



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

OFFICE OF THE SECRETARY

MEMORANDUM

To: All Agency Heads

From: Benjamin Barnes, Secretary

A handwritten signature in blue ink that reads "Benjamin Barnes".

Date: April 4, 2011

Re: Additional Savings Proposals

As you know, the Governor's recommended budget presented on February 16th provided a framework for balancing the budget over the next two fiscal years. While we continue to believe that the framework of shared sacrifice proposed by the Governor represents the best approach to dealing with the state's structural budgetary imbalance, we must make contingency plans should anticipated labor-management savings not be achieved.

Accordingly, I am asking each of you to develop plans to achieve additional savings of ten percent in each year of the biennium. These proposals should be based on the appropriation recommended for your agency for the upcoming biennium. Formula-based municipal aid, however, should not be included in either the 10% target or your savings proposals, as these will be handled separately by OPM. Savings must be related to expenditure reductions, although revenue proposals may be submitted in addition to your 10% reduction ideas. All types of reduction options should be considered including program eliminations, facility closures, and savings due to staff reductions such as attrition anticipated by June 30, 2011 that may not have been included in the recommended appropriations for the biennium. All appropriated funds are subject to 10% reduction plans; do not limit proposals to the General Fund.

For those agencies identified as part of the consolidation and reorganization recommendations included in the Governor's budget, the development of savings plans should be coordinated among all of the involved agencies so as to eliminate any duplicative or overlapping proposals. Where possible, the "gaining" agency in the proposed consolidation should submit a comprehensive proposal including input from all agencies affected by such consolidation.

Due to the need to develop contingency plans as soon as possible, Executive branch agencies must submit reduction proposals by close of business on Wednesday, April 13, 2011. Within the Executive branch, I ask that all elected officials as well as watchdog agencies submit reduction proposals. Similarly, I also ask that Legislative and Judicial branch agencies develop and provide contingency plans as soon as possible. Additional instructions will be provided shortly by OPM's Budget Division regarding the technical aspects of submitting savings proposals. Please contact your agency's assigned OPM budget analyst if you have any questions.

cc: Agency Fiscal Officers