



**THE ORGANIZATION OF NYS  
MANAGEMENT CONFIDENTIAL EMPLOYEES**

An Affiliate of OPEIU Local 153, AFL-CIO

5 PINE WEST PLAZA • SUITE 513 • ALBANY, NEW YORK 12205-5587  
TELEPHONE: (518) 456-5241 ~ 1-800-828-OMCE ~ Fax: (518) 456-3838

**OMCE Testimony**

Joint Legislative Budget Hearing on Workforce Development

January 31, 2022

On behalf of the members of the Organization of NYS Management/Confidential Employees (OMCE), I thank you for the opportunity to discuss our concerns with Governor Hochul's Executive Budget proposals related to the State workforce.

While there are several areas of the Budget that concern us, there is a single, common thread that runs through each of these concerns: that is the need for fair and equitable treatment of Management/Confidential (MC) employees and retirees.

Management/Confidential employees, by State Law, are unable to join a union for collective bargaining, and therefore MCs are not protected by contracts. As a result, they have frequently been treated differently, and not to their advantage. OMCE is their advocate, their representative, and their collective voice.

The majority of MCs are civil servants who obtained their positions through competitive examination and who work alongside their union-represented co-workers in institutions, facilities, and agencies. MC employees often share the very same titles with their PEF and CSEA colleagues, differentiated from them only by the need for those working in certain areas, such as human resources, labor relations, negotiations, and budgeting, and those working in a confidential position to managers in these fields, to be designated MC. They are not the high-level appointees some imagine.

**Equal Treatment in Pay:**

The highest priority for MC employees is to be treated with the same sense of value, worth, and respect afforded their union counterparts in matters of salary. We all understand and appreciate shared sacrifice in the wake of the COVID-19 pandemic and that means, to any objective party, that everyone shares in belt-tightening until the fiscal climate improves. Salary Increase Deferrals from 2020 impacted all employees, unionized and non-unionized. MC employees were not, however, treated fairly or equitably. While the 2% promised general salary increases for both union and MC employees were withheld, tens of thousands of union employees received their longevity payments and their performance advances. But not a single MC employee received a longevity payment or a performance advance! Although these

**\*Over 37 Years of Outstanding Management Committed to Excellence\***



longevity payments and performance advances were retroactively paid in 2021, the 2% withheld salary increase was paid only to union-represented employees, but not to MC's.

And please note that:

- Longevity payments are given to unionized employees at **all** salary grade levels, from Grade 1 through 37. MC's receive longevity payments only for those in Grades 1 through 17. These MC employees are the clerical, secretarial and administrative support jobs that are predominantly held by female employees. This withholding, either intentionally or not, shamefully targeted working women.
- Performance Advances are scheduled incremental increases from a hiring level salary over the first six years of service to reflect their advancement in job skills and abilities. It is a promise that with satisfactory performance, an employee's salary will grow within the grade's salary range. Appointees do not obtain these payments; these modest payments are made to career civil servants.

Together these actions contribute to the inequitable compensation of MC employees compared to union-represented employees. Keep in mind that MCs only constitute 6% of the State workforce, and monies "saved" by withholding salary increases, performance advances, and longevity payments do not significantly impact the State budget, but the negative impact on the dignity and morale of MC employees who have been yet again singled out for disparate treatment cannot, in conscience, be justified.

The impact of disparate treatment in matters of salary extends beyond MC's being "left behind" for their April 2020 longevity payments and performance advances. Longevity payments routinely given to tens of thousands of unionized State employees are not extended to MC employees above Grade 17. Creation of longevity payments for MC employees Grades 18 and above would resolve that glaring disparity.

Every year the Civil Service Workforce Report clearly demonstrates the salary compression between MC employees and their subordinates, causing numerous and damaging consequences to the most efficient management and provision of services to our NYS citizens.

The first steps to rectifying this is to:

- A. Implement the same longevity pay program currently applied to CSEA and PEF represented employees to their MC co-workers

- B. Desist from withholding salary increases, and other benefits to MCs when such is not withheld from union-represented employees.
- C. Passing legislation that guarantees that general salary increases, longevity payments, and performance advances made to unionized employees are equally made to MC employees! - **S 5727/A 6532.**

### **Equal Treatment in retirement:**

In 2018 MC employees still on the payroll received the last 1% of the 7% salary increases withheld in 2009 & 2010. Two percent increases had been paid retroactively to MCs in 2015, 2016, and 2017. While MC employees who were still working received the cumulative 7% payment, MCs who retired between 2009 and 2017 have received none or only some portion of the 7% salary increase that was withheld in 2009 and 2010, depending on the timing of their retirement.

We believe these retirees have been treated unfairly and over the years we have presented a number of different proposals to provide them some relief. Please remember: these retirees are negatively impacted in the following ways:

- Permanently lost wages, which in turn resulted in:
- Permanently reduced state Pensions,
- Reduced cash value of sick leave used to pay for health insurance in retirement.

