

EXECUTIVE ORDER 81-16

WHEREAS, overall state revenue collections have been less than previously estimated; and

WHEREAS, serious limitations to Washington State's cash flow are becoming increasingly evident; and

WHEREAS, the health of the economy demands limitation of public expenditures; and

WHEREAS, the state must operate with a balanced budget, with expenditures not exceeding revenues for the biennium; and

WHEREAS, the state must have sufficient cash to honor its day-today obligations; and

WHEREAS, direct and immediate action is required to restrict state expenditures;

NOW, THEREFORE, I, John Spellman, Governor of the state of Washington, by virtue of the power vested in me, do hereby establish an expenditure reduction program. This program applies to all agencies regardless of their sources of funding. This program will take effect immediately this 17th day of August, 1981, and will extend indefinitely. The following administrative measures are hereby established to effect this expenditure reduction program:

1. Staffing Freeze - Agency directors are instructed to fill no new positions or positions vacated during the period of effectiveness of this Order.
2. Consulting Services - No further personal service contracts as defined by RCW 39.29.010 shall be obligated without the explicit prior approval of the agency director. Such review and approval shall place primary emphasis on ensuring that such personal services are consistent with the needs of the benefited program and with legislative intent. Agencies are directed to use available expertise in state government before considering use of outside consultants. In no case shall the use of personal services contracts be used to circumvent the staffing directive of this Order. Agencies shall also review existing personal service contracts in light of this directive to determine if the 30-day cancellation clause in the contract can be exercised.
3. Overtime - Agency directors are instructed to reduce wherever possible the use of overtime and other premium pay and to avoid the use of these compensations as a means of circumventing the staffing directive of this Order.
4. Procurement of Equipment, Supplies and Materials - The purchase of all equipment that is not critically necessary to the conduct of state programs shall be postponed for an indefinite period of time. The Purchasing Division of the Department of General Administration is directed to monitor all purchasing actions for the remainder of the biennium. No stockpiling of materials or supplies above normal levels or abnormal increases in equipment purchases beyond what is essential for normal operations is to be approved.

5. Travel - All travel by state employees is hereby limited to that which is critically necessary to carry out state programs. All travel must receive the prior approval of agency directors. Public transportation, car pooling and telephone conferences should be used when practical. Emphasis on travel reduction will be placed on both in- and out-of-town travel.

6. Other Cost Reduction Areas - Agency directors are further instructed to examine all administrative operations to identify additional areas where cost reductions can be immediately achieved.

7. Exceptions - Any requests for exceptions to this Order are to be made in writing by the agency director to the Director of the Office of Financial Management.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the State of Washington to be affixed at Olympia this 17th day of August A.D., Nineteen hundred and eighty-one.

John Spellman
Governor of Washington

BY THE GOVERNOR:

Assistant Secretary of State
