



OBM

MEMORANDUM

TO: Directors, Human Resource Administrators and Fiscal Officers of Agencies, Boards and Commissions

FROM: J. Pari Sabety, Director *J. Pari Sabety*

RE: Implementation of Temporary Hiring Control Process

DATE: January 19, 2007

Governor Strickland has instructed the Office of Budget and Management and the Department of Administrative Services to work in cooperation to implement a temporary hiring control process. This process will be in effect until **March 31, 2007** and may be amended as circumstances warrant.

The purpose of this memorandum is to inform agency directors and key staff of the temporary hiring control process and its implementation.

The Scope and Purpose of the Temporary Hiring Control Process

All state agencies are subject to the temporary hiring control process with the exception of the Attorney General, Auditor of State, Treasurer of State, Secretary of State and the agencies of the Judicial and Legislative Branches.

Effective immediately, agencies subject to the hiring control process are to cease all actions to create, post and fill positions. Agencies subject to the hiring control process will not be permitted to create positions, post positions or hire personnel unless they are needed to perform functions essential to maintain safety, security and health of Ohio's citizens or the collection of general revenues. The limitations on hiring affect all original appointments, promotions, demotions, reclassifications, recalls, and reinstatements, regardless of funding source.

The hiring control process has been ordered by the Governor to enable proper assessment of personnel levels and costs statewide. Limiting hiring to those positions most essential to the functioning of the state government will support and facilitate these goals.

Methods to Control Hiring

Four activities will be implemented to control hiring, as follows:

- Continuation of the Office of Budget and Management's review and approval of all full-time and part-time permanent positions prior to posting and hiring (no classifications are exempt from this process);
- Employment of OAKS system controls to block agencies' ability to complete personnel actions to hire, rehire, transfer, promote and demote except in the following exempted classifications:
 - o Direct care staff in institutions;
 - o Security staff in institutions;
 - o Revenue generating positions in the Lottery Commission and the Department of Taxations; and
 - o Any position with a pay range below \$20 per hour

The specific classifications (job codes) not subject to the OAKS system controls are attached to the implementation document included with this memorandum.

Implementation of Temporary Hiring Control Process

January 19, 2007

Page 2

- Review of personnel actions for unclassified positions with an hourly rate of pay of \$20 or greater by the Governor's Office (classifications exempt from the OAKS system controls noted above are exempt from review by the Governor's Office);
- Monitoring of all personnel actions through reports.

Expectations of Agencies

Agency directors and administrators are expected to devote increased attention to the decisions made regarding all personnel actions, especially hiring, promotion, reclassification and transfer of personnel between agencies (and between institutions within an agency).

In summary, agencies are expected to:

- Cease all actions to create, post or fill positions not essential to the performance of the agency's mission;
- Give careful thought before deciding to create, post or fill all positions exempt from the temporary hiring control;
- Receive position approval from OBM prior to posting positions and making offers to prospective employees;
- Prioritize their requests for both new positions and hiring for vacant positions prior to submission to the OBM budget analyst for review;
- Limit requests to positions essential to the performance of the agency's mission;
- Limit requests to establish and fill positions within the personnel ceiling established for their agency; and—
- Advise all prospective employees that start dates are tentative and all offers are conditional until the position has been approved by OBM and the personnel action in question has been approved by the Governor's Office, as applicable.

Additional detail regarding the hiring control process, including how to address personnel actions already in process, is attached to this correspondence. If you have any questions regarding this memorandum, please contact Rebecca Vazquez-Skillings, OBM Chief for Special Projects at Rebecca.Skillings@obm.state.oh.us, Janine Ashanin, DAS Human Resources Policy Staff at Janine.Ashanin@das.state.oh.us, or Katrina Edley, DAS Human Resources Analyst at Katrina.Edley@das.state.oh.us.

Your cooperation with this process is greatly appreciated.

