



STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

ROBERT L. EMERSON
DIRECTOR

April 25, 2007

MEMORANDUM

TO: Directors of Departments and Autonomous Agencies

FROM: Robert L. Emerson
State Budget Director 

SUBJECT: Executive Directive 2007-13 – Moratorium on Statewide Hiring, Creation of New Positions, Filling Vacant Positions, Transfers, and Promotions

Executive Directive 2007-13 establishes a moratorium on all hiring of employees for positions in Executive Branch departments and autonomous agencies through September 30, 2007. State agencies are subject to the hiring restrictions contained in Executive Directive 2007-13, as well as to hiring restrictions contained in the fiscal year 2007 budget bills.

This memorandum supersedes and replaces the November 12, 2004 communication on this topic; outlines procedures necessary to implement Executive Directive 2007-13; and provides directions for complying with reporting requirements contained in fiscal year 2007 budget bills.

State Government Position Establishment and Hiring Moratorium

Principal departments and autonomous agencies within the Executive branch are prohibited from creating a position or filling vacant positions by any method.

The moratorium applies to the following:

1. All classified state civil service positions regardless of classification level, whether full-time or less than full-time, and whether permanent or temporary in nature, regardless of funding source.
2. All unclassified positions regardless of funding source.

3. All methods of filling a vacant position including external hire from outside of state government, transfer or promotion between state departments or agencies, and transfer or promotion within a department or agency.

All hiring exceptions approved by the State Budget Director prior to March 29, 2007, under Executive Directive 2004-9, must be submitted for consideration under the provisions of Executive Directive 2007-13. EXCEPT THAT employment offers made before March 29, 2007 may be honored, and do not require additional State Budget Office review.

This directive does not apply to reallocation of an existing position, voluntary or involuntary demotions, recalls from seasonal layoffs or return from a leave of absence (other than return from a waived rights leave).

Exception Process

The State Budget Director may grant exceptions to the hiring moratorium if one or more of the following conditions apply to the position:

1. It is required by legal mandate, federal mandate, or court order.
2. It is necessary to protect the health, safety, or welfare of Michigan citizens.
3. It is necessary to produce budgetary savings or to protect existing state revenue or to secure additional state revenue.
4. It is necessary to provide for the basic daily living requirements of residents of a state institution or facility.

Implementation Procedures for the Hiring Moratorium

1. A common form, located at <http://www.michigan.gov/budget>, must be used by principal departments and autonomous agencies to request an exception to the hiring moratorium. The Request for Hiring Exception form is included as Attachment A. The agency director, or his/her designee, must submit the form to the State Budget Office and receive approval prior to any action taken by the agency to create or fill a position. [NOTE: Prior versions of this form are obsolete and may not be used.]

2. For requests to create a position, state department directors and autonomous agency heads should submit a memorandum addressed to the State Budget Director, with a copy to the State Employer, which contains the following information:
 - a. A brief description explaining how creation of the new position will comply with the criteria in Executive Directive 2007-13.
 - b. The proposed class and level of the new position.
 - c. The assigned duties for the position.
 - d. Any positions to be abolished if the new position is created.
 - e. An organization chart including position names and levels; a current chart of each affected area; a chart with proposed changes; and a summary organization chart of the department or agency indicating the location of the affected area.
 - f. A statement indicating whether establishment of the position requires any budgetary adjustments.

3. Quarterly reporting of all hires to the State Budget Office will be used to certify compliance with the legislative hiring freeze contained in the fiscal year 2007 budget bills. Quarterly reports must be submitted in accord with instructions in Attachment B, including the signature of the department director or designee certifying the accuracy of the information in the report. [NOTE: This report is used exclusively for the legislative hiring freeze report required in various appropriation acts.]

I appreciate your cooperation in implementing this directive. If you have any questions concerning this memorandum, please contact Nancy W. Duncan, Deputy State Budget Director at (517) 373-0870.