As a matter of fairness, we ask that our retirees receive the modest payments that we propose - **S 2866/A 4885.** These payments represent only a fraction of the losses that the retirees have incurred:

- 1) Each MC retiree whose 2009 & 2010 salary increase was withheld shall receive a \$70 dollar per month rebate for every month of withholdings from April 1, 2009, until the date of retirement or 3/31/2015, not to exceed \$5000 – OR –
- 2) Any MC retiree who retired between April 1, 2015 & June 30, 2017, whose salary increase for 2009 & 2010 was withheld shall receive \$5000 less any parity salary increases received during the specified time period.

### **Equal Treatment in Benefits**

Since January 1986 only MC employees have been mandated to join the Income Protection Plan (IPP), a short and long-term disability income program, in place of earning sick leave

accruals comparable to other State employees. As a result, MC employees earn eight days of sick leave per year rather than the 13 sick days of most other State employees. Over the course of a 30-year career, MCs receive 150 fewer days of sick leave to use for personal illness and for illness of children and other dependents. This also results in a reduction in the sick leave cash value retiring MC employees can apply to retiree health insurance premiums.

OMCE supports a plan that would allow MC employees to “opt-out” of IPP coverage if they so choose and be restored to the full 13 days of annual sick leave earned by their counterparts, and we ask your support to make this happen.

### **Workforce Enhancements**

The challenges brought about by the COVID-19 pandemic have changed the world of work and the State will want to respond accordingly by ensuring the safety of the workforce while recognizing the flexibility required by working families.

To keep our employees and citizens safe, buildings in which they work and visit should have appropriate air filtration, work site reconfiguration, and regular disinfection efforts.

**Flexible work** schedules can reduce the number of employees in the workplace at any one time and improve the ability to meet distancing guidelines.

**Telecommuting** addresses not only ongoing pandemic issues, including allowing employees to work from home when under quarantine, but also brings us more in line with progressive employers who have expanded remote work options for employees who can effectively work from home. It will also reduce the need for office space, reduce our carbon footprint, alleviate rush hour traffic, and improve the competitive footing of the State as an employer of choice.

Currently each agency may produce their own policy on these options. And yes, agencies have diverse needs in this regard. However, it is important to ensure that our employees are treated fairly and equitably both within an agency and compared to how employees are treated in other agencies, to the greatest extent possible. “Just say no” was coined for drug use; it should not be used just because change is undesired or too difficult. Agencies should be able to justify the policies they develop with cogent reasons for them.

In conclusion, MC employees constitute over 10,000 active employees and thousands of retirees who have spent their careers in service to the State of New York. They deserve to be treated at least as well as their union-represented counterparts, and not be singled out for disparate treatment just because they can be. Since they are not permitted a contract, there is greater need to protect our valuable MC employees and consider the needs of MC retirees.

**ATTACHMENT 1:**

**Letter to The Honorable Kathy Hochul**



**THE ORGANIZATION OF NYS  
MANAGEMENT CONFIDENTIAL EMPLOYEES**

An Affiliate of OPEIU Local 153, AFL-CIO

5 PINE WEST PLAZA • SUITE 513 • ALBANY, NEW YORK 12205-5587  
TELEPHONE: (518) 456-5241 ~ 1-800-828-OMCE ~ Fax: (518) 456-3838

December 29, 2021

The Honorable Kathy Hochul  
Governor of New York State  
NYS State Capitol Building  
Albany, NY, 12224

Dear Governor Hochul:

As we approach the introduction of your proposed 2022-2023 Executive Budget, and on behalf of the State's Management Confidential (MC) employees, we wish to share some of the more prominent issues that we feel need to be addressed in the upcoming Executive Budget negotiations.

**1. Retiree Parity Payments**

We are pleased that the withheld 7% general salary increases in 2009 and 2010 were restored to eligible MCs during 2015 – 2018, however, those MCs who retired between 2009 and 2015 did not receive any restoration of that pay, and those retiring between 2016 – 2018 received only a portion.

We have been trying to remedy this situation since 2010, and specifically through legislation introduced in 2018 and again in 2019, 2020, and 2021. In each year, the senate took some action on the bill, but the assembly did not. Attached is the current bill S2866/A4885, which we urge you to adopt into your budget to provide those retirees with some of the monies they were due. In short, this bill provides a minimum restitution of \$70 per each month the retiree worked without receipt of the 2009-2010 withheld 7% with a maximum payment of \$5,000.

**2. General Salary Increase**

We know that the recently enacted PEF contract includes a 2% general salary increase scheduled for April 1, 2021 and 2022, and that CSEA is currently negotiating their contract.

There is no proposed pay bill for MCs yet. We urge at least parity to the pay increases approved for PEF and CSEA represented employees for MC employees. As discussed below, there is already a significant salary compression in many areas between MCs and their PS&T subordinates, and failure to extend the same increase to MCs would severely exacerbate this compression. Even so, this does not address long existing salary inequities and existing salary compression. We are looking beyond 2022 in the hopes that all MC's will receive salary increases that will once again recognize and reflect their leadership roles in NYS government. In addition, longevity payments, vacation buyback, and other benefits described here should be considered necessary enhancements.