C: Carol Nolan Drake, DAS Acting Director
Clare Long, DAS/HRD Deputy Director
Christine Thompson, Gubernatorial Transition Team
David White, OAKS Program Manager

Attachments: Implementation of the Temporary Hiring Control Process
List of Job Codes Exempt from OAKS Controls
Temporary Hiring Control Process Matrix
December 6, 2006 Position Approval Memo



TED STRICKLAND
GOVERNOR
STATE OF OHIO

Executive Order 2008-01S

Implementing Expenditure Reductions and Spending Control Strategies Necessary to Maintain a Balanced Budget

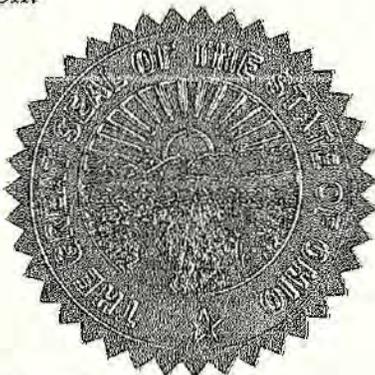
- 1. Fiscal Responsibility is Critical to Ohio's Economic Vitality and Growth.** The State is committed to making, and obligated to make, prudent and responsible economic decisions to ensure that Ohio has the ability to meet its current and future financial obligations. Proper management of Ohio's resources provides assurance to Ohioans that the fiscal well-being of the State is a top priority and that the State's budget remains in balance.
- 2. Economic Forecasts Show That the State's Projected Revenue Will Decrease for Fiscal Years 2008 and 2009.** New economic forecasts indicate that the State's anticipated revenues will not meet original expectations for Fiscal Years 2008 and 2009 and that there will be a shortfall between \$733 million and \$1.9 billion. This shortfall is due to a variety of factors including, but not limited to, the weakening of the national economy, sharply increased oil prices, the mortgage foreclosure crisis, and slowing retail sales. These declines in the economy mean that Ohio's tax revenues, that are dependent upon good jobs and profitable businesses, will also decline, contributing to the budget shortfall.
- 3. Medicaid Spending Trends Will Exceed Original Estimates for Fiscal Years 2008 and 2009.** Ohio has experienced Medicaid caseloads exceeding earlier estimates. These increases, which are now expected to accelerate the State's Medicaid spending at rates above those projected at the time the State's budget was established, are also contributing to the budget shortfall.
- 4. Legal Authority of the Governor Regarding Oversight of State Expenditures.** In order to ensure fiscal responsibility in state government, the Ohio Constitution and Ohio's laws require the Governor

to exercise and maintain effective supervision and control over the State's expenditures and to assure that the State's expenditures do not exceed its revenues. When it appears as though expenditures will exceed revenues, the Governor is required to take steps to bring the State's budget into balance.

5. **The State Must Act Immediately In Order to Continue to Provide Critical Services and to Support Needed Investments that Ensure Future Job Growth and Development.** Unless immediate steps are taken to curtail the negative effects of the projected shortfall, the State will not be able to maintain or provide various vital services upon which Ohioans rely, nor will the State be able to develop and implement programs related to creating and expanding educational and employment opportunities. Even with quick action, some cuts in services to Ohioans are necessary at this time.
6. **Expenditure Reductions and Spending Controls to Be Implemented.** It is imperative that the State immediately implement reductions in spending plans for Fiscal Years 2008 and 2009 to assure that the State maintains a balanced budget. Accordingly, as required by the laws and Constitution of the State of Ohio, I hereby order the Director of the Office of Budget and Management (the OBM Director) to develop Budget Directives reducing authorized expenditures together with Policy Directives designed to reduce expenditures, all to the extent necessary to keep Ohio's budget in balance.
7. **Implementation of Mandatory Spending Reductions for Fiscal Years 2008 and 2009.** In furtherance of my statutory and constitutional obligations, I hereby order all Cabinet Agencies, Boards, Commissions and all other similar entities which have General Revenue Fund appropriations (all Executive Agencies) to immediately reduce expenditures to the levels ordered in various forthcoming Budget Directives, upon their issuance by the OBM Director. These Directives shall not require reductions in expenditures for debt service, lease rental contracts, state office building rents and operating payments, pension payments made by the Treasurer of State, tax relief programs including the homestead exemption, SSI and tuition freeze support programs, foundation formula for K-12, and Medicaid entitlement programs.
8. **Implementation of Mandatory Spending Control Strategies to Reduce Spending for Fiscal Years 2008 and 2009.** Also in furtherance of my constitutional and statutory obligations, I order all Executive Agencies to immediately implement the following spending control strategies, as more

specifically defined in forthcoming Policy Directives, upon their issuance by the OBM Director:

