



*COMMONWEALTH OF VIRGINIA*  
*Office of the Governor*

Wayne Turnage  
Chief of Staff

February 4, 2008

**MEMORANDUM**

**TO:** Cabinet Secretaries  
Heads of Executive Branch Agencies

**FROM:** Wayne M. Turnage  
Chief of Staff

**SUBJECT:** Agency Cost Saving Strategies

As you know, the national economy is showing signs of a broadening slowdown, which is adversely affecting revenue collections of most states, including Virginia. The Secretary of Finance is in the process of meeting with the Advisory Board of Economists and the Commonwealth's business leaders to develop a revised official revenue forecast, which will be the basis for a mid-session, downward adjustment to the State's revenue. Although the magnitude of the downward adjustment will not be known until the revised forecast is presented to the General Assembly in mid-February, it is clear that the revenue correction will necessitate immediate actions on the part of state agencies to further reduce spending.

In light of the State's weakening financial position, I am asking you to take several actions, some of which are modifications of cost savings strategies that were adopted in August 2007. The following actions take effect immediately:

**Hiring:** Any new salaried or hourly positions, other than those pertaining to public safety, health, and higher education pursuant to §4-7.01 of the 2007 Appropriation Act, must be approved by the appropriate Cabinet Secretary. I expect that you will only request approval for those positions that are absolutely essential, and you will need to certify that this is the case.

**Staff Augmentation and Consulting Contracts:** As a general rule, agencies should refrain from requesting approval for new consulting or staff augmentation contracts. Each agency should also be prudent in requesting renewal of any existing staff augmentation contract. In situations where the agency believes that such contract(s) are

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essential to delivering services, the request must be approved by both the Director of the Department of Planning and Budget and the appropriate Cabinet Secretary.

**Training and Travel:** Do not commit to any discretionary training and travel until further notice. My expectation is all travel requests for non-essential business -- attending conferences, etc -- shall be denied.

**Purchases:** No discretionary purchases of equipment, software, furniture, etc. shall be made until further notice.

In closing, I thank you for your continued efforts to be fiscally responsible in these difficult times. I trust that you will take the appropriate actions to ensure that this directive is carried out expeditiously.