

# **DEPARTMENT OF CIVIL SERVICE**

## **MISSION**

In accordance with the Civil Service Law, the Department of Civil Service is charged with providing human resource management services to State and local governments.

## **ORGANIZATION AND STAFFING**

Based in Albany, the Department of Civil Service operates under the direction of a Commissioner appointed by the Governor. The Civil Service Commission, consisting of the Commissioner, who serves as its President, and two Commissioners appointed by the Governor. The Commission also acts as an appellate body responsible for reviewing determinations of the Department and the Director of Classification and Compensation.

The responsibilities of the Department are carried out through eight divisions:

- The Division of Information Resource Management provides the Department's basic data, information and systems and has primary responsibility for implementation of the Department's technology projects;
- The Staffing Services Division provides State agencies with personnel recruitment and placement services. The Division coordinates the Department's response to agency personnel operations and develops and administers a variety of tests for State positions, including oral, training and experience and performance assessment tests;
- The Testing Services Division develops, administers and validates State and local written tests;
- The Division of Classification and Compensation determines appropriate job titles for agency functions and salary levels for existing and new positions;
- The Division of Personnel Services encompasses the Employee Benefits Division and the Employee Health Service. The Employee Benefits Division administers health, dental, life, vision, disability and accident benefit programs for State employees and participating local governments. Responsibilities include contracting with insurance companies and other vendors to deliver services, financial management of these programs, communicating plan provisions to subscribers, assisting enrollees in resolving disputed claims, maintaining enrollment information for over 1.2 million covered individuals and financial accounting for approximately \$6 billion in annual premiums through the New York Benefits Eligibility and Accounting System. The Employee Health Service is responsible for conducting and administering medical examinations and evaluations, work place nursing activities, and occupational health screenings and immunizations for NYS employees located in nursing stations throughout the State;
- The Municipal Service Division assists 100 local civil service agencies in classifying positions, interpreting laws and rules and, together with the Testing Division, providing selection devices and examinations;
- The Diversity Planning and Management Division approves and monitors affirmative action plans for State agencies, provides technical assistance and training in the achievement of cultural diversity in the work force and is also responsible for administering the Workers With Disabilities Program; and

## **CIVIL SERVICE**

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- The Division of Administration provides leadership, management direction and support for the operating divisions of the Department, and is composed of units responsible for personnel, finance, legal, internal audit, planning and training functions.

### **BUDGET HIGHLIGHTS**

The Executive Budget recommends **\$68 million All Funds (\$23 million General Fund, \$42.7 million Internal Service Fund, \$2.3 million Other Funds)** for the Department of Civil Service. This is an increase of **\$3.5 million (\$0.2 million General Fund, \$3.2 million Internal Service Fund)** from the 2007-08 budget. This increase primarily reflects growth to implement savings initiatives within the health insurance and employee benefits programs.

The Executive Budget recommends a staffing level of **584 FTEs** for the Department of Civil Service, an **increase of 11** from the 2007-08 budget.

Major budget actions include:

- **Health Insurance Audit Staff:** The Executive Budget adds 5 new staff to increase audit recoveries, generating an estimated \$5 million in savings for the State and participating municipalities.
- **Employee Benefits Eligibility Audit:** Responses to the Department's recent Request for Information indicated that the State could expect significant savings to result from an audit of benefits eligibility. The audit would ensure that State and participating municipal employees and their dependants receive only the benefits for which they are eligible.
- **Technology Solutions:** The Department will move forward in 2008-09 with key technology initiatives aimed at bringing testing and recruiting into an on-line setting, while continuing to build on current successes with the MyNYSHIP health benefits system. In addition, the Department will begin to define the scope and requirements for a new statewide human resources system that would link with the statewide financial system.

### **PROGRAM HIGHLIGHTS**

In 2008-09, the Department will continue targeted investments in technology to improve their services to employees and retirees. MyNYSHIP allows employees to view information on their benefits, submit address change requests, and order Empire Plan ID cards via the Internet. More recent enhancements that occurred in 2007 include the option transfer component and the new enrollment transaction. In addition, the Department will develop an Integrated Testing System (ITS) to enhance the quality and timeliness of test scoring, list certifications and employee placements.

Last year, the Department's Employee Benefits Division (EBD) achieved a reduction of \$58.2 million for Empire Plan subscribers through negotiated changes to the insurance companies requested initial 2008 premium, resulting in an aggregate 2008 Empire Plan premium increase of only 5.5 percent.

As a result of new Medicare Part D provisions effective January 1, 2006, EBD implemented procedures to continue prescription drug coverage under both the Empire Plan and HMOs for Medicare eligible retirees, while seeking the Federal subsidy to partially offset the cost of that coverage. After completion of the 2006 plan year reconciliation, the State estimates total Medicare Part D subsidy revenues will be

approximately \$110 million for the 2006 plan year. The State received approximately 50 percent of these subsidies, with the remaining half going to local participating agency and participating employers. Local agencies receive their subsidy share through a credit applied to their health insurance bill, while the State's share is deposited to a Special Revenue account. In January 2009, the current coverage for retirees will be converted to a contracted Medicare Part D plan to recoup greater Federal reimbursement and decrease the GASB 45 liability by about \$3 billion. Both the State and local employers will benefit by an estimated \$60 million in savings when fully implemented.

