

Officers' Report

This year marks nearly 30 years of PEF working and fighting to improve the lives of our members. Our message in the annual report provides an opportunity to recount our successes, recognize those who



Kenneth Brynien

Kenneth Brynien, President

helped achieve them as well as identify threats and challenges we will be facing in the year and years to come.

Despite the change in governor and the economic and fiscal downturn of the state in 2008, the past year has been a remarkable year for PEF. In terms of our contract, legislative agenda, anti-privatization efforts and budget fight back, PEF has had significant successes in each area.

Contract

After nearly a full year without a contract and intransigent state negotiators, working directly with then governor Spitzer and his executive level staff, PEF was able to achieve a contract with across-the-board raises in each year, full retroactivity, complete grade-for-grade salary parity with CSEA, a major increase in location pay, and retroactivity in our tuition benefit.

The agreement continued our progress toward salary parity with CSEA that began in the previous contract. PEF started out with a merit step for our members in grades 1-18, bringing our job rates for those grades up to those of CSEA's. We continue this progress by bringing the job rates of our members in grades 19-25 to the same

levels as CSEA's and eliminating the merit-step process.

Our efforts also led to increased assistance for our members working in high-cost areas of the state. In the previous contract we were limited to only minor increases in salary adjustments. We made this a focus of our contract efforts, built coalitions around the issue with other unions negotiating their contracts with the state, and now have achieved the largest single increase in location pay since the program was established.

We were able to build on our progress on across-the-board raises too. We made sure, before negotiations even began, the state knew that we would not take a zero in our contract. The results of these efforts: across-the-board raises of 3 percent, 3 percent, 3 percent and 4 percent.

Legislation

Nearly a decade of legislative effort, mobilization, and political action was rewarded when we achieved what can only be described as the crown jewel of our legislative efforts on behalf of our nurses — limits on mandated overtime. We believe that this is the first step in improving working conditions that are part of the vicious cycle that discourages people from entering the nursing profession and creates critical staffing issues in the workplace.

We were also able to work for the passage of another of our long-term legislative goals — permanent agency shop. No longer will the public-sector unions be at the mercy of the Legislature and the governor when the provision expires.

We were successful in obtaining the passage, in both houses of the legislature, of bills that would have limited geographic reassignment of our members, protected retiree health insurance and extended the time injured workers could hold their jobs while recovering from injuries. Unfortunately, all of the bills were vetoed by the governor.

Anti-Privatization Efforts and GO Public

As a direct result of our Go Public legislative initiative, PEF achieved an

executive order instituting many of the principles of the final piece of our campaign. The order creates a process to review the cost-effectiveness of large consultant contracts, as well as requiring state agencies to make information about contracts and the reasons for entering into contracts more publicly available. This is a major stride forward in our goal of protecting the job security of our members and ending wasteful and unnecessary contracting out.

Based on the information provided from our Go Public disclosure law we were able to obtain data that allowed PEF to analyze the state's use of consultants and propose as much as \$750 million in readily achievable savings. This information will be part of the options we will press the governor to use to cut spending to address the state's deficits in this and the next fiscal year.

A smaller, but no less important anti-privatization effort is continuing at the New York State School for the Blind. The state Education Department is looking to abandon the operation of the school to a private operator. We have mounted an effort to preserve this educational asset and



Arlea Igoe

Arlea Igoe, Secretary-Treasurer

maintain high quality services to the disabled children. We have been successful to date, but our challenge will become

Officers' Report (continued)

more difficult especially in light of the state's fiscal climate.

Budget-Fightback

Our uppermost concern is the employment security of our members and we will use all options available to us to protect their employment.

Even in the face of an almost \$5 billion deficit, we were able to thwart budget proposals that threatened our members. We worked with other unions to keep correctional facilities open and, through the efforts of our members, saved two of the five residential facilities in the state Office of Children and Family Services (OCFS) that were slated for closure. All of this despite overwhelming odds against our success and, in the case of OCFS, an unprecedented push-back by the agency and a commissioner's ideological bent against state-run facilities that runs so deep she has left funded facilities vacant.

Though we were not completely successful with all of the OCFS facilities, we will continue to work to maintain the job security of our members, and if necessary, bring all of PEF's resources to bear to ensure their job security.

The governor also submitted budget proposals to close an additional budget gap

of \$1.5 billion for the 2008-09 state fiscal year that targeted the state workforce by reopening the state's PS&T collective bargaining agreement to eliminate the April 2009 salary increase and to defer five days' worth of salary. The governor also proposed modifying state retirees' contributions for health care based on years of service and requiring state employees and retirees to contribute to the Medicare Part B premiums. Through coordinated action with a coalition of public employee unions and New Yorkers For Fiscal Fairness as well as intense lobbying we were able to thwart those proposals.

One month later the governor submitted his Executive Budget for the fiscal year beginning April 2009 with a budget deficit pegged at nearly \$15 billion. The Executive budget contained many of the same proposals targeting the state workforce that had been proposed in the prior budget including the closure of OCFS and DOCS facilities as well as additional cuts to the state workforce and the potential of over 500 state employee layoffs.

Challenges to Come

Given the current state of New York's and the nation's economy it is likely that

battles to protect our members' job security, as well as the benefits that we as a union have won over the past 30 years will be at the forefront of our efforts.

We as a union should be proud of what we have accomplished not just in this past year but over the last 30 years since PEF came into existence, and know that even when we are faced with challenges those challenges also bring opportunity for achievement.

All of PEF's achievements are the result of the efforts of many, our leaders, our staff, but it is you, our members, who have helped provide the key ingredient of our success.

Thank you for the opportunity to serve you.



Patricia Baker

VICE PRESIDENTS

Patricia Baker
Joe Fox
Lou Matrazzo



Joe Fox



Lou Matrazzo

Secretary-Treasurer – Finance/Divisions

In 2008 the Finance Department continued its hard work exposing the members to the new systems that significantly impact PEF across the spectrum of the organization – from Delegates, to Executive Board Members, Division members and PEF staff.

We are utilizing state-of-the-art banking technology that expedites cash depositing through the scanning of checks received, as well as utilizing “positive pay” technology that negates the possibility of fraudulent checks being paid. All our online banking transactions were also set up with a “dual approval” restriction, which means that no one individual can access funds without someone else’s oversight and approval.

This switch was also aimed at allowing us to earn more interest income through the use of nightly sweep accounts for both PEF and its divisions. In addition, PEF moved more monies to be handled by our investment manager - Stacey Braun. Using their expertise we have diversified our portfolio, resulting in reduced investment risk and increased long-term investment earnings. This resulted in an increase in our unrealized gains of \$186,000.

In addition, PEF has started to use Purchase Cards for the majority of hotels, conferences, registrations, and many routine expenses i.e. office supplies, computer equipment, advertising. By using the Purchase Cards PEF is able to earn more interest on cash and investments because the outlay of cash to pay the Purchase Cards is only once per month, rather than depleting our cash on a daily basis. To date we have rolled these cards out to several directors and the Regional Coordinators. These are the same cards that Divisions will begin utilizing in the fall.

Division Recordkeeping

Perhaps the most significant change relates to recordkeeping changes for divisions - in the final stages of development. It represents a radical departure from the way we are currently conducting business.

One of the goals of the banking change was to look for opportunities to move forward and leverage the more advanced

capabilities that are offered by banks for divisions. The new program being tested will dramatically reduce the work division treasurers are required to do, while simultaneously allowing them to earn interest income in their accounts. Almost everything will be done electronically. Division leaders will receive electronic debit cards and that information will feed into our system. We will be able to monitor everything while offering more support service to division members, such as writing checks, preparing financial reports and doing bank deposits.

Expense Reimbursement via the Web

In an effort to provide greater convenience and quicker reimbursement for your expenses, PEF is now able to allow the submission of expense vouchers and supporting documentation electronically using the web. Because it’s Web-based, members can generate and submit reports anytime from anywhere, using an intuitive interface, and we communicate online messages regarding the status of submitted expense reports.

Divisions Communication

In 2008, the Divisions Department began to focus on increasing PEF Headquarters communication with regional coordinators, division council leaders and treasurers. We believe if the divisions become more informed and realize help is available for reporting issues, more of our divisions will begin to comply with the reporting requirements.

This communication effort will include direct mailings to division officers and stewards. It is our goal to bring all 232 divisions up-to-date with elections, reports and funding. A direct mailing to all current PEF fee payers is also planned. This mailing will include

information on the member’s regional coordinator, division officers and stewards, and what PEF membership offers.

2009 Regular Statewide Elections

In March 2009, petitioning for all Statewide Officers (President, Secretary-Treasurer, 3 Vice Presidents), Regional Coordinators, Trustees and Executive Board Representatives will begin. With the increase in membership, the number of Executive Board seats will increase by 11 to a total of 117. At the convention this year, the delegates will decide on how to apportion representation within their departments.

Education

The Divisions Department continues to help divisions with their finance and election issues. Along with council leader training and division treasurer training, staff members are available to meet with leaders and treasurers to aid in the completion of reports and answer any questions in regard to division elections or division finance.

PEF has purchased a new product to utilize in these training and education efforts. Webex Communications allows us to conduct training and education on the Internet. It is interactive and hands-on but can be done from your home or division’s computer. There is no traveling involved for PEF staff or members. Members will be able to view a training as well as interact over the Internet connection.



**N.Y.S. Public Employees Federation
Balance Sheet - UNAUDITED
As of December 31, 2008**

ASSETS

Current Assets	
PEF Cash	2,690,224
Legislative Fund Cash	291,781
Accounts Receivable	1,397,204
Prepaid Expenses	<u>295,502</u>
Total Current Assets	4,674,711
Fixed Assets	
Land & Building	2,012,103
Furn/Fix/Computers/Autos	2,399,631
Leasehold Improvements	1,197,772
Less Accum Deprec/Amoritz	<u>(4,490,735)</u>
Total Fixed Assets	1,118,771
Other Assets	
Other Assets	101,145
Investment Securities	<u>6,684,735</u>
Total Assets	<u><u>12,579,362</u></u>

LIABILITIES & NET ASSETS

Current Liabilities	
Accounts Payable	<u>5,419,306</u>
Total Current Liabilities	5,419,306
Long Term Liabilities	
Post Retirement Liabilities	3,333,044
Contingencies/Litigation	2,444,050
Capital Lease Obligation	<u>52,219</u>
Total Long Term Liabilities	<u>5,829,313</u>
Total Liabilities	11,248,619
Net Assets	
Unrestricted Net Assets	492,660
Net Income/(Deficit) - Unrestricted	<u>637,801</u>
Total Unrestricted Net Assets	1,130,461
Temp. Restricted Net Assets	274,600
Net (Income)/Deficit - Restricted	<u>(74,318)</u>
Total Restricted Net Assets	<u>200,282</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>12,579,362</u></u>

**N.Y.S. Public Employees Federation
Income and Expense Statement - UNAUDITED
As of December 31, 2008**

Income		Maintenance & Repair	126,379
Membership Dues Income	24,168,036	Equipment Rental	6,317
Agency Fee Income	1,388,652	Minor Equipment Purchases	41,492
Interest Income	195,664	Computer Fees	43,646
Rental Income	36,149	Advertising Expense	239,783
Other Misc. Income	2,580,187	Photographic Supply	1,961
Unrealized Gain/(Loss)	292,447	Books & Reference Materials	79,567
Total Income	<u><u>28,076,242</u></u>	Insurance Expense	66,824
Expenses		Temporary Hire	17,732
Direct Services		Steno/Transcripts/Court	16,962
Union Leave Expense	609,383	Miscellaneous Sundry	<u>34,182</u>
Staff Salary Expense	8,384,833	Total Operating Expense	<u><u>2,587,502</u></u>
Payroll Tax Expense	683,254	Admin/Organizational Exp	
Benefit Expense	2,887,360	Scholarship Fund Expense	38,382
Auto Allowance & Expense	202,581	Arbitration Expense	115,697
Staff Travel & Transportation	177,122	Contributions	23,189
P/R Travel & Transportation	1,367,677	Affiliation Fees	176,862
State EOL Expense	<u>563,775</u>	Legislative/COPE Expense	562,688
Total Direct Services	<u><u>14,875,976</u></u>	Divisional Fund	996,916
Operating Expenses		Per Capita Fees	7,375,038
Reproduction	78,134	Professional Fees	435,972
Printing Expense	372,246	Depreciation/Amortization	<u>324,536</u>
Postage Expense	469,114	Total Admin/Organiz. Exp.	<u><u>10,049,281</u></u>
Office Supply Expense	69,466	Total Expenditures	<u><u>27,512,759</u></u>
Telephone/Communication	189,238	Net Income/(Deficit)	<u><u>563,483</u></u>
Rent Expense (includes Real Estate Taxes)	595,818		
Utility Expense	82,663		
Janitorial & Security Expenses	55,978		

Membership Information Systems

The Department of Management Information Systems provides a crucial link connecting PEF's 58,000 members and staff. MIS provides this link through the support and delivery of Internet services, data services, PC services, networking, and telecommunications.