Attachments:

- 1) Hiring Moratorium Exception Form DMB 100a (<http://www.michigan.gov/budget>)
- 2) April 24, 2007 Memo Regarding Hiring Freeze Reporting
- 3) Executive Directive 2007-13

cc: Mary A. Lannoye, Chief of Staff
Teresa Bingman, Deputy Chief of Staff
M. Scott Bowen, State Employer
Nancy W. Duncan, Deputy State Budget Director
Agency Budget Directors
Agency Human Resources Directors
Internal State Budget Office Distribution

**REQUEST FOR HIRING EXCEPTIONS
OFFICE OF THE STATE BUDGET**

Romney Bldg., 6th Fl.
Fax: 24-15428

Complete and submit to: Nancy Duncan, Deputy State Budget Director
(Use one form for multiple positions of the same classification and level. All items must be completed.)

REQUESTER INFORMATION:

Department/Agency	Bureau/Office
Division	Unit/Location

POSITION INFORMATION:

Classification and Level		Number Requested
Total Cost (Enter Total Annual Cost) \$	Type of Position <input type="checkbox"/> Permanent <input type="checkbox"/> Limited-Term <input type="checkbox"/> Working Out-of-Class	Method of Recruitment <input type="checkbox"/> Open to All Applicants <input type="checkbox"/> Limited to State Employees <input type="checkbox"/> Limited to Agency Employees
GF/GP (Enter \$ Amount or % to be Charged to GF/GP Funds)		
Federal (Enter \$ Amount or % to be Charged to Federal Funds)	Specific Federal Funds Source (in Words)	
Other (Enter \$ Amount or % to be Charged to State Restricted or Other Funds)	Specific State Restricted or Other Funding Source (in Words)	

RATIONALE FOR FILLING VACANCY:

Meets Which Criteria of Legislative Hiring Freeze Requirements: (Check at least one box below) <input type="checkbox"/> Failure to fill will render an agency unable to deliver basic services. <input type="checkbox"/> Failure to fill will cause loss of revenue. <input type="checkbox"/> Failure to fill will result in an inability to receive or expend federal funds. <input type="checkbox"/> Failure to fill will necessitate expenditures that exceed savings from maintaining the vacancy.	Meets Which Criteria of Executive Directive 2007-13: (Check at least one box below) <input type="checkbox"/> Required by legal mandate, federal mandate, or court order. <input type="checkbox"/> Necessary to protect the health, safety, or welfare of citizens. <input type="checkbox"/> Necessary to produce budgetary savings, protect existing state revenue, or secure additional state revenue. <input type="checkbox"/> Necessary to provide for the basic daily living requirements of residents of a state institution or facility.
Justification for Filling Position(s)	

AGENCY APPROVAL:

Department Director or Designee Signature	Date
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STATE BUDGET USE ONLY:

Date Received	Request Number
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STATE BUDGET OFFICE APPROVAL:

<input type="checkbox"/> Approved <input type="checkbox"/> Approved With Conditions <input type="checkbox"/> Denied	Budget Director or Authorized Signature	Date
Conditions on Approval		

Please Return Form to: _____ Bureau/Section: _____
 Building/Floor: _____ Fax Number: _____



STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

ROBERT L. EMERSON
DIRECTOR

April 24, 2007

MEMORANDUM

TO: Department Budget Office Directors
Department Personnel/Human Resources Directors

FROM: Cathy Morse 
Office of Budget Development and General Government

SUBJECT: Hiring Freeze Reporting

Appropriation act boilerplate language continues to require the State Budget Office to provide a hiring freeze report to the Legislature each quarter.

