



# OFFICE OF MANAGEMENT & BUDGET

**Jonathan Womer, Director**


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## MEMORANDUM

To: Cabinet Directors, Agency Heads, and Agency CFOs

From: Jonathan Womer  
Director, Office of Management & Budget 

Date: January 6, 2021

Subject: **Lifting of Blanket Restrictions on Discretionary Spending and Hiring**

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This memo removes discretionary spending and hiring controls which had been put in place pursuant to my memo issued on March 18, 2020 and reiterated in a memo from the Budget Officer on September 11, 2020.<sup>1</sup> Enhanced controls on all discretionary spending and hiring, pursuant to the Enterprise Budgetary Control Policy, had been put in place for *all* agencies.<sup>2</sup> With the enactment of an FY 2021 budget, this blanket application of the Budgetary Control Policy is hereby lifted.

Please be advised that OMB intends to reimpose enhanced budgetary control for any agency which the Budget Office projects to close the fiscal year in a deficit in the upcoming FY 2021 second quarter report, pursuant to section 4(b) of the Enterprise Budgetary Control Policy.

Furthermore, as you may have noticed, we are no longer operating under a monthly allotment system. This allotment system had been described in the memo issued by the Budget Officer on September 11, 2020. Following the enactment of the FY 2021 budget, budgetary control in the RIFANS system has been updated to accommodate a working budget based upon enacted appropriations.

When these budgetary control policies were first imposed, the state was experiencing an extraordinarily uncertain outlook as the pandemic was still in its nascent stages. Compounding the challenges brought on by the public health emergency was the fact that the state was operating in the first half of FY 2021 with no enacted budget. While the state's fiscal outlook remains constrained, the fact that an FY 2021 budget has been enacted provides agencies with the guard rails to manage themselves within available resources with a greater degree of independence. OMB continues to urge agency financial managers to exercise necessary restraint and prudence with their hiring and spending decisions.

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<sup>1</sup> Memos available: [03.18.20 Discretionary Spending & Hiring Restrictions Memo](#)  
[09.11.20 Monthly Allotments/Discretionary Spending Memo](#)

<sup>2</sup> Enterprise Policy available: [OMB Budgetary Controls Policy 8-23-19.pdf](#)