Computers, Hardware, and Software

We have completed our organization-wide replacement of servers and desktops to replace older equipment purchased in 2001. We have migrated our Windows network to the latest Active Directory 2003, moved our e-mail services to Exchange 2007, and moved all user profiles to server based file serving and data backup. In addition to regular duties, MIS completed 4,353 work order requests this year.

To protect our network, we utilize the latest McAfee Secure Content Management server that provides real-time anti-spam filters, anti-phishing filters, anti-spyware filters and full internet content scanning. This system is updated constantly by a live data stream and is able to prevent even the newest viruses from entering PEF's network. In addition, we utilize McAfee Corporate Virus Scan at the desktop to prevent any rogue programs and viruses from entering our systems. The spam filter currently blocks over 25,000 e-mails per day. In addition, a sophisticated packet inspection firewall and fully secured AES encrypted VPN access keeps our network secure from the very serious threat of hackers.

Data Services

MIS continues to provide membership information via paper/electronic reports, labels, and look-up formats. This is the backbone for division elections, mailings, member representation, and member mobilizing efforts. We manage multiple databases and we are concurrently running our old legacy membership database system and the new SQL driven membership database system, MIDAS-Membership Information Database Application System. We currently provide reports to our

regional offices off of the new system and our front end application is currently in testing to totally replace the legacy membership information system.

MIS has also worked closely with accounting in launching our accounting services into the 21st century. We have just recently worked with accounting to migrate to Great Plains 10. In addition, we have implemented a web based VPN solution to minimize inconvenience to our division leaders while still giving them secured access to our business portal intranet which was also upgraded to the latest release. In order to meet our auditor's requirements, we have also done all this with a new security hierarchy to ensure accounting and data privacy compliance.

Lastly, MIS has been exploring and has implemented the latest



version of DocuShare and Informa to reduce the amount of paper storage and to increase the availability of PEF information by utilizing the latest scanning, text recognition, and data storage technologies available. We will be building our new applications to take advantage of these products to automate the data collection and repository usage such that this is as transparent and unobtrusive as possible to the users. Tying these technologies together with MIDAS, will give staff digital access to membership cards, insurance cards, petitions, etc directly off of their computer systems.

Web Development

PEF's Web site continues to be a crucial link to our members. It is THE

central location where members and press alike can get the most up-to-date information on what is going on at PEF. With daily updates and a tremendous historical archive our web site has grown to over 11,000 pages (including the on-line *Communicator* collaboration between PEF's MIS and PR departments) and the Membership Benefits web site complete with a visionary e-commerce implementation. In the coming year, development will begin on a new web content management system to better manage and present this wealth of information to our members.

We have begun exploring and planning the migration of the Membership Benefits point of sale to accommodate the large and ever increasing volume of sales. Our goal is to find a cost effective, expandable, and efficient system that we can tie to MIDAS to simplify the system and to better serve our members needs.

Telecommunications

PEF continues to reap the benefits of our current telecommunication and WAN infrastructure. We are now looking at leveraging that infrastructure to further decrease our costs by utilizing IP Telephony as we begin to phase out older telecom equipment at headquarters and at the regional offices. In addition to cost savings, e-mail integration will provide a new level of communication and accessibility.

And Beyond...

Over the next year, the extensive work that has gone into MIDAS will come to fruition in a large, expandable, and robust system to provide a level of data storage, access, retrieval, and manipulation that has not been available before. Information will be available across many PEF platforms to seamlessly integrate the many areas of PEF service including elections, political campaigning, and membership benefits. Enhanced bandwidth will be deployed to regional offices to expand our WAN capabilities and to improve response time.

Executive Offices

PEF's Executive Offices consist of the following departments: Public Relations, Purchasing and Maintenance, Civil Service Enforcement, Legislative, Convention, Human Resources and Education and Mobilization. These departments are responsible for carrying out the many directives and initiatives of the President.

Executive Board and Convention Coordination

The Office of Executive Board and Convention Coordination provides the PEF membership, elected delegates and elected officers a hospitable environment conducive to the business of PEF. The committee strives to provide assembly and meeting space fulfilling the highest needs of the body, with all considerations given to the location, accommodations, travel and the convenience of all participants.

Our goals are to ensure that conventions are planned three years in advance, recognizing each convention and location has particular needs. Additionally, we work to ensure, to the extent possible, that travel and logistical support for each convention meets the needs of delegates.

In addition, the office plans and provides administrative support for PEF's executive board meetings, many leadership events and meetings, and processes all requests for employee-organizational leave.

Planning and holding the PEF convention as well as PEF's executive board meetings would not be possible without the coordinated efforts of many individuals including the convention chair, the convention committee and convention coordinator, as well as staff members from PEF's executive offices.

The Office of Executive Board and Conference Coordination and Executive Board/Convention Coordinator obtains proposals from potential convention sites and with the convention chair, conducts inspections at all locations being considered. Sites are selected based on available meeting room space, overnight accommodations, transportation and financial considerations. The information is presented to the members of the convention committee who review the proposals and make a recommendation to the executive board.

The following upcoming dates and convention sites have been finalized: September 13-16, 2009 at the Conference Center Niagara Falls, September 12-15, 2010 at the Marriott Wardman Park, in Washington, DC and September 11-14, 2011 at the Conference Center Niagara Falls.

The Executive Board's conference coordinator is responsible for overseeing all aspects of the convention. The coordinator works together with the convention chair and PEF staff members to arrange overnight room accommodations, assign meeting room space, design the online and delegate credential registration systems, plan food and beverage functions and coordinate transportation. They also produce delegate materials and publications, arrange for release time, design the plenary hall and vendor areas, and prepare delegate checks.

The committee works in conjunction with the convention chair and the conference coordinator to prepare for the convention. Members of the committee organize information about local restaurants and vendors to be distributed to the delegates. They arrange for social activities outside of the convention, such as local tours and group events. The convention committee is also responsible for selecting entertainment for the Farewell Dance.

At the convention, PEF staff members register delegates, assist with housing issues, and work with hotel staff to set up the plenary room and vendor area. The Executive Board's conference coordinator oversees all events and acts as liaison to the hotel staff and conference center for any issues that may arise. Committee members help with registration and determine the plenary floor seating assignments. Both PEF staff and convention committee members provide assistance to the delegates whenever needed to ensure a successful and productive event.



Civil Service Enforcement/Research

The department continued regular monitoring of the activities of the Department of Civil Service (DCS) and the various state appointing authorities which is an important part of PEF's ongoing efforts to preserve the merit system.

Most of the problems formally investigated by the department involved salary determinations, reclassification/reallocation inquiries, out-of-title work complaints, transfer issues, eligible list issues, canvassing violations, jurisdictional classification issues, civil service exam inquiries, early and regular retirement questions, and probationary terminations. In addition to the 91 cases we formally investigated and closed from January 1, 2008 to December 31 2008, we responded to more than 4000 telephone and e-mail inquiries.

Other notable Civil Service Enforcement actions include:

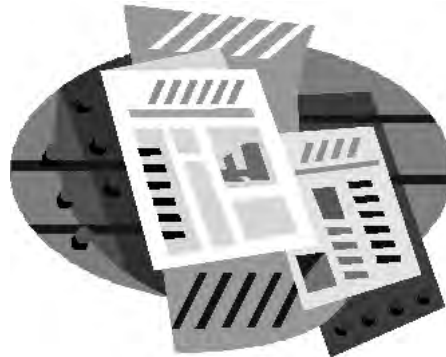
- Worked with the Legal Department to develop a letter to the Civil Service Commission in opposition of the Department of Civil Service's proposal to move 37 titles and 1,983 positions in the medical field from the competitive to the non-competitive class. We were successful in keeping the Pharmacist tile series affecting 355 positions in the competitive class. The Legal Department is preparing a lawsuit on this issue.

- Worked with PEF DOH leaders to prepare and file an appeal to the Civil Service Commission of the Division of Classification and Compensation's decision on the DOH Sanitarian reallocation requests. The appeal was rejected by the Commission. We will continue to provide assistance as DOH reviews the Sanitarian series positions with respect to the implementation of the new Health Systems Specialist series.

- Continued staff support to the Jeff Satz Statewide Civil Service, Joint Affirmative Action, Career Mobility, Statewide Labor/ Management Committee, Information Technology, Veterans, Women's and Teachers' Committees and to write and distribute *The Enforcer* newsletter.

Fiscal and Public Policy

The department prepared analyses of the impact on PEF members of the Executive Budget proposal, all related budget proposals, the enacted 2008-09 State Budget, and Agency Reduction Spending Plans. Armed with this information — summarized as "fact sheets," flyers, and postcards — PEF officers, member activists and staff were prepared for another successful budget lobbying and fight-back effort. This effort resulted in either completely or partially achieving all of our legislative priorities including keeping the OCFS Pyramid and Great Valley facilities open, stopping the closure of four state prisons, and restoring twenty-one positions to the Department Agriculture and Markets to enable them continue annual inspections of food stores. Staff also provided assistance to the OMH, OMRDD, DOH and DOT labor-management committees.



We continued to analyze the Governor's and Legislature's changes to the SFY 2008-09 budget during the fiscal year including an analysis of state agency core mission reports and the creation of options to proposed budget cuts.

Analyzed data obtained from the Office of the New York State Comptroller on overtime in healthcare facilities operated by NYS and then updated PEF's Save NY Nurses whitepaper, which examines New York State's need for limitations on the utilization of mandatory overtime. This updated report and other research material provided by the department helped get the mandatory overtime bill enacted into law.

Employment Security/Contacting Out/Privatization

The department provided staff assistance to the Job Security Committee and worked on several notable employment security issues during the past year including:

- Received and analyzed three Office of State Comptroller's reports regarding the expenditures for consultants in state agencies for SFY 2006-07. This information was compiled into a report released in May 2008 that was shared with the Comptroller, the Division of Budget and the Governor's counsel's office to assist in our negotiations for a cost benefit analysis procedure. The governor issued an Executive Order in June 2008 establishing a cost-benefits analysis procedure for most state personal series contracts with an initial focus on reducing information technology and engineering contracts.

- Received and analyzed three Office of State Comptroller's reports regarding the expenditures for consultants in state agencies for SFY 2007-08. This information was compiled into a report released in December 2008 that was shared with the Comptroller, the Division of Budget and the governor's counsel's office to assist in our efforts to institute a consultant reduction plan as an alternative to proposed budget cuts.

Human Resources and Education

The Office of Human Resources and the Education Department operate under the direction of the Director of Human Resources and Education. Human Resources is responsible for managing the personnel functions of recruitment and selection, job analysis and design, labor relations, and compensation and benefits. The Education Department is responsible for creating and providing educational opportunities for elected leaders, staff and members that enhance their union skills, job skills and career mobility.

Human Resources

Of 150 staff at headquarters and in regional offices, 40 are management-confidential and 110 are represented by the United Steelworkers of America, Local 9265. Human Resources staff enforces the collective bargaining agreement for PEF as the employer and ensures compliance with the agreement as well as staff policies and procedures. All aspects of insurance coverage for staff, including long term disability, term life, NYS disability and workers' compensation, unemployment insurance and related benefits are administered by the Office of Human Resources. Human Resources staff also manages the PEF Healthcare Plan which provides health, prescription drug, dental and vision care benefits for PEF staff.

Human Resources also prepares and updates job descriptions for the various positions/job titles of PEF staff, negotiates the salary grade assigned to each title, follows up on probationary reports, and prepares and maintains the paper work for all personnel and payroll changes. Staff represents PEF management at all quarterly Labor-Management, Career Mobility, and Joint Health Benefits Committee meetings with USW, and participates in quarterly Health and Safety meetings with USW.

Human Resources staff arranges for temporary services at headquarters, the Legislative Office, and the 12 Field Service offices for permanent employees on leave and in short-term work overload situations. Telephone services in all offices are administered by Human Resources with the assistance of Membership Information Systems. The headquarters telephone and

regional office lists are updated regularly. Human Resources staff also provides staff support to the PEF Committee on Ethics and Responsibility.

United Steelworkers, Local 9265 (staff union)

PEF and USW held quarterly labor-management meetings on March 12, June 26, September 25, and December 18, 2008. Matters discussed included the success of the mentoring program, evaluation of providers for dental and pharmacy benefits, availability for compressed work schedules, GPS systems for PEF vehicles used by Membership Benefits and Legal staff, sensitivity training for staff and officers, EAP services, continuing discussions of ways to provide additional lunchtime seating at headquarters, staff training regarding RIF's, and safety procedures following a fire in the building housing the Manhattan regional office. USW complimented PEF MIS for the roll out of new equipment and software throughout the state.

Human Resources staff serves on the



PEF/USW joint committees on Health and Safety, Career Mobility, Workweek Adjustment, Training and EAP; processes staff contract grievances, disciplinary actions and maintain all associated records.

