



## OFFICE OF THE GOVERNOR

February 2, 2009

Dear Governor's Office Staff,

As you know, California is facing one of the worst fiscal crises in our state's history. Our budget shortfall totals \$14.8 billion this fiscal year alone, and the deficit is expected to grow to \$41.6 billion next year. During these incredibly difficult times, it is imperative that state government look inside itself and be part of the solution. We simply have no other choice.

To ensure that essential state services are not jeopardized and to preserve public health and safety, Governor Schwarzenegger declared a fiscal emergency last December and ordered that the Department of Personnel Administration implement two furlough days each month for all state employees beginning February 1, 2009, and ending June 30, 2010. Although California's state employee unions took the Governor to court to contest the legality of his plan, last week, Judge Patrick Marlette ruled that the Governor's order to furlough all state employees is reasonable, given our current budget crisis and the state's lack of funds.

In order to comply with the judge's ruling and with the Governor's executive order, most units will be reduced by one position, and our entire office will achieve savings through a self-directed furlough. Because of our office's 24-hours-a-day, 7-days-a-week nature, we are unable to close on the first and third Fridays of each month, so you need to work with your supervisor to determine which two days to take off each month. If you do not take these days off during any given month between now and June 2010, you can accrue the furlough days to be taken any time, up to two years after the end of the program. Please be aware that, even if you do not use your furlough days in the same month, your salary will still reflect two furlough days each month. This program will not affect your health and retirement benefits.

I know I speak for the Governor when I say that your contribution to this office is invaluable, and we are doing everything we can to minimize the impact this will have on our staff. As public servants, it's our responsibility to work together to address the real, immediate financial problems facing the state. I hope that the day will come soon when our revenues recover from the housing slump and credit crunch, and when we can devote more resources to making California an even better place to live and work. Should negotiations result in any changes that will impact our ways of doing business, rest assured I will be in touch.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Fox".

Will Fox  
Deputy Chief of Staff for Operations

