

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 agreement (Agency) and SEIU Local 503, OPEU (Union).

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. This Letter of Agreement shall supersede LOA 27.00-18-310.

The parties agree to the following:

1. **Application to Current Employees:** The Employer, an Agency Head or designee (with Chief Human Resource Office (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 any of the following processes:
 - a. Periodic statewide equal pay analysis processes (to take place at least every three (3) years;
 - b. Employee request, and,
 - c. Agency identified inequity.
2. **Application to Returning Employees (including but not limited to reemployment and return from layoff):** When the Agency identifies a pay inequity between employees in the same classification who perform work of a comparable character, an Agency Head or designee shall offer a greater rate of pay than prescribed in Article 29 – Salary Administration.
3. If an Agency seeks to grant an unscheduled salary step increase to an employee, 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 shall 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 written decision within sixty (60) calendar days, unless otherwise mutually agreed to 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 regarding pay equity, the employee may request and obtain Union 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 Union 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) calendar days of receipt of the Agency's decision. The Agency shall respond to the appeal within thirty (30) calendar days of receipt of the appeal. The appeal must be based on one or more of the factors listed in ORS 652.220(2) and the compensation of other employees performing work of a comparable character.
- b. If the employee disagrees with the Agency's decision, the employee, or the Union on the employee's behalf, may submit a written appeal to the Department of Administrative Services Labor Relations Unit (LRU) fifteen (15) calendar days of receipt of the Agency's decision. The employee, or the Union on the employee's behalf, shall forward all written documents as part of the appeal. The employee shall identify what factors, as outlined above, 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.
- c. 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.
- d. 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.
- e. The Employer and Union 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 Union 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 employees 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 no later than 11:59 PM, PST on February 28, 2019. The employer shall make a good faith effort to respond with a decision regarding the employee's appeal no later than June 30, 2019. Upon notice to the union, the employer may extend the June 30, 2019 deadline.

- 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 in writing of the outcome of the employee's appeal, including reasons for the decision.
- 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, 2019.

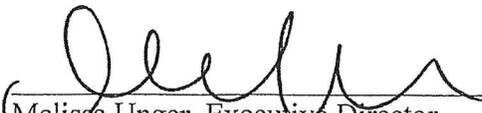
FOR THE EMPLOYER:



Nettie Pye, State Labor Relations Manager
Department of Administrative Services, LRU

Date 1/14/19

FOR THE UNION:



Melissa Unger, Executive Director
Service Employees International Union, Local 503, OPEU

Date 1/14/19