- a. A travel control policy limiting all out of country travel and all non-essential continental U.S. travel.
 - b. A hiring control policy limiting state payroll expenditures and identifying all potential human resource cost savings measures.
 - c. A personal services contracts control policy restricting the execution of future personal service contracts and mandating a thorough review of all current personal service contracts in an effort to achieve savings through reductions in, or elimination of, such contracts.
 - d. An equipment control policy stopping all purchases of new equipment, with the exception of equipment needed for health, safety or other similarly critical state functions.
8. **Other Budget Efficiency Initiatives.** In addition to the expenditure reductions and spending controls that are explicitly mandated in this Order, all Executive Agencies are also ordered to review whether there are other cost controls that can be implemented in ways that will increase operational efficiency. Areas for review should include, but not be limited to, invoice and payroll processing, mail sorting and processing, printing, vehicle purchasing, and office space planning.
9. I signed this Executive Order on January 31, 2008 in Columbus, Ohio and it will expire on my last day as Governor of Ohio unless rescinded before then.



Ted Strickland
Ted Strickland, Governor

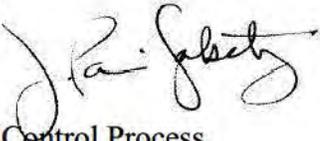
ATTEST:

Jennifer Brunner, Secretary of State

**OBM**Ted Strickland
GovernorJ. Pari Sabety
Director

MEMORANDUM

TO: Directors, Human Resource Administrators, and Fiscal Officers of Agencies, Boards, and Commissions

FROM: J. Pari Sabety, Director 

RE: Implementation of Hiring Control Process

DATE: January 31, 2008

The Office of Budget and Management (OBM) and the Department of Administrative Services (DAS) have worked in cooperation to implement a hiring control process in order to achieve cost savings. OBM's role will be to review the fiscal impact of proposed positions and their adherence to the limitations outlined here. DAS's role will be to effectuate the filling of approved positions according to the state's human resources policies and procedures. This hiring control process in OAKS became effective on January 22, 2008 and as OBM and OAKS work with agencies and continue to evaluate the process the hiring controls may be amended as circumstances warrant.

The purpose of this memorandum is to inform agency directors and key staff of the hiring control process and its implementation. The process will be similar to that for the temporary hiring controls implemented in January 2007.

The Scope and Purpose of the Hiring Control Process

All state agencies—regardless of funding source—are subject to the hiring control process, with the exception of the Attorney General, Auditor of State, Treasurer of State, Secretary of State, and the agencies of the Judicial and Legislative Branches.

Effective immediately, agencies subject to the hiring control process are to cease all actions to create, post, and fill positions. Agencies subject to the hiring control process will not be permitted to create positions, post positions, or hire personnel unless they are needed to perform functions essential to maintain the safety, security, and health of Ohio's citizens or the collection of general revenues. The limitations on hiring affect all original appointments, promotions, demotions, reclassifications, recalls, and reinstatements, regardless of funding source.

The hiring control process has been implemented by OBM and DAS to achieve cost savings in light of sluggish state revenues and economic growth. Limiting hiring to those positions most essential to the functioning of the state government will support and facilitate this goal.

Methods to Control Hiring

Four activities will be implemented to control hiring, as follows:

- Continuation of OBM's review and approval, but with stricter requirements, of all full-time and part-time permanent positions prior to posting and hiring (Even with the exception listed below, no job codes are exempt from this process).
- Employment of OAKS system controls to block agencies' ability to complete personnel actions to hire, rehire, transfer, promote, and demote except for the following exempted job codes:
 - Direct care staff in institutions
 - Security staff in institutions/other safety and security
 - Revenue generating positions in the Lottery Commission and the Department of Taxation

The specific job codes not subject to the OAKS system controls are listed in Attachment 2 of the documents included with this memorandum. Note that, unlike the hiring controls implemented in January 2007, positions with a pay range below \$20 per hour are *included* in the hiring controls discussed in this memorandum.