PEF and USW completed negotiations for a successor agreement. The PEF/USW 2007-2011 contract was approved by the Executive Board and ratified by the USW membership. The Executive Board also approved the Management-Confidential Benefits Synopsi.



Health Benefits

The PEF/USW joint committee on health benefits meets quarterly. Issues discussed included Blue Shield's inappropriately requiring pre-authorization for outpatient mental health or substance abuse visits; enhanced OTC drug benefit, dental plan analysis and Delta Dental option, development of wellness programs, Flexible Spending Accounts, prescription utilization reports, a possible voluntary prescription drug step therapy program, and the feasibility of implementing a Medicare Part B offset/reimbursement program.

Education Department

The PEF Education Department has had another successful year marked by new projects and additions to our existing training curriculum. The training of stewards, council leaders and the membership in labor relations and related areas continues to be our primary focus.

The newest versions of the PEF Learning Guides are available from the PEF Membership Benefits Department. Copies can be printed directly from the Membership Benefits website or hard copies can be obtained by requesting them from the department. The titles of the three new guides are: Tabular Reasoning and Quantitative Analysis, Interviewing and Investigation Techniques, Arithmetic Reasoning with expanded practice questions. An additional section dealing

with Expanding Your Cultural Capacity has been incorporated into the Interviewing and Investigation guide.

In addition, a new workshop entitled Expanding Your Cultural Capacity has been developed based upon the learning guide and added to our offering of advanced steward training. This workshop was presented at the September 14-17, 2008 PEF Convention held in Syracuse to a standing room only attendance and received very favorable feedback from those attending.

The PEF Education Department hosted a New Council Leader Training weekend on November 21-22, 2008. New council leaders are invited to participate in training that is specific to their roles as PEF leaders and include the topics: This Is PEF, Division Finances for Council Leaders, Division Standards, Communicating with Your Members, Forming a Safety and Health Committee, and Leadership 101. Thirteen Council leaders attended. After dinner an evening panel discussion with experienced Council Leaders, Best Practices of Successful Council Leaders, was moderated by staff.

Training staff also acted as presenters at various training events hosted by the PEF regions. The workshops, "Interrogation and Counseling" and "Basic Labor Management" were offered to participants at the Regions 5 & 9 Leadership Conference held on October 24-26, 2008. Education Department staff also attended the Region 12 Leadership Conference held on November 7-9, 2008 and presented the workshop "5 Keys to a Successful Labor Management Relationship."

In addition, PEF continues its involvement in union skills training and provides assistance and training to the membership such as:

- Attending a meeting of the executive committee for the "Union Leadership Institute" at the office of Cornell's School for Labor studies in NYC on December 16, 2008.

- Presented all five of the Basic Steward Training Modules offered in several PEF Regions including Region 7 on September 9, 2008 and Region 10 on October 30, 2008.

The next New Council Leader Training is scheduled to be held May 8-9, 2009 at PEF Headquarters. As in the past, it will be a two day intensive training event. Attendance is limited to newly elected council leaders and as well as those who were unable to attend the November 2008 training. Education and Training staff will coordinate the conference and are presently reviewing the training agenda which may be modified to reflect information gained from the feedback provided by those Council Leaders who attended previous sessions. Training staff will also moderate the panel discussion which invites experienced council leaders to share their experiences as union leaders.

Following the format of the program entitled "Growing Up PEF" which was developed by Sherry Halbrook in PEF's Public Relations Department, work has started to develop a training program on the History of PEF. Our goal is to make this available on DVD, as well as in a live training format.

In addition, staff has begun the development of the design of a PEF Leadership Institute to train new and future PEF Leaders.

Professional Development Committee

The Professional Development Committee (PDC) meetings continue to determine how the funds under Article 15 of the Contract will be allocated for professional development training and education programs.

The PDC established retroactive and current fiscal year tuition assistance programs as follows:

Retroactive Programs: April 2, 2007 – March 31, 2008 - The deadline for retroactive programs (4/1/2007 – 3/31/2008) for the College Tuition Reimbursement Program and the Voucher Alternative (VALT) Program was October 1, 2008. The following is a synopsis of the success of these programs as of January 21, 2009.

Retroactive College Tuition Reimbursement Program – GOER has processed a total of 2,704 claims filed by 1,216 participants for retroactive CTR. The total dollar amount

for claims in process or paid as of January 21, 2009 was \$1,081,109.

Retroactive Voucher Alternative (VALT) Program – GOER has processed a total of 805 claims filed by 612 participants for retroactive VALT applications. The total dollar amount for claims in process or paid as of January 21, 2009 was \$101,725.

Current Fiscal Year Programs: April 1, 2008 – March 31, 2009 - These programs apply only to expenses incurred from April 1, 2008 through March 31, 2009.

College Tuition Reimbursement Program – Employees in the PS&T Unit can submit claims for up to two (2) courses. The standard claim rate will be up to \$600 for undergraduate courses and up to \$1,200 for graduate courses. However, for a four-credit hour undergraduate course, claims for up to \$725 can be submitted. As of January 21, 2009 a total of 505 participants filed 1,033 CTR applications. The total dollar amount for current CTR claims in process or paid as of that date is \$416,703.

Voucher Alternative (VALT) Program – Employees in the PS&T Unit can submit claims for up to \$600 for reimbursement for workshop and conference attendance. As of January 21, 2009 a total of 1,109 participants filed 1,644 VALT applications. The total dollar amount for current VALT claims in process or paid as of that date is \$160,761.

Certification and Licensure Exam Fee Reimbursement Program (CLEFR) – This program was announced to the membership on October 1, 2008. Employees in the PS&T Unit can submit claims for up to \$600 per-fiscal year for initial licensure and certification exam fees. As of January 27, 2009, GOER has received 182 applications. The allocated amount for this program was \$112,500 and approximately \$48,528 has been reimbursed.

The Public Service Workshops Program (PSWP) – The Public Service Workshops Program (PSWP) is going strong as we move into 2009. Despite the current fiscal situation in New York, these workshops are continuing and being added to on a daily basis because this is part of an existing contract with Rockefeller College. Currently, we have 28 workshops scheduled

Human Resources and Education (continued)

from now through April 2009. Workshops are added on a continual basis as the need is identified. Labor-Management Chairs, Executive Board Representatives and Council Leaders should identify professional development workshop needs of their members and discuss those needs with their Agency PSWP Liaison.

The following programs continue to be discussed by the PDC committee with an expectation that they will be announced in the near future:

Online Courses — In the 2003 – 2007 contract, the PDC funded the Binghamton Online Courses which were free to PS&T Unit state employees. For this contract period, the PDC will be working with Rockefeller College to provide the same types of online courses offered through a similar vendor. The courses are being reviewed and we are hopeful that they will be available in April 2009.

Workforce Initiatives Programs — This is a program that will be made available to agency local or statewide Labor-Management Committees that meet and agree on training needs for occupations/groups of employees in their agency. The PDC is preparing the final draft of the guidelines.

Voucher Program — GOER has begun putting in place the agreement with colleges. It is anticipated that the program will be in place for April 1, 2009.

Labor-Management Training Program — The PDC continues to discuss the labor-management training curriculum and delivery. In the meantime the joint labor-management training program will remain similar to last contract. If there is an interest in having joint labor management training by a Joint Labor-Management Committee, the application, which must be completed jointly by labor and management, is available from the Education Department or GOER. Once the application is received a trainer will be selected to meet with the L-M committee and produce the training. As of this time, we have received one training request from the Office of the State Comptroller. A trainer has been assigned to meet with the committee and begin tailoring the training for the agency.

Enhanced Voucher and VALT Programs for Nurses — The committee has conceptually agreed to fund enhanced Voucher and VALT programs for nurses and work continues on the draft program guidelines.

Certification Courses for Nurses — The PDC is working with Rockefeller College to establish courses that will address certification issues for nurses in accordance with the Article 15.6 and the sideletter.



Legislative Department

The PEF Legislative Department is responsible for pursuing the legislative and political agenda established by PEF under the direction of the president and in cooperation with the Statewide Political Action Committee.

State Budget- 2008

Each year when the governor submits a proposed budget to the Legislature, the Legislative Department works with the Civil Service and Research Department to analyze the proposed budget and to identify issues of significant concern to PEF members. Our priority is generally to focus on proposals that may impact the job security of our members. Once we identify issues, we develop position statements with supporting analysis and actively lobby legislators for changes in the budget.

Although the SFY 2008-09 executive budget was generally positive in its impact on the state workforce, it also presented a number of challenges for PEF members. The budget process was further complicated by declining revenue projections, which led Gov. Paterson to call for across the board cuts to the appropriations in original executive budget documents.

As a result of several lobbying activities, which included PAL visits, Budget Lobby Day, meetings with legislators and staff, and testimony before the Senate and the Assembly fiscal committees, the enacted budget adopted by the Legislature incorporated several amendments supported by PEF. They included (partial list):

Department of Correctional Services – Restored funding for all DOCS facilities targeted for closure: Camp Gabriels, Camp McGregor, Camp Pharsalia, and Hudson Correctional Facility.

Office of Children and Family Services – Restored funding for Great Valley Residential Center and Pyramid Residential Center. However, the legislature did not restore funds for four other facilities slated for closure.

Department of Agriculture and Markets – Rejected the elimination of annual inspections of retail food stores in favor of risk based assessments.

State University of New York – Rejected language that would have given greater

flexibility to the SUNY board to enter into certain contracts without oversight.

Division of the Lottery – Rejected a “monetization” proposal that would have authorized the sale of future lottery revenues in exchange for an upfront lump sum payment.

Shadow Government – Rejected proposals to expand the powers of unaccountable public authorities such as a permanent authorization to use money from the Environmental Protection Fund to create the Pollution Prevention Institute and making permanent the loan powers of the Urban Development Corporation.

Legislation

Fourteen bills supported by PEF passed both the Senate and Assembly in 2008. Below is a brief summary of these bills and the subsequent action of the governor:

GO PUBLIC:

The first item is actually not a bill, but it is a direct result of a legislative initiative that PEF has advocated for several years. PEF has supported legislation that would require a cost/benefit analysis before state agencies contract for consultant services, in order to see whether the work can be performed at lower cost by State employees. During the past year, PEF has provided extensive amounts of data on this topic to the governor’s office and the Legislature. In June, 2008, Gov. Paterson signed Executive Order Number 6 to implement a plan to address this issue. The Executive Order creates a process within the state administration to review the cost-effectiveness of large consultant contracts. It also requires agencies to make information about contracts and their reasons for entering into a contract more publicly available. Although the Executive Order is not identical to the bill that PEF supports, it is a commitment by the state government to begin looking at these contracts with a goal of reducing the reliance on costly consultants. Executive Order No. 6, June 4, 2008.

S8637/A11711- Prohibiting mandatory overtime for nurses:

This bill prohibits a health care employer from forcing a nurse to work

longer than his or her regular work hours. There are exceptions for emergency situations when mandatory overtime can be required, but in those cases the employer must first try to fill the need through other measures such as voluntary overtime, on-call staff, agency nurses and “floaters”. The bill does not prohibit voluntary overtime. The bill also amends the Education Law to protect nurses from being charged with patient abandonment if they exercise their rights under this new law by declining to work overtime. The bill takes effect July 1, 2009 in order to give employers time to prepare to comply. Signed Ch. 493, August 13, 2008.

S6457A/A9393A- Retiree health insurance:

This bill creates a task force with labor representation to study and make recommendations about the preservation of health insurance benefits for retired public employees. During the time the task force is to study the issue, the bill imposes a one-year moratorium that prohibits any public employer from reducing a retiree’s health insurance benefits unless they negotiate a similar reduction with the union that represents its active employees. Veto No. 113, September 4, 2008.

S6652/A9892 - Geographic reassignment:

This bill affects situations where the state imposes geographic reassignment of state employees. It requires that, in cases where an employee is to be involuntarily moved from his or her normal work location to another location outside the county or a contiguous county, the employer must assign the lowest senior employee in the affected job title. Veto No. 71, August 5, 2008.

S7272/A10030: - Agency shop fee provisions

This bill removes a sunset provision and makes the agency shop fee provisions of the Taylor Law permanent. Signed, Ch. 338, July 21, 2008.

S6533A/A9511A - CSE notice of NYS School for the Blind as an educational option:

This bill requires that committees on

special education in school districts make information available to the parents of blind and deaf children about the services offered by the New York State School for the Blind and the School for the Deaf. Veto No. 52, July 21, 2008.

S6751/A9963 - NYSTAR Civil Service status:

This bill clarifies the civil service rights of employees of the Foundation for Science, Technology and Innovation (NYSTAR). It makes it clear that employees will be civil service and treated for civil service and collective bargaining purposes in the same manner as employees of a State agency, including staying in the PEF bargaining unit and being covered by the same collective bargaining agreement. There will be an exception for a defined category of research scientist positions, none of which are currently represented by PEF in this agency. Signed Ch. 105, June 3, 2008.

