



Division of the Budget

ANDREW M. CUOMO
Governor

MARY BETH LABATE
Director of the Budget

BUDGET BULLETIN	D-1132	July 8, 2015
------------------------	---------------	---------------------

TO: ALL DEPARTMENT AND AGENCY HEADS

FROM: Mary Beth Labate *Mary Beth Labate*

SUBJECT: Management/Confidential Salary Action: First 2% Parity Increase, Effective July 1, 2015

This bulletin provides guidelines for the payment of the first “Parity Increase” to Management/Confidential (M/C) employees and other unrepresented employees in the Executive Branch. Payment of this first increase is part of the Executive’s plan, enacted in the Fiscal Year (FY) 2016 Budget, to restore M/C compensation to comparable levels associated with similarly situated employees assigned to union bargaining units.

2% Parity Increase, Effective July 1, 2015

Eligible M/C employees will receive a 2% Parity Increase, effective July 1, 2015, as follows:

- Employees who are on the payroll as of June 25, 2015 (Institution Payroll) and July 2, 2015 (Administration Payroll) will automatically receive payment on July 23, 2015 (for employees on the Institution Payroll) and July 29, 2015 (for employees on the Administration Payroll); and
- Employees who are on a leave of absence without pay on June 25, 2015 (Institution Payroll) and July 2, 2015 (Administration Payroll) will receive payment at the time of their return to the payroll.
- Employees appointed via a Budget Director’s Approval (BDA) Form will receive the parity increase on the aforementioned dates; however, if BDA-actions are taken on or after June 25, 2015 (Institution Payroll) or July 2, 2015 (Administration Payroll), the salary on that BDA will become effective. That is, the payroll system will not automatically apply the parity increase on top of salaries approved on a BDA on or after June 25 or July 2 -- the employee will be paid the salary that appears on the BDA.

Additionally, Part H of Chapter 55 of the Laws of 2015 (i.e., the M/C Parity Bill) provides a situation where certain M/C employees are NOT eligible to receive the increase and a situation where others may only receive a partial increase. The intent is to prevent State employees who received the collectively negotiated General Salary Increases in their union-represented positions from receiving

them again as parity increases in their Management/Confidential positions when the resultant M/C salary would exceed the job rate of the employee's position on the July 1, 2015 M/C Salary Schedule.

The two situations include:

- 1. Not Eligible for 2% Parity Increase.** M/C officers or employees who were promoted or appointed to M/C positions from positions represented by one of the State's public employee unions and whose salary, immediately prior to July 1, 2015, is at or above the job rate of their M/C salary grade or equated salary grade on the July 1, 2015 M/C Salary Schedule are not eligible to receive the 2% Parity Increase; and
- 2. Eligible for Partial Parity Increase.** M/C officers or employees who were promoted or appointed to M/C positions from positions represented by one of the State's public employee unions are prohibited from receiving any portion of the increase which causes such officer's or employee's salary to exceed the job rate of their M/C salary grade or equated grade on the July 1, 2015 M/C Salary Schedule. Such employees may only receive a partial increase capped at the job rate of their salary grade or equated grade on the July 1, 2015 M/C Salary Schedule.

Nevertheless, even in these two situations, it may be appropriate to provide the 2% Parity Increase if the employee's salary does not properly reflect the effect of the three percent general salary increase effective April 1, 2009 or the four percent general salary increase effective April 1, 2010. For these cases, or other situations that may transpire, agencies will be contacted to review the salary histories of certain employees and will work with the Division of the Budget to provide these increases, if appropriate, retroactive to July 1, 2015.

Notification Requirement: The statute requires that agencies notify such officers/employees deemed not eligible for the parity increase or deemed only eligible for a partial increase in writing two weeks prior to the scheduled payment dates; as such, written notification must be provided **no later than July 9, 2015** for employees on the Institution Payroll, and **no later than July 15, 2015** for employees on the Administration Payroll. **To facilitate this notification, please contact your budget examiner for further guidance.** For impacted agencies, the Office of the State Comptroller will provide a list of the employees who are ineligible to receive -- in whole or in part -- the first 2% Parity Increase. Your budget examiner will also have such list.

Questions

Please direct all questions to your Budget Examiner.