining agreement, within fifteen (15) days of receipt of the Agency's decision. The Agency shall respond to the appeal within thirty (30) days of receipt of the appeal to the employee or the Association on the employee's behalf. The appeal must be based on one or more of the factors listed in ORS 652.220(2) and the compensation of other employee(s) performing work of a comparable character, to the extent it is known by the employee or the Association on the employee's behalf.
- b. If the employee disagrees with the Agency's decision, the employee, or the Association on the employee's behalf, may submit a written appeal to the Department of Administrative Services Labor Relations Unit (LRU) at [LRU@oregon.gov](mailto:LRU@oregon.gov) within fifteen (15) calendar days of receipt of the Agency's decision. The employee, or the Association on the employee's behalf, shall forward all written documents previously submitted to the Agency as part of the appeal. The appeal shall identify what factors, as outlined above, the Agency did not properly consider. LRU shall respond to the appeal in writing within thirty (30) calendar days.
- c. Pay equity appeal decisions are not subject to arbitration. However, nothing in this Agreement precludes the employee from submitting a claim to the Bureau of Labor and Industries (BOLI) in accordance with BOLI's administrative rules or pursuing other legal recourse. The timelines for filing with BOLI or pursuing other legal recourse apply regardless of whether the employee appeals the decision under this Agreement.
- d. For purposes of Agency-level pay equity decisions only, the appeal procedure in this Agreement replaces the grievance procedure outlined in the applicable labor agreement covering the employee.
- e. The Employer and Association may agree to extensions of time in this Agreement upon mutual agreement in writing.

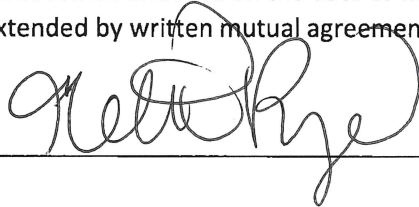
**10. Appeal Procedure – "DAS Statewide Equal Pay Analysis" Decisions**

- a. An employee, or the Association on behalf of an employee, may appeal the Employer's decision concerning the employee's salary that resulted from a statewide equal pay analysis. The appeal must be based on one or more of the factors listed in ORS 652.220(2) and the compensation of other employee(s) performing work of a comparable character.

- b. An appeal of the Employer's equal pay analysis decision may be filed by sending a completed "DAS Pay Equity Appeal Form" via electronic mail to [CHRO.CNC@Oregon.gov](mailto:CHRO.CNC@Oregon.gov) no later than 11:59 PM, PST on February 28, 2019. The Employer shall respond with a decision regarding the employee's appeal no later than June 30, 2019, unless an extension of time is mutually agreed to in writing.
- c. The timelines for filing with BOLI or pursuing other legal recourse apply regardless of whether the employee appeals the Employer's decision under this section.
- d. Pay adjustments made as a result of accepted appeals shall be made retroactively to January 1, 2019.
- e. To be eligible to file an appeal of the "DAS Statewide Equal Pay Analysis" decision, an employee must have been employed by a State executive branch agency as of December 31, 2017 and completed the equal pay analysis survey administered in calendar year 2018. Employees who do not meet these eligibility requirements may pursue an appeal through Section 9 of this Agreement.
- f. Employees at the top step of the salary range assigned to their job classification on or before January 1, 2019 are not eligible to file an appeal.
- g. The Employer shall notify an employee, or the Association on the employee's behalf, of the outcome of the employee's appeal.
- h. If the employee disagrees with the Employer's response, the employee may submit a claim to the Bureau of Labor and Industries or pursue other legal recourse. Pay equity appeals are not subject to arbitration.
- i. For purposes of this agreement only, the appeal procedure in this agreement replaces the grievance procedure outlined in the applicable labor agreement covering the employee

11. This agreement becomes effective on the date of the last signature below and expires June 30, 2021, unless extended by written mutual agreement by both Parties.

FOR THE EMPLOYER:



DATE:

12/20/19

FOR THE ASSOCIATION:



DATE:

12-20-18