

January 4, 2010

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Representative Jerome Richard
Representative Charmaine Marchand Stiaes

RE: ***REORGANIZATION PLAN***

Dear Chairmen, Senators and Representatives:

Act 491 of the 2009 Regular Session established the Commission on Streamlining Government. The Act acknowledged that the state faces a severe decline in revenues through fiscal year 2012 which, if no corrective action is taken, will leave a significant funding gap in state government expenditures and will create serious sustainability issues in financing of state obligations and that it is essential that the state act now to reduce the cost of state government, through all means available, including efficiencies, economies, greater effectiveness, and other means to streamline government in order to overcome the projected severe revenue reductions occurring through 2012 and to ensure that available state tax dollars are being spent efficiently and effectively.

The Commission on Streamlining Government has met and produced its "Initial Recommendations" and "Report", in December, 2009, which is available on the Commission's website at senate.legis.state.la.us/streamline. Also, hard copies can be obtained by contacting Sabrina Whitaker in the Senate office at (225) 342-2438.

Act 491 also provides that by January 4, 2010, the Commission submit a "Reorganization Plan", of its recommendations to the Senate and Governmental Affairs Committee and the House and Governmental Affairs Committee." Pursuant to that directive, attached is the reorganization plan.


Senator Jack Donahue, *Chairman*
Commission on Streamlining Government

JD:slw

**COMMISSION
ON
STREAMLINING GOVERNMENT**

REORGANIZATION PLAN

January 4, 2010



**COMMISSION ON STREAMLINING GOVERNMENT
REORGANIZATION PLAN
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REORGANIZATION PLAN

I. GOVERNOR

Recommendation No. 25

The governor and the legislature authorize and direct the LSU Health System to adopt the recommendations of Alvarez and Marsal for the operation of the interim Charity Hospital in New Orleans. The governor and legislature direct every other charity hospital in Louisiana to contract for a similar financial and operational assessment with a third party private sector consulting firm, such as but not necessarily Alvarez and Marsal, that specializes and has a proven track record in turnaround management, corporate restructuring and performance improvement for institutions and their stakeholders.

ACTIONS REQUIRED: *Legislation - Resolution; Legislation - Appropriation; Executive order*

Recommendation No. 26

The governor and the legislature are urged to utilize and strictly apply the criteria of Act 842 of the 2008 Regular Session with eligibility for funding being limited to organizations that are accredited or certified by the Louisiana Association of Nonprofit Organizations or nationally certified or accredited and following the content of the existing executive order which content should be made statutory. Further the Legislative Auditor and Inspector General should have ample tools and mandates to oversee these funds with all due diligence.

ACTIONS REQUIRED: *Legislation - R.S. 39:51.1*

Recommendation No. 84

Governor and legislature authorize the Department of Health and Hospitals to use co-pays up to ten dollars for emergency room treatment to the extent allowed by federal law and in a way that would encourage proper use of resources and discourage overuse of resources that may not be needed. Such co-pay shall not apply to services rendered for emergency conditions or services for children.

ACTIONS REQUIRED: *Administrative action; Administrative rule; Federal approval; Legislation*

Recommendation No. 136

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal

year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 169

Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 173

Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the

separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

ACTIONS REQUIRED: *Administrative action; Legislation - appropriation; Legislation - Chapter 12 of Title 42; Legislation - Title 11*

Recommendation No. 207

The governor and the Legislature support and pass the Louisiana New Start Education Tax Credit Program which would (a) provide a \$4,000 refundable state income tax credit per child to parents who have a child attending a Louisiana public school that is deemed to be “academically unacceptable” by the Louisiana Department of Education and who assume the cost of their child’s education in a private or parochial school in Louisiana, and (b) provide a \$4,000 state income tax credit to any Louisiana taxpayer that donates \$4,000 to a nonprofit, scholarship-granting organization recognized by the Louisiana Department of Education which, in turn, uses the money to provide scholarships to families of children who are attending “academically unacceptable” schools in Louisiana and who elect instead to send their children to a private or parochial school in Louisiana.

ACTIONS REQUIRED: *Legislation*

Recommendation No. 233

The governor and the Legislature increase no state tax or fee to deal with the current budgetary shortfall.

CITATIONS: *Legislation - Public bid law*

Recommendation No. 236

No NGO shall be eligible to contract with a department or agency to which the same or similar function is being provided by a department of agency, if an appropriation for that NGO has been vetoed by the governor, unless strictly for budgetary purposes, and has not been overridden by the Legislature. The prohibition shall exist for a period of one year after the governor's veto message.

ACTIONS REQUIRED: *Legislation*

II. OFFICE OF THE GOVERNOR

Recommendation No. 26

The governor and the legislature are urged to utilize and strictly apply the criteria of Act 842 of the 2008 Regular Session with eligibility for funding being limited to organizations that are accredited or certified by the Louisiana Association of Nonprofit Organizations or nationally certified or accredited and following the content of the existing executive order

which content should be made statutory. Further the Legislative Auditor and Inspector General should have ample tools and mandates to oversee these funds with all due diligence.

ACTIONS REQUIRED: *Legislation - R.S. 39:51.1*

Recommendation No. 68

Expand current efforts to reduce unused nursing home bed capacity.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Legislation*

Recommendation No. 69

Develop pilot program for long-term care services for the elderly and people with adult-onset disabilities.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Legislation*

Recommendation No. 74

Governor's Office on Homeland Security and Emergency Preparedness (GOHSEP) work with Louisiana's congressional delegation to identify and utilize federal funding for establishing additional shelter-capacity in-state for Louisiana residents who cannot self-evacuate and shelter during emergency periods.