S1608/A1206A - Nurse presence during operative procedure:

This bill requires that a qualified nurse be present in an operating room for the duration of an operative procedure. Signed Ch. 158, July 7, 2008.

S7792/A10381 - Civil Service examinations missed due to military service:

This bill provides members of the armed forces of the United States with the opportunity to take a civil service exam if they miss the exam date due to military service. Signed Ch. 192, July 7, 2008.

S7791/A10486 - Employment opportunities for disabled veterans:

This bill would increase employment opportunities for veterans with disabilities. Signed Ch. 340, July 21, 2008.

S6717/A9977 - Discipline mandatorily negotiable term and condition of employment for public employees:

This bill provides that employee discipline shall be a mandatorily negotiable term and condition of employment for purposes of collective bargaining of public employees. While this has always been assumed to be the case, this bill is intended

to clarify the law because of issues raised by certain court cases. Veto No. 44, July 21, 2008.

S8142/A10644 - TRS pension service credit for PEF bargaining unit employees in SED:

This bill would allow employees in the PEF bargaining unit who are employees of the State Education Department and who are in the Teachers Retirement System to obtain up to 200 days of pension service credit. Members who are in the NY State and Local Employees Retirement System already have this benefit. Veto No. 130, September 4, 2008.

S8373/A11439 - Pay bill:

PEF pay bill. Implements the collective bargaining agreement. Signed Ch. 114, June 17, 2008.

S8676/A11730 - WTC rescue and recovery disability pension :

This bill amends the current law regarding eligibility for disability pension benefits for members who participated in the rescue and recovery efforts after the terrorist attack on the World Trade Center. It modifies the law to allow eligibility for members who did not have a pre-employment physical but who can provide medical records showing that they did not show symptoms of a disabling condition prior to September 11, 2001. Signed Ch. 489, August 5, 2008.

S6778/A10553 - Leave extension for civil service employees injured on the job:

Extends the period of leave for civil service employees who are injured on the job from a maximum of 12 months to 18 months. Veto No. 45, July 21, 2008.

One bill, for which PEF has significant concerns, passed both houses:

S8534A/A11753 - Changes to laws governing child abuse and neglect, for children in the custody of residential programs:

This bill, introduced late in the legislative session at the request of the governor, makes several changes to the laws governing child abuse and neglect, relating

to children in the custody of residential programs operated or licensed by the State, primarily by OCFS. It establishes new definitions of abuse and neglect and requires investigations and reporting of certain types of incidents. While PEF supports action to protect the rights of children in residential programs, this bill raises concerns about due process and whether the rights of professional employees are being fairly considered in cases where unfounded charges of abuse are made against employees. Certain parts of the bill also apply to residential facilities for children operated or licensed by OMH or OMRDD.

In response to concerns raised about this bill, the bill was amended to delete some of the most problematic language, but the bill continues to raise serious concerns, especially about the potential impact on OCFS employees. Signed Ch. 323, July 21, 2008.

Federal Issues - 2008

In February, the President of the United States submitted his proposed budget to Congress. The Legislative Office worked with AFT and SEIU to analyze the proposed budget, identify issues of concern to PEF members, and lobbied our federal representatives for changes in the budget. Our priority, to focus on proposals that reduced federal funding and may have resulted in the loss of quality services PEF members provide to residents in New York State.

President Ken Brynien also sent letters to Senators Clinton / Schumer and New York State Congressional Representatives urging them to oppose the president's unacceptable budget that would negatively impact programs and PEF jobs that are needed in New York state.

President Bush's proposed FY2009 budget would have resulted in a staggering \$19 billion in cuts (adjusted for inflation) in grants to states and local governments. The president's budget cut employment services, social services, education, health care, transportation, housing, Medicare and Medicaid. The president proposed these cuts while seeking to preserve his 2001 and 2003 tax breaks that benefit the wealthiest one percent and called for a sizable increase in military spending.

Legislative Department (continued)

Social Security

The president's budget once again repeated the President's prior failed attempt to privatize the Social Security system, and proposed spending \$30 billion in FY 09 and \$647 billion over the next 10 years to create Social Security private accounts. PEF is opposed to the privatization of Social Security which could lower benefits, increase retirement age and eliminate the disability benefit.

Medicare

The president's budget reduced Medicare by more than \$178 billion over five years, by shifting extra premium costs to moderate-income beneficiaries, hospitals and other providers. PEF is opposed to attempts by the federal government to reduce Medicare reimbursement to rehabilitation hospitals such as Helen Hayes Hospital. PEF's Legislative efforts have been successful and we will continue to lobby to protect the 250 positions in Helen Hayes Hospital.

Medicaid

The president's budget significantly impacted already strained state and local government budgets by cutting Medicaid \$18.1 billion over five years. The President's proposed administrative changes included capping payments to government providers, and cutting rehabilitation services. These cuts would not have been achieved by lowering health care costs but rather by shifting costs onto state and local budgets. PEF supports improved funding to Medicaid and opposes cuts to the program.

Employer-Provided Health Benefits

The president again recycled his proposal to impose a new tax on employer-provided health insurance and treat these benefits as taxable income. Currently, employer-provided health insurance is a tax-free benefit to employees. PEF opposed this plan because it would be costly for workers, especially union members with valuable health insurance benefits.

Health Savings Accounts (HSAs)

The president again proposed expanding

the tax subsidies for HSAs. PEF is opposed to HSAs because these subsidies encourage employers to drop their group coverage.

Community Services Block Grant (CSBG)

The president's budget eliminated all \$654 million in funding for CSBG, which funds community action agencies that administer Head Start and provide housing, nutrition, education and job services to low-income people. PEF is opposed to attempts by the federal government to eliminate the Community Services Block Grant Program because this action may eliminate services to the neediest citizens of New York State and may result in the loss of 21 professional New York State Jobs in the Community Services Block Grant Program that is administered by the NYS Department of State.

Employment and Training

The president's budget decimated employment and training programs at the very time that unemployed workers need more help preparing for and finding new jobs. Funding for employment and training programs would have been cut by \$1.2 billion or an unprecedented 29 percent.

Workforce Investment Act (WIA) Employment and Training

WIA programs would have been cut by \$484.4 million, a 13.7 percent reduction. PEF supports improved funding and continued adherence to the provisions of the Wagner-Peyser Act.

A Block Grant and Career Advancement Account (CAA)

Block grant and CAA legislative "reform" was proposed again despite its past rejection by Congress. Although current WIA individual training accounts are uncapped and frequently exceed \$4,000-\$5,000, Bush's CAA proposal capped training vouchers at \$3,000 for each of two years. PEF is opposed to the formation of CAAs.

Justice Programs

The president's budget eliminated or

significantly cut key Justice Department programs that fund state and local governments by more than 65 percent. PEF supports restoring funding for justice programs such as the Edward Byrne Memorial Justice Assistance Grant Program (Byrne/JAG) to achieve further reductions in crime in New York state.

The Senate and House reject the president's budget and passed a Continuing Resolution (CR) to fund the federal government until March 2009. The (CR) funds programs at Fiscal Year 2008 levels.

Congress did pass the first Wall Street Bailout/Tax Extenders Bill (H.R. 1424). The bill granted the Treasury Department up to \$700 billion to spend on "troubled assets" (mortgages or mortgage related securities) and provided \$150.6 billion in tax breaks. The bill increased FDIC deposit insurance on most bank accounts from \$100,000 to \$250,000 through 2009, but did not help at-risk homeowners and lacked corporate governance protections and reforms including stronger shareholder rights concerning CEO compensation and board membership.

In 2009, we will most likely see another stimulus package to protect jobs, spur job creation and create long-term growth. PEF will fight, along with AFT and SEIU to increase the Federal Medicaid Assistance Percentage (FMAP), secure aid to states for infrastructure/highways, and assist in funding other vital programs PEF members provide to New York state residents.

COPE

Under Federal law, PEF cannot directly contribute to candidates for federal office. COPE is a voluntary fund to which we ask members to contribute by payroll deduction for this purpose. The money contributed by members is then sent to the COPE funds at AFT and SEIU to be used to support candidates for Congress who support our interests. Membership participation in COPE continues to be encouraged.

PEF Political Action

2008 was an important year in politics, with all state and federal legislative seats up for grabs as well as the Presidential Election. The Legislative Department

Legislative Department (continued)

coordinated communications and get out the vote activities for approximately 30 endorsed candidates whose races were designated as priorities. The campaign included a mail program, in which every member registered to vote in priority districts received at least two, and in many cases three, mail pieces in support of our candidates for Congress, state Senate and the Assembly. Each of these members also received a prerecorded call from President Ken Brynien urging them to get out the vote.

Working with the Mobilization Department and the regional PAC committees to recruit volunteers, the Legislative Department also coordinated several volunteer activities in support of our priority candidates. PEF members filled several buses sponsored by our international unions, AFT and SEIU, and helped deliver victory to Barack Obama in the battleground state of Pennsylvania. These members walked door-to-door speaking with other union members about why Barack Obama was the best candidate for working men and women. In addition, prior to our endorsement of Barack Obama, PEF provided a number of volunteers for Hillary Clinton – then New York’s Junior Senator – in the Democratic presidential primary, ranging from bus trips to New Hampshire to phone banks and visibility activities across New York State.

Volunteer activities were also coordinated for Congressional, State Senate, and Assembly candidates throughout New York. From Buffalo to Troy, and Watertown to Islip, PEF members attended rallies, manned phone banks, and canvassed their communities to ensure that our candidates were ultimately successful. PEF was a visible part of several crucial campaigns. Ultimately, over 97 percent of PEF endorsed candidates were successful.



Mobilization

Member Mobilization is responsible for working with PEF's elected leaders and staff to promote and implement the Member Mobilization program as well as help divisions empower the members to engage in union activities. Department staff travels the state, working with the regional coordinators and council leaders to assist PEF divisions in achieving fully mobilized status. The department continues to identify divisions in each region that have achieved or are close to achieving full mobilization. Staff works with the council leaders and their designees, assisting them in the charting process and helping them to achieve fully mobilized status. As of this writing, PEF has 189 fully mobilized divisions.

The department spent time working on many campaigns during the year. We started the year with the budget fight back and supported members in OCFS as well as DOCS. We also worked closely with the statewide nurses' committee on planning and recruitment for the May nurses' rally and lobby day regarding mandatory overtime.

During the spring of 2008, we worked with OTDA Division 399 on the "Security is a Priority Campaign" that resulted in a win for our members in Glendale. Management had removed security from the building leaving our members vulnerable. Our leaders at Glendale formed coalitions with other unions as well as other PEF divisions and are confident that security will be returning.

We worked with the Sunmount DDSO Leadership in the development of a rally at Sunmount DDSO. Many members were in attendance to highlight the MOT and need for geographic differential in that region. We were fortunate that the DOCS L/M conference was down the road in Lake Placid and the PEF members from DOCS PEF were able to attend in full force to support the members at Sunmount.

At the 2008 Convention in Rochester, we worked closely with Vice President Pat Baker on the COPE Cup Campaign challenge. Hundreds of convention delegates joined COPE as a result of this effort.

During the fall, along with Vice President Joe Fox and the Legislative

Department, we spent time on recruitment of members for this year's historic elections. Department staff worked on the details of many bus trips as well as election events across the state. We were successful in putting hundreds of PEF activists on the streets to work on numerous campaigns across the state. Staff was also responsible for monitoring the PEF PAC database. This database will allow us to keep track of the hard work our political volunteers are doing to better the PEF's political action agenda.

The department also developed and facilitated a number of trainings for regional leadership conferences, the labor-management conference and new council leader trainings.

We are continually updating and refreshing the Mobilization page of the PEF Web site. This is a great resource for PEF activists as well as members wanting to get involved. We have included a web photo album to chronicle the many member actions throughout the year.

Mobilization/Nurse Organizer

In 2008, what once seemed nearly impossible finally occurred. Both the state Assembly and Senate overwhelmingly passed legislation prohibiting mandatory overtime (MOT) for nurses in New York State. The near decade long campaign culminated on August 13, 2008 when Governor Paterson signed the bill into law. The new law takes effect in July of 2009.

During the past legislative session, the voices of PEF nurses were heard loud and clear in the halls of the state Capitol. Their efforts made a real difference, intensifying debate and leading ultimately to passage of the MOT legislation. This was a major accomplishment that their rally attendance, postcards, petitions, and letters helped to achieve.

At the rally in June, PEF nurses and activists stood with members of other nursing unions to show both the Legislature and the governor that the coalition was speaking with one unified

voice in support of mandatory overtime legislation. PEF has worked to build and maintain the excellent working relationships among the coalition of nursing unions. Now the same coalition led by PEF has achieved its goal of passage of the MOT legislation. They will continue to support nursing issues through a united effort to better the work environment for all nurses and protect patient safety.

