



DIVISION OF ADMINISTRATION *Angele Davis, Commissioner*
STATE OF LOUISIANA

Commission on Streamlining Government

July 27, 2009



Goals for Government Operations

- **Education:** Increased academic achievement for all students, educational opportunities for all children, fewer children dropping out of school, and an educated workforce.
- **Economic Development:** Louisiana needs to retain, grow, and attract jobs with good pay, benefits, and advancement opportunities, in a diversified economy, with personal and corporate income growth and a strong and stable tax base, while protecting health and safety and wisely utilizing natural resources.
- **Transportation:** Better, cleaner, safer and less congested roadways, so that people can get where they need to go efficiently, safely and reliably.
- **Hurricane Protection and Emergency Preparedness:** Louisiana needs to better prepare for, respond to and recover from the next emergency (hurricanes and all other hazards).

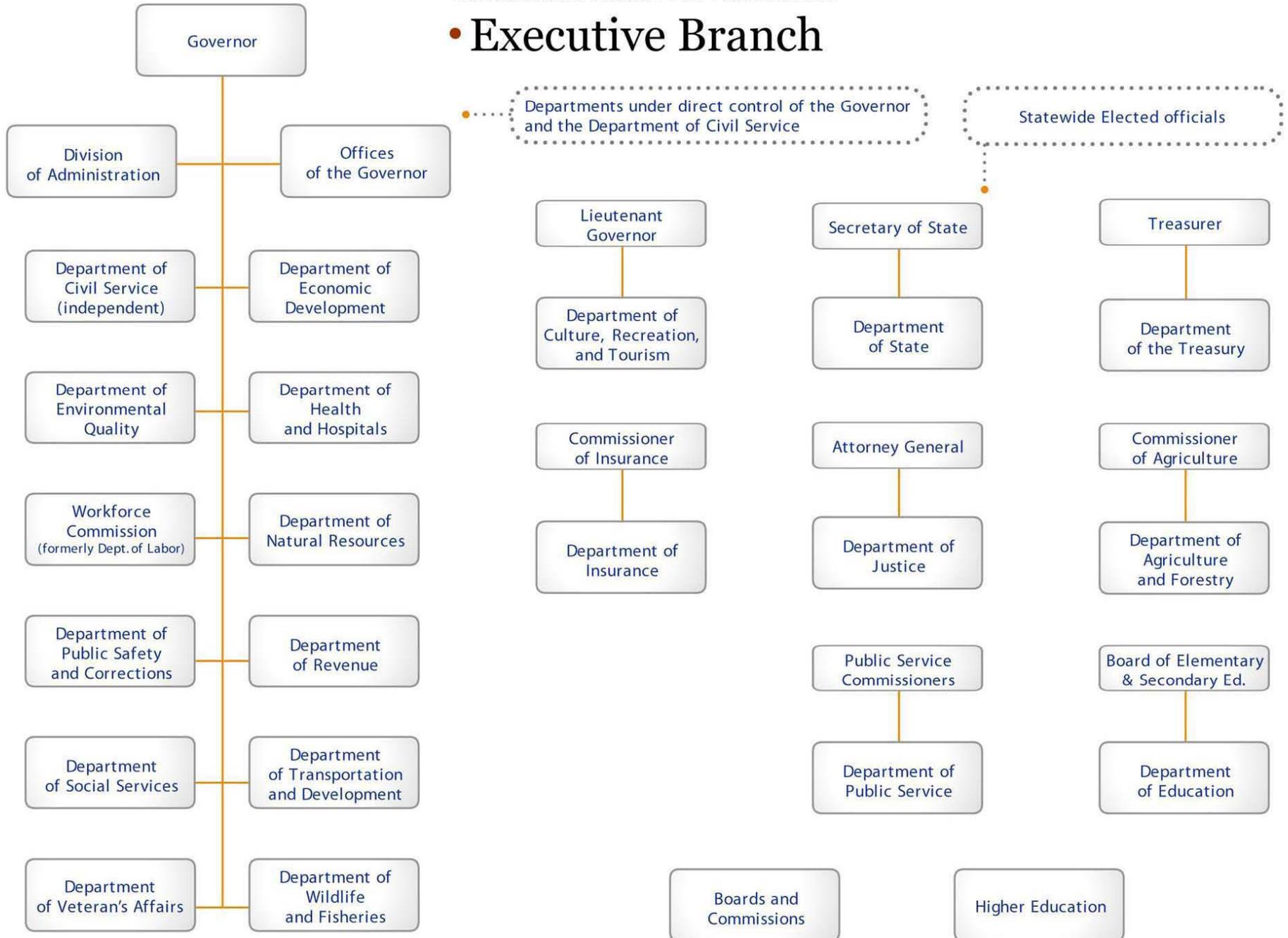


Goals for Government Operations (Cont'd)

- **Public Safety:** People and families, including children, need to feel safe at home, school, work and while traveling. Less crime, including less drug abuse, and smarter, proactive policing.
- **Social Services:** Self-sufficient families and healthy and safe Louisianans, including families, children, elderly people, and veterans.
- **Health:** Better health and affordable care, through reform of health care systems and financing systems and creation of a culture of personal responsibility for health.
- **Natural Resources:** Better environment and abundant natural resources available for our enjoyment, and preserving Louisiana as a sportsman's paradise.
- **Transparent and Accountable Government:** Smaller, more cost-effective state government that citizens can trust and be proud of.