ACTIONS REQUIRED: *Administrative action; Federal approval; Congressional action*

Recommendation No. 97

The Department of Health and Hospitals, Office of Aging and Adult Services implement a needs based allocation of services in the Elderly and Disabled Adult Waiver Program and the Personal Care Attendant Services Medicaid Option by the end of FY 2009-2010.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 114

The Office of Coastal Protection and Restoration should promote cost savings by holding unfilled positions open and restricting travel.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 125

The Office of Coastal Protection and Restoration should continue to integrate the state's existing coastal restoration, hurricane, and flood protection efforts.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 126

The Office of Coastal Protection and Restoration should continue utilizing the support, staff, science and legal services of other agencies to avoid duplication and retain efficiency.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 127

The Office of Coastal Protection and Restoration should continue to develop a prioritization tool to guide funding decisions and to identify the best opportunities to restore the ecosystem and protect Louisianians from hurricane and storm damages.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 128

The Office of Coastal Protection and Restoration should initiate a study to determine the appropriate roles and responsibilities of levee districts, parish governments, the state, and federal agencies involved in hurricane protection and coastal restoration efforts.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 129

The Coastal Protection and Restoration Authority should ensure that the Office of Coastal Protection and Restoration engages in the third party, project-level technical review known as Independent Technical Review (ITR) that provides recommendations concerning project plans and designs.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 130

The Office of Coastal Protection and Restoration should continue to pursue the strategic deployment of mitigation funds to provide quicker start and faster completion of projects.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Congressional action* - According to the agency, some changes may be needed in the Water Pollution and Control Act, 33 U.S.C.A. 1251 et seq. and the National Environmental Policy Act, 42 U.S.C.A. 4321 et seq.

Recommendation No. 131

The Office of Coastal Protection and Restoration should continue to reduce the time it takes to complete the contracting process.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 132

The Office of Coastal Protection and Restoration should work with federal partners to improve the project development and implementation process, focusing on a reduction in the time which elapses between the initiation of a concept to completion of the project.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 133

The Office of Coastal Protection and Restoration should continue to improve the new project budgeting and management system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 142

Governor's Office of Homeland Security and Emergency Preparedness explore outsourcing commodity inventory while maintaining the same quality of emergency preparedness.

ACTIONS REQUIRED: *Administrative action*

III. OFFICE OF THE LIEUTENANT GOVERNOR**Recommendation No. 136**

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials,

the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

IV. DIVISION OF ADMINISTRATION

Recommendation No. 18

Issue an RFP to look at the possibility of outsourcing the workers' compensation claims management process to a private company and eliminate fraud by getting rid of the on-line claims system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 22

Direct the Division of Administration to determine the value and the "highest and best use" of each state-owned property, and develop opportunities for the state to enter into public-private development partnerships with private and non-profit public partners, chosen by competitive bid, in order to develop and manage state-owned real estate in a manner that achieves the "highest and best use" of the property, increases cash flow for taxpayers, meets smart growth principles, and satisfies the highest standards of design and environmental sustainability.

ACTIONS REQUIRED: *Legislation - R.S. 41:1 et. seq.; Agency rule*

Recommendation No. 45

Continue the implementation of the LaGov (ERP) project.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation - Appropriation*

Recommendation No. 46

Consolidate the state's data processing assets to move to a centralized data environment.

ACTIONS REQUIRED: *Executive action, Administrative action*

Recommendation No. 47

Continue the implementation of e-mail as a statewide shared enterprise service.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 48

Implement an IT spend analysis/agency efficiency scorecard.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 49

Review, modernize and consolidate management of IT procurement.

ACTIONS REQUIRED: *Legislation - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950*

Recommendation No. 50

Implement a single infrastructure for external health care initiatives.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 51

Continue implementation of a management of enterprise network infrastructure.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 54

Direct all boards and commissions, except those boards responsible for administering Louisiana's retirement systems, to file electronically, on or before February 1 of each calendar year, with the Commissioner of Administration of the state of Louisiana, the Speaker of the Louisiana House of Representatives and the President of the Louisiana Senate, a financial statement setting forth in detail the assets and liabilities, including unencumbered and encumbered cash on hand, of each board and commission. Further direct all money which is not needed by these boards be subject to appropriation for any lawful purpose by the Legislature.

ACTIONS REQUIRED: *Legislation - R.S. 42:1124.2.1*

Recommendation No. 55

State government create a website modeled after the "Where the Money Goes: Window on State Government and Transparency at Work in Texas" website provided by the Texas Comptroller of Public Accounts which is a user friendly website containing a database on state spending searchable by state agency, payee and category of expense, and which includes a virtual check register updated daily and available twenty-four hours a day. Louisiana state government also assimilate into this new website the best practices and user-friendly nature

exhibited by the state of Utah's "transparent.utah.gov" website, which is dedicated to the transparency and accountability of Utah's government finances.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 66

Establish single location for information technology help desk functions for all state agencies and its employees.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 73

Merge Capitol Police from within the Division of Administration into the Department of Public Safety & Corrections, Public Safety Services.

ACTIONS REQUIRED: *Legislation - R.S. 49:149, et seq.; Legislation - Appropriation*

Recommendation No. 100

The Department of Insurance be given permission to buy its own telephone system, which will be an improved system, and also save \$250,000 each year, beginning with the second year after the purchase.

