

	Executive Order	5	STATE LAW LIBRARY AUGUSTA, MAINE
OFFICE OF		NO	8FY89/90
THE GOVERNOR		DATE	April 10, 1990

VOLUNTARY COST SAVINGS ORDER FOR FISCAL YEARS 1990 AND 1991

WHEREAS, General Fund revenues for Fiscal Years 1990 and 1991 are below projection levels; and

WHEREAS, this revenue shortfall has an impact on the funding for State Government positions; and

WHEREAS, \$15,000,000 will be deappropriated from the salary plan for the biennium which will require that savings be generated to make up for this deappropriation; and

WHEREAS, I am committed to keeping the number of State employee layoffs at a minimum; and

WHEREAS, I have worked closely with State Employee Unions and the Department of Administration to develop Voluntary Cost Savings Programs for this purpose; and

WHEREAS, the 114th Legislature has enacted emergency legislation to provide special incentives for these Voluntary Cost Savings Programs;

NOW, THEREFORE, I, John R. McKernan, Jr., Governor of the State of Maine, do hereby authorize the implementation of the following Voluntary Cost Savings Programs: Reduced Workweek, Flexible Position Staffing, Time Off Without Pay, Position Leave, Sabbatical Leave and Retirement Incentive. I further direct and request each department and agency of State Government to support and administer these programs in accordance with the following guidelines and requirements;

- 1. Requests that generate savings in the General Fund will not be denied unless the agency can establish convincingly that the resulting reduced employment level will produce undue hardship on critical agency operations.
- 2. The General Fund savings that are generated by participation in these voluntary cost savings programs will not be used for any other purpose.

Page Two Executive Order No. 8 FY89/90 April 10, 1990

> 3. For budget control and accounting purposes, the Bureau of Budget will reduce the hours of the participating employee's position or freeze the participating employee's vacant position as appropriate. However, original position hours may be restored and frozen positions may be unfrozen when this is in the best interest of the agency and the agency can identify an alternative savings. The alternative savings method is subject to approval by the State Budget Office and the amount of savings must closely approximate the savings that would have been generated by the participating employee's vacant or reduced hours position.

The Bureau of Human Resources is hereby directed to provide agencies with further instructions, information and forms as necessary for the successful implementation and administration of these voluntary cost savings programs.

This order is effective and will remain in effect through July 1, 1991, unless specifically amended, terminated or extended by Executive Order.

John R. McKernan Governor