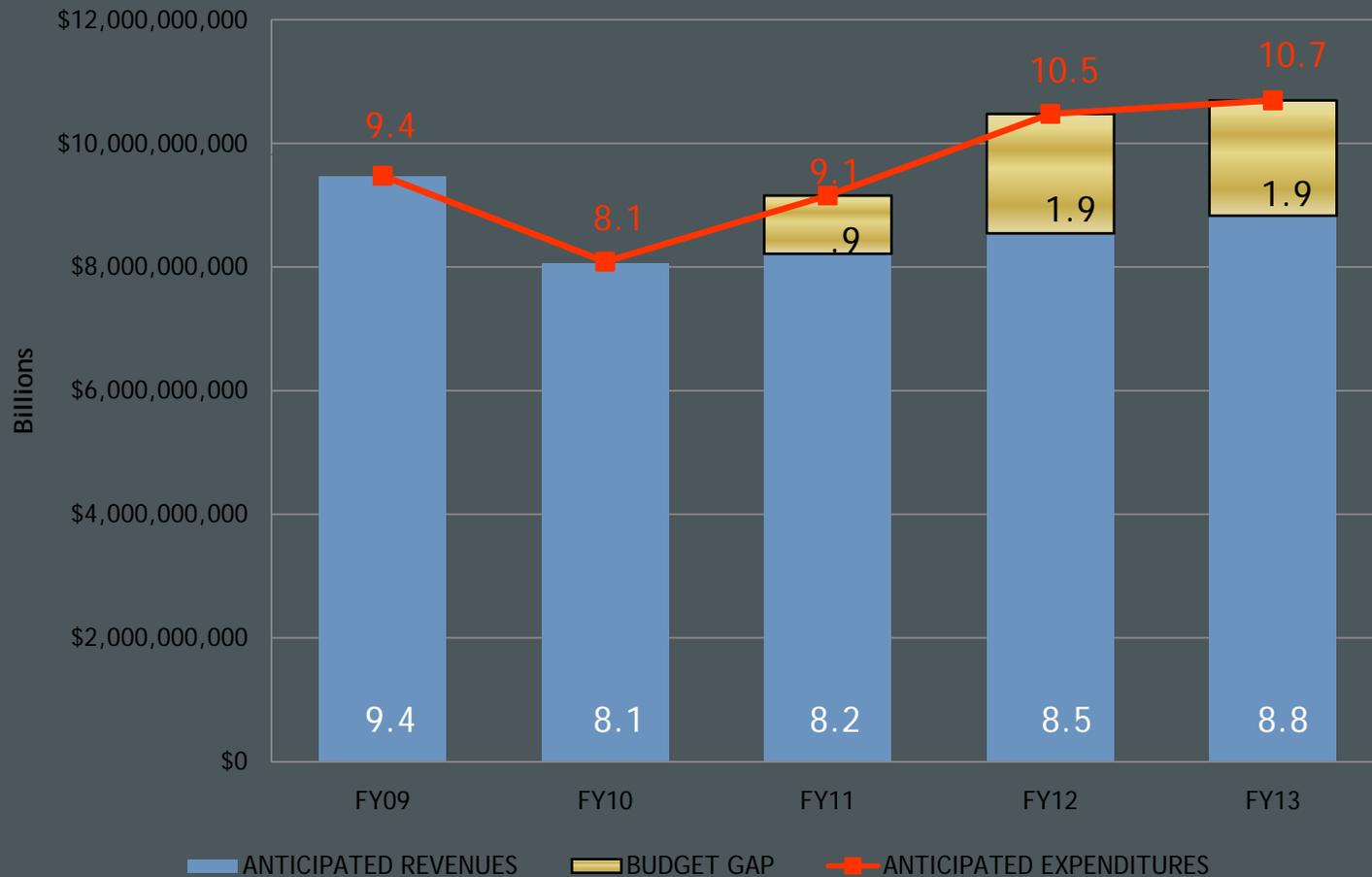
Louisiana State Government

- Executive Branch





5-Year Budget Outlook





Major Cost Drivers in Projected FY 11 and FY 12 General Fund Shortfalls

FY 11 (Projected shortfall of \$939 million)

