LETTER OF AGREEMENT - Pay Equity Adjustments

This Agreement is entered into by the State of Oregon, acting through its Department of Administrative Services, Labor Relations Unit (Employer), on behalf of the Agencies covered by this Agreement (Agency) and the AFSCME Council 75 (Union).

This Agreement applies to all of the Union’s bargaining units inside of the executive branch of state government.

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 for Agency or Employer decisions concerning pay equity reviews.

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 Revised Statute [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 (appeal process section 10)
   (b) Employee request (appeal process section 9)
   (c) Agency identified inequity (appeal process section 9)

2. Application to Returning Employees (including but not limited to reemployment and return from layoff): An Agency Head or designee may offer a higher step 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 Agency 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 Pay Equity Review Request Form 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 written decision within sixty (60) calendar days, unless otherwise mutually agreed upon in writing.

5. Pay equity adjustments are generally effective on 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 and CHRO 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 Union representation.

9. Appeal Procedure Agency-Level Pay Equity Decisions
If the employee disagrees with the Agency’s decision the employee may submit a written appeal to the Department of Administrative Services Labor Relations Unit (LRU) no later than fifteen (15) calendar days from receipt of the Agency’s decision. The employee shall forward all written documents as part of the appeal. The employee shall identify the factors outlined in ORS 652.220(2) the Agency did not properly consider. The Department of Administrative Services Labor Relations Unit (LRU) shall respond to the appeal in writing within thirty (30) calendar days.

Pay equity appeals 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 section.

For purposes of this Agreement only, the appeal process in this Agreement replaces the grievance procedure outlined in the applicable labor agreement covering the employee.

The Employer and Union may agree to an extensions of time in this Agreement upon mutual agreement in writing.

10. Appeal Procedure – DAS Statewide Equal Pay Analysis Decisions

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).
An appeal of the Employers’ equal pay analysis decision may be filed by sending a completed DAS Pay Equity Appeal Form via electronic mail to CHRO.CNC@das.Oregon.gov no later than fifteen (15) calendar days from the date the employee receives notification of the equal pay analysis results. The Employer shall make a good faith effort to respond with a decision regarding the employee’s appeal within one hundred and twenty (120) calendar days.

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.

Pay adjustments made as a result of accepted appeals shall be made retroactively to January 1, 2022.

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 July 1, 2021. Employees who do not meet this eligibility requirements may pursue an appeal through Section 4 of this Agreement.

Employees at the top step of the salary range assigned to their job classification on or before January 1 2022, are not eligible to file an appeal.

The Employer shall notify an employee in writing of the outcome of the employee’s appeal, including reasons for the decision.

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.
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, 2023.

For the Union:  
AFSCME  
Taed on 7/27/2021

For the State:  
DAS Labor Relations  
Taed on 7/27/2021