





# Memo

**TO:** Executive Board Members  
Council Leaders  
Agency Labor Management Chairs

**FROM:** Elizabeth Hough   
Director of Contract Administration  
Hector Millan   
Director of Civil Service Enforcement

**DATE:** September 14, 2012

**RE:** *Information Technology (IT) Transformation/  
Business Services Center Consolidation*

On Monday, September 10<sup>th</sup> the State again briefed PEF representatives on the Information Technology (IT) Transformation and the Business Services Center consolidation. State representatives at the meeting included OGS Commissioner RoAnne Destito, Deputy Budget Director Ron Greenberg, DCS Commissioner Jerry Boone, DCS Director of Classification and Compensation Patricia Hite, and GOER Director Gary Johnson. PEF Representatives at the meeting also included Penny Howansky, Chairperson of the PEF State-wide IT Committee and Nikki Brate, Region 8 Coordinator. The materials from that presentation are attached.

This briefing included updated information about the State's plans with regard to both projects. However, many questions remain unanswered. Another briefing on both consolidations for all impacted unions is scheduled for Tuesday, September 25<sup>th</sup>. We have been promised more detailed information in response to a number of the questions we had at that briefing.

## IT Transformation/Consolidation

The State has informed us that all employees in all agencies (except OSC, OAG, SUNY, SED and SIF) who are "substantially engaged" in information technology functions will be transferred into the Office for Information Technology Services (OITS) via a *Civil Service Law* §70.2 transfer of function. It is anticipated that the effective date of this transfer of function will be in late November or early December. Once this transfer is completed, there will be roughly 4,000 employees working in OITS. The vast majority of these employees will be PS&T Unit employees.

**The State has confirmed that the transfer of function will involve no layoffs. All employees who are identified as "substantially engaged" will be transferred to OITS. Employees who are deemed not "substantially engaged" will remain in their current agencies.** The State has stated that there will no major geographic moves associated with this transfer (e.g. moves that will require

employees to relocate). Initially, employees will largely remain in their current work locations but will become OITS employees reporting to the OITS cluster for their former agency.

Both agency IT application functions and IT infrastructure functions will be transferred to the OITS cluster that their agency is included in and the employees who perform those functions will be assigned to the same cluster. Over time, as the OITS consolidation progresses, IT infrastructure functions will be consolidated at a broader "enterprise" level. For example, the State is hoping to migrate to a State-wide cloud based e-mail system over the next year while data center consolidations will take longer. As these migrations occur there may be future reassignments of OITS employees as those functions are moved from the cluster level to the broader "enterprise" level.

The definition of who will be deemed "substantially engaged" in IT functions is not necessary title driven. The determination will be based on who is actually performing functions that will be transferred into OITS. There may be employees in non-IT titles who are "substantially engaged" in IT functions who will be transferred into OITS. Conversely, there may be individuals in IT related titles who will remain in their current agencies because they are not deemed "substantially engaged" in the functions that will be transferred.

The State is aware that some of these individuals are currently working out-of-title. The DCS has already flagged this issue and agencies have been asked to review these situations and either reassign these individuals to in-title work or explore possible reclassification of their positions where appropriate. This process of reassignment or reclassification will begin occurring after the transfer of function is completed.

Consistent with the requirements of CSL § 70.2, at least 20 days prior to that actual date of transfer, notice will be provided to all employees deemed substantially engaged and rosters identifying who those individuals are will be posted by each sending agency. **At that time employees who are deemed "substantially engaged" will be offered the opportunity to accept or decline the transfer.**

**We strenuously recommend that anyone who is offered a CSL § 70.2 transfer accept the transfer. Employees who refuse to accept a CSL § 70.2 transfer are deemed to have resigned their State employment.** This is not treated as a layoff and employees who decline a CSL § 70.2 transfer are not entitled to displace other employees who are not "substantially engaged" and who are therefore remaining in their current agency.

The Department of Civil Service's current policy on the CSL § 70.2 transfer process, and employee rights in that process, has already been provided to you. Additional information about the CSL § 70.2 process, and employee rights in that process, will also be provided to affected employees as the transfer date approaches.

### **Business Services Center (BSC)**

As previously reported, the State is establishing a new "Business Service Center" in the Office of General Services. The BSC will be a separate standalone business unit within the Office for General Services (OGS) which will be staffed by State employees. OGS will be the appointing authority.

Over time, the BSC will assume responsibility for centralized processing of electronic human resources information (e.g. time and attendance records, payroll records, health insurance enrollment, and personnel records) and processing of financial records (e.g. purchase orders, invoices and travel expense vouchers) for all agencies. The BSC will assume this responsibility first for "Wave 1" agencies. Once this transition is completed, the BSC will begin work on the transfer of these operations from other State agencies. The State anticipates that the process of transferring these functions (and the employees performing these functions) to the BSC will roll out over roughly the next 2½ years in three "waves".

Most of the first group of "Wave 1" agencies will begin receiving fiscal and human resources services through the BSC on September 27. As OGS is already performing these functions for most of the "Wave 1" agencies, only a small number of PS&T Unit members are currently being transferred into the BSC. The "Wave 1" agencies are:

Office of General Services	Alcoholic Beverage Control
Homeland Security and Emergency Services	Council on the Arts
Division of Human Rights	Board of Elections
Office of the State Inspector General	Veterans' Affairs
Office for the Aging	Office of the Welfare Inspector General
Office of Information Technology Services	Office of Indigent Legal Services
Workers' Compensation Board	Law Revision Commission
Racing Reform	Franchise Oversight Board
Public Employment Relations Board	Hudson River Valley Conservancy
Judicial Screening/Judicial Nominating Commission	
Hudson River Valley Greenway Communities Council	

Following the completion and evaluation of the Wave 1 transition, the State is hoping to start the "Wave 2" transition in early 2013 and hopes to have "Wave 3" agency functions transferred into the BSC during 2014. We do not yet have a specific list of the planned Wave 2 and Wave 3 agencies. However, we are told to expect that larger and less computerized agencies will be in Wave 3.

As the BSC transition progresses we will be monitoring whether the transition to centralized processing of fiscal and human resources information present any contractual concerns or otherwise impacts on the terms and condition of our members. To assist us in this effort, if local leadership in the "Wave 1" agencies identify any concerns regarding the impact on the contractual rights or benefits of our members in those agencies of centralizing these functions in the BSC, please communicate that information to your assigned Field Representative.

We will provide additional updated information on each of these initiatives as we receive it, including following the next scheduled briefing on September 25<sup>th</sup>.

Cc: Field Services Staff