



STATE OF NEW YORK
EXECUTIVE DEPARTMENT
DIVISION OF THE BUDGET
STATE CAPITOL
ALBANY, NEW YORK 12224

Andrew M. Cuomo
Governor

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Director of the Budget

BUDGET BULLETIN	B-1196	November 8, 2011
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TO: ALL DEPARTMENT AND AGENCY HEADS

FROM: Robert L. Megna *Robert L. Megna*

SUBJECT: SFY 2011-12 & 2012-13 PEF Deficit Reduction Plan

The 2011-12 Enacted Budget includes \$450 million in recurring workforce savings designed to be achieved through negotiated savings with public employee unions, or, in the absence of such negotiated savings, through layoffs.

On November 3, 2011, PEF members ratified a collective bargaining agreement for SFY 2011-12 through SFY 2014-15.

As agreed to in the collective bargaining agreement between the State and PEF, and in accordance with Chapter 491 of the Laws of 2011, employees in the PS&T bargaining unit, regardless of funding source, are subject to the PEF Deficit Reduction Plan (DRP).

Affected full-time employees will be provided with nine days of Deficit Reduction Leave (DRL) to be used before the end of the 2012-13 SFY. The full amount of DRL will be available for employee use on November 4, 2011. For less than full-time employees, and for employees who join State service in the PS&T unit after the start of the PEF DRP and prior to the end of the 2012-13 SFY, prorated DRL will be provided. State agencies are instructed to ensure that each employee who requests use of DRL is permitted to use such DRL, subject to supervisory approval.

The PEF DRP provides for reduced employee compensation for 36 consecutive pay periods beginning in payroll number 15 for employees on the Institution Lag payroll calendar (paid November 17, 2011) and payroll number 16 for employees on the Administration Lag payroll calendar (paid November 23, 2011).

The full cash value of each affected employee's actual DRP reductions will be repaid to each affected employee in equal bi-weekly installments over 39 consecutive payroll periods beginning with the paycheck that includes April 1, 2015.

The flexible design of the DRP will facilitate agency management in scheduling coverage of all needed shifts without the use of additional overtime. Agency management must ensure that overtime is not worked or utilized that would not have

otherwise been worked or utilized in the absence of the DRP. The DRP provides an important part of the recurring \$450 million Financial Plan savings; this savings must not be offset by additional and unanticipated overtime expenses. The Division of the Budget will closely monitor biweekly agency overtime reports to track changes in overtime use compared to corresponding biweekly periods in the 2010-11 SFY.

Questions regarding this bulletin should be directed to your Budget Examiner. Additional information will be available from the Office of the State Comptroller (Payroll Bulletin) and from the Department of Civil Service (Attendance and Leave Manual Policy Bulletin).