



# The Torch

The official newsletter for Indiana state employees

## Governor calls for state spending reductions

In an effort to maintain a balanced budget, Governor Daniels has called for state agencies to reduce spending for Fiscal Year 2009. The most recent revenue forecast for Fiscal Years 2009

through 2011 projected a \$763 million gap between spending and anticipated revenue for FY09.

Below is a list of new and already

## Performance management is still viable

Even though there is no money available for salary increases, Dan Hackler is committed to continuing the performance management program. Hackler is the director of State Personnel Department.

“The presence of a performance management system is about increasing an employee’s ability to manage his/her own work and aligning personal goals with the goals of the agency and the administration,” he explained. “The connection to our pay is a side benefit.” Hackler said the focus of the performance management program has never been about the money, but the performance.

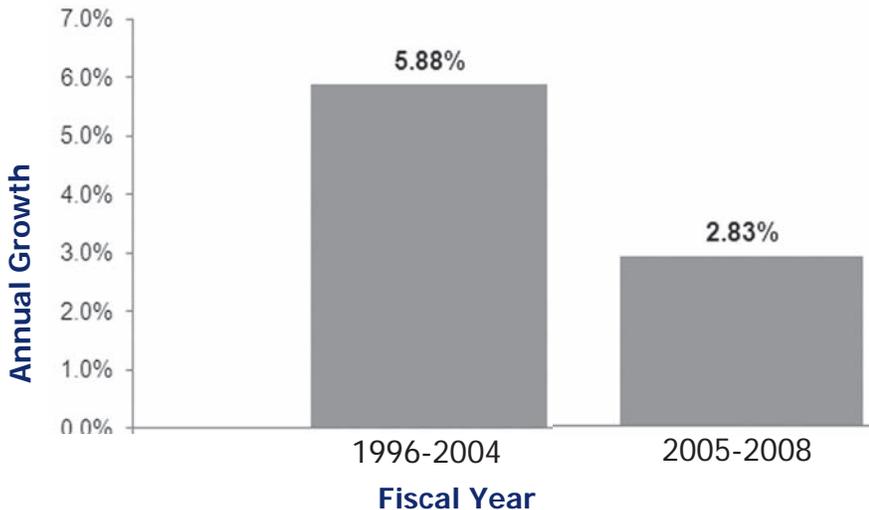
“Performance management is about setting goals, completing those goals and getting credit for those accomplishments,” he continued. “It is better tied in with promotion eligibility and employee development.

He also added that staff is working to determine ways to improve and strengthen employee bonus programs. The state is committed to reinstating pay-for-performance as soon as it is fiscally responsible to do so.

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### We've Kept Spending Growth Down (But Now It Must Slow Further)



Notes:  
General Fund and Property Tax Replacement Fund expenditures only.  
FY02 and after: expenditure growth is adjusted to account for the payment delays and excess reversions.

## Happy New Year!



Original artwork by Jerry Williams

implemented actions to reduce spending to ensure Indiana maintains a balanced budget:

### Budget actions planned include:

- Three percent additional cut for executive agency budgets
- Three percent less spending on grants and subsidies, such as planning projects
- No out-of-state agency travel requests unless approved by the Governor’s Office, Budget Agency, and Department of Administration

(Continued on pg. 3)

## Employees respond to no pay raises

Following the governor's announcement that there would be no pay raises for state employees, several employees sent e-mails in response to the announcement.

Overall, the responses were positive. Most recognized that the measure was necessary in order to keep the state budget balanced. A few were unhappy, but most of the negative responses came from the multiple e-mails sent on the subject (the server was down, otherwise employees would have received the letter before the news media).

At least two employees wrote to ask about the money that was budgeted for pay raises. The difficult decision to not grant pay increases this year enables Indiana to avoid letting prisoners out early, cutting people off of Medicaid, or cutting funding to K-12 education.

These are steps that many other states are making, many in addition to not granting pay increases to state employees. Agency base budgets have been reduced to reflect the absence of pay increases, helping the state achieve a balanced budget for the FY2010-2011 biennium.

