

EXECUTIVE ORDER 17-07

IMMEDIATE COST SAVING MEASURES IN OREGON'S EXECUTIVE BRANCH

WHEREAS, Oregonians deserve a state government that delivers services to the public both effectively and efficiently; and

WHEREAS, Oregon is presently faced with a budget deficit of approximately \$1.6 billion, which may result in a shortened school year, larger class sizes, and reduced services to Oregon's most vulnerable citizens; and

WHEREAS, essential government services must be maintained to support the health and welfare of all Oregonians; and

WHEREAS, state government should, where possible, seize opportunities to maximize efficiencies, especially at times of financial strain; and

WHEREAS, Oregon's state government has already taken extraordinary steps to reduce costs and find efficiencies; and

WHEREAS, Oregon's Executive Branch is committed to spending each public dollar responsibly;

NOW THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

- <u>Definition</u>. For purposes of this Executive Order, "state agency" shall be defined as any agency within the Executive Department as defined in ORS 174.112, other than the Oregon Secretary of State, Oregon State Treasury, Oregon Department of Justice, and Oregon Bureau of Labor and Industries.
- II. <u>Hiring Freeze</u>. State agencies shall implement a hiring freeze, effective May 1, 2017. The terms of the hiring freeze shall be as follows:
 - A. State agencies shall not commence any new hiring processes during the pendency of this hiring freeze.



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- B. State agencies shall terminate all ongoing hiring processes that have not yet resulted in a formal offer of employment being extended to a candidate.
- C. State agencies may conclude ongoing hiring processes that have resulted in a formal offer of employment being extended to a candidate, if the candidate accepts the extended offer. If the candidate does not accept the extended offer, the state agency that extended the offer shall terminate the hiring process for that position.
- D. State agencies shall retain any and all monies saved as a result from this hiring freeze. A state agency shall not expend or otherwise disburse such retained monies, notwithstanding the fact that such spending would fall below a statutorily authorized spending limitation or would otherwise be authorized by law.
- E. State agencies shall track the positions that have remained vacant as a result of this hiring freeze, and shall also track the estimated savings that have resulted from these vacancies. State agencies shall report these vacancies and estimated savings to the Department of Administrative Services ("DAS") upon request by DAS.
- F. This hiring freeze shall not apply to positions that provide services critical to life, health, or public safety, or that generate revenue. DAS shall develop a list of such exempt positions in coordination with state agencies. DAS shall consider any state agency's claim that a position not included on that list in fact provides services critical to life, health, or public safety, generates revenue, or is otherwise indispensable to essential agency operations. If DAS concludes that the state agency is correct, the relevant position shall be added to the exempted positions list and the hiring freeze shall not apply.
- G. DAS shall post an announcement of this hiring freeze on the State Jobs website (http://www.oregon.gov/jobs/Pages/index.aspx).





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- H. For each state agency, the obligations imposed by this Section shall expire on the later of June 30, 2017, or the date the agency's budget becomes law, unless these obligations are extended by a subsequent Executive Order.
- III. <u>Reduction in Travel Expenditures</u>. State agencies shall reduce their expenditures on travel by at least ten percent, subject to the terms stated herein.
 - A. For the 2017-19 biennium, state agencies shall reduce their budget allocation for travel funded by General Fund or Lottery Fund monies by no less than 10 percent.
 - B. All out-of-state travel must be approved by agency directors.

 Agency directors are instructed to approve only out of state travel deemed necessary to the essential function of their agencies.
 - C. In prioritizing travel opportunities, state agencies shall give priority to trips that enhance relationships between state government, on the one hand, and underserved populations (including Oregon's rural communities), on the other hand.
 - D. In lieu of nonessential travel, state agencies shall identify opportunities to better use communications technology to develop and strengthen organizational and stakeholder relationships, and to conduct business operations, as a means to maximize savings on travel expenses.
- IV. <u>Optimization of Facilities</u>. State agencies shall optimize their use of stateowned and state-leased facilities, consistent with the provisions stated herein.
 - A. State agencies shall immediately conduct a review of their use of state-owned and state-leased space. This review shall evaluate at least the following:
 - 1. The state agency's maximization of space per FTE.





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- 2. The state agency's utilization of storage space, including whether maintenance of items being stored is necessary to the agencies' operations.
- 3. The state agency's degree of compliance with all statutes, regulations, and DAS policies governing the use of space, including ORS 276.385 *et seq.*, OAR 125-120-0000 *et seq.*, and DAS Policy 107-001-100.
- B. Based upon the review required in Section IV(A), state agencies shall take immediate steps to optimize the efficiency of state-owned and state-leased space, by eliminating or reducing space (consistent with satisfying business needs and controlling statutes, regulations, and DAS policies).
- V. Governor Kate Brown encourages the Secretary of State, the State
 Treasurer, the Attorney General, and the Commissioner of the Bureau of
 Labor and Industries, as well as the Legislative Assembly and the Judicial
 Department, to adopt policies that freeze hiring, reduce travel expenditures,
 and optimize facility usage, consistent with the objectives stated herein.
 DAS is directed to assist the above-mentioned officials and entities of state
 government in accomplishing these objectives as they may request.





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VI. Except as otherwise provided herein, this Executive Order will remain in effect until June 30, 2019, unless superseded by a subsequent Executive Order or source of law.

Done at Portland, Oregon, this 20th day of April, 2017.

Kate Brown GOVERNOR

ATTEST:

Dennis Richardson SECRETARY OF STATE