The Department recently awarded a replacement contract for the current Empire Plan Prescription Drug Contract to United Health Care. The new contract will generate in excess of \$110 million in cost reductions over the four year term of the new contract. These savings will result from deeper discounts on prescription drugs, higher rebates and reduced administrative costs.

On December 17, 2007, the Department opened a new outreach office on the campus of Medgar Evers College in Brooklyn. The office will provide qualified job-seekers with information about the various career opportunities in State government and New York State civil service exams. The office is strategically located to assist in achieving a diverse workforce and addressing the unprecedented wave of "Baby Boomer" retirements by recruiting younger workers.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2007-08</b>	<b>Appropriations Recommended 2008-09</b>	<b>Change</b>	<b>Reappropriations Recommended 2008-09</b>
State Operations	64,551,000	68,002,000	3,451,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>64,551,000</b>	<b>68,002,000</b>	<b>3,451,000</b>	<b>0</b>

**ALL FUND TYPES  
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM  
FILLED ANNUAL SALARIED POSITIONS**

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>2008-09 Estimated FTEs 03/31/09</b>	<b>FTE Change</b>
Administration and Information Management			
General Fund	85	88	3
Internal Service Funds	23	23	0
Local Civil Service			
General Fund	14	14	0
Labor Management Programs			
General Fund	17	17	0
Personnel Benefit Services			
General Fund	32	32	0
Internal Service Funds	159	167	8
Personnel Management Services			
General Fund	188	188	0
Special Revenue Funds - Other	5	5	0
Internal Service Funds	50	50	0
<b>Total</b>	<b>573</b>	<b>584</b>	<b>11</b>

# CIVIL SERVICE

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>
General Fund	22,791,000	23,025,000	234,000
Special Revenue Funds - Other	2,300,000	2,322,000	22,000
Internal Service Funds	39,460,000	42,655,000	3,195,000
Total	64,551,000	68,002,000	3,451,000

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>
Administration and Information Management			
General Fund	6,401,000	6,411,000	10,000
Internal Service Funds	3,269,000	3,951,000	682,000
Local Civil Service			
General Fund	1,046,000	965,000	(81,000)
Personnel Benefit Services			
General Fund	2,132,000	2,046,000	(86,000)
Special Revenue Funds - Other	300,000	300,000	0
Internal Service Funds	28,422,000	30,820,000	2,398,000
Personnel Management Services			
General Fund	13,212,000	13,603,000	391,000
Special Revenue Funds - Other	2,000,000	2,022,000	22,000
Internal Service Funds	7,769,000	7,884,000	115,000
Total	64,551,000	68,002,000	3,451,000

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2008-09 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration and Information Management	5,641,000	(64,000)	5,639,000	(63,000)
Local Civil Service	933,000	(81,000)	932,000	(81,000)
Personnel Benefit Services	1,816,000	(86,000)	1,771,000	(101,000)
Personnel Management Services	11,303,000	391,000	10,507,000	498,000
Total	19,693,000	160,000	18,849,000	253,000

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration and Information Management	0	0	2,000	(1,000)
Local Civil Service	0	0	1,000	0
Personnel Benefit Services	28,000	0	17,000	15,000
Personnel Management Services	777,000	(110,000)	19,000	3,000
Total	805,000	(110,000)	39,000	17,000

# CIVIL SERVICE

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2008-09 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	770,000	74,000	48,000	3,000
Local Civil Service	32,000	0	6,000	0
Personnel Benefit Services	230,000	0	37,000	0
Personnel Management Services	2,300,000	0	168,000	0
Total	<u>3,332,000</u>	<u>74,000</u>	<u>259,000</u>	<u>3,000</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	76,000	44,000	564,000	25,000
Local Civil Service	11,000	0	15,000	0
Personnel Benefit Services	20,000	0	143,000	0
Personnel Management Services	171,000	0	1,938,000	0
Total	<u>278,000</u>	<u>44,000</u>	<u>2,660,000</u>	<u>25,000</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration and Information		
Management	82,000	2,000
Local Civil Service	0	0
Personnel Benefit Services	30,000	0
Personnel Management Services	23,000	0
Total	<u>135,000</u>	<u>2,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2008-09 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	3,951,000	682,000	1,968,000	401,000
Personnel Benefit Services	31,120,000	2,398,000	11,074,000	1,257,000
Personnel Management Services	9,906,000	137,000	5,230,000	33,000
Total	<u>44,977,000</u>	<u>3,217,000</u>	<u>18,272,000</u>	<u>1,691,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	1,983,000	281,000	0	0
Personnel Benefit Services	12,560,000	1,133,000	7,486,000	8,000
Personnel Management Services	4,676,000	104,000	0	0
Total	<u>19,219,000</u>	<u>1,518,000</u>	<u>7,486,000</u>	<u>8,000</u>