ACTIONS REQUIRED: *Legislation - R.S. 39:140 et seq.*

Recommendation No. 103

Develop plan to remove the state of Louisiana from the leasing of buildings and office space.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 104

Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

ACTIONS REQUIRED: *Administrative action; Legislative - Appropriation*

Recommendation No. 154

Requests the Division of Administration to evaluate various alternative IT funding models.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 155

Research outsourcing print and mail infrastructure across all agencies and departments.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 156

Research outsourcing imaging and content management services for ERP integration.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 157

Explore cost-benefits of utilizing managed print services.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 158

Enable contracting methodology for value added services that transform the way employees work and improve constituent services.

ACTIONS REQUIRED: *Legislation* - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950

Recommendation No. 162

Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation*

Recommendation No. 163

Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.

ACTIONS REQUIRED: *Administrative action; Legislation* - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950

Recommendation No. 164

Requests the Division of Administration to develop a program to effectively monitor the performance of vendors who do business with the state.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 165

Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 168

Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the division.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 173

Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help

fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

ACTIONS REQUIRED: *Administrative action; Legislation - appropriation; Legislation - Chapter 12 of Title 42; Legislation - Title 11*

Recommendation No. 186

The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 192

As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 209

Centralize the hosting of current and future compatible geographic information system and "volume buy" GIS software and licenses, including local government in such purchases where appropriate.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 49:1051, et seq*

Recommendation No. 217

Direct the Office of Group Benefits to write an RFP to consider consolidating and outsourcing state employee group medical benefits under a single administrative provider to

more effectively leverage critical mass and improve efficiency, and report the results back to the Commission on Streamlining Government. Multiple options/levels can be offered through a single provider.

ACTIONS REQUIRED: *Administrative action*

V. ALL AGENCIES

Budget

Recommendation No. 54

Direct all boards and commissions, except those boards responsible for administering Louisiana's retirement systems, to file electronically, on or before February 1 of each calendar year, with the Commissioner of Administration of the state of Louisiana, the Speaker of the Louisiana House of Representatives and the President of the Louisiana Senate, a financial statement setting forth in detail the assets and liabilities, including unencumbered and encumbered cash on hand, of each board and commission. Further direct all money which is not needed by these boards be subject to appropriation for any lawful purpose by the Legislature.

ACTIONS REQUIRED: *Legislation - R.S. 42:1124.2.1*

Recommendation No. 151

All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The personal appearance or written application for approval of the Joint Legislative Committee on the Budget shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Legislative Committee on the Budget does not approve the contract. (6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications. (7) The number of hours and amount of compensation, including salary and benefits, paid to all employees under the contract. All information shall be provided in a format prescribed by the Joint Legislative Committee on the Budget.

ACTIONS REQUIRED: *Legislation; Legislative committee action*

Recommendation No. 163

Require the Division of Administration to pursue the development of "enterprise contracts" and require state agencies to utilize these contracts.

ACTIONS REQUIRED: *Administrative action; Legislation - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950*

Recommendation No. 165

Requests all state agencies, regardless of statutory or delegated authority to process their own contracts, to provide the Division of Administration information on those contracts not in the state's contract financial management system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 166

Requests all agencies to engage in a thorough review of private contracts to identify underperforming and low-priority contracts.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 170

Certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.

ACTIONS REQUIRED: *Executive action; Administrative action; Agency rule; Legislation; Legislation - Appropriation*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated.

Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 215

Each agency must review its historical vacancy and attrition rates and shall make strategic reductions in positions by five percent, first looking at layers of management and clerical staffing, each year for three years. Furthermore each agency should review process re-engineering and unit consolidation while preserving critical services such as public safety and direct patient care. Reductions can be achieved through outsourcing privatization and program elimination where feasible and cost effective. Each agency must report to the Commission on Streamlining Government by December of 2010 and 2011 the achieved reductions and explanation of why the target was not met. Finally, state personnel who learn new skills or increased scope of responsibility should be reviewed for pay increases using savings from staff reductions.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 232

Provide that no vendor whose contract with the state has been cancelled for nonperformance shall be eligible to contract with the state for five years.

ACTIONS REQUIRED: *Legislation - Public bid law*

Efficiency/Effectiveness

Recommendation No. 3

Hold department heads accountable for poor safety performance by department employees.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 4

Hire a safety consulting firm, where necessary, to train poorly performing department personnel to prevent work-related accidents.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 5

Develop coordinated plan for consolidated collection of accounts receivable where feasible.

ACTIONS REQUIRED: *Executive action; Legislation - Appropriation*

Recommendation No. 21

Place jurisdiction over all receivables by all departments in Louisiana state government with the Cash Management Review Board and require that the State Receivables Report be compiled and published no later than 60 days after the end of every quarter.

ACTIONS REQUIRED: *Legislation - R.S. 39:372 through 374*

Recommendation No. 23

Develop cooperative arrangements with Arkansas and Mississippi which would identify and explore creative, synergistic opportunities to make the operation of state government and the provision of state government services more cost effective and efficient.

ACTIONS REQUIRED: *Legislation - R.S. 39:1701 et seq.; Executive action; Agency rule*

Recommendation No. 58 Urge departments and agencies of state government to contract with the Department of Revenue to have their document and remittance processing performed by that department until that department's equipment is used as close to 100% of the time as is practical and possible.