### A sample of the responses follow:

*I am responding to your letter to share with you that some of us understand you are doing the best you can, given the circumstances. I am simply grateful that I and my colleagues are not facing unemployment or no health benefits, as many others are. There are many of us: officers, program staff and admin alike, who see your dedication and appreciate you and the other officials who forewent their raises as well. You have restored some lost faith among the ranks and allowed for us*

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*Governor Daniels joined members of the Indiana Commission on Local Government Reform to announce his proposals for local government reform to be considered by the Indiana General Assembly in 2009.*



## What are other states doing?

By now, we are all aware of the condition of the economy across the United States. Yet, in Indiana, we have not been called to sacrifice to the degree that many state employees in other states have been forced to do.

Governor Daniels has called for reduced spending in order to bring our expenses in line with our revenue. Reduced spending has meant no pay raises, 10 percent budget cuts by agencies and strategic hiring practices, to name a few.

What would happen if the governor did not order a crackdown on state spending? Services such as funding for kindergarten through Grade 12 (K-12) education would be cut, the number of Hoosiers receiving Medicaid would be slashed and offenders could be released early. This is all because the money would not be available to support these services.

Other states are already cutting critical services, in addition to not granting pay increases to state employees. For instance,

- 24 states have sliced K-12 education funding. Also, the governor of New York recently proposed drastic cuts to his state's K-12 funding.
- At least 17 states have made cuts that will affect eligibility for health insurance programs or access to services. Such cuts include elimination of coverage, reduction in the State Children's Health Insurance program and cuts to Medicaid funding.
- Three states have released prisoners early. Another four states have proposed early release for prisoners.
- Nine states have eliminated vacant positions.
- Hiring freezes are now in place in 14 states.
- Layoffs, buyouts and/or furloughs are in place in seven states.
- Agencies in Tennessee now face budget cuts between 15 and 20 percent; just a few weeks ago, the cuts were estimated to be 10 to 15 percent.
- Non-union state employees in Vermont will see a five percent reduction in salary.
- New York recently eliminated 3,100 positions, with 508 due to layoffs.
- California governor Arnold Schwarzenegger has ordered 238,000 state employees take off two unpaid days per month through June 30. The mandatory time off is equivalent to a nine percent pay cut for those workers.
- Maryland's governor has enacted furloughs for 67,000 of the state's 80,000 executive branch employees. The number of days without pay will range from two to five days, depending on salaries.
- The Board of Regents for Maryland's state university system has authorized short-term furloughs for more than 22,000 employees.
- Wisconsin is reviewing its positions and has called for the elimination of 3,500 jobs by June 30.

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## Governor calls for state spending reductions

- Additional capital spending and hiring restrictions
- State employees will not receive a pay increase in 2009
- Governor Daniels will forego a pay raise this year. This includes the governor, his cabinet all other statewide officeholders, judges and legislators

### Budget management actions already implemented

- Executive agency budgets cut seven percent
- Strategic hiring process put in place
- Delayed discretionary new capital spending, such as Department of Natural Resources swimming pools, State Police posts

### Areas of state government not affected by the budget cuts include:

- Distributions to K-12 schools. Scheduled payments will continue as budgeted.
- Medicaid – no one will lose coverage
- Public safety
- Highway infrastructure improvements are separate from the state’s general fund and will continue

View the governor’s letter to state employees about 2009 pay:

[www.in.gov/gov/files/Press/state\\_employee\\_letter.pdf](http://www.in.gov/gov/files/Press/state_employee_letter.pdf)