Following up on the passage of the MOT legislation, PEF is closely monitoring the state's plans to implement the law and will continue to have on-going discussions with the Governor's Office of Employee Relations, NYS Department of Labor, and state agencies to monitor the situation.

The SWNC continues to provide resources to the nursing sub-committees established by the DOCS, OMRDD, and OMH labor-management teams, contributes on-going resources to divisions with nurses, addresses their concerns and issues including the development of action plans for steps proposing a geographic salary differential and documentation of mandatory overtime and inadequate staffing levels, provided support to the DOCS Wende Hub Nurses, and the Region 1 Nurses Committee in staging a February rally in front of Attica Correctional Facility addressing inadequate staffing and mandated overtime, worked with the Sunmount DDSO Council Leader, nurses, and PEF activists to conduct a rally and highlight similar nursing issues to those addressed at the Attica rally. The committee also sponsored a downstate nurses conference in the NYC area featuring guest speakers on topics such as Legal Issues for Nurses, Stress Management, and Nutrition. We continue to monitor discussions within Civil Service concerning the potential reclassification of class standards for nursing titles.



Public Relations

The Public Relations Department is PEF's communications center and in-house advertising agency. The PR Department focuses on helping PEF advance its goals of achieving stronger contracts, job security and improved retirement benefits by advancing the union's views, activities and policies through the news media, community relations, marketing and advertising.

This department produces revenue for PEF through the sale of advertising space in *The Communicator*, the *Health and Safety Conference Guide*, the *Convention Yearbook*, *Convention Dining Guide* and on the PEF Web site.

Major Activities

The PR department advanced several of the union's campaigns, including the state budget fight-back issues, as well as "Stop Workplace Violence," "Nurses – End Mandatory Overtime," "Keep the Vision at the NYS School for the Blind," "OCFS Step-Down Rehabilitation," "Stop Prison Closures," "Go Public," and "Work Conditions at Pilgrim Psychiatric Center."

We designed and produced a television, radio and print campaign around 'budget fight-back', placed multiple print ads relating to specific agency fights, reached out to media outlets, produced promotional materials, organized press conferences and rallies, and photographed several events including lobbying activities and legislative gatherings all across the state.

Media Relations

The PR Department wrote and distributed dozens of media advisories and news releases on a variety of issues. Department staff either responded directly to or arranged interviews for PEF leaders and members. We also assisted in the editing and distribution of several letters-to-the-editors and Op Ed pieces in various newspapers statewide addressing core issues. PR staff initiated dozens of media contacts and responded to scores of press calls from newspaper, radio and television.

Marketing and Advertising

PEF leaders and PR department staff led a coalition of other unions and worked to conceptualize, write and place print ads advancing the "End Mandatory Overtime" campaign for nurses. Print ads included:

"End Mandatory Overtime" which appeared in the *Legislative Gazette* and the *Capitol News*.

"Nurses Lobby Day" which appeared in the *Legislative Gazette*.

PR department staff also helped secure positive stories on the "End Mandatory Overtime" issue on TV, radio and in print.

Our department designed t-shirts, postcards, produced flyers, surveys and programs for the "End Mandatory Overtime" campaign. We secured media coverage for the nurses' rally. PR also provided support and secured widespread media coverage of nurses' rallies at Attica Correctional Facility and at Sunmount Developmental Disabilities Services Offices (DDSO).

The PR department produced flyers, fact sheets, stickers, poster boards, media advisories and releases to protest the proposed closing of state Office of Children and Family Services (OCFS) and state Department of Correctional Services (DOCS) facilities across the state. PR staff coordinated media coverage for rallies at the Hudson Correctional Facility, Camp Gabriel's and Camp McGregor. Our department also arranged interviews and responded with letters-to-the editors and Op Ed pieces relating to the fight back on proposed OCFS closings. PR provided support and secured media coverage for a

rally at the Pyramid Reception Center. Media calls related to both issues were answered by PR staff and resulted in positive news coverage.

PR staff created and placed several print ads calling for state budget restorations or rejection of other budget proposals as part of PEF's fight-back campaign. The PR department issued media responses to the governor's State of the State address and his Executive Budget address. We placed ads that focused on blocking a proposal to privatize youth facility programs and threats to other state services including the New York State School for the Blind (NYSSB). We also placed image ads featuring our members on the job while promoting PEF's "Go Public" campaign. The ads included:

"Welcome Paterson" which appeared in the *Legislative Gazette*.

"Budget Fight Back" which appeared in the *Legislative Gazette*.

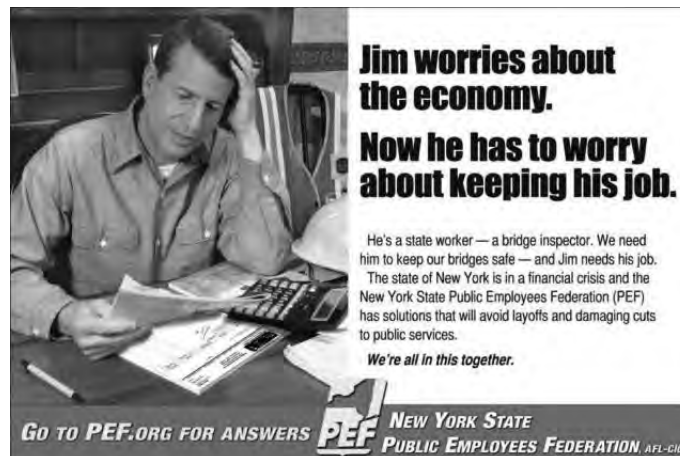
An OCFS ad, which focused on stopping the closures of youth facilities, appeared in several papers across the state. The ads appeared in *The Olean Times Herald*, *Legislative Gazette*, *Adirondack Press Republican*, *the Citizen*, *the Daily Star* and *The Bronx News*.

Image ads also ran in the special Labor Issue of the *Legislative Gazette*.

The PR department produced a full color 24-page booklet as part of a campaign for the NYS School for the Blind. The booklet features parents with their children sharing positive experiences at the school. It was distributed to every school district in the state, the state Board of Regents and

legislative leaders. The booklet was designed to expand enrollment at the school while also securing jobs at the facility. We also designed a promotional mailer with response card which was mailed to parents. The NYS School for the blind was featured in two separate ads which appeared in the *Legislative Gazette*.

The PR department designed and printed



Jim worries about the economy. Now he has to worry about keeping his job.

He's a state worker — a bridge inspector. We need him to keep our bridges safe — and Jim needs his job. The state of New York is in a financial crisis and the New York State Public Employees Federation (PEF) has solutions that will avoid layoffs and damaging cuts to public services.

We're all in this together.

GO TO PEF.ORG FOR ANSWERS **PEF** **NEW YORK STATE PUBLIC EMPLOYEES FEDERATION, AFL-CIO**

Public Relations (continued)

“Obama for President” campaign stickers as well as rally signs, pins and bumper stickers.

Member Services

Our department designed the layout and arranged for the printing of the PS&T contract.

The PR department designed and produced three separate backdrop theme shows for the 2008 convention along with PowerPoint presentations for the opening and guest speakers. We also created the table skirt graphic, podium art, yearbook, several brochures, a dining guide and posters.

This department designed and produced the 2008 state and federal legislative agendas, I.D. badges and other delegate materials including the program guide and annual report for convention. PR handled all orders from the convention lapel pin to artwork for jackets, shirts, and other division, regional PEF department and committee giveaways.

The PR department produces PEF’s award-winning monthly magazine, *The Communicator*. Department staff plans, researches, photographs, interviews, writes, edits, designs and sells ads for the magazine which is published 10 times a year. The magazine keeps members, policy makers and the media informed on the union’s most pressing issues. It’s also an outlet to feature members on an individual basis—on-the-job or in their community. The magazine covers training and labor-management issues as well as the many services and benefits available to members. PR designed and sold a new pull-out calendar for additional revenue. Ad sales from *The Communicator*, the Convention Yearbook, and on the PEF Web site total \$214,211.00. Advertising revenues help defray the costs of producing *The Communicator*.

The Communicator staff also photograph the majority of the events featured in the magazine, as well as other publications and informational exhibits. Our staff also assists with brochures and newsletters for division leaders.

PR staff research and record weekly updates of the PEF Information Line to keep members informed on the latest

developments affecting the union. We convert various items for uploading onto PEF’s Web site including: *The Communicator*, advocacy ads, info-line updates and press releases. Staff also reformatted and updated or archived current ad campaigns and back issues of *The Communicator* on the PEF Web site.

Art Design and Production

In addition to producing the design and layout of *The Communicator* each month, the department’s graphic artists and writers conceptualized and produced all of the union’s graphics, slogans, placards, posters, buttons and flyers.

Staff created the artwork for virtually all of the union’s advocacy ads, promotional materials, brochures, newsletters, informational exhibits, charts, and typeset thousands of certificates, retirement and special service plaques, forms and business cards.

Community Relations

The PR department promoted the union’s message reinforcing the need for a strong public sector workforce directly to the community throughout the year.

PR staff designed and prepared materials for the annual Black and Puerto Rican Legislative Association’s informational booth, Somos El Futuro booth and PEF’s booth at the State Fair.

Recognition

The PR department won several awards for work in 2007-08:

The PR department was awarded three awards in the AFT Communications Network labor-journalism competition for work done in 2007-08. These awards included original photo/illustration (Bridge Inspection cover photo, October 07 issue by John Epting); Public Relations Activity (Data Center stop-the-move campaign); Web site design for www.thecomunicator.org.

The PR department won the following awards from the International Labor Communicators Association:

First place for “Stop Mandatory Overtime for Nurses” television ads.

We were awarded honorable mention in the best editorial category for “Point-

Counterpoint: Should PEF be involved in Issues not directly related to work?” (Kevin Jones/Jeffrey Kassel).

We won third place in this contest for John Epting’s photo of bridge inspectors on the cover of *The Communicator*.

We also won honorable mention for the best use of graphics for the data center ad and second place for the nurses lobby day, self mailer.

Finally we won honorable mention for the Saul Miller Award for best political action story, “Saving SUNY Hospitals, Round 1.”

Purchasing / Facilities Management

The purchasing and facilities department is responsible for providing support services for a broad spectrum of organizational activities. The purchasing area includes: vendor and office lease negotiations, centralized purchasing of equipment, supplies, services and associated special projects including coordination of major organizational mailings. The facilities section covers: contractor coordination and supervision, support of PEF events, maintenance of the buildings and grounds, conference room set-ups, warehouse and records management, including support for Membership Benefits and PEF Retirees, oversight of U.S. postal service specifications, and supervision of the mailroom/copy center.

Our main goal is to position our facilities and staff for the future, eliminating waste where possible, and providing improved conditions and services for both our staff and members. We rise to the challenges every day and have experienced another year of almost constant change. We have instituted many equipment upgrades, completed renovation work and improved support services in a number of regional offices. The competitive economy requires a focused effort which keys in on the details. We continually strive to work more efficiently and to reduce costs effectively.

Purchasing

Through the use of centralized purchasing, aggressive vendor negotiations and competitive bidding, we continue to achieve substantial savings. These savings totaled \$144,038 for the past fiscal year. We are working harder every day just to maintain these levels. Fine tuning partnerships with our key vendors has resulted in improved pricing, delivery and service. We have experienced a substantial decrease in these discounts as labor, energy and material costs continue to rise.

Several major accomplishments are highlighted below:

- PEF continues to upgrade all Xerox digital copier equipment and software. We continue to benefit from a \$25,000 per-year savings based on the current contract. Our organization is growing into leading-edge digital technology with increased utilization. Overall, we are providing a more

cost-effective solution for our growing needs.

- We upgraded a number of regional offices with new Pitney Bowes equipment. This improves our efficiency and reduces overall costs to process the mail which includes "Postage by Phone" for all locations and creation of one master account for equipment invoicing. This agreement also allows PEF to meet all new postal service requirements while saving over \$4,150 per year.

- We continue to realize substantial savings from the use of a mail-house for special projects and non-profit mailings. PEF saved over \$62,000 by utilizing the Non-Profit postal permit for last year's annual report mailing to the membership.

- We negotiated a new 10-year lease for our Hauppauge location which will help us to contain quickly escalating costs in this location. The new lease also included an extensive office rehabilitation to update the office environment for both staff and members. Our new landlord covered 85% of these expenses as part of the agreement.

Our cost-effective long-term office leases continue to provide thousands of dollars in substantial savings and include parking in several expensive locations.

- Our vendor relationship with Superior Business Products for office supplies, business equipment and furniture has continued to generate valuable savings while providing exceptional levels of customer service.

Facilities

Over the past several years, we have established a solid base for an active maintenance log which documents repairs, changes, and contractor histories. We have forged stronger business relationships which help us make more informed choices and limit future overhead costs. Maintaining an aging facility requires increased preventative maintenance with more specific and detailed care.

Major activities covered in the facilities area include:

- We installed one new rooftop HVAC unit to replace the costly high maintenance unit. In addition we replaced several split unit condensers to increase our cooling efficiency and provide a larger electrical energy savings. These new units come with warranties and high-efficiency electrical components.