**\*Over 37 Years of Outstanding *Management Committed to Excellence*\***



### **3. Creation of Longevity Steps for MC Employees grade 18 and above**

We acknowledge the positive step taken in 2019 in providing for a 15-year longevity payment for eligible MCs at grade 17 and below that was implemented effective April 1, 2020. However, the larger issue of MC employees at grade 18 and above has yet to be addressed, and we urge you to address this issue in your proposed 2022-2023 Executive Budget.

CSEA and PEF represented employees receive longevity steps, regardless of pay grade, yet MCs receive longevity only up to Grade 17. We ask that longevity steps be provided to all MC employees grade 18 through M-8 when they reach 5, 10, or 15 years at the top step of their graded or NS equated to grade position. We propose a \$1500 longevity payment at the 5, 10 (total \$3000) and 15 (total \$4500) year thresholds.

Every year the Civil Service Workforce Report clearly demonstrates the salary compression between MC employees and their subordinates, particularly those in the PS&T negotiating unit. In fact, often, PS&T employees refuse promotion to higher graded MC titles because it would result in lower pay and other benefit inequities for additional responsibility.

Short of a complete restructuring of the salary grade structure, a way to relieve some of the inequity between MCs and PS&T would be to allow longevity increases for MC's grade 18 and above.

### **4. Succession Planning**

We propose a succession planning initiative similar to that used by the federal government since 2014. Attached is a document that explains how we think a program of planning and mentorship can benefit both the state and its retirees. In short, retiring employees can be hired to train and mentor those employees that may not have all the experience and training needed for the new role into which they were placed. Retirees can continue to pass on institutional knowledge and train new employees. We believe a succession planning initiative such as this one will drive a new era in planning for future needs.

### **5. Initiating an "Opt Out" for the Income Protection Plan (IPP)**

The Income Protection Plan (IPP) works for some MCs, but for others it has little value. It takes an IPP participant almost 40% longer to accrue sick leave to be used when they are ill and as part of the formula for retiree health insurance benefits. Creating an option where individuals get a one-time only opportunity to opt out would be fair to both the state and the employees. Employees would be able to maximize their sick time for use in computing their own and the state's cost for their retiree health insurance. This is another instance of inequity in benefits between PS&T and CSEA employees, disadvantaging our MCs. A thorough review of this program is in order, and we would be happy to participate in such review.

**6. Re-establish Vacation Exchange Program**

One of the state's most successful programs offered in prior years has been the vacation exchange program. We propose that the program be reinstated, allowing MC employees the opportunity to cash in up to 10 days of accumulated annual leave. Participation would be limited to those employees who have at least 30 vacation days accrued at the time of application.

We believe this would be a productivity boon to NYS, since in yielding these vacation days, the MC workforce would be on the job for those additional days. Additionally, the State would pay for those days at the salary and grade the employee is at currently, rather than a time in the future where it could cost more due to promotions and pay increases. It will also help State offices to better manage the workforce at the end of the year, as those employees at risk of losing time on January 1<sup>st</sup> rush to take time off before then, leaving the office staffed at less-than-optimal numbers.

Thank you for your attention to these issues, we look forward to discussing them further at your convenience.

Sincerely,

*sl*

Barbara Zaron  
President

*sl*

Patricia Baugh  
Executive Director

Attachments: 3

cc: Michael Volforte  
Robert Mujica

BZ/PB/eg



## **M/C Retiree Parity**

**Attachment to letter addressed to Governor Kathy Hochul 12/29/2021**

**Submitted by OMCE**

### **ISSUE:**

The pension calculated for M/C employees vested in NYSERS, who retired between April 1, 2009, through March 31, 2014, was significantly affected by the withheld salary increases for M/Cs in 2009 and 2010. The monies began to be restored in 2015 and concluded in 2018. Those retiring prior to full restoration in 2018 were also disadvantaged.

M/Cs who did not retire during this period regained most of the monies lost when the 7% general salary increases were restored during 2015 – 2018.

Those who retired, though, did not have the benefit of the withheld salary increases in the calculation of their Final Average Salary (FAS), which determined the amount of the pension they would receive for the rest of their lives. Inasmuch as active M/Cs had the withheld 7% restored, it follows that the retirees should have been made whole as well, and their FAS adjusted to reflect the restored monies.

### **IMPACT:**

M/Cs that retired prior to the restoration of the withheld increases lost tens of thousands of monies in their pension as well as the 7% in increases they did not receive while they were working.

This unfairly affected M/C employees – not CSEA and PEF represented employees who were protected by their contract and received raises in 2009 and 2010.