- Continued review of personnel actions for permanent unclassified positions paying \$20/hour or more by the Governor's Office; and
- Monitoring of all personnel actions through reports.

Expectations of Agencies

Agency directors and administrators are expected to devote increased attention to the decisions made regarding all personnel actions, especially hiring, promotion, reclassification, and transfer of personnel between agencies (and between institutions within an agency).

In summary, agencies are expected to:

- Cease all actions to create, post, or fill positions not essential to the performance of the agency's mission.
- Give careful thought before deciding to create, post, or fill all positions exempt from the hiring controls.
- Receive position approval from OBM prior to posting positions and making offers to prospective employees.
- Prioritize their requests for both new positions and hiring for vacant positions prior to submission to the OBM budget analyst for review.
- Limit requests to positions essential to the performance of the agency's mission;
- Limit requests to establish and fill positions within the personnel ceiling established for their agency.
- Advise all prospective employees that start dates are tentative and all offers are conditional until the position has been approved by OBM and the personnel action in question has been approved by the Governor's Office, as applicable.

Additional details regarding the hiring control process, including how to address personnel actions already in process, is attached to this correspondence. If you have any questions regarding this memorandum, please contact Todd Clark, OBM Budget/Management Analyst, at Todd.Clark@obm.state.oh.us or Janine Ashanin, DAS Human Resources Policy Staff, at Janine.Ashanin@das.state.oh.us.

Your cooperation with this process is greatly appreciated.

cc: Hugh Quill, DAS Director
Nancy Kelly, DAS/HRD Deputy Director
Christine Thompson, Governor's Office
Clair Overley Jr., OAKS Program Manager

Attachments: Implementation of the Hiring Control Process
List of Job Codes Exempt from OAKS Controls
Hiring Control Process Matrix
PA Coversheet



TED STRICKLAND
GOVERNOR
STATE OF OHIO

MEMORANDUM

TO: ALL CABINET AND APPOINTING AUTHORITIES

FROM: AARON PICKRELL, CHIEF OPERATING OFFICER *AP*

DATE: JUNE 8, 2007

RE: SCHEDULE FOR SALARY INCREASES FOR SCHEDULE E-2 AND E-3 EMPLOYEES (AKA ADMINISTRATIVE STAFF)

Consistent with this administration's efforts to continually promote fiscal responsibility, this office will not approve any salary increases, which include cost of living adjustments and merit raises, for Schedule E-2 and Schedule E-3 employees in Cabinet agencies and all entities under the Governor's direct authority and control.

These employees include, but are not limited to:

- Senior staff
- Assistant Directors
- Deputy Directors
- Institutional Superintendents
- Administrative staff
- Policy staff

This memo is effective until further notice is given.

If you have any questions regarding this policy, please contact Aaron Pickrell at (614) 995-1716.



Ted Strickland
Governor
State of Ohio

MEMORANDUM

TO: ALL CABINET AND APPOINTING AUTHORITIES

FROM: AARON PICKRELL, CHIEF OPERATING OFFICER 

DATE: NOVEMBER 27, 2007

RE: SCHEDULE FOR SALARY INCREASES FOR SCHEDULE E-2 AND E-3 EMPLOYEES (AKA ADMINISTRATIVE STAFF)

In June, we asked that appointing authorities not request salary increases, including cost of living adjustments and merit raises, for Schedule E-2 and Schedule E-3. This freeze includes merit increases as well as cost of living adjustments for all employees in these categories in the cabinet agencies and in all boards and commissions.

The continuing demands of fiscal responsibility require us to maintain this restriction. Accordingly, we ask that you do not process discretionary increases. We understand the importance of rewarding our hard working employees and will continue to monitor the situation.