- We fine tuned the comprehensive maintenance contract for our HVAC equipment to help limit more costly emergency expenditures and provide increased care for our aging equipment. Results provide increased care and improved temperature controls for the headquarters facility.

- Additional work was completed on the roof top building penetrations to insure the integrity of the rubber roof structure and the expensive equipment that is supported by these penetration structures.

- We completed a major drainage project which rebuilt the main parking lot drainage catch basin. In addition, we repaired a large section of blacktop to reduce blacktop erosion and improve water drainage flow and distribution. This work was complimented by the completion of a major crack seal initiative and an overall parking lot sealing project with new line stripping.

- We also worked closely with British American LLC to identify storm drainage issues related to catch basin overflow from their parking lots. This resulted in modified repairs and reduced water infiltration and erosion on our property.



Retirees

The Retiree Office continues to provide help and assistance to PEF retirees when they encounter problems with retirement benefits, whether they are pension or health care. In addition, the Retiree Office is frequently the first point of contact for retirees who belong to the PEF Retirees dental plan. It is not uncommon for the Retiree Office to answer 20-25 phone calls a day from retired members, each call often requiring 10-15 minutes each to resolve.

Although the PEF Retirees are not entirely self-funded, effective August 1, 2007 dues of \$18 per year were assessed and the administration of this process continues to be one primary function of the Retiree Office. Due to congressional action in passing the Pension Protection Act of 2006, the PEF Retirees are required to file a report with the IRS. The PEF Retirees have retained the services of Peter DeCarlo C.P.A., PLLC to assist in meeting this new requirement. The PEF Retirees have filed a report with the IRS for tax year 2007.

Additionally, the Retiree Office works with and supports the PEF Retirees in a number of ways. Last year, the Retiree Office worked with the PEF Retiree organization to accomplish the following:

The agreement with PEF to provide the first year's dues in PEF Retirees for new retirees continues to be an integral part of the ongoing annual budget process for PEF Retirees and PEF.

The implementation of the first ever PEF Retirees dues increase from \$1.00 per-month to \$1.50 per-month did result in more fully self-funded PEF Retirees. During 2008 the PEF Retirees membership grew from 11,029 active members to 11,273.

We now have a signed agreement with the New York State & Local Retirement System, PEF, and the PEF Retirees for a third Pension Payroll Deduction for PEF Retirees to enable the choice of using a pension deduction to make a life insurance premium payment. Programming at NYSLRS is underway to put that deduction into effect, and the PEF Retirees are meeting with PEF Membership Benefits

and MIS to plan the roll-out of the third pension payroll deduction.

Worked with the Retirees Dental Plan insurance broker to continue a review of the plan and the provider participation.

Refined PEF Retiree constitutional and organizational changes designed to:

- Facilitate Retiree political action mobilization efforts.
- Professionalize Retiree operations.
- Increase active Retiree membership.

Continued an outreach program to inform active PEF members about PEF Retirees, retirement, post retirement issues, and the need for advanced planning. One key accomplishment was a visit to Hornell where the Director of PEF Retiree Programs manned an information table that featured the latest printed brochures from the New York State and Local



Retirement System and the Department of Civil Service. The information table will be available to other Regional or Division meetings as the Regional Coordinators or Division Leaders request them from PEF.

The re-energized Region 9/mid-Hudson Retiree chapter now meets four times a year with meetings at four different locations within the region. The chapter has included additional officers called County Reps for each of the counties in the region.

Several initial meetings have been held in the Region 7/North Country/Adirondack Retiree chapter.

For the seventh year in a row, we

conducted a political action plan to obtain enhanced retiree health care coverage protection.

The 2008 AFT grant of \$1,000 was used to partially fund PEF Retiree political action training for 50 retiree members from across NY State in July 2008.

Retiree participation continues to contribute to the revitalized Retirement Reform Committee.

The PEF Retiree Office assisted in the mobilization of PEF Retirees in support of the PEF political action agenda. The PEF Retirees made a noticeable positive contribution to PEF's election campaign activities and the January 7th rally.

Aside from supporting the PEF Retirees, the Retiree Office makes every effort to monitor the retirement landscape for issues that may affect PEF members in future years. When issues are identified, the Retiree Office makes sure that the relevant PEF officers are made aware of the potential impact. In this regard, the Retiree Office also makes every effort to disseminate pre-retirement planning information to active PEF members, through the Executive Board, PEF Regional Coordinators, and division leaders.

Labor Relations

Much of the responsibility of carrying out a directive to make our members the top priority of PEF falls to the Labor Relations Department. Labor Relations encompasses the Contract Administration, Field Services, Health and Safety and Legal Departments. The Contract Administration Department provides support for all contract negotiations, assists the field representatives in implementing and enforcing the agreements, and serves as the point of contact between PEF and the Governor's Office of Employee Relations. The Field Services staff carries out the day-to-day administration and enforcement of the collective bargaining agreements for both the public and private sector bargaining units within PEF. The Legal Department provides a variety of legal services to PEF and to individual PEF members. The Health and Safety Department provides service, information, technical assistance, research, and referral on health and safety matters.



Field Services

There are 30 professional full time labor relations staff – Field Representatives – working out of 12 field offices across NYS.

There are four regional supervisors of Field Services, one of whom is the Director of Labor Relations. Each field office has administrative staff assigned to support the organization's activity. The Field Services Supervisors of PEF Regions are:

Regions 1-4 Tom Privitere
 TPrivitere@pef.org
 Regions 5, 7, 9 Jim Kemenash
 JKemenash@pef.org
 Regions 6, 8 Roger Scales
 RScales@pef.org
 Regions 10-12 Marvin Moschel
 MMoschel@pef.org

Field Representatives share with our stewards the role of being the union's front line defender of members' rights and the lead advocates for improving their working conditions. The reps work closely with the PEF stewards in the agency/facility level in fulfilling these advocacy roles.

Critical components of a Field Representative's activity are:

- Expertise in the contract, the Taylor Law, the NYS attendance rules, labor-management, and mobilization. They are knowledgeable of all the resources available at PEF headquarters and use this knowledge when discussing with leaders and members

options available in a particular situation.

- To act as a primary liaison between our division operations and PEF headquarters: As an example, the reps regularly initiate legal, research, mobilization, and public relations referrals to the appropriate PEF departments on behalf of our activists and members.

- To identify methods for correcting work site issues with our local leaders and work together to implement the resulting action plans.

- Identify violations of the contract, assist the stewards with the grievances and where necessary actually craft, file and process grievances through Step 3.

Field Representatives also:

- Represent members at interrogations;
- Challenge notices of discipline;
- Negotiate settlements of notices of discipline prior to an arbitration hearing; and
- Function as lead spokesperson in the arbitration of all non-termination notices of discipline. (PEF assigns an attorney to represent our members who receive a NOD that seeks as a penalty termination.)

Field Representatives serve as the PEF advisors to the labor side of division and statewide labor-management teams. They assist in crafting the agenda and are key participants in each L-M meeting, using their advocacy skills to advance the labor

team's issues. These professionals identify violations of the Taylor Law and function as PEF's lead advocates in the filing and processing of improper practice charges with PERB.

They brainstorm with division leaders on ways to use the mobilization model to correct injustices that cannot be adequately addressed through the grievance process or PERB.

Over the past year, PEF Field Services staff has:

- Responded to numerous requests for information and support;
- Lodged many complaints with employers on behalf of our members' best interests;
- Filed and processed hundreds of contract and out-of-title grievances;
- Worked with elected leaders and other staff in campaigns to prevent layoffs and closures;
- Processed hundreds of grievances challenging notices of disciplines and have reached dozens of negotiated settlements;
- Acted as lead advocates in hundreds of interrogations;
- Logged dozens of Improper Practice Charges with PERB;
- Trained stewards and activists; and
- Prepared numerous legal and research intakes.

Contract Administration

The Contract Administration Department is responsible for negotiation and statewide administration of the PS&T Unit Agreement. Contract Administration staff provide contract interpretation assistance and advice to field services staff and union leadership, serve as the day-to-day liaison with the Governor's Office of Employee Relations on labor relations issues, and review and arbitrate contract grievances. The department also staffs a number of statewide joint committees including the Joint Committee on Health Benefits, the Joint Advisory Board for the Family Benefits and Employee Assistance Programs, the Joint Committee on Nursing and Institutional Issues, and the Albany Parking Committee. Notable activities of the department this year included the following:

PS&T Unit Contract

Contract Administration has been deeply involved with the preparations for and conduct of negotiations for the 2007-2011 PEF Contract. The Agreement was printed at the end of 2008 and distributed to all PS&T Unit employees. With this printing, we increased the physical size and print of the Agreement, and we also, for the first time, included a comprehensive subject index to the Agreement to assist our leaders and members with finding key provisions within the contract.

Contract Resource Center (CRC)

In the fall of 2008, the department launched the Contract Resource Center — a new information resource on the PEF homepage. The CRC provides an on line version of the contract, as well as information on each of the contracts PEF has negotiated since 1979. In addition, we have linked information from a variety of sources to help people find answers quickly. For example, the "Attendance and Leave" section has links not only to the PEF contract, but also to key sections of the NYS Attendance and Leave Manual. The site is updated regularly and will become a key component of how we share information with the membership. In the first months since activation, the Web site has been used by more than 7,000 different visitors.

Contract Grievance Process

Contract Administration is responsible for the Article 34 contract grievance process at Steps 3 and 4. This includes: working with Field Services to review and develop grievances prior to advancing them to Step 3 and Step 4; day to day contact with GOER regarding grievances pending at Steps 3 and 4; and, representing the union in those grievances at arbitration.

Over the last year, PEF and GOER met regularly in the Triage and Expedited Arbitration process. This process supplements the "normal" Article 34 arbitration procedure as a means of resolving more contract grievances more expeditiously than would be the case in full arbitration. We have had significant success in resolving grievances pending at Steps 3 and 4. As a result, we have begun to make progress in addressing the longstanding contract grievance backlog at Steps 3 and 4.

The Triage and Expedited Arbitration process was scheduled to sunset with the expiration of the 2003-2007 Agreement. However, the 2007-2011 Agreement makes this program a permanent part of our grievance procedure.

Parking

Contract Administration provides support to the Article 19 Albany Parking Committee and to representatives negotiating with their agencies about parking. PEF recognizes that accessible affordable parking is an important quality of work life issue.

Allegany County Contract Negotiations

A new bargaining unit of employees who work for Allegany County joined PEF. Contract Administration provides support to the team as they negotiate their first union contract. In consultation with PEF field staff and the Allegany bargaining team, Contract Administration continues to support negotiations by drafting and editing proposed contract language, attending bargaining sessions, and conducting research.

Telecommuting

With Contract Administration support, PS&T members have seen progress in members' ability to telecommute. In 2008, OASAS, OSC and Tax & Finance worked with PEF pursuant to the statewide agreement on telecommuting to implement telecommuting programs. Contract Administration has negotiated an agreement with GOER to permit one agency to pilot telecommuting for as many as ten days in a pay period. PEF members are working with Contract Administration in efforts to expand telecommuting to additional agencies.

Health Benefits

Department staff is also responsible for monitoring and assuring access to the benefits provided to PS&T Unit members through the New York State Health Insurance Program (NYSHIP). This includes staffing the Joint Committee on Health Benefits. This year, major activities of health benefits staff included:

Participation in the vendor selection process for the Empire Plan Mental Health and Substance Abuse contract;

Assisting members who encountered problems with the Empire Plan Prescription Drug Flexible Formulary, implemented on 1/1/09;

Assisting members who encountered problems with the NYS Vision Plan, administered by EyeMed, which continues to generate numerous complaints;

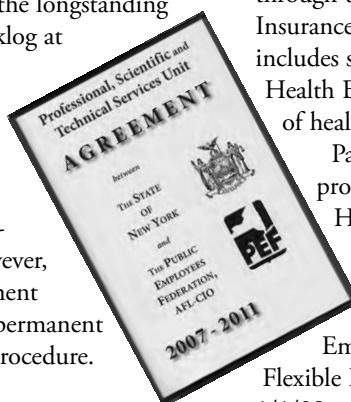
Monitoring implementation of negotiated health benefits changes on 7/1/08 and 1/1/09;

Coordinating the Labor Coalition on Health Benefits, which meets periodically to discuss important health benefits issues, exchange information, and develop cooperative strategies;

Reviewing the HMOs offered to state employees; and

Preparing health benefits information for *The Communicator* and the Health Benefits section of the PEF Web site.

Staff also handled hundreds of inquiries from members to ensure they received the benefits to which they were entitled.



Health and Safety

The mission of the PEF Occupational Health and Safety Department is to achieve safe and healthy environments in every PEF-represented worksite. We demand that employers comply with all applicable federal, state, and local health and safety standards and laws.