ACTIONS REQUIRED: *Legislation - Appropriation; Executive order; Administrative action*

Recommendation No. 62 All departments and agencies of Louisiana state government to the maximum extent possible contract with the Department of Public Safety and Corrections for prison labor to perform cleaning and janitorial services.

ACTIONS REQUIRED: *Executive order; Administrative action*

Recommendation No. 71 Provide a tax clearance requirement for all state vendors and contractors and permit state departments and agencies to "garnish" payment to vendors and contractors doing business with the state and who also have a final judgment as to an account receivable in favor of the state.

ACTIONS REQUIRED: *Legislation - Public Works Contracts (Chapter 10 of Title 38, R.S. 38:2181 et seq), Professional, Personal, Consulting, and Social Services Procurement (Chapter 16 of Title 39, R.S. 39:1481 et seq) and Procurement Code (Chapter 17 of Title 39, R.S. 39:1551, et seq)*

Recommendation No. 104 Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise and

provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

ACTIONS REQUIRED: *Administrative action; Legislative - Appropriation*

Recommendation No. 105 Every department and agency be required to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation - Appropriation; Legislation - R.S. 17:1994 and 3126, and R.S. 28:21 and 912, R.S. 33:140.62, R.S. 36:254, R.S. 38:2311, R.S. 46:2600, R.S. 47:633.6 and R.S. 49:200.1*

Recommendation No. 106 Each state department is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 42:1123; Legislation - Const. Art. 7 Sec. 14*

Recommendation No. 153 State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 155 Research outsourcing print and mail infrastructure across all agencies and departments.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 156 Research outsourcing imaging and content management services for ERP integration.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 157 Explore cost-benefits of utilizing managed print services.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 162 Create a database of commodity based procurement to include services across the state in order that the state can make more strategic decisions in developing contracts.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation*

Recommendation No. 168 Request the Division of Administration develop a web based system for management and reporting by agencies of space utilization of state leased space as well as space utilization and maintenance efforts in state owned facilities operated and maintained by agencies outside the division.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation*

Employees

Recommendation No. 160 Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ2009-11.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 173 Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with

implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

ACTIONS REQUIRED: *Administrative action; Legislation - appropriation; Legislation - Chapter 12 of Title 42; Legislation - Title 11*

Recommendation No. 174 Each agency head should consider furloughs for employees as a cost-saving measure to help delay or eliminate the possibility of layoffs. Agency heads should give due consideration to the timing of such furloughs, seeking opportunities to maximize the savings while avoiding significant adverse effects on the delivery of services. For example, a regular work day immediately following or preceding a holiday seems a promising choice as many state employees take leave on those days, and many agencies experience reduced demand for services.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 175 To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 182 The legislature should require each agency receiving state funding or operating with self generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 183 All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time

equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 184 The legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 185 By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies to inform or refresh them regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should schedule and hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rule changes.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 188 The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 192 As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 193 All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.

ACTIONS REQUIRED: *Administrative action; Agency rule; Executive action*

Recommendation No. 194 The Department of State Civil Service should encourage state agencies to take full advantage of existing special pay and rewards and recognition policies to provide employees with both monetary and nonmonetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for performance options.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 196 Each manager responsible for engaging in the Performance Planning and Review process should use the PPR forms to track each employee's productivity and level of performance by using objective information to measure actual performance against expectations.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 198 Each agency should consider using furloughs to keep costs down. Each agency should furlough every employee one day each quarter of the 2010-2011 fiscal year. Determination of timing of furloughs is left to the agency; however, where possible the agency should consider furloughing all employees in a particular location on the same day to capture additional savings from such things as non-use of utilities.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 202 Ensure that terminated, deceased or retired state employees do not get their active employee pay inappropriately.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 206 The Department of State Civil Service should investigate whether savings could be achieved by the coordination of recruitment efforts by state entities at individual events or locations.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 222 Should a reduction in force through voluntary or involuntary separation become necessary, whether applicable only to targeted programs or budget units or implemented across most agencies, the design process of the staff reduction plan should include discussions of a separation package which may take the form of an incentive or severance package. Prudence dictates that the details of such a package should be determined only after designation by the appropriate entity of programs to be reduced or eliminated or positions to be emptied. However, any such separation package may include three basic components: (1) a lump-sum payment,(2) provision for health insurance, and (3) provision for education or training. If the package is offered as an incentive for voluntary separation, any employee taking the incentive should be prohibited from employment with the state or from entering into a contract to provide services on behalf of the state for a period of thirty-six months. If the person is reemployed or enters a contract within the prohibition period, the person should reimburse the state the proportionate value of the incentive package. Any separation, whether

voluntary or involuntary, to which a separation package applies should trigger the abolition of the position from which each employee is separated; however, if the position is critical to the mission of the agency, the agency should be permitted to abolish another position or combination of positions that represent the elimination of the same amount of salary and benefit costs from the agency's budget.

ACTIONS REQUIRED: *Administrative action; Legislation - appropriation; Legislation - Chapter 12 of Title 42; Legislation*

Recommendation No. 235 Provide that the span of control in all departments shall be a minimum of one manager per ten employees. Highly technical, policy or non-repetitive functions may have a span of control as low as one manager per five employees with the permission of the Joint Legislative Committee on the Budget.