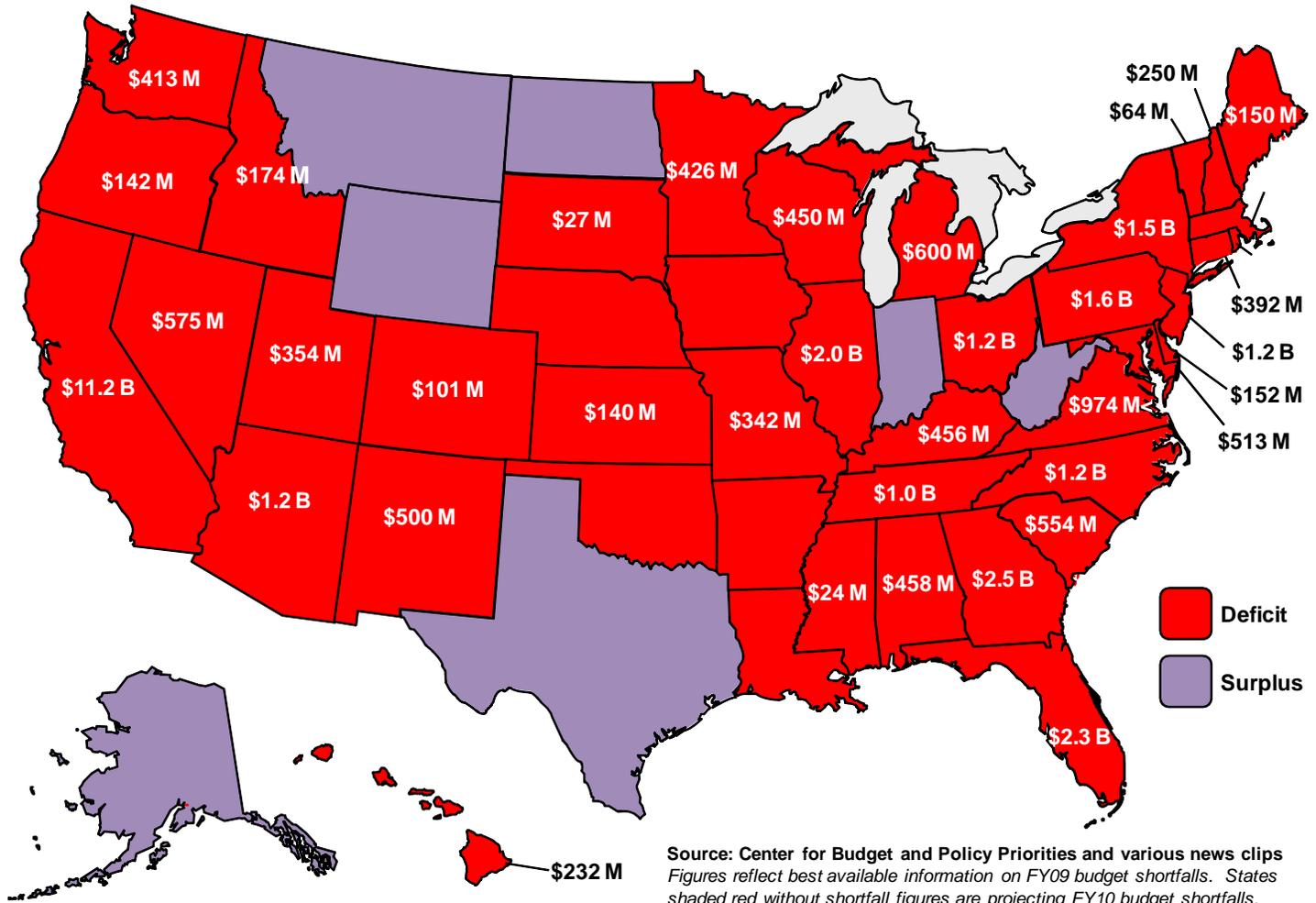
### Two-nights-for-the-price-of-one

*Sunday through Thursday at Indiana State Park Inns*

- Now through February 26
- Deal good for two nights stays
- Subject to availability
- Not available for group business
- Call toll-free 1-877-LODGES1 to make your reservations

The Indiana State Park Inns offer cozy, fireplace lounges, comfortable lodge rooms and full-service dining facilities. Where else can you swim in the first indoor water park in a state or national park lodge? Or sit back, relax and watch boats go by on the Ohio River? Or take a walk back in time in a Pioneer village? Or bird watch while you enjoy a meal? Or hike famous Trail #3? Or play golf on Indiana’s only state park golf course? Or enjoy a myriad of winter sport activities from cross-country skiing to tobogganing?

## Projected FY 2009 and 2010 State Budget Shortfalls



## Students perform before leaving for break



As has been done for 20 plus years, students from the Indiana School for the Blind and Visually Impaired entertained a standing-room-only crowd with holiday music and drama. The school's 168 students participated in either band, chorus or a skit before their parents, friends and school staff. Several members of the school's staff also performed for the crowd, singing "It's the Holiday Season." Immediately following the program, students left for the holiday break.

The school houses children from ages three to 21. The school provides the same type of instruction that other schools do, but also offers specialized classes. Those classes include orientation and mobility, adaptive physical education, independent living skills, vocational education, music instruction, Braille and specially adapted computer technology.