These employees include, but are not limited to:

- Senior staff
- Assistant Directors
- Deputy Directors
- Institutional Superintendents
- Policy staff
- Administrative staff

This memorandum is effective until further notice is given.

If you have any questions regarding this policy, please contact Aaron Pickrell at (614) 995-1716.

From: Thompson, Christine [Christine.Thompson@governor.ohio.gov]
Sent: Thursday, October 16, 2008 10:29 AM
To: undisclosed-recipients
Subject: Reinstatement on Pay Rate Freeze
Attachments: Scan001.PDF

We are reinstating the freeze on pay rate increases which was in place prior to our lifting it on June 20, 2008. We granted the discretion to give merit increases based on pay compression and retention of E-2 and E-3 exempt employees (aka administrative staff) this past summer at the time bargaining unit and E-1 exempt employees were getting contractual and statutory increases. Now that agencies have had ample opportunity to grant such increases, we are reinstating the prior controls to continue to be fiscally responsible.

Thank you,

Christine Emch Thompson
Deputy Legal Counsel
Office of the Governor
Riffe Center, 30th Floor
77 South High Street
Columbus, Ohio 43215
614.644.0582
614.995.1767 fax
christine.thompson@governor.ohio.gov

This message and any response to it may constitute a public record and thus may be publicly available to anyone who requests it.

MEMORANDUM

TO: ALL CABINET AND APPOINTING AUTHORITIES

FROM: JOHN HASELEY, CHIEF OF STAFF *JH*

DATE: OCTOBER 14, 2008

RE: SALARY INCREASES FOR SCHEDULE E-2 AND E-3 EMPLOYEES
(AKA ADMINISTRATIVE STAFF)

Effective immediately, this office will **not** approve any salary increases, which include cost of living adjustments and merit raises, for Schedule E-2 and Schedule E-3 employees in Cabinet agencies and all entities under the Governor's direct authority and control.

This office also strongly recommends that all other entities consider refraining from granting any increases to these employees.

These employees include, but are not limited to:

- Senior staff
- Assistant Directors
- Deputy Directors
- Institutional Superintendents
- Administrative staff
- Policy staff

This memo is effective until further notice is given.

If you have any questions regarding this policy, please contact Christine Emch Thompson at (614) 466-3555.



Ted Strickland
Governor
State of Ohio

MEMORANDUM

TO: ALL CABINET AND APPOINTING AUTHORITIES

FROM: JOHN HASELEY, CHIEF OF STAFF *JH*

DATE: FEBRUARY 26, 2009

RE: REMINDER ABOUT SALARY INCREASES FOR SCHEDULE E-2
AND E-3 EMPLOYEES (AKA ADMINISTRATIVE STAFF)

Please note that state agencies, boards and commissions are currently under a pay freeze for E-2 and E-3 employees that includes cost of living adjustments and merit increases.

Where appropriate, we wish to continue to give agencies the ability to promote staff when they are assigned substantial new duties which would equate to a promotion for employees on the E-1 pay scale or when agencies reduce and combine positions for efficiency; however, we will not be granting reassignments with additional pay without evidence of their validity and value.

Although we have been requesting such documentation informally, effective immediately, no request to grant a reassignment with additional pay for employees paid on the E-2 and E-3 pay schedules will be considered without the following documentation:

- 1) A memorandum containing substantial documentation that additional pay is warranted based on:
 - a. The increased duties the employee has been given;
 - b. The benefit the agency receives by granting the pay increase;
 - c. Any other evidence the agency believes is relevant.
- 2) Copies of an old and new position description, with the increased duties tracked in the new position description.

Even where such documentation exists, we request that agencies refrain from making these requests on a regular basis. This office, as always, retains the right to deny all such requests based on the current pay freeze. Furthermore, during these tough economic times, we request that agencies consider the issues noted above before offering promotions, reorganizing or taking any personnel action which would lead to increases in employees' salaries.

If you have any questions regarding this policy, please contact Christine Emch Thompson at (614) 644-0582.