ACTIONS REQUIRED: *Legislation - Revised statutes; Legislation - Appropriation; Legislative committee approval*

Information Technology

Recommendation No. 45 Continue the implementation of the LaGov (ERP) project.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation - Appropriation*

Recommendation No. 46 Consolidate the state's data processing assets to move to a centralized data environment.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 47 Continue the implementation of e-mail as a statewide shared enterprise service.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 48 Implement an IT spend analysis/agency efficiency scorecard.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 49 Review, modernize and consolidate management of IT procurement.

ACTIONS REQUIRED: *Legislation - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950*

Recommendation No. 66 Establish single location for information technology help desk functions for all state agencies and its employees.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 209 Centralize the hosting of current and future compatible geographic information system and "volume buy" GIS software and licenses, including local government in such purchases where appropriate.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 49:1051, et seq*

Recommendation No. 223 Convert all agency advertising notices to electronic notification where feasible.

ACTIONS REQUIRED: *Executive action; Administrative action*

Transportation

Recommendation No. 1 Reduce total number of state-owned automobiles to 2004 level over a 12 month period.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 2 Reduce total number of automobiles by 20% and convert many agency fleets to rental over a 12 month period.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 159 Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; emphasize pooling and convert many agency fleets to rentals.

ACTIONS REQUIRED: *Executive action; Administrative action*

VI. DEPARTMENT OF AGRICULTURE AND FORESTRY

Recommendation No. 29 Department of Environmental Quality lease office & warehouse space at reduced rates from the Department of Agriculture and Forestry.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 136 Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 172 Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

VII. DEPARTMENT OF ECONOMIC DEVELOPMENT

Recommendation No. 219 Eliminate the workforce grant program in the Department of Economic Development as the Louisiana Fast Start program is operational.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 220 Reduce the Entertainment Workforce Program in the Department of Economic Development.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 228 Reduce the site-specific fund in the Department of Economic Development, which is used to cover project-specific expenses related to business retention and recruitment efforts.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 229 Change the supporting guarantees for Small Business Loan Guarantee Program in the Department of Economic Development.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

VIII. DEPARTMENT OF EDUCATION - STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION

Recommendation No. 78 Board of Elementary and Secondary Education study the use of digital textbooks in state schools and to report to the Legislature prior to March 2010.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 79 All Louisiana public school students who have been suspended from school for more than five days in a school year or who have more than ten unexcused absences from school in a school year may be required to enroll in the Louisiana National Guard Youth Challenge Program or alternatively, be placed in the Louisiana Department of Education's Jobs for America's Graduates Program, at the discretion of the principal. Pay for increased enrollment in the Youth Challenge Program and/or the JAG Program with Minimum Foundation Program funds. Change Louisiana law to prohibit students from dropping out of school until they have reached 18 years of age.

ACTIONS REQUIRED: *Administrative action; Agency rule*

Recommendation No. 83 Direct the Department of Education and the Board of Elementary and Secondary Education to pursue student based budgeting.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 171 Directs the Board of Elementary and Secondary Education to broadcast and archive its meetings online.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 200 Department of Education to reduce the paperwork required of each school district for annual Pupil Progression and Advancement Plans and School Improvement Plans to “net change” documents instead of redoing the entire report yearly.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 201 State Board of Elementary and Secondary Education to restructure the Minimum Foundation Program so that the MFP, as well as the federal dollars follow the child and that 80% of the MFP funds are spent on the classroom as directed by the principal of each school.

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 203 Restructure teacher pay to provide incentives for education graduates to seek secondary education positions.

ACTIONS REQUIRED: *Legislation - R.S. 17:427.2(A) and (B)*

Recommendation No. 204 Align Department of Education contracts to the highest priority education initiatives, and cancel the other contracts that are not in the top priorities. But in any event, the department is to cancel at least 10% of all contracts.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 207 The governor and the Legislature support and pass the Louisiana New Start Education Tax Credit Program which would (a) provide a \$4,000 refundable state income tax credit per child to parents who have a child attending a Louisiana public school that is deemed to be “academically unacceptable” by the Louisiana Department of Education and who assume the cost of their child’s education in a private or parochial school in Louisiana, and (b) provide a \$4,000 state income tax credit to any Louisiana taxpayer that donates \$4,000 to a nonprofit, scholarship-granting organization recognized by the

Louisiana Department of Education which, in turn, uses the money to provide scholarships to families of children who are attending “academically unacceptable” schools in Louisiana and who elect instead to send their children to a private or parochial school in Louisiana.

ACTIONS REQUIRED: *Legislation*

Recommendation No. 210 Merge and assign the administration of the State Board of Elementary and Secondary Education's block grant program focused on pre-kindergarten programs for at-risk four-year-old children into the Department of Education's Cecil J. Picard LA 4 Early Childhood Program.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation; Legislation - R.S. 17:24.10; Legislation - Const. Art. 7 Sec. 10.1*

Recommendation No. 211 Primary responsibility for adult education resides with the Louisiana Community and Technical College System and the responsibility and funding of the Department of Education's Division of Adult and Community Education should be transferred to the system.

ACTIONS REQUIRED: *Legislation - Appropriation; Legislation - R.S. 17:14*

Recommendation No. 212 Require the State Board of Elementary and Secondary Education to terminate the pre-GED (Graduate Equivalency Diploma) Skills Options Program and direct local education agencies to re-direct funds supporting the program to approved dropout prevention programs modeled after Jobs for America's Graduates.

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 218 Scale down the Louisiana Teacher Assistance and Assessment Program.