Scope of Service

The department works with elected leaders, members, staff, and committees in four main activities:

1. Providing service, information, technical assistance, research, and referral on health and safety matters;
2. Enhancing skills, knowledge, and awareness through training and education;
3. Developing initiatives to improve working conditions of the membership; and,
4. Participating in national, state and local forums that advocate for improvements to occupational health and safety through legislation and political action.

Overview

The hallmark of the health and safety program has been its ability to mobilize the membership to design and implement programs that address key hazards that are causing injuries and illnesses among our members.

Funding

PEF was initially awarded a \$221,933 Occupational Safety and Health Training Grant by the NYS Department of Labor Hazard Abatement Board (HAB). However, due to state budget reductions the grant was reduced by 3.35 percent to \$214,498. This grant covers August 1, 2008 – July 31, 2009 and represents an increase of \$14,498 from the 2007-2008 grant.

The Membership Benefits Program has provided significant funding for the Health and Safety Conference, and for Indoor Air Quality and Navigator Programs.

PEF continues to be a partner in a pair of five-year NIOSH (CDC)-funded workplace violence prevention intervention studies under the direction of Jane Lipscomb, Ph.D., RN, University of Maryland School of Nursing (UM). Matt London from the H&S Department is the

Project Coordinator on both studies, and is funded through sub-contracts with the UM.

We completed the fifth and final year of a workplace violence intervention study being conducted in OASAS' Addiction Treatment Centers (ATC). CSEA is also a partner in this project. A statewide meeting was held in October 2008 to share best practices that have resulted from the project.

The second NIOSH-funded University of Maryland study is focused on co-worker violence. PEF is partnering with CSEA, NYSCOPBA, and OMCE on this study. The goal of the study is to assess the prevalence of co-worker violence, examine existing policies, identify risk factors, and develop model programs. A pilot of the survey has been conducted in OASAS. Plans have been set to conduct the survey in the Labor Department and efforts are also underway in DOCS, DOT, Parole, and others.

Activities

1. The NYS Department of Labor issued draft Workplace Violence Prevention regulations, in response to the law signed on June 7, 2006. We have submitted written comments and testified at 3 hearings on draft regulations. A major focus has been put into helping agency level and local health and safety representatives in developing workplace violence prevention programs.

We have worked with leaders from OCFS to reduce workplace violence in the juvenile justice facilities, especially Tryon Residential Center.

2. We continue to offer a two-day indoor air quality course (IAQ) and a two-day mold assessment and remediation course in various locations around the state. These programs bring together PEF and management representatives to educate participants on how to prevent and respond to indoor air quality and mold problems in state and leased buildings. A two-day mold program was held in Buffalo, NY on April 16-17, 2008. Two-day IAQ programs were held in Binghamton, NY on May 20-21, 2008 and in West Haverstraw, NY on

January 22-23, 2009.

3. PEF's office ergonomics program is offered on a continuous basis. Direct training on laptop/driving ergonomics for field staff and office ergonomics for support staff was recently completed for OSC. Ergonomics training for DOL staff was conducted in May-June 2008 in NYC and for VESID in December 2008.

4. Infection Control Certification is an ongoing program conducted by PEF members and staff who are SED-approved trainers. The certification is required for licensed healthcare professionals in New



York state. The curriculum was revised to include changes mandated by SED and DOH as a result of the Safe Patient Bill signed into law in August 2008. The revised curriculum was made available to PEF's ICC faculty via download from the PEF Web site or on CD by request. An Infection control and barrier precautions train-the-trainer course was conducted on August 22, 2008 in Albany, NY.

5. The department is working with researchers from Hunter College to conduct a pilot stress/ cardiovascular effects study within the Division of Parole. \$72,000 was initially appropriated by the Legislature for this project. However, due to State budget reductions the funding was reduced to \$54,000.

6. An Infectious Disease Awareness program was developed for members in

Health and Safety (continued)

non-healthcare environments to provide information on their relative risks for exposure and infection from bloodborne pathogens, tuberculosis, and influenza.. TB/BBP programs for OASAS, Parks and Recreation and VESID were conducted in April, June and December 2008.

7. Resolving the health and safety impacts of occupational stress is an ongoing program and provides strategies for resolving the significant negative health impacts of workplace stress. The department has conducted the occupational stress training for OMRDD at LIDDSO in May 2008.

8. The Navigator program was established by the state AFL-CIO, and is designed to assist injured members in dealing with the workers' compensation system as well as mobilize members to advocate for enhanced benefits and fight cuts proposed in workers' compensation legislation. PEF has conducted more Navigator trainings than any other union. The most recent programs were conducted for Regions 7, 8 and 9 on May 12-13, 2008 at the Clarion in Albany, NY, Regions 1, 3, and 6 on June 16-17, 2008 at the Clarion Riverside in Rochester, NY, and for Regions 10, 11, and 12 on December 9-10, 2008 at the Affina Hotel in New York City. Assistance to injured members is ongoing.

9. Asbestos awareness training is a continuous program conducted by PEF staff and is available upon request. Asbestos awareness programs for Parks and Recreation were conducted in NYC in November 2008 and at Bronx PC in February 2009. The program provides information about how asbestos exposures occur, health hazards associated with exposure, and regulations that protect workers and the public.

10. The department continues to promote participation of affected members in the Mt. Sinai medical monitoring program and the newly authorized WTC workers' compensation registry.

The department is also encouraging members who participated in WTC rescue, recovery or cleanup work to register to

protect their rights to workers' compensation benefits. The deadline for registration was extended for an additional year, until August 14, 2010. Eligible members must complete form WTC-12 available at <http://www.wcb.state.ny.us/content/main/forms/WTC-12.pdf>. See (*The Communicator*)

11. The department has been participating in a coalition to promote safe patient handling (SPH) and develop legislation that will require facilities to implement SPH programs. The goal is to prevent injuries related to lifting and transporting patients/ clients.

12. Health and Safety Department staff continues to participate on the advisory boards of a number of the state-funded Occupational Health Clinics. These clinics diagnose and treat work-related illnesses, and perform a myriad of prevention activities. Many of our members have been patients of the clinics, and clinic staff has assisted PEF in evaluating and remediating many workplace health and safety issues.

Legal

The PEF Office of General Counsel provides a variety of legal services to PEF and to individual PEF members. These services include providing representation to the union or individual members in civil suits in the state and federal courts, in administrative proceedings before state agencies, and in arbitrations under all of the collective bargaining agreements negotiated by PEF. The Office also provides legal opinions to the officers and other departments within PEF on a wide range of subjects.

We are currently representing PEF or individual PEF members in approximately 325 judicial, administrative and arbitration cases. While the majority of these cases are handled in-house, approximately 15 disciplinary termination cases are handled each year by NYSUT attorneys, through PEF's affiliation with AFT.

During the past year, this Office responded to approximately 45 formal requests for legal opinions and opened 182 new litigation files. Some of the most noteworthy cases are discussed below.

Assignment of DOCS Employees as Hearing Officers

The Appellate Division, Third Department upheld the lower court judgment in a case we filed on behalf of DOCS employees in various titles awarding back pay for out-of-title work they performed when they were assigned to preside as Hearing Officers over Tier III inmate disciplinary hearings.

In the Article 17 out-of-title grievances, GOER ruled that the employees' assignments as Tier III Hearing Officers constituted out-of-title work and sustained the grievances. However, GOER also ruled, based on the determinations of the Division of Classification and Compensation ("Class and Comp"), that the duties were appropriate to grade 18, which is lower than the salary grades for each of the grievants' titles. As a result, none of the employees were entitled to back pay because each of their titles is above grade 18.

We then commenced an Article 78 proceeding contesting the determination denying back pay, and argued that such employees were entitled to be compensated

at the grade level of a Hearing Officer, grade 25, for Tier III Hearing Officer duties. The lower court granted the petition and ordered that the grievances be remanded back to GOER for the appropriate award of back-pay. The State appealed to the Appellate Division.

In affirming the lower court's judgment, the Appellate Division noted that during the time period when the employees presided as Hearing Officers and the grievances were pending, the only title that was classified to perform such duties was that of a grade 25 Hearing Officer. The court adopted our argument that GOER's attempt to circumvent its back-pay obligations by retroactively applying a salary grade classification that was non-existent when the out-of-title work was



performed and the grievances were filed, was arbitrary, capricious and lacked a rational basis.

Unfortunately, the court's decision in PEF's favor on back-pay was not the end of this matter. Shortly after the grievance decisions were issued, Class and Comp, at DOCS' urging, issued revised Classification Standards which specifically permitted employees in the titles of Senior Correction Counselor, Education Supervisor, Plant Superintendent and Assistant Industrial Superintendent, to be assigned Tier III Hearing Officer duties. We then filed an Article 78 proceeding challenging Class and Comp's issuance of the revised Classification Standards to include Tier 3 Hearing Officer duties for the titles referenced above.

Before the lower court decided this case, Class and Comp removed the duty of conducting hearings from the Senior

Correction Counselor title. With respect to the other titles, the Albany County Supreme Court dismissed our case, and we then appealed to the Appellate Division, Third Department.

Regrettably, a 3-2 majority of the Third Department affirmed the lower court's decision dismissing our case. The majority found that since Class and Comp engaged in an extensive study and review of the nature of the hearings conducted and the skills required, under the applicable legal standard, it was required to find the decision rational. Thus, the court stated that "constrained by the highly deferential standard of review that we must accord to "Class and Comp's" determinations, we are unpersuaded that Class and Comp's classification determinations, which the record reflects as being undergirded by comprehensive study and analysis, can be characterized as wholly arbitrary or without any rational basis."

The court never addressed our key argument that, given the nature of the overall duties of the Education Supervisor, Plant Superintendent and Assistant Industrial Superintendent, it was irrational for Class and Comp to find that conducting Tier hearings was an appropriate duty for those three titles. The court also ruled that the three job titles at issue do not present the same type of conflict as the Senior Correction Counselor title, where the court found a conflict between the duty of counseling inmates on the one hand, and imposing discipline on the other.

The two dissenting justices would have granted our petition and annulled the revision of the standards. The dissent argued that, by revising the standards to include the very same Hearing Officer duties that Class and Comp had previously deemed to constitute out-of-title work, Class and Comp had improperly revised the standards to validate out-of-title work.

Since two justices dissented, we had an automatic right of appeal to the Court of Appeals, which is the state's highest court. Our appeal was perfected in early 2008. Oral argument before the Court of Appeals was held on January 14, 2009, and are awaiting the court's decision.

2009-2010 Executive Budget

The governor's proposed Executive Budget for 2009-2010 contains a number of legislative proposals to close the budget deficit which we believe would violate the 2007-2011 PEF/State collective bargaining agreement. These budget proposals include: (1) the elimination of the 2009 three percent salary increase; (2) the implementation of a five-day salary deferral (lag pay); (3) a new Tier 5 pension proposal which would reduce the number of accrued sick days which PS&T Unit members may use for additional retirement service credit at retirement from the current 200 days down to 165 days; (4) the reduction of the state's share of health insurance premium contributions for prospective state retirees and variance of the state's share of premium based on years of service prior to retirement; and (5) the requirement of state employees and retirees to pay a portion of the state's expense for Medicare Part B premium reimbursement. The Office of General Counsel has worked in conjunction with the Contract Administration Department to file contract grievances on each of the preceding Executive Budget proposals, primarily under Article 46 of the PEF/State Contract which provides that during the term of the agreement, "neither party will unilaterally seek to modify its terms through legislation or any other means."

PEF and the other public sector unions in New York will be vigorously advocating against these proposals in the Executive Budget. Additional legal steps to protect the integrity of PEF's collective bargaining agreement with the state will depend on the final outcome of legislative budget negotiations.

Reclassification of Medical and Health-Related Titles to the Non-Competitive Class

We are preparing to litigate Civil Service's wholesale reclassification of titles in the medical or health fields from the competitive class to the non-competitive class. In January 2008, the Department of Civil Service requested that the Civil Service Commission reclassify 37 titles representing almost 2,000 positions from the competitive to the non-competitive

class. These titles can be grouped in five categories: physicians, psychiatrists, dentists, veterinarians and pharmacists. PEF surveyed the membership to get their comments, and by letter dated February 21, 2008, we objected to the placement of those titles in the non-competitive class.

The Civil Service Department's entire rationale for placing the at-issue titles in the non-competitive class is that "nothing is to be gained by requiring the candidate to additionally take the state's training and experience evaluation given the extensive and comprehensive process a candidate has already gone through to become licensed/accredited in his or her field of expertise." That rationale is particularly alarming because PEF represents many licensed professionals, and this same rationale could be used to support the reclassification of many additional PEF titles to the non-competitive class.

We appeared before the Civil Service Commission to argue our objections in March 2008. At the end of the hearing, the Commission voted 3-0 to place all of the physician titles and the psychiatric 1 and 2 titles, in the non-competitive class. The Commission voted 2 to 1 to place the titles of associate psychiatrist, all dentist titles and all veterinarian 1 titles in the non-competitive class. By a vote of 2 to 1, the Commission rejected the Department's request to place the Pharmacist titles in the non-competitive class.

