TO: David Applebaum
FROM: Michael J. Scheiring
DATE: December 4, 1990
SUBJECT: Response to Alternatives to Service Cuts and Bargaining Unit Layoffs

Per your request, I reviewed the proposals developed by CWA regarding alternatives to service cuts and proposed layoffs. I am pleased to indicate that many of these proposals have been reviewed and recommended to the Governor or are currently being reviewed by the Governor's Management Review Commission. The following is a detailed response to each item:

1. **ELIMINATE 600 PROJECT/PROJECT SUPPORT SPECIALISTS**

   The Commission as part of its audit review has examined staffing levels of various department programs and functions and have made numerous recommendations regarding elimination of excess staff many of which include staff in the project and project support specialists category.

2. **ELIMINATE 561 SENIOR EXECUTIVE SERVICE APPOINTEES**

   The Commission completed a review of the Senior Executive Service and recommended an overhaul of the SES and a reduction of the number of SES positions with those positions that will be eliminated being returned to the classified service.

3. **ELIMINATE CONFIDENTIAL SECRETARIES AND CONFIDENTIAL AIDES**

4. **ELIMINATE 126 SPECIAL INVESTIGATOR POSITIONS IN CONSUMER AFFAIRS**
5. **ELIMINATE REGIONAL MANAGEMENT IN ALL DEPARTMENTS**

The Commission examined the organizational structure and management staffing of the departments and functions being audited and made recommendations where appropriate to consolidate or eliminate functions that have been de-centralized. For example, in the review of vehicle maintenance, recommendations include the consolidation of the various regional maintenance facilities that currently total 72 in the state to 29 facilities.

6. **CONSOLIDATE DEPARTMENTS (COMMERCE AND LABOR; ENVIRONMENTAL PROTECTION AND AGRICULTURE; HEALTH AND HUMAN SERVICES; BANKING AND INSURANCE; CONSOLIDATE ALL PERSONNEL FUNCTIONS [OER, DOP, PENSIONS, ETC.])**

The Commission as part of its review identified opportunities for restructuring or consolidating operations. The firm of Arthur Anderson is recommending consolidation of the Departments of Banking and Insurance as well as consideration of the consolidation of the Board of Public Utilities into a new Department of Regulated Commerce. The firm of Deloitte and Touche recommended possible consolidation of the Departments and Health and Human Services. The Commission members have discussed the potential consolidation of the Department of Education and Higher Education and the possible elimination of the Department of Community Affairs whose functions would be transferred to the Departments of Treasury and Human Services. In addition, the audit identified numerous consolidation opportunities within the departments as part of the audit process. Personnel functions are also being reviewed by Laventhol and Horwath.

7. **ARBITRATION OF DISCIPLINE INSTEAD OF OAL PROCEEDINGS - ELIMINATE 23 ADMINISTRATIVE LAW JUDGES**

8. **ELIMINATE JOB ANALYSIS (TITLE CONSOLIDATION) PROJECT**

The Commission is in the process of reviewing the Department of Personnel and will recommend that the job analysis consolidation project should go forward in a timely manner to reduce the number of state-wide titles.

9. **ROLL BACK RAISES FOR LEGISLATORS, JUDGES, CABINET, AND GOVERNOR - ELIMINATE PENSION DOUBLE DIPPING BY POLITICIANS**

10. **COLLECT DELINQUENT TAXES**

The Commission has undertaken a review of the state's delinquent taxes and made numerous recommendations to strengthen the Division of Taxation's capability to increase the collection of delinquent taxes and recommends the development of a tax write-off policy. The review also recommends that additional investigator positions be considered to improve tax collections.
11. ELIMINATE COSTLY SUBCONTRACTING

The Commission has undertaken a review of professional services and recommended actions to be undertaken to strengthen the state's capability to manage its subcontracting and professional services that when implemented should realize $9 million in cost savings, $7 million of which would be cost avoidance by contracting for services that can be undertaken by state employees or not done at all.

12. INCENTIVES FOR EARLY RETIREMENT

The Commission is undertaking a review of the state's compensation structure and is considering the appropriateness of undertaking an early retirement program. Also recommended workforce reduction program to minimize future potential layoffs.

13. AMEND TRANSPORTATION TRUST FUND TO ALLOW FOR PAYMENT OF ADMINISTRATIVE COSTS FOR DOT WORK

The firm of Deloitte and Touche in its review of the Department of Transportation recommends that applicable administrative costs be charged to the Transportation Trust Fund.

14. AMEND COLLEGE AUTONOMY LAW TO ELIMINATE DUPLICATE PERSONNEL FUNCTIONS

15. ELIMINATE 300 CENTRAL OFFICE MANAGEMENT STAFF

The Commission is undertaking a review of the Department of Treasury including the Office of Telecommunications and Information Systems that could develop cost savings opportunities. Other central office management staff reductions will occur through department audit recommendations and department consolidations.

16. ELIMINATE SPECIAL SERVICES, TEMPORARIES/SEASONALS AND PER DIEM EMPLOYEES

The Commission is undertaking a review of temporary manpower in relation to cost of overtime to determine appropriate rationale for the cost effective use of temporary employees.

17. ELIMINATE 25 PUBLIC RELATIONS/DEPARTMENT SPOKESPERSONS

The Commission is undertaking a review with the assistance of AT&T of the public information offices to evaluate and insure the effective utilization of this resource with special emphasis on audio/visual resources.

18. ELIMINATE 100 LEGISLATIVE SERVICES POSITIONS
19. **ELIMINATE DIVISION DIRECTOR POSITIONS FOR DIVISIONS UNDER 150**

In several department reviews the consolidation of divisions has been recommended. Example include Commerce and Health.

20. **ELIMINATE BUREAU CHIEF POSITIONS FOR BUREAUS UNDER 75 WORKERS**

The Commission in the process of its audit has examined the organizational structure, the management/staff ratios, and work activities and recommended consolidation or elimination of those units when appropriate.

In summary, many of the suggestions that are being proposed by the CWA are opportunities that the Governor's Management Review Commission is reviewing or has recommended for consideration by the Governor. I am available to meet with the unions if desirable.

MJS/sem-269

cc: Joseph Salema  
Brenda Bacon  
Carl E. Van Horn

bcc: Steven A. Clark
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