### **PROPOSAL IN BILL S2866/A4885 (copy attached)**

Although it does not restore much of the monies lost to these retirees, this bill provides a minimum restitution of \$70 per each month the retiree worked without receipt of the 2009-2010 withheld 7% with a maximum payment of \$5,000. The amount for those that retired between 2015 and 2018 is reduced by the amount of monies restored prior to their retirement.

This bill does not provide for a recalculation of the employees' FAS and subsequent increase to their pension and is a small recompense to our retirees who spent a great part of their lives in service to New York State.

OMCE has made many proposals in the past to provide greater parity for these retirees, to no avail.

Surely this recompense should be passed this year, and we urge you, Governor Hochul, to address this in the upcoming Executive Budget negotiations.

**M/C Phased Retirement/Succession Planning (Mentorship) Initiative**  
**Attachment to letter addressed to Governor Kathy Hochul 12/29/2021**

**Submitted by OMCE**

**Purpose:**

To provide NYS Human Resources and Workforce Planning with a resource management tool that provides a personnel succession program that addresses agency needs in a cost-effective manner. The program provides knowledge transfer, additional training, and mentorship of personnel taking on the positions of retiring M/C employees.

**Description of Program:**

This program is based on a program in use in the Federal government since 2014, called The Federal Employees Retirement System, or FERS.

Phased retirement for New York State would allow active State employees to "retire" from part of their job responsibilities, while continuing to execute other job functions such as mentoring and knowledge-transfer to employees moving into senior positions.

Employees in a phased retirement status continue to work on a part-time basis, up to 50% for six months, and draw partial retirement benefits during their continued employment. Phased retirees must commit 20 percent of their new part-time work schedule to mentoring activities as outlined in agency developed phased retirement guidelines.

Phased retirement would be voluntary and not an entitlement. It requires mutual agreement between the agency and the employee. It is designed to encourage the most experienced State employees to extend their public service before they fully retire, in a part-time capacity, until less experienced employees are fully equipped to fulfill the same duties and responsibilities as those employees in senior level positions who are ready to retire.

A primary goal of phased retirement is to enhance mentoring and training of the next generation of State employees who will be moving into senior-level positions. It is a tool to ensure continuity of operations and to facilitate knowledge management and transfer across State government. Agencies would use phased retirement as a succession planning tool, to keep in-house knowledge during transitional periods.

The mentor will agree to continue to work for up to a 50% schedule and pay for six months and receive a pro-rated portion of their retirement pay during this period as well as a pro-rated portion of their salary based on the percentage worked.

The succeeding employee will receive a pro-rated percent of their current salary and a pro-rated amount of their time at the compensation of the new position they are taking. Time spent in the new position will be prorated appropriately toward any applicable probationary period.

When an employee fully retires, their pension will be re-calculated based on their salary during phased retirement as if they were working full time during that period. In general, this final amount will be more than if the employee fully retired and did not keep working part time.

To participate, a potential mentor must be eligible for immediate retirement in accordance with the requirements of their tier plan and current State law and regulations and must have been employed for at least the previous 3 years on a full-time basis in the position they will be mentoring.

**To Implement:**

Enabling legislation will be required to establish the phased retirement program and allow for the recalculation of the additional mentorship monies into the Final Average Salary (FAS).

**Benefits to the State:**

This program provides "job sharing" for a limited period and provides significant mentored succession planning for the employee, the agency, its programs, and for the overall well-being of New York State programs and services to its citizens in a cost-effective manner.

## ATTACHMENT 2:

Letter to Senator Andrea Stewart-Cousins

Letter to Assemblymember Carl E. Heastie



**THE ORGANIZATION OF NYS  
MANAGEMENT CONFIDENTIAL EMPLOYEES**

An Affiliate of OPEIU Local 153, AFL-CIO

5 PINE WEST PLAZA • SUITE 513 • ALBANY, NEW YORK 12205-5587  
TELEPHONE: (518) 456-5241 ~ 1-800-828-OMCE ~ Fax: (518) 456-3838

January 11, 2022

Senator Andrea Stewart-Cousins  
President Pro Tempore and Majority Leader  
188 State Street  
Legislative Office Building, Room 907  
Albany, NY 12247

Dear Senator Stewart-Cousins:

As we commence the 2022 legislative session in New York State, and on behalf of the State's Management Confidential (MC) employees, we wish to share with you our top legislative priorities for this year. The Organization of NYS Management/Confidential Employees Inc. (OMCE) is a not-for-profit statewide membership organization, which advocates exclusively for MC employees before government agencies, the legislature, and the courts, and is committed to preserve, protect, and enhance the rights and benefits of MC employees in New York State.

OMCE's legislative priorities include, but are not limited to, the following:

**1. Retiree Parity Payments (S.2866 Gounardes/A.4885 Fahy)**

In 2008, New York State withheld authorized MC salary increases of 3% for 2009 and 4% for 2010. While the scheduled salary increases were slowly restored to active MC employees between 2015 and 2018, those MC employees who retired during that timeframe did not receive the salary benefit that they rightfully deserved. This has negatively affected those retired individuals as their Final Average Salary (FAS), which determines the amount of pension they receive for the rest of their lives, has been diminished. In addition, MCs were the only portion of the state workforce that had their salaries withheld and later adjusted.

