

Date: February 19, 2009  
To: Partners of Oregon Housing and Community Services  
From: Victor Merced  
Re: Director's Bulletin – Governor's Management Cuts

By now, employees and many partners of Oregon Housing and Community Services are aware of the announcement by Governor Kulongoski this morning imposing budget-cutting actions on state employees in management service

This accents the tough economic times confronting all of us. And it falls to me to disseminate the unpleasant news to all who come within the OHCS orbit.

**Employee message:** The following, with links to details, are key elements of my message to the department's employees earlier today:

This is one of those particularly difficult times for a chief executive. It is the delivery of news that calls for "shared sacrifice" from managers and those in management service who help lead an organization at a time of serious budget shortfall.

When I say shared sacrifice I am talking about serious decisions that affect me and others throughout state government as well as many of you. We're in this together, and we need to pull together through the hardship ahead.

In anticipation of tomorrow's state revenue forecast – which is expected to predict continuing drops in tax money to state coffers – [Governor Kulongoski today announced](#) a series of [sacrifices required](#) of state employees classified as management service, including a salary freeze, mandatory furloughs, and salary rollbacks for the current biennium.

**Impacts to 2009-11.** It yet has to be determined how these actions will be addressed in the 2009-11 biennium. However, it was emphasized that many, if not all, of these actions would be implemented for the next biennium. More information will be shared regarding these actions as we move through the legislative process

Let me emphasize, we're in this together and it will not be easy. We're all proud of the work we do at Oregon Housing and Community Services, as well we should be. Please remember our slogan: What We Do Matters!

*The difficulty lies not so much in developing new ideas as in escaping from old ones.*

~ [John Maynard Keynes](#)