## FMLA announces revisions

The Family Medical Leave Act (FMLA) will change Jan. 16. Those changes primarily involve families with military personnel. With the revised rules, employees may be eligible to take family medical leave (FML) to attend activities that arise when a family member is on active duty. Family members include a spouse, child or parent who is called to active military duty in the National Guard or Reserves.

For example, employees can take FML to make alternative arrangements for childcare and schooling, financial and/or legal matters related to the active duty. Leave is available to spend time with the active duty Guard/Reserve member who is on short-term or temporary leave, attend meetings and appointments sponsored for military families or to handle post-deployment issues.

Employees who are the spouse, child,

parent or next of kin of a covered service member with a serious injury or illness incurred in the line of duty on active duty can use FML for up to 26 weeks to care for that service member. This is limited to current military personnel, not former members who have been discharged or on permanent retired status.

Time limits and documentation requirements apply, so please review the state's revised Family Medical Leave policy/responsibilities and procedures statement at [www.in.gov/spd/2396.htm](http://www.in.gov/spd/2396.htm) on or after the effective date of Jan. 16, 2009.

Questions related to your specific situation can be addressed by your human resources representative or the employee relations division of State Personnel Department.

## Continued from pg. 2 Employees respond

*to see we are all on the same team.*  
-Department of Correction (DOC) employee

*That's OK with me, a raise is not as important than all the other things that need to be taken care of in our state...*  
- Family & Social Services (FSSA) employee

*I, like most, would love a raise. I'm just glad I still have a job. I will work harder next year to hopefully receive a raise in 2010.* – DCS employee

*...I'm sure your decision to stop raises for this year was an agonizing process for you, but realistically very necessary. If people have been watching the news or reading the newspapers, they've learned how you put Indiana in a fiscally responsible position, much better than the states around us. You've also cleaned up government agencies and saved us a lot of money and chaos for years to come. It's going to be a difficult time for some of us, but there will be light at the end of this dark tunnel and my thanks goes out to you.* – Indiana State Department of Health (ISDH) employee

*Appreciate you biting the bullet. Our prayers are with you and believe me, I understand.* – DOC employee

*I believe we are all blessed to be working. Others have not been so fortunate this year.* – FSSA employee

*Bah Humbug!* – ISDH employee



**The Torch** is published monthly by the State Personnel Department.  
Submit your story ideas in an e-mail to: [spdcommunications@spd.in.gov](mailto:spdcommunications@spd.in.gov)  
The Torch is available online at [www.in.gov/spd](http://www.in.gov/spd).



Printed on Recycled Paper

### Please respect the following rules when submitting items:

- Ads are limited to state employees only.
- Contact information must include either a phone number with area code (home or cell, no state numbers) or a home e-mail address.
- Submit ads via e-mail to [spdccommunications@spd.in.gov](mailto:spdccommunications@spd.in.gov), information must be included in the body of the e-mail, no photos or attachments. No bold or italic type, no ALL CAPS.
- Limit one ad per employee per issue; each ad has a limit of three items.
- Deadline is the 10th of the month prior to the next issue.
- No weapons, no animals, no food items.
- No real estate, for sale or rent, including mobile homes, manufactured housing, timeshares, etc.
- No Avon, Mary Kay, vitamins, etc.
- No memberships, businesses or professional services (i.e., tax preparation, car repair, etc.).
- Ads will run for one issue only.
- State Personnel Department staff reserves the right to edit and/or refuse any ads.

Harley Davidson bubble. \$80. Call 765-366-0044.

1997 Chevy Silverado Z71 4x4; 5.7L ext cab, auto, loaded, new starter & battery, blue, runs great, 162K mi. \$5,000. Call 812-219-1937 or [jkren77@yahoo.com](mailto:jkren77@yahoo.com)

Roper refrigerator; 10 yrs old, excellent condition. \$100. Contact Linda Meador, 812-526-5674 or [lindameador@sbcglobal.net](mailto:lindameador@sbcglobal.net)

Hitachi 61' widescreen projection TV w/ rollers; HDTV ready, excellent condition, about 4 yrs., can possibly deliver or you pick up. \$1,100. Call Angela, 765-606-0811.