This legislation provides a minimum restitution of \$70 per each month the retiree worked without receipt of the 2009-10 withheld 7% salary increase, with a maximum payment of \$5,000 per individual.

**2. State Workforce Parity on Salary and Other Benefits (S.5727 Gounardes/A.6532 Abbate)**

Under the state's Taylor Law, MC employees are unable to join unions for the purposes of collective bargaining, and as a result, the state can and has withheld and delayed scheduled salary increases. Other state employees, with union representation, are typically protected from such salary adjustments, therefore unfairly singling out the MC population for state budgetary savings when needed. This legislation will ensure that

**\*Over 37 Years of Outstanding Management Committed to Excellence\***



MCs be treated in an equitable fashion with the New York State Public Employees Federation (PEF) and the Civil Service Employees Association (CSEA) represented employees regarding the percentage of salary increases and other longevity lump sum payments.

**3. Representation of State Employees Designated Managerial or Confidential (S.5726 Gounardes/A.6541 Abbate)**

Since 1976, OMCE has been the only voice on behalf of the state's managerial or confidential workforce. While the state's Taylor Law prohibits MCs from organizing for the purposes of collective bargaining, OMCE has worked forcefully for decades to ensure that MC employees are represented and have a voice in state government.

This bill recognizes in state law that OMCE is deemed as the sole organization certified or recognized for purposes of MC employee representation in New York State.

Thank you for your attention to these important issues and we look forward to discussing them in detail at your convenience.

Sincerely,

S/

Barbara Zaron  
President

S/

Patricia Baugh  
Executive Director

cc: Members of the New York State Senate



**THE ORGANIZATION OF NYS  
MANAGEMENT CONFIDENTIAL EMPLOYEES**

An Affiliate of OPEIU Local 153, AFL-CIO

5 PINE WEST PLAZA • SUITE 513 • ALBANY, NEW YORK 12205-5587  
TELEPHONE: (518) 456-5241 ~ 1-800-828-OMCE ~ Fax: (518) 456-3838

January 11, 2022

Assemblymember Carl E. Heastie  
Assembly Speaker  
LOB 932  
Albany, NY 12248

Dear Speaker Heastie:

As we commence the 2022 legislative session in New York State, and on behalf of the State's Management Confidential (MC) employees, we wish to share with you our top legislative priorities for this year. The Organization of NYS Management/Confidential Employees Inc. (OMCE) is a not-for-profit statewide membership organization, which advocates exclusively for MC employees before government agencies, the legislature, and the courts, and is committed to preserve, protect, and enhance the rights and benefits of MC employees in New York State. OMCE's legislative priorities include, but are not limited to, the following:

**1. Retiree Parity Payments (S.2866 Gounardes/A.4885 Fahy)**

In 2008, New York State withheld authorized MC salary increases of 3% for 2009 and 4% for 2010. While the scheduled salary increases were slowly restored to active MC employees between 2015 and 2018, those MC employees who retired during that timeframe did not receive the salary benefit that they rightfully deserved. This has negatively affected those retired individuals as their Final Average Salary (FAS), which determines the amount of pension they receive for the rest of their lives, has been diminished. In addition, MCs were the only portion of the state workforce that had their salaries withheld and later adjusted.

This legislation provides a minimum restitution of \$70 per each month the retiree worked without receipt of the 2009-10 withheld 7% salary increase, with a maximum payment of \$5,000 per individual.

**2. State Workforce Parity on Salary and Other Benefits (S.5727 Gounardes/A.6532 Abbate)**

Under the state's Taylor Law, MC employees are unable to join unions for the purposes of collective bargaining, and as a result, the state can and has withheld and delayed scheduled salary increases. Other state employees, with union representation, are typically protected from such salary adjustments, therefore unfairly singling out the MC population for state budgetary savings when needed. This legislation will ensure that MCs be treated in an equitable fashion with the New York State Public Employees Federation (PEF) and the Civil Service Employees Association (CSEA) represented

**\*Over 37 Years of Outstanding Management Committed to Excellence\***



employees regarding the percentage of salary increases and other longevity lump sum payments.

**3. Representation of State Employees Designated Managerial or Confidential (S.5726 Gounardes/A.6541 Abbate)**

Since 1976, OMCE has been the only voice on behalf of the state's managerial or confidential workforce. While the state's Taylor Law prohibits MCs from organizing for the purposes of collective bargaining, OMCE has worked forcefully for decades to ensure that MC employees are represented and have a voice in state government.

This bill recognizes in state law that OMCE is deemed as the sole organization certified or recognized for purposes of MC employee representation in New York State.

Thank you for your attention to these important issues and we look forward to discussing them in detail at your convenience.

