



STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

December 1, 2005

Ms. Barbara Zaron
OMCE, President
3 Washington Square
Albany, NY 12205-5523

Dear Barbara:

Congratulations on your successful challenge of the withholding of the 2003-04 performance advances for Management Confidential employees. I commend your efforts to reach a settlement with the NYS Division of the Budget to authorize the payment of the retroactive performance advances.

We know that you are fielding many inquiries about when the payments arising out of the settlement will be made, and we appreciate your recognition of the complexities involved with the implementation. Even though much work has been accomplished, we regret that the sheer volume and complexity of work, coupled with our work on other initiatives important to OMCE and the State workforce will affect our ability to process the payments as quickly as we would like (e.g., 2005 W-2 issuance, April 2006 performance advance planning, M/C merit award payments and M/C vacation buy-back payments).

This payment is one of the top priorities of my Bureau of Payroll Services; they have completed some of the pre-planning work and are ready to take whatever steps are necessary to expedite the implementation. At this time we project that over 6,000 M/C employees are eligible for some level of retroactive salary adjustment. While our goal is to automate the processing of as many of these adjustments (which requires extensive computer programming effort), we estimate that 40% of these will require manual calculations, manual audits and manual entry into our system to yield accurate payments. Retroactive payments will need to take into account a significant number of compounding salary factors which have occurred since the withholds such as promotions to new salary levels, changes in union affiliations, changes to and from traineeship positions, vacation buy-backs, retirements, leaves from State service and changes from non-statutory to graded positions. To accomplish this massive class of adjustments with the accuracy we know that you and your members expect, we have already begun steps to assign additional resources.

Based on current estimates of the remaining work involved, we expect the payment to be reflected in employee paychecks in mid to late March 2006. We will provide you with the actual payment dates once we complete our full assessment of the requirements, which is currently projected for mid December 2005. You will, of course, be provided with regular updates to ensure that you are aware of our progress. These updates will help you respond to ongoing inquiries from your constituency.

Once again, congratulations on your victory and rest assured that we are working hard to ensure that Management Confidential employees are paid as quickly and as accurately as possible.

Sincerely,

A handwritten signature in black ink, appearing to be "A. Hevesi".

Alan G. Hevesi