Therefore, a quarterly report from each department is due according to the following schedule:

First quarter – October 1 through December 31	No later than January 15
Second quarter – January 1 through March 31	No later than April 15
Third quarter – April 1 through June 30	No later than July 15
Fourth quarter – July 1 through September 30	No later than October 15

Agencies should report all hires for classified full-time, part-time, permanent intermittent, and limited term positions regardless of funding source. Further clarification is as follows:

INCLUDE

1. New hires to the department, i.e., new to state service, transfers from another state agency, conversion from an unclassified to classified position.
2. Returns from waived rights leave of absence.
3. Recall from layoff of medical layoff.
4. Return as a result of a grievance settlement (only if the employee was terminated and not currently working for the agency.)

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DO NOT INCLUDE

1. Internal department transfers or promotions.
2. Return from a leave of absence other than a waived rights leave.
3. A person hired and terminated within the reporting quarter.
4. Seasonal positions.
5. Unclassified positions.
6. Contractual positions.
7. Non-career positions.

For consistency, a sample format with reporting requirements is attached.
Should you have questions, please contact LeAnn Fobbs at 373-0331.

Attachment

cc: Nancy W. Duncan, Deputy State Budget Director
Internal State Budget Office Distribution

HIRING FREEZE REPORTING FORMAT

Information to be included:

1. Classification title.
2. Number of positions filled.
3. Funding source breakdown with percentages, with G = GF/GP, F = Federal, R = Restricted.
4. Justification for filling this position. It must be one of the following four reasons:
 - It provides basic services;
 - Failure to fill would result in a loss of revenue;
 - Failure to fill would result in inability to receive federal funds; or
 - Failure to fill would necessitate additional expenditures that exceed any savings from maintaining a vacancy.

SAMPLE

Hiring Freeze Report for:

Quarter ending:

(1) CLASSIFICATION	(2) # OF POSITIONS FILLED	(3) FUNDING SOURCE BY PERCENTAGE	(4) JUSTIFICATION
Departmental Analyst	3	80 G/20 F	Basic services
Rehabilitation Counselor	1	100 F	Loss of Federal Funds
Secretary	3	15 G/85 R	Loss of Revenue
Maintenance Mechanic	1	100 G	Would necessitate Additional Expenditures

Use the following abbreviations for "Justification":

Basic Services

Loss of Revenue

Loss of Federal Funds

Would Necessitate Additional Expenditures



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
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JOHN D. CHERRY, JR.
LT. GOVERNOR

EXECUTIVE DIRECTIVE
No. 2007 — 13

TO: Department Directors and Autonomous Agency Heads

FROM: Governor Jennifer M. Granholm

DATE: March 29, 2007

SUBJECT: Moratorium on Statewide Hiring, Creation of New Positions, Filling Vacant Positions, Transfers, and Promotions

A. Given the fiscal crisis currently confronting state government, effective immediately and through September 30, 2007, departments and agencies within the executive branch of state government are prohibited from hiring employees into the classified state civil service or unclassified positions within the executive branch of state government; creating new positions within the classified state civil service or new unclassified positions; and filling new or existing vacant positions by external hire from outside of state government, transfer or promotion between state departments or agencies, or internal promotions within a department or agency.

B. The State Budget Director may grant exceptions to the moratorium if one or more of the following apply:

1. The creation of a position or filling a vacant position by any method is required by legal mandate, federal mandate, or court order.

2. The creation of a position or filling a vacant position by any method is necessary to protect the health, safety, or welfare of Michigan citizens.

3. The creation of a position or filling a vacant position by any method is necessary to produce budgetary savings or to protect existing state revenue or secure additional state revenue.

4. The creation of a position or filling a vacant position by any method is necessary to provide for the basic daily living requirements of residents of a state institution or facility.

C. The moratorium imposed by this Directive applies regardless of the fund source financing a position, but does not apply to appointments required by law.

D. State departments and agencies shall report approved exceptions to the moratorium using forms and instructions issued by the State Budget Director.

I extend my sincere appreciation for your assistance and the continued hard work of state employees as we respond to the state's difficult fiscal condition.

A handwritten signature in black ink, appearing to read 'J. Granholm', written over a horizontal line.

JENNIFER M. GRANHOLM
GOVERNOR