Sincerely,

S/

Barbara Zaron  
President

S/

Patricia Baugh  
Executive Director

cc: Members of the New York State Assembly



## ATTACHMENT 3:

Data: Management Confidential M/C  
Employees

## Managerial/Confidential (M/C) Employees

Managerial/Confidential (M/C) employees are not represented by a union and are found at all levels of the workforce—from Salary Grade 6 to M-8. Positions are designated Managerial if they: participate in the formulation of policy, participate in collective bargaining negotiations, or have a major role in the administration of negotiated agreements or personnel administration. Confidential designation applies only to those working in a confidential capacity to managerial individuals in personnel or labor relations, but not to those who formulate policy.

Key facts about the M/C workforce:

- 9,917 M/C employees represent 6.7% of the State workforce.

Of those in the retirement system (9,335):

- 53% are 50 or older;
- 35% are 55 or older;
- 14% are 61 (the average retirement age) or older, and
- 27% will be eligible to retire (with full benefits) in five years.

The Management Cohort:

The most crucial employees in the M/C cohort are the 3,687 senior career managers in State service who serve in Salary Grades M-1 through M-8. The average age of the State's managers at the M-1 through M-8 levels is 54, and these managers have, on average, 22 years of service. This group of employees is seven years older than the average State employee. In addition, the group behind them (SG 18-23), which would normally be expected to take their place, has an average age of 48.

While it is impossible to predict with certainty when a given employee will retire, when looking at the workforce as a whole, age and length of service are reliable predictors. At age 55 with 30 years of service, employees are eligible to retire without penalty. In addition, the average age at which employees retire is 61. Because the average length of service at retirement is less than 30 years, age alone can be a relatively accurate predictor of retirement.

The M-1 through M-8 group has 3,687 employees in the retirement system:

- 670 are managers who are already 55 or older with 30 or more years of service.
- 258 are managers who are between 50 and 54 with 25 or more years of service.
- 1,394 managers, or 38% of the M-1 through M-8 workforce, will be eligible to retire within the next five years.
- 558 of the managers are 61 years of age or older. They represent 15% of the M-1 through M-8 workforce in the retirement system.

### The Manager Pipeline

The average age and length of service of the managerial cohort are slightly higher than those of the State workforce in general. This is not unexpected because it takes time and experience to ascend through the management ranks. Typically, there is a "second" employee working behind

those in the managerial levels preparing to move up the career ladder. However, as the baby boomer generation continues to exit the workforce, this is no longer the case in New York State government.

<b>MC Employees by Salary Grade</b>			
<b>Average Age and Length of Service (LOS)</b>			
<b>As of January 2020</b>			
<b>SG</b>	<b>Number of Employees</b>	<b>Average Age</b>	<b>Average Length of Service</b>
06	9	49.30	15.56
09	34	46.95	13.59
10	1	34.39	15.58
11	158	47.88	16.12
12	7	41.99	7.93
13	46	49.42	15.87
14	84	49.99	17.96
15	416	52.38	22.28
16	12	56.87	22.35
17	18	52.19	22.20
18	888	43.30	11.87
20	18	50.63	13.50
21	42	50.55	22.74
22	8	47.08	12.13
23	804	47.97	18.05
61	1,047	50.82	20.23
62	644	50.47	20.70
63	821	52.46	22.72
64	762	53.26	23.32
65	306	54.41	24.83
66	185	54.72	24.45
67	26	55.88	23.88
68	185	57.61	18.07
NS	3,206	48.11	11.91
OS	190	59.48	15.73
<b>Total</b>	<b>9,917</b>	<b>49.82</b>	<b>17.13</b>

Lower level staff in titles allocated to Grade 18-23, designated M/C or Professional Scientific & Technical (represented by the Public Employees Federation), constitute the largest pool of candidates for the M-1 through M-8 positions. While not all employees are eligible for promotion to a given position because of specific minimum qualifications, this is the main candidate pool from which vacant managerial positions will be filled. Even assuming a decrease in the total number of managers classified in each agency, there is still a very real shortage of candidates for management positions within New York State government.

The average age of those in M/C grades 18 to 23 is 48. Accordingly, the average age of those who would be expected to move up into managerial positions is very close to the age of those they would succeed. Given that employees usually advance one M grade at a time, it would seem that those not yet in the M grades may not have time to advance beyond the lower M grades before they too are retirement eligible.

In addition, there may not be enough employees in the lower management levels to take over for those leaving at the higher levels prior to reaching retirement age. For example, 644 workers are at the M-2 level with an average age of 50. Similarly, 821 employees are at the M-3 level, with an average age of 52.

The high average age (37) of new hires and M/C employees could cause a shortage of future managers to fill State positions.

**Salary Grade Distribution**

Between 2011 and 2021, the percentage of employees in most of the highly populated salary grades has generally decreased or remained flat. The top two salary grade groups, 14 and 15-18, showed small changes. The salary grades in the other two most populated grades, 9 and 19-23, have shown slight decreases or remained level. At less populated salary grades, for example Grade 6, percentages have decreased over time, from 5.3% in 2011 to 3.3% in the current year.