ACTIONS REQUIRED: *Legislation - R.S. 17:3881 - 3895*

IX. DEPARTMENT OF ENVIRONMENTAL QUALITY

Recommendation No. 28 Department of Environmental Quality issue the RFP for the outsourcing of the DEQ Laboratory Services Division and eliminate an administrator position as part of the outsourcing of lab services.

ACTIONS REQUIRED: *Administrative action; Legislation - RS 30:2011; RS 36:238*

Recommendation No. 29 Department of Environmental Quality lease office & warehouse space at reduced rates from the Department of Agriculture and Forestry.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 30 Department of Environmental Quality cease operations of its library.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 31 Department of Environmental Quality reduce the workforce TO by 20 through ongoing streamlining opportunities as determined by the Secretary.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 32 Department of Wildlife and Fisheries consider consolidating the litter hotline from DEQ.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 109 Develop, plan and explore efficiency opportunities for consolidating field sampling programs within the departments of Health and Hospitals, Environmental Quality and Wildlife and Fisheries.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 111 Develop, plan and explore efficiency opportunities for consolidating/leveraging of the Department of Health and Hospitals and the Department of Environmental Quality drinking water programs for testing and monitoring and transfer Lead-based Paint Program from DEQ to DHH.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 40:1299.21 and R.S. 30:2351 et seq; Legislation - Appropriation*

Recommendation No. 113 The permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

ACTIONS REQUIRED: *Administrative action*

X. DEPARTMENT OF HEALTH AND HOSPITALS

Recommendation No. 9 Department of Health and Hospitals transition Medicaid to integrated delivery system with care coordination.

ACTIONS REQUIRED: *Administrative action; Agency rule*

Recommendation No. 10 Department of Health and Hospitals solicit qualified providers to partially privatize centers for the developmentally disabled by transferring residents to private centers or transitioning them to community based services. Further recommends the department consolidate state run centers. These solicitation should be competitively based on cost and quality experiences and the contract should contain incentives to reduce costs and compliance with regulatory requirements.

ACTIONS REQUIRED: *Administrative action; Agency rule*

Recommendation No. 11 Department of Health and Hospitals implement a competitive bid process to redirect services from public health units to local providers (such as FQHC's & RHC's).

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 12 Department of Health and Hospitals consolidate operated in-patient health services in Greater New Orleans area.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 13 Department of Health and Hospitals review RFP to privatize community homes, independent living clients and extended family living.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 38

Department of Public Safety and Corrections - Public Safety Services, Department of Health and Hospitals and Department of Veterans Affairs automate time and attendance systems.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 50

Implement a single infrastructure for external health care initiatives.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 63

Direct the Department of Health and Hospitals to immediately and fully implement the provisions of LRS 22:1065 et seq., better known as the "Baby Bill," as well as the Louisiana Health Insurance Premium Payment Program, and report to the Legislature on a semi-annual

basis its results to fully implement these two provisions of Louisiana law.

ACTIONS REQUIRED: *Legislation - R.S. 22:1065 at seq.; Agency rule*

Recommendation No. 68

Expand current efforts to reduce unused nursing home capacity.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Legislation*

Recommendation No. 69

Develop pilot program for long-term care services for the elderly and people with adult-onset disabilities.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Legislation*

Recommendation No. 70

Transfer Independent Living, Community & Family Support, and Traumatic Head and Spinal Cord Injury Trust Fund programs from the Department of Social Services, Louisiana Rehabilitation Services to the Department of Health and Hospitals, Office of Aging and Adult Services.

ACTIONS REQUIRED: *Administrative action; Agency rule; Legislation - R.S. 28:821 et seq and R.S. 46:2631 et seq and R.S. 36:478(I); Legislation - Appropriation*

Recommendation No. 72

Perform a system-wide analysis of behavioral health needs of high risk children within the child welfare and Office of Juvenile Justice systems to maximize the use of Medicaid funding. Such analysis shall be performed in-house by state employees.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 75

Consolidate eligibility and enrollment functions for citizens needing services or support from Department of Social Services or Department of Health and Hospitals at no additional cost.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Legislation*

Recommendation No. 77

Transfer appropriate rehabilitation service functions in the Department of Social Services to the Department of Health and Hospitals and the Louisiana Workforce Commission.

ACTIONS REQUIRED: *Executive action; Administrative action; Agency rule; Federal*

*approval; Legislation - R.S. 36:471 et seq and R.S. 46:331 et seq and 2101 et seq.;
Legislation - Appropriation*

Recommendation No. 81

Request an independent study of "Charity Hospital" to evaluate the overall plan and report findings to the legislature before convening of the next regular session.

ACTIONS REQUIRED: *Legislation - Resolution; Legislation - Appropriation;
Executive order*

Recommendation No. 82

The Department of Health and Hospitals may, to control expenditures, negotiate supplemental rebates for the Medicaid pharmacy program in conjunction with the preferred drug list. In these negotiations, the preferred drug list may be adjusted to reduce costs by revising the state maximum allowable cost methodology for generic drugs, and should then require manufacturers to compete for placement on the preferred drug list based on cost when there is more than one brand in a class.

ACTIONS REQUIRED: *Administrative action; Federal approval (CMS); Agency rule*

Recommendation No. 84

Governor and legislature authorize the Department of Health and Hospitals to use co-pays up to ten dollars for emergency room treatment to the extent allowed by federal law and in a way that would encourage proper use of resources and discourage overuse of resources that may not be needed. Such co-pay shall not apply to services rendered for emergency conditions or services for children.