Department of
InsuranceTed Strickland, Governor
Mary Jo Hudson, Director50 West Town Street
Third Floor – Suite 300
Columbus, OH 43215
(614) 644-2658
www.ohioinsurance.gov

September 19, 2008

Christine Thompson
Deputy Legal Counsel
Office of the Governor
77 South High Street, 30th Floor
Columbus, Ohio 43215

Dear Ms. Thompson:

Please consider my request to promote Eric James from his current position of Administrative Staff in the Office of Information and Technology to the position of Deputy Director 6 within the same office. The reasons for the request are set forth below.

Mr. James is currently in the Administrative Staff classification but has been functioning on a temporary basis as the Deputy Director in the Office of Information Technology (IT). Mr. James has proven on a temporary basis that he is more than capable of performing the duties of the Deputy Director position, vacated by the previous employee and has been doing an exemplary job. Accordingly, I would like to place Mr. James in this position permanently.

Throughout his tenure with the Department, Mr. James has demonstrated not only skill in the substantive areas of IT, but also the leadership and administrative qualities that I find necessary for the effective and efficient operation of the Office of Information and Technology. In his new role Mr. James is responsible for the supervision, either directly or indirectly of twenty-two employees. As such, I would like to elevate Mr. James to the position of Deputy Director 6 and increase his salary from \$101,004 to \$108,680. Promoting Mr. James to this position will result in a cost savings to the agency of \$93,328.

I continue to be mindful of Ohio's budgetary issues and am requesting this change as part of an effort to eliminate Mr. James's \$101,004 position, since I am not looking to fill his vacancy. Thank you for your consideration on the matter.

Sincerely,

Mary Jo Hudson
Director**Accredited by the National Association of Insurance Commissioners (NAIC)**

Consumer Hotline: 1-800-686-1526

Fraud Hotline: 1-800-686-1527

OSHIIP Hotline: 1-800-686-1578

TDD Line: (614) 644-3745

(Printed in house)

Schreiber, Daniel

From: Schreiber, Daniel
Sent: Tuesday, September 30, 2008 12:51 PM
To: Kim Lowry
Subject: RE: OBM Approval Needed

Kim,

Just a few questions on the Deputy Director 6 position:

- 1) Is this classified or unclassified?
- 2) Are you abolishing the CIO position or planning on leaving it vacant indefinitely?
- 3) Do you currently have a project manager position open for the backfill?
- 4) What is the salary range of the projected project manager?

Thanks,
Dan

Daniel Schreiber
Budget / Management Analyst
Ohio Office of Budget and Management
614-644-6445
Daniel.Schreiber@obm.state.oh.us

From: Kim Lowry [mailto:kim.lowry@ins.state.oh.us]
Sent: Tuesday, September 30, 2008 7:35 AM
To: Schreiber, Daniel
Cc: Jianming Xia
Subject: OBM Approval Needed

Good Morning Dan,

The Department of Insurance is requesting permission to fill the Deputy Director 6, PN 20062779. This position is a pay range 46 with salary range of. We will fund this position from Fund 5340 and ACI 820606 .

This position would be considered a back-fill since the employee that held this position resigned from the Department on August 13, 2008. The Deputy Director position is responsible for the Departments IT architecture and strategic and capital planning. In addition, this position oversees the IT budget and maintains responsibility for performance management, IT acquisition oversight and training. The position coordinates priorities between the IT department and user departments; and reviews the adequacy and allocation of IT resources in terms of funding, personnel, equipment, and service levels.

The successful candidate is our current Chief of Information and Technology, Eric James. Mr. James' is in the Administrative Staff classification and his current salary is \$101,004. We would like to elevate Mr. James salary to \$108,680. Promoting Mr. James to this position will result in a cost savings to the agency as well we will replace his previous Chief position with a lower salary project manager position.

The Department continues to be mindful of Ohio's budgetary issues and requesting this change as part of an effort to reduce management layers in the Information Technology Division.

If you have any questions, please let me know.

Thanks,
Kim Lowry, Personnel Officer
Ohio Department of Insurance
50 West Town Street, 3rd Floor-Suite 300
Columbus, Ohio 43215
614/644-3883
www.kim.lowry@ins.state.oh.us.
www.ohioinsurance.gov