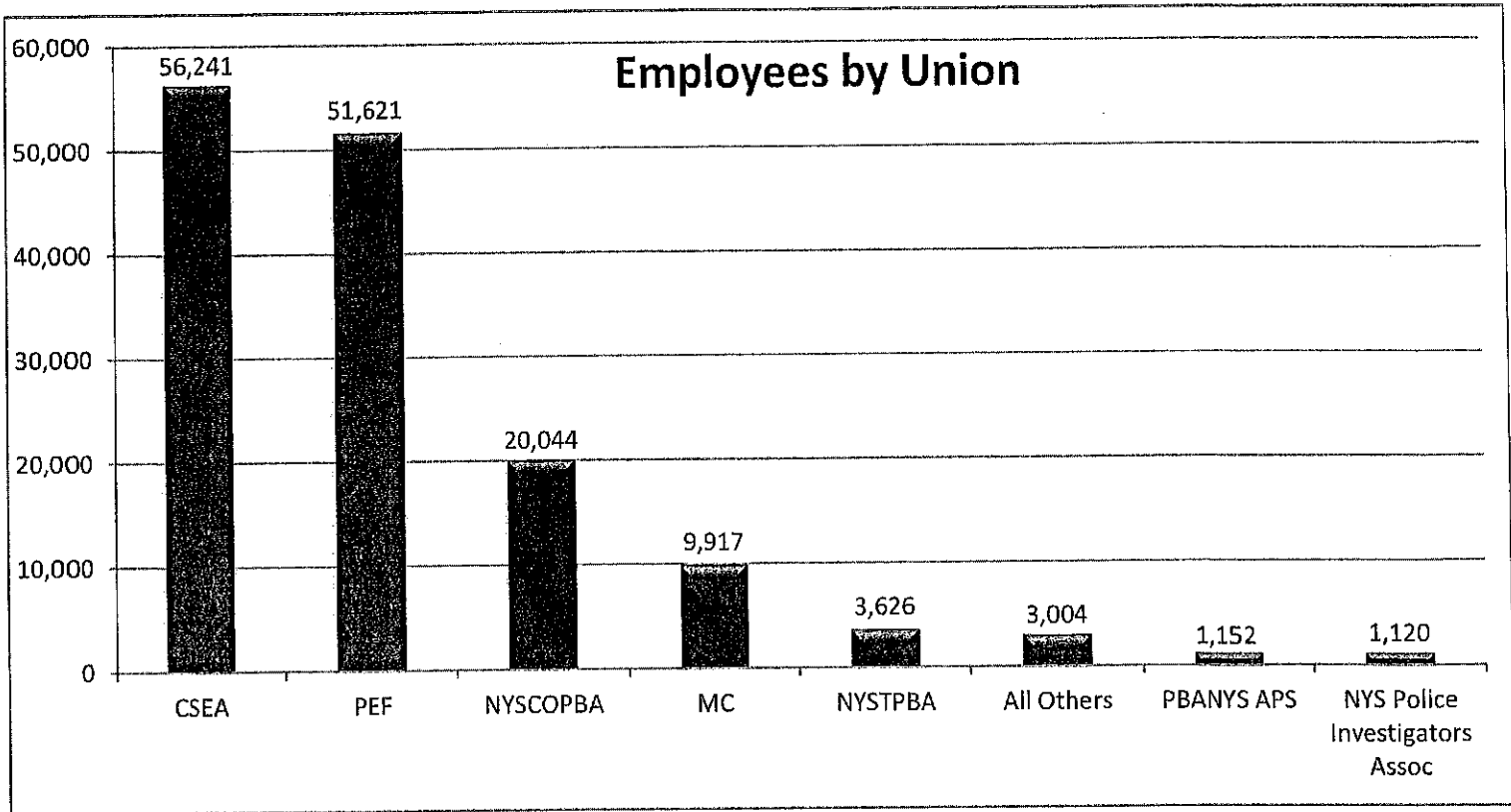
<b>Salary Grade Distribution</b>								
<b>Salary Grades/ Ranges</b>	<b>2011</b>		<b>2016</b>		<b>2020</b>		<b>2021</b>	
1 - 5	4,600	2.9%	4,450	3.0%	4,442	2.9%	4,213	2.9%
6	8,358	5.3%	6,260	4.2%	5,423	3.5%	4,902	3.3%
7 - 8	7,148	4.5%	7,035	4.7%	7,205	4.7%	6,914	4.7%
9	23,481	14.8%	22,878	15.3%	22,792	14.8%	20,836	14.2%
10 - 11	8,511	5.3%	7,868	5.3%	7,373	4.8%	7,043	4.8%
12	6,650	4.2%	6,161	4.1%	6,477	4.2%	6,184	4.2%
13	3,540	2.2%	3,237	2.2%	3,188	2.1%	3,030	2.1%
14	27,748	17.4%	26,658	17.9%	26,251	17.0%	25,148	17.1%
15 - 18	27,810	17.5%	26,699	17.9%	27,391	17.8%	26,646	18.1%
19 - 23	18,607	11.7%	17,661	11.8%	18,357	11.9%	17,700	12.0%
24 - 25 & M1	5,840	3.7%	5,823	3.9%	5,737	3.7%	5,583	3.8%
26 - 27 & M2	2,991	1.9%	3,030	2.0%	3,135	2.0%	3,035	2.1%
28 - 29 & M3	1,518	1.0%	1,467	1.0%	1,523	1.0%	1,472	1.0%
30 - 31 & M4	1,125	0.7%	1,022	0.7%	1,068	0.7%	1,034	0.7%
32 - 33 & M5	469	0.3%	396	0.3%	376	0.2%	352	0.2%
34 - 35 & M6	586	0.4%	471	0.3%	308	0.2%	306	0.2%
36 - 37 & M7	305	0.2%	231	0.2%	185	0.1%	180	0.1%
38 & M8	983	0.6%	853	0.6%	905	0.6%	860	0.6%
NS*	8,645	5.4%	6,701	4.5%	6,787	4.4%	6,783	4.6%
OS**	246	0.2%	252	0.2%	5,300	3.4%	5,003	3.4%
<b>Total</b>	<b>159,161</b>		<b>149,153</b>		<b>154,223</b>		<b>147,224</b>	