Kerosene heater. 2 boom boxes. 35mm film camera & accessories. Contact [daxler@onemain.com](mailto:daxler@onemain.com)

Roper refrigerator; never used, white, 14 cu ft. \$225. Contact [nkayrice@embarqmail.com](mailto:nkayrice@embarqmail.com)

A-line, strapless, white wedding dress & veil; size 4, beading on top & chapel train, splits in front, laces in back. \$250 obo. Black halter dress; size 6. \$40 obo. Strapless brown BCBG jersey cotton formal; size M. \$60 obo. Contact Kelly, [klspc02@hotmail.com](mailto:klspc02@hotmail.com) or 317-607-6200.

Rocker recliner; gray/brown striped, excellent condition. \$100. Large white countertop microwave; GE brand sensor cooking & turntable. \$50. E-mail [justlikeontv@gmail.com](mailto:justlikeontv@gmail.com)

Exercise/weight bench; 90 lbs. of weights, 2 long bars, 2 short bars, like new. \$75. Call 317-796-3492.

Twin beds w/ box springs & matching chest; very good condition, green wood trim. \$390. Call 317-997-0000.

Large moveable aluminum framed & fenced playpen/dog kennel; 17x17x4', double door. \$310. Synthetic, 8' high double wall arbor/trellis. \$40. Anodized u-shaped heavy metal sign post; 10' long. \$49. Call 317-738-2991.

Coach leather satchel briefcase. \$150. Contact Talmeeka Johnson, 317-654-0736.

Woman's leather coat; size 22, 4 yrs old, excellent condition. \$50. Call 317-847-5874.

Double bed; antique pineapple post, needs refinish. \$100. Cross country skis/poles. \$50. Call 812-405-2149 after 6 p.m. or e-mail [carosu29@comcast.net](mailto:carosu29@comcast.net)

Cubby storage bench w/ 3 drawers & beadboard back; white, 28x12.5x18", not been used. \$50. Wedding dress; white, size 12, worn once, sleeveless, beaded bodice, detachable train, garment bag. \$125 obo. Call 317-294-0942 (South Indy) or e-mail [christie.stanifer@yahoo.com](mailto:christie.stanifer@yahoo.com)

Sauder computer desk; nice, heavy wood. \$25. Contact 317-375-189 or [pg2032@sbcglobal.net](mailto:pg2032@sbcglobal.net)

4 drawer/2 door mirrored vanity; matching king-size headboard w/ shelves, drawers & lights. Living room furniture inc. sofa, end table, more. Best offer. Contact Bonnie Locchetta, [baked4you@yahoo.com](mailto:baked4you@yahoo.com), or 765-561-3223.

2003 Honda VTX 1800C; windshield, saddlebags, new tires & extras, 8K mi. \$8,600 obo. 2004 Honda Shadow Aero; Cobra exhaust, saddle bags, back rest & extras; low miles. \$4,000 obo. Contact [swalker@gibsoncounty.net](mailto:swalker@gibsoncounty.net) or 812-480-4058.

## Learn more about college financial aid

Thinking about college, or know of a high school student who is interested? Then make plans to attend College Goal Sunday for free help completing financial aid applications for college.

College Goal Sunday will be held from 2 to 4 p.m. Sunday, Feb. 15 at 36 sites throughout the state. To find the location nearest you, log onto [www.collegegoalsunday.org](http://www.collegegoalsunday.org) or call toll-free 1-800-992-2076.

There is no age limit for applying for financial aid. The focus of College Goal Sunday is those students who are graduating from high school, but anyone interested in financial aid for college or technical school may attend.