ACTIONS REQUIRED: *Administrative action; Administrative rule; Federal approval;
Legislation*

Recommendation No. 96

The Department of Health and Hospitals establish a competitive procurement process for operation of inpatient mental health institutions and/or certain services provided at the institutions, and include in the solicitation a requirement for constructing new facilities without using any state debt.

ACTIONS REQUIRED: *Legislation - R.S. 28:25.1*

Recommendation No. 97

The Department of Health and Hospitals, Office of Aging and Adult Services implement a needs based allocation of services in the Elderly and Disabled Adult Waiver Program and the Personal Care Attendant Services Medicaid Option by the end of FY 2009-2010.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 98

The Department of Health and Hospitals implement a competitive procurement process for Personal Care Services to reduce the number of providers in each department administrative region.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 99

The Department of Health and Hospitals write an RFP to privatize secure residential services for persons found "Not Guilty by Reason of Insanity" and the "Lockhart" population.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 102

The Department of Health and Hospitals consider reducing the administrative costs of the Louisiana Medicaid Program by at least 5%.

ACTIONS REQUIRED: *Legislation - Appropriation; Administrative action*

Recommendation No. 109

Develop, plan and explore efficiency opportunities for consolidating field sampling programs within the departments of Health and Hospitals, Environmental Quality and Wildlife and Fisheries.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 110

Department of Health and Hospitals to study appropriate role and determine best future use of Villa Feliciana (VF) Medical Complex either as a medical facility or otherwise.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation; Legislation - R.S. 40:2002.4 and 2142(D) and R.S. 36:258(F) and 259(C)(23)*

Recommendation No. 111

Develop, plan and explore efficiency opportunities for consolidating/leveraging of the Department of Health and Hospitals and the Department of Environmental Quality drinking water programs for testing and monitoring and transfer Lead-based Paint Program from DEQ to DHH.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 40:1299.21 and R.S. 30:2351 et seq; Legislation - Appropriation*

Recommendation No. 137

Create Office of Behavioral Health within Department of Health and Hospitals to replace the current Office of Mental Health and Office of Addictive Disorders.

ACTIONS REQUIRED: *Administrative action to complete implementation of Act 384 of the 2009 Regular Session of the Legislature; Agency rule*

Recommendation No. 167

Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be evaluated immediately by Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division on a case by case basis in each community, and the study should be completed by December 31, 2010. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. Huey P. Long Medical Center should be the first to be evaluated under this policy and an RFP should be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation; R.S. 17:1518.1*

Recommendation No. 199

The Department of Health and Hospitals should study the use and feasibility of telemedicine.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 216

Department of Health and Hospitals continue implementation plan to sell and/or lease the John J. Hainkel Home and Rehabilitation Center.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 231

Require any revisions to the final business plan for the proposed new Charity Hospital in New Orleans previously approved by the Joint Legislative Committee on the Budget in 2007 to be resubmitted for approval to the Joint Legislative Committee on the Budget prior to the sale of bonds by the governing corporation or the State.

ACTIONS REQUIRED: *Administrative action; Legislative committee approval*

XI. DEPARTMENT OF INSURANCE

Recommendation No. 100

The Department of Insurance be given permission to buy its own telephone system, which will be an improved system, and also save \$250,000 each year, beginning with the second year after the purchase.

ACTIONS REQUIRED: *Legislation - R.S. 39:140 et seq.*

Recommendation No. 136

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 226

Require that the FAIR and COASTAL Plans be administered pursuant to the laws governing the plans that were in effect before the adoption of Act 1133 of the 2003 regular legislative session creating the Citizens Property Insurance Corporation, and that Citizens cease all

operations after its debts are paid off and if private insurance and/or the FAIR and COASTAL plans are established.

ACTIONS REQUIRED: *Legislation - R.S. 22:2291 st seq.*

XII. DEPARTMENT OF JUSTICE

Recommendation No. 136

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

XIII. DEPARTMENT OF THE MILITARY

Recommendation No. 74

Governor's Office on Homeland Security and Emergency Preparedness (GOHSEP) work with Louisiana's congressional delegation to identify and utilize federal funding for establishing additional shelter-capacity in-state for Louisiana residents who cannot self-evacuate and shelter during emergency periods.

ACTIONS REQUIRED: *Administrative action; Federal approval; Congressional action*

Recommendation No. 91

The Military Department consider outsourcing billeting on their installations through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 92

The Military Department consider outsourcing utilities on their installations through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 93

The Military Department consider outsourcing fixed charge services on their installations through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 94

The Military Department consider outsourcing upgrades/replacement of sewerage treatment and waste water collections on expanding bases through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 95

The Military Department consider outsourcing and improving fleet utilization through an RFP.

ACTIONS REQUIRED: *Administrative action*

XIV. DEPARTMENT OF NATURAL RESOURCES

Recommendation No. 15

Department of Natural Resources review RFP to outsource data entry for archiving lease records.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 16

Department of Natural Resources implement a pilot program to change inspection of wells by self-reporting affidavit with appropriate penalty for non-compliance.

ACTIONS REQUIRED: *Administrative action; Agency rule*

Recommendation No. 17

Require electronic reports by energy producers to the Department of Natural Resources.

ACTIONS REQUIRED: *Administrative action; Agency rule*

Recommendation No. 76

Automate Department of Natural Resource's oil and gas permitting and reporting processes under the Office of Conservation.