\*Counts of employees in NS Trainee positions are reported in the salary grade of the associated journey level title.

\*\* Most of the reported OS positions are in the Unclassified Service or are Superintendents of Correctional Facilities.

### Bargaining Units

The State's workforce is heavily unionized. The Civil Service Employees Association (CSEA), which represents approximately 38% of the State's workforce, is the largest union, followed by the Public Employees Federation (PEF), which represents nearly 35% of the workforce. The New York State Correctional Officers and Police Benevolent Association (NYSCOPA) is the third largest union, representing 14% of the State's workforce. Just over 6% of the workforce does not belong to a union (M/C).



**ATTACHMENT 4:**

Joint Legislative Budget Hearing on The Workforce

January 31, 2022

OMCE Oral Testimony



**THE ORGANIZATION OF NYS  
MANAGEMENT CONFIDENTIAL EMPLOYEES**

An Affiliate of OPEIU Local 153, AFL-CIO

5 PINE WEST PLAZA • SUITE 513 • ALBANY, NEW YORK 12205-5587  
TELEPHONE: (518) 456-5241 ~ 1-800-828-OMCE ~ Fax: (518) 456-3838

Joint Legislative Budget Hearing on The Workforce  
January 31, 2022  
OMCE Oral Testimony

I am Barbara Zaron, President of OMCE – The Organization of NYS Management Confidential Employees. Thank you for the opportunity to talk to you about several of our concerns about inequitable treatment of State M/C employees.

M/Cs are found in all agencies and in a wide range of salary grades, from Grade 6 to M-8. They span nearly every occupational group in State Service and fill a critical role in assisting and managing services to the residents of New York. Yet MCs are consistently treated differently than their union represented counterparts, to their detriment.

Governor Hochul proposed a budget that includes increased spending/investment for many critical programs and services but seems to have overlooked this critical segment of the workforce – The Management & Confidential employees.

M/C employees were subject to disparate treatment again last year. Although they received performance advances and longevity payments they did not get the 2% salary increase received by most of the workforce represented by 9 unions. This year, employees represented by 7 unions will get a 2% increase (CSEA & DC 37 are in negotiations this year) but there has been no increase authorized for M/C's. M/C employees are angry and frustrated especially in view of all the additional demands and stresses of workplace safety and other



COVID related processes & requirements, telecommuting, under staffing, and other issues related to making government work.

We have talked to GOER on a regular basis throughout the year but have only received non-committal responses. We recently wrote to Governor Hochul – and copied DOB Director Mujica & GOER Director Volforte about the salary inequity, retiree pay parity & several other issues – a copy is attached to our written testimony.

There is no bill yet to provide salary increases for M/C employees – typically it's done by attaching the M/C "pay bill" to a union pay bill so we hope that remaining union negotiations go well, and we can see an M/C pay bill soon.

Since the state is not facing financial disaster, we believe this is the time to take action to fix the ongoing, long-term inequities. We urge your action to pass the following bills which are our priorities:

S.2866/A 4885 Retiree Pay Parity – to provide to affected retirees a small portion of the wages lost related to the 2009 – 2010 withholding of MC salary increases.

S 5727/A 6532 Parity on salary and other Benefits – to provide that M/C's be treated equitably with the PEF & CSEA represented employees re: salary increases and longevity lump sum payments.

Additional issues & concerns are addressed in our written testimony.

Thank you – We look forward to passing these bills this year – and are available for further discussion.