

BUDGET LETTER

	NUMBER: 11-04
SUBJECT: HIRING FREEZE	DATE ISSUED: March 4, 2011
REFERENCES: EXECUTIVE ORDER B-3-11	SUPERSEDES:

TO: Agency Secretaries
Department Directors
Departmental Budget Officers
Departmental Accounting Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

NOTE: Budget Officers are requested to forward a copy of this budget letter (BL) to departmental Human Resources and Labor Relations Officers.

This BL provides departments with instructions on requesting exemptions to the hiring freeze pursuant to Executive Order B-3-11, signed on February 15, 2011.

Any exemption from provisions of the hiring freeze must be approved by the Governor's Office after review by the Department of Finance (Finance).

Instructions

Agencies, departments, and other state entities (entities) requesting an individual position or group exemption from the hiring freeze must submit a Request for Hiring Freeze Exemption (DF160A or DF160B, attached) to their Finance Budget Analyst. Electronic versions of both forms are available with this budget letter on the Department of Finance website, under Information for Governmental Agencies, Budget Letters at: <http://www.dof.ca.gov/html/budletr/budlets.htm>.

It is not necessary to request an exemption for those appointments specifically exempted from the hiring freeze. Please refer to Executive Order B-3-11, Section 2 for a description of the appointments exempted from the hiring freeze.

Please submit an electronic version, followed by a hard copy of each request with the required signatures, to your Finance Budget Analyst. **Incomplete requests will not be considered and will be returned to the submitting entity.**

Entities may request an exemption for one or more individual positions or request an exemption for an entire group of positions performing a specific type of function. For individual position requests, use form DF160A, "Request for Freeze Exemption – Individual Position." If the request is for a group of positions, use form DF160B, "Request for Freeze Exemption – Group." Attachment 1 provides additional details and examples of the conditions under which a group request may be made.

Instructions for Completing exemption forms DF160A Individual Position and DF160B Group Requests

PART I

Request Date and Request Number: Include date of submittal and request number starting with an I if using the Individual Position form (e.g., I - 0001, I - 0002) and a G if using the Group form (e.g., G-0001, G-0002).

Requesting Entity Org. Code and Requesting Entity Name: Provide the organization code and name of requesting entity.

Total Entity Vacant Positions, Total Salary Savings Positions, and Total Workforce Cap Positions: As of the request date, provide the total number of vacant positions in the entity (not just the unit or division that encompasses the request). Of the total vacancies in the entity, identify the number of vacancies necessary to meet normal salary savings and the number vacancies to meet the workforce cap reduction.

Group Form Only - Total Positions in Group, Total Vacant Positions in Group: Provide the total number of positions related to the function requested for group exemption and the total number of vacancies in the functional area.

Total Exemptions being requested (Group Form Only), Total estimated cost, and Fund Split: Enter the total number of positions requested to be exempt from the hiring freeze (Group Form Only) and the estimated monthly salary and benefit cost of filling the position(s) on this request. Provide the estimated percentage of General Fund and Other Funds for the exemption(s) requested (must equal 100 percent).

Attachments: Indicate whether attachments are included and enter the total number of pages, including the DF160A or DF160B form.

PART II

Section A: Indicate the type of exemption. If more than one type of hire may be made, mark all boxes that may apply. An explanation of the entity's potential hiring plans must be included in Sections C and D.

Section B: Identify the responsibility outlined in the Executive Order that meets the exemption criteria. Mark all that apply. A detailed explanation must be provided in Sections C and D.

Section C: Provide a detailed justification including the specific functions that the positions or groups perform that requires them to be filled. Include the reasons why the function cannot be covered by existing staff. A statement that the positions are direct 24-hour care, perform revenue generation functions, a core function of the entity, etc., is not an adequate justification. Entities must provide a detailed description of the position or group and specify the functions performed, legal requirements, importance of the function being performed, amount of revenue generated from the position, etc.

Section D: Describe in detail the consequences that will occur if the exemption is not granted. Be specific about the consequence, simple statements of loss of revenues, inability to meet the core mission, etc., will not be accepted.

NOTE: The space provided for the descriptions in Sections C and D will expand as necessary when using the automated version of this form.

Section E: Indicate the position number and classification title, for which the hiring freeze exemption is requested. For requests addressing more than one position or group, entities must attach supporting schedules to reflect the required information for each position.

Contact Person: Provide the name, e-mail address, and telephone number of the person who can respond to questions.

Section F: Entities reporting to agency secretaries must include the request approval (signature) of both the department director and the agency secretary (or authorized designees).

Approval: Upon submittal of the DF160A or DF160B to your Finance Budget Analyst, Finance will review the request, and forward to the Governor's Office for final action. The section of the form below the Agency Secretary's signature is for Governor's Office use only.

Compliance

Each entity is responsible for administering and ensuring compliance with the hiring freeze. Positions approved for exemption from the freeze do not need to be resubmitted for approval should they become vacant again at a later date.

This BL applies to all agencies, departments, offices, boards, bureaus, and commissions under the Governor's direct executive authority. If you have any questions, please contact your Finance Budget Analyst.

/s/ Fred Klass

FRED KLASS
Chief Operating Officer

Attachment

HIRING FREEZE EXEMPTIONS Information for Group Requests

There are two basic categories of exemption requests: (a) requests for individual positions or (b) requests for an entire classification or other definable group of positions (hereinafter referred to as “group requests”). Group requests should be used sparingly. To be an acceptable group request, the positions encompassed must all:

- Have a responsibility that meets the exemption criteria outlined in the Executive Order.
- Be justified by a definable group requirement, in which the underlying rationale for each position is the same as all the others.
- Be identified by a position number.

To help understand the nature of the criteria for acceptable group requests, a *purely hypothetical* example is offered below. It should not be construed that requests that are similar to the hypothetical example would, in fact, be approved. The example provided is solely to help explain what kind of request would be appropriate to submit as a group request.

- If there is a *compelling* public safety need to ensure that all life guard stations at a specific public beach are staffed during specified hours, and the use of overtime is not a workable solution for covering vacant or seasonal positions, then a single group request may be submitted for all of the necessary lifeguard positions in the classification series (e.g., Lifeguard I, Lifeguard II, Supervising Lifeguard) assigned to that specific public beach.

Any request that attempts to include a broad array of positions under the rationale that an entire programmatic function (which is performed through the use of that broad array of positions) is critical and therefore should be exempted may be difficult to justify. Again, solely for the purpose of helping clarify this point, a *purely hypothetical* example is offered:

- Keeping the state’s major highways in the Sierra clear of snow and passable may be a critical function that must be performed even in severely challenging fiscal times. However, the criticality of this function will not suffice as justification for exempting each and every position remotely connected to the performance of that function (e.g., snow plow drivers, mechanics, work shift schedulers, building maintenance workers who service the storage facilities for snow removal equipment, payroll clerks, etc.).

Requests for group exemptions must be tightly justified under a specific programmatic rationale that demonstrably applies to the entire group. Such requests must also identify the total number of positions related to the function and how many of those are being requested for exemption.