\$437 million – Increased Medicaid Payments

\$161 million – Increase in State General Fund due to the use of one-time funding for recurring expenditures in FY 10

\$75 million – Increase in State General Fund in Higher Education and Department of Education (MFP) in order to meet Maintenance of Effort funding level necessary to utilize stimulus

\$75 million - Minimum Foundation Program (based on 2.75 % normal growth factor)

\$60 million – Inflation

\$42 million – Merit increases

\$23.3 million – Group Insurance for Active Employees and Retirees

\$18 million – Local Housing of State Adult Offenders

\$10.6 million – Risk Management

\$6.4 million – LCTCS Debt Service



Major Cost Drivers in Projected FY 11 and FY 12 General Fund Shortfalls (Cont'd)

FY 12 (Projected shortfall of \$1.93 billion)

\$1.35 billion — Increased Medicaid Payments

\$235 million — Minimum Foundation Program (based on 2.75 % normal growth and replacing stimulus)

\$218.7 million — Replacing Higher Education Stimulus

\$92 million — Inflation

\$85 million — Merit increases

\$64.5 million — Replacing "Flexible" Stimulus (elected officials and CRT)

\$36 million — Group Insurance for Active Employees and Retirees



Current-Year (FY 10) Budget By the Numbers

(Excluding one-time surplus investments)

- The appropriated budget for FY 10 in General Fund is \$8.229 billion, a reduction of \$1.246 billion, or 13.2 percent, from FY 09 General Fund of \$9.475 billion.
- FY 10 Total State funding is \$13.392 billion, a reduction of \$1.275 billion, or 8.7 percent, from FY 09 Total State funding of \$14.667 billion.
- FY 10 Total Budget is \$28.190 billion, a reduction of \$1.421 billion, or 4.8 percent, from the FY 09 Total Budget of \$29.661 billion.



FY 10 Net Position Changes by Department

Executive	-112	Health & Hospitals	-314
Veterans Affairs	21	Social Services	-122
State	-5	Natural Resources	-2
Justice	-14	Revenue	-20
Lt. Governor	-3	Environmental Quality	11
Treasury	-3	Workforce Commission	-135
Public Service	9	Wildlife & Fisheries	-17
Agriculture & Forestry	-75	Civil Service	2
Insurance	-7	Higher Education	142
Culture, Recreation & Tourism	-17	Other Education	-204
DOTD	-132	Dept. of Education	-8
Corrections	-139	Total General Approp. Bill	-1,282
Public Safety	-50	Ancillary	-53
Youth Development Services	-88	TOTAL	-1,335



Reducing State Government Positions

- The enacted FY 10 budget included a net reduction in the number of full-time authorized positions across state government by 1,335.
- This action follows 971 position eliminations associated with the FY 09 mid-year budget reductions, and 1,019 reductions previously implemented through budgetary action, for a total of 3,325 positions reduced since the beginning of the Jindal administration.
- Between December 31, 2007 and July 3, 2009, the number of full-time employees in state government, including Higher Education and LSU's Health Care Services Division, went from 89,371 to 89,091, a decrease of 280.
- That net decrease of 280 factors in an increase of 657 full-time employees at LSU's Health Care Services Division. During the same time period, the number of full-time employees at all other state agencies saw a net decrease of 937.



Directive to Cabinet to Assist Commission on Streamlining Government

1. Designate a liaison within your agency to prepare for and coordinate with the Commission on Streamlining Government.
2. Identify your overarching reform goal(s) for the agency.
3. Review and briefly outline the constitutional and statutory mandates for your agency.
4. List the activities of your department that fall outside of your constitutional and statutory mandates.
5. Identify outdated activities that should no longer be part of the mission of your agency.
6. Identify under-performing programs that should be overhauled or eliminated.
7. Identify duplication or overlap with other state agencies, with the federal government, or with public or private stakeholder groups.
8. List programs, functions, or activities that can be privatized or outsourced.



Cabinet Department Liaisons

Wildlife & Fisheries - Janice Lansing

Education - Patrick Dobard

LA National Guard - Stephen Dabadie

LDEQ - Vince Sagnibene

DOTD - Michael Bridges

LDNR - Bob Harper

LA Workforce Commission - Bennett
Soulie

Dept. of Revenue - Clarence Lymon

GOHSEP - Brant Mitchell

Coastal Activities - Cynthia Duet

Veteran's Affairs - Robert Hayes

Dept. of Public Safety & Corrections -
Thomas Bickham

State Police - Jill Boudreaux and Ronnie
Jones

LED - Steve Grissom and Kristy McKearn

LRA - Don Hutchinson

OYD - Michelle Smith

DSS - Ruth Johnson

DHH - Charles Castille

DOA - Steven Procopio