The governor recently signed this change in classifications. Now that the administrative process has been completed, we will file an Article 78 petition challenging the non-competitive classifications. This is an important issue for PEF and it will likely be litigated to the highest court in the state.

Right to Return to Duty After Voluntary Sick Leave

The Albany County Supreme Court issued a positive decision concerning the rights of an employee seeking to return to work after having taken sick leave. This decision addresses the interaction between Article 30 of the PEF/State Contract and Civil Service Law §72. As you are aware, Article 30 provides that an employee returning from sick leave may be required

to submit to a medical examination by an EHS doctor before being allowed to return to work. It also provides that an employee who was found unfit to return to duty after such examination shall be placed in the appropriate leave status. Section 72 sets forth the procedural requirements that the state must follow before placing an employee on a leave of absence due to an alleged non-occupational disability. Those requirements include a hearing where the employee can contest an EHS doctor's opinion by having his or her own physician testify.

In this case, the employee voluntarily utilized sick leave and then attempted to return to work. He was sent for multiple EHS examinations under Article 30, and after each examination he was determined to be unfit to return to duty. The employee also submitted several medical certifications from his personal physicians indicating that he was able to return to work. PEF demanded a Section 72 hearing on the employee's behalf to challenge the EHS doctor's findings after DOT, his employer, refused to provide a hearing. DOT took the position that only employees involuntarily removed from the work place, and not those returning from sick leave, are entitled to Section 72 rights.

The Albany County Supreme Court ruled that a state employee placed on involuntary leave following an EHS examination is entitled to the due process requirements of notice and hearing under Civil Service Law §72. The court further held that Article 30 does not abrogate PEF members' statutory rights, nor was it intended to supplant Section 72. The state is appealing this decision.

Another Albany County Supreme Court Judge recently issued a similar decision upholding an employee's entitlement to the due process requirements of notice and hearing under Section 72 when seeking to return from voluntary sick leave. The state is appealing both decisions.

Membership Benefits Program

The PEF Membership Benefits Program (MBP) mission is to serve dues-paying PEF members by providing a wide range of statewide and regional benefits. MBP Trustees for 2008 were Joe Fox, Chair, Kenneth Brynien, Arlea Igoe, Patricia Baker and Tom Comanzo. Benefits range from group insurance and legal plans to discounts on movies, theme parks, department stores, restaurants and much more (visit www.buymbp.com for a complete listing). MBP programs are evaluated on an ongoing basis, with members' suggestions playing an important role in determining new program offerings.

Status of Current Benefits

Insurance Benefits

One of the key insurance products offered through our partnership with Hartford Life is our long-term disability program. As part of creating a greater awareness of this valuable benefit and encouraging participation, an open enrollment was offered to all dues paying PEF members and fee payers - from September through November. Promotional mailings were done announcing this special opportunity which resulted in 2,932 new enrollees. Now 1 in 3 members' income is protected by this valuable benefit.

Free Benefits:

The following free benefits to dues paying members were communicated in mailings, ads and guides:

- \$15,000 Accidental Death & Dismemberment (AD&D) Insurance,
- Assault Trauma and Attack Coverage (ATAC) which insures members when they are assaulted while on the job.
- Legal Defense benefit for any dues paying PEF member, active in the state workforce who is subject to a criminal investigation as a result of discharging their official, employer issued weapon as well as any member whose official state job duties involve working with children and are "hotlined."
- The financial counseling program through Stacey Braun.

In 2008, Stacey Braun mailed 45,271 postcards to various regions resulting in a total of 772 individual

consultations and 55 group education meetings.

Please refer to the Web site (www.buymbp.com) for more details, and exclusions on these covered benefits. Our Web site also now includes new pages on the Voluntary Legal Plan and other Insurance Programs.

Ticket Sales

2008 was a record year for discount ticket sales with \$3.5 million sold and more than 32,000 orders being processed. PEF members and retirees saved close to \$2 million by purchasing amusement park, ski resort, Simply Certificates, video rental and movie discount tickets from Membership Benefits. This represented an increase in sales of 23 percent in the last 2 years alone - driven by a 60 percent increase in web orders. As a result of the web order increase the Program will be performing a dramatic overhaul of its Web site during 2009 to improve its ease of use.

New Benefits

New Statewide Benefits

We're continuing to respond to member needs and requests. In the fourth quarter, an Applebee's gift card was added for the holiday season. Feedback and sales have been very positive. In addition, another popular offering that began in December was the 2009 Entertainment Guide. PEF Members can order the book direct for \$21 (\$35 retail value) and shipping is free (multiple books are offered at \$15). The Trustees also approved Medieval Times for ticket sales to begin in the first quarter of 2009.

New Regional Benefits

New regional benefits in 2008 included:

- REGION 3
Night Of Joy Vintage & Art;
Uptown Fitness
- REGION 4
Player's Sports, Inc.; Silhouettes
24/7 Women's Fitness
- REGION 5
Court Jester Athletic Club
- REGION 6
Curves - Watertown, Lowville,

Utica

- REGION 7
Curves - Ogdensburg
- REGION 8
Ballston Spa Country Club;
Curves - Delhi; Curves - East
Greenbush; Expressions of
Gratitude, Inc.; Finnish Line
Fitness Centers; Green's
Laundromat & Dry Clean; Health
Plex Fitness Center; J.D.'s Tire
Kingdom; New 2 You
- REGION 9
Fitness Unlimited; Summit Hill
Athletic Club

A new questionnaire soliciting member suggestions will also be mailed to all members as part of the Year Round Guide mailing in early 2009. For a complete listing of all regional benefits offered, specific to your region, please click on "Regional Benefits" on the www.buymbp.com web page.

Promotions

In 2008, Quarters 1 - 3, MBP continued to utilize a combination of on-site visits, distribution of the 2008 Year Round Entertainment Benefits, direct mail, and *The Communicator* advertisements to get the word out about its various insurance programs, entertainment discounts and other benefits. During the past year, MBP attended 113 on-site visits, including new member orientations, health fairs membership meetings and conferences and met with 3,898 members.

Member and leader feedback at the August 2008 PEF Convention combined with an assessment of communication material and channels began the use of online-communication tools to expand our communication capabilities. A new, shortened MBP url for online usage was introduced in the fourth quarter, 2008: www.buymbp.com. In December, the new winter benefits guide was mailed to members. This, combined with an online promotion in December 2008 (via *The Communicator*), led to more members ordering tickets online. We are continuing to keep our brochures current by developing new printed materials aimed at heightening awareness on available products.

Membership Benefits Program (continued)

PEF Travel Services

PEF Travel Services is a full service travel agency (owned and operated by Membership Benefits) which gives members a five percent rebate on travel packages. The agency has continued to grow in popularity as evidenced by sales of over \$2.5 million dollars last year and paid out \$65,000 in rebates. PEF Travel continues to focus its efforts on providing excellent customer service and offering members an alternative to do-it-yourself

Internet booking. Experienced travel specialists assist customers in selecting travel destinations and offer a personal, hands-on approach to booking travel arrangements. Superior customer service is the guiding principle behind the success of PEF Travel Services.

Please Note:

PEF member union dues are never used to fund the operations of the program or any of the benefits offered.



Membership Benefits You



PEF Regional Offices

ALBANY – Region 8
(518) 785-1900 / 800-342-4306
FAX (518) 785-1814

BINGHAMTON – Region 5
(607) 785-1699 / 800-724-4998
FAX (607) 786-5749

BROOKLYN – Region 11
(718) 637-2019 / (866) 897-9775
FAX (718) 637-2024

BUFFALO – Region 1
(716) 853-3100 / 800-462-1462
FAX (716) 853-3109

HORNELL – Region 2
(607)324-6060/7911 / 800-724-5001
FAX (607) 324-3611

LONG ISLAND – Region 12
(631) 360-4360 / (800) 832-5284
FAX (631) 360-4373

MALONE – Region 7
(518) 483-5781 / 888-498-8532
FAX (518) 483-5786

MANHATTAN – Region 10
(212) 227-3132 / 800-522-8700
FAX (212) 964-3571

POUGHKEEPSIE – Region 9
(845) 473-5022 / 800-548-4870
FAX (845) 473-5053

ROCHESTER – Region 3
(585) 232-6980 / 800-724-5003
FAX (585) 232-6469

SYRACUSE – Region 4
(315) 471-2311 / 800-724-5004
FAX (315) 471-2382

UTICA – Region 6
(315) 768-0123 / 800-724-5005
FAX (315) 768-1360

PEF Headquarters Departments and Other Important Numbers

Departments

(518) 785-1900 / 800-342-4306

Accounting	.261
CeCe's	.201
Conf. Room (A)	.210
Conf. Room (B)	.305
Conf. Room C & D	.213
Conf. Room (Pres.)	.203
Conf. Room (Trustees)	.250
Civil Svc. Enforcement	.280
Civil Service Fax	.279
Contract Administration	.223
Con. Admin. Fax	.785-0525
Desk Phone	.785-4418
Divisions	.231
Divisions Finance	.232
Education & Training	.328
Fax Machine	.285 or 785-1814
Field Office	.228
Health Benefits	.283
Health & Safety	.254
Health & Safety Fax	.239

Hot Line	.555
Legal	.241
Legal Fax	.785-1323
Legal Work Desk	.249
Law Library	.294
Legislative Office	.800-724-4997
Legis. Office Fax	.432-7739
Mailroom	.401
Membership Benefits	.243
MB Fax	.302 or 783-5339
MIS	.221
MIS Services	.308
Phone Room	.499
Public Relations	.277
PR Fax	.785-8174
President's Fax	.783-1117
Retirees Office	.289
Vestibule	.202
Voice Mail	.553

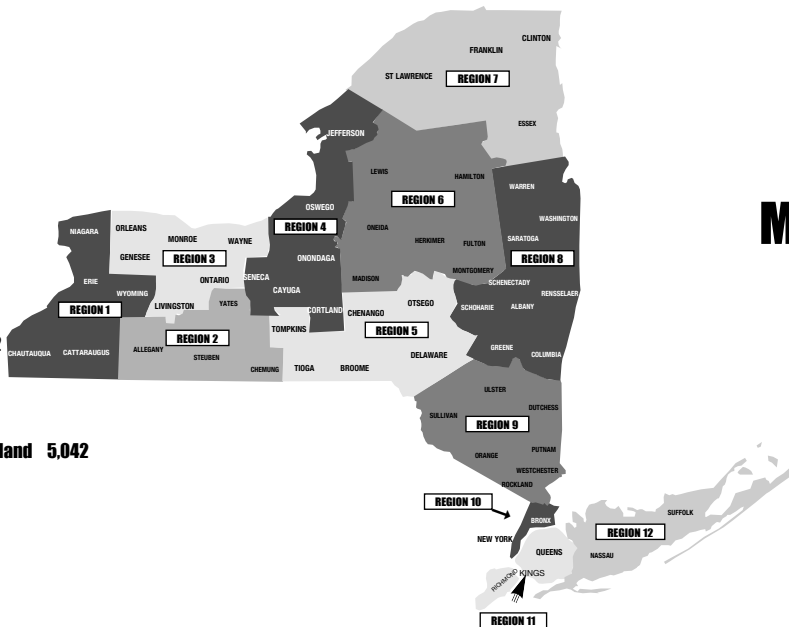
Other Phone Numbers

AAA/NYC	.212-484-3220
AFT/Organizing/Albany	.518-869-8173

AFT/Org. Fax	.518-869-8957
AFT/Wash. DC	800-238-1133
Corporate Benefit	.800-233-3394
	Fax 785-0586
Defensive Driving	.243
	800-427-2365
EAP-members	.800-822-0244
EAP-staff	.800-252-4555
PEF Travel	.782-9045
	800-767-1840 / Fax 782-9768
GOER	.518-473-8375
NYSUT/Albany	.518-213-6000
	800-342-9810
PEF Info Hot Line	.800-553-2445
PEF/PSTP	.328
	800-342-4306
Scholarships	.221
SEFCU	.800-727-3328
	518-452-8183
SEIU/Wash	.800-424-8592
Thruway conditions	.800-847-8929
UUP	.518-458-7935

MEMBERS

REGION 1 – Buffalo	4,614
REGION 2 – Elmira / Hornell	746
REGION 3 – Rochester	2,715
REGION 4 – Syracuse	3,687
REGION 5 – Binghamton	1,921
REGION 6 – Utica	2,002
REGION 7 – Potsdam / Plattsburgh	1,532
REGION 8 – Albany	19,242
REGION 9 – Mid-Hudson	5,340
REGION 10 – Manhattan / Bronx	6,170
REGION 11 – Queens / Brooklyn / Staten Island	5,042
REGION 12 – Long Island	4,500
OTHERS	1,048



MEMBERSHIP BY REGIONS