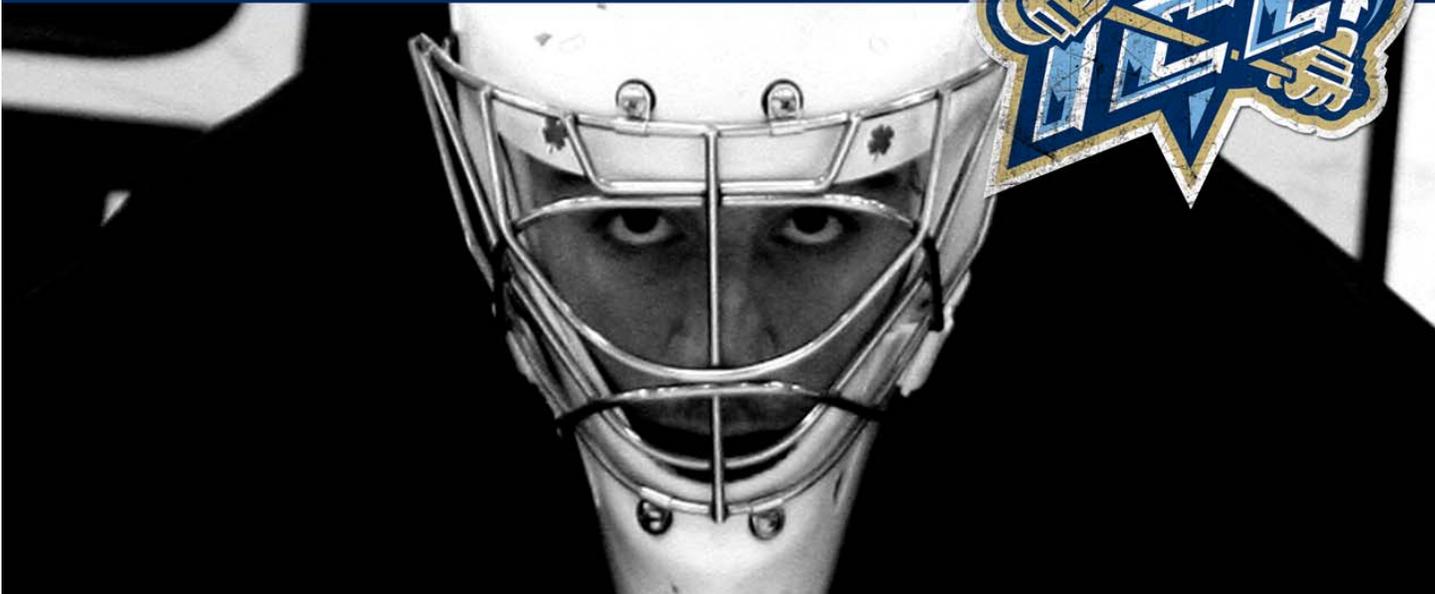
In order to qualify for financial aid, you must complete the 2009-2010 Free Application for Federal Student Aid (FAFSA). With a completed FAFSA, required by educational institutions nationwide, you could qualify for federal and state grants, loans, scholarships and other financial awards.

Students who don't qualify for grants but who are applying for a college loan must also complete the FAFSA. Completed FAFSAs must be received at the federal processor by March 10, 2009. The colleges the students are interested in should also be contacted to inquire if they may have additional forms or deadlines the student must meet.

Parents and/or guardians should accompany students 23 years of age or younger. The parent and/or guardian should bring along completed 2008 IRS 1040 tax return, W-2 forms or other 2008 income, asset and benefits information. Anyone completing and submitting the FAFSA at one of the College Goal Sunday's computer-and Internet-access sites should bring their U.S. Department of Education personal identification numbers (PIN). Obtain your PIN in advance at [www.pin.ed.gov](http://www.pin.ed.gov). The College Goal Sunday Web site provides a list of those sites with Internet access as well as those offering Spanish interpreters.

College Goal Sunday is sponsored by the Indiana Student Financial Aid Association, State Student Assistance Commission of Indiana, Learn More Resource Center and the Twenty-first Century Scholars Program.

# State Employee Night with the Indiana Ice



## Attention Indiana State Employees

**Saturday, January 31st**

**7:30 P.M.**

**Pepsi Coliseum**

**All tickets discounted \$5 for Indiana State Employees at \$11  
and \$7!**

**Deadline to purchase tickets is Thursday, January 29th!  
Discount not available at the box office!**

**Name:** \_\_\_\_\_ **Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Make checks payable to:  
Indiana Ice  
1202 East 38th St.  
Indianapolis, IN 46205**

**# of tickets @\$11** \_\_\_\_\_ **# of tickets @\$7** \_\_\_\_\_ **Total Due: \$** \_\_\_\_\_

**Type of Payment: Check / MC / VISA / AMEX / DISC**      **Discount not available at the box office!**

**Account #:** \_\_\_\_\_ **Exp. Date:** \_\_\_\_\_

**For more information or to purchase your tickets please contact T.J. Davis  
at (317) 925-4423 x208 or via e-mail at [tjdavis@indianaice.com](mailto:tjdavis@indianaice.com).**