ACTIONS REQUIRED: *Administrative action; Agency rule; Legislation - R.S. 30:4; Legislation - Appropriation*

Recommendation No. 112

The Department of Natural Resources should restructure the Office of the Secretary, Management, and the Atchafalaya Basin.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 113

The permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 152

The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service be appropriated annually to the Department of Revenue to perform the service.

ACTIONS REQUIRED: *Legislation - Revised statutes; Legislation - Appropriation; Agency rule*

Recommendation

The Department of Natural Resources should automate data entry and privatize record archiving for the Office of Mineral Resources.

ACTIONS REQUIRED: *Administrative action*

**XV. DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS,
CORRECTIONS SERVICES**

Recommendation No. 14

Department of Public Safety & Corrections, Corrections Services review RFP to outsource all aspects of food services.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 62

All departments and agencies of Louisiana state government to the maximum extent possible contract with the Department of Public Safety and Corrections for prison labor to perform cleaning and janitorial services.

ACTIONS REQUIRED: *Executive order; Administrative action*

Recommendation No. 87

Department of Public Safety and Corrections – Corrections Services expand its partnership with Louisiana State University Health Sciences Center - Shreveport to provide the more costly medications to inmates in the Shreveport region.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 140

Department of Public Safety and Corrections – Corrections Services outsource their pharmaceutical services.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 141

Department of Public Safety and Corrections – Corrections Services outsource the collection of probation and parole fees.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 143

Provide that a Louisiana state prisoner, who does not have a high school diploma or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall have made available to him a program designed to help him pass the GED.

ACTIONS REQUIRED: *Legislation - Title 40; Legislation - appropriation*

Recommendation No. 208

Department of Public Safety and Corrections eliminate all but one of the principals supervising teachers in its education program and return the remaining principals to classroom teaching positions.

ACTIONS REQUIRED: *Legislation - Appropriation; Administrative action*

Recommendation No. 237

Require the Department of Public Safety and Corrections, Corrections Services to explore legislation and rule making to identify any administrative efficiencies and potential cost savings.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 238

Direct the Louisiana Sentencing Commission to complete its work and provide the Legislature with recommendations for the 2010 Regular Session that will improve public safety and be cost effective to taxpayers.

ACTIONS REQUIRED: *Executive action*

XVI. DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS, YOUTH SERVICES

Recommendation No. 72

Perform a system-wide analysis of behavioral health needs of high risk children within the child welfare and Office of Juvenile Justice systems to maximize the use of Medicaid funding. Such analysis shall be performed in-house by state employees.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 88

Direct the Office of Juvenile Justice to privatize health care services in secure care through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 89

Direct the Office of Juvenile Justice to privatize pharmacy services in secure care through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 90

Office of Juvenile Justice consider privatizing laundry services in secure care through an RFP.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 107

Office of Juvenile Justice partner with the Department of Social Services and other stakeholders to better implement the Families in Need of Services Program with a goal of preventing youth from entering the costly juvenile justice system.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 36:408 and R.S. 46:1906*

Recommendation No. 108

School districts should work with the Office of Juvenile Justice to forward local Minimum Foundation Program (MFP) funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP dollars follow the student.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 17:100.1; Legislation - Const. Art. 8 Sec. 13*

Recommendation No. 234

To provide that annual spending per secure commitment bed in the Office of Juvenile Justice be reduced to the Southern average, as long as the reduction does not interfere with the transfer or implementation of the Missouri Model.

ACTIONS REQUIRED: *Legislation - Appropriation*

XVII. DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS, PUBLIC SAFETY SERVICES

Recommendation No. 34

Department of Public Safety and Corrections - Public Safety Services outsource background checks.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 35

Department of Public Safety and Corrections - Public Safety Services outsource the Hazardous Materials 24-hour hotline.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 36

Department of Public Safety and Corrections - Public Safety Services implement a vendor operated mail room, and print and mail systems.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 37

Department of Public Safety and Corrections - Public Safety Services consider outsourcing commercial fleet registration for interstate jurisdictions.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 38

Department of Public Safety and Corrections - Public Safety Services, Department of Health and Hospitals and Department of Veterans Affairs automate time and attendance systems.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 39

Department of Public Safety and Corrections - Public Safety Services consider outsourcing the centralized call center to a location in Louisiana.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 60

Transfer the audit functions and responsibilities of the International Registration Plan currently administered by the Department of Public Safety and Corrections to the Department of Revenue, which currently performs audits for the International Fuel Tax Agreement, and require that no more than 75% of the monies spent by the Department of Public Safety and Corrections to perform these services be appropriated to the Department of Revenue to perform the services.

ACTIONS REQUIRED: *Legislation - R.S. 47:511; Legislation - Appropriation*

Recommendation No. 64

The fixed-site scale responsibilities of the Department of Transportation and Development be transferred to the Louisiana State Police, and that the State Police be directed to achieve a savings of at least 25% in the second year through the consolidation of the responsibilities.

ACTIONS REQUIRED: *Legislation - R.S. 32:2 et seq.; Legislation - Appropriation*

Recommendation No. 73

Merge Capitol Police from within the Division of Administration into the Department of Public Safety & Corrections, Public Safety Services.

ACTIONS REQUIRED: *Legislation - R.S. 49:149, et seq.; Legislation - Appropriation*

Recommendation No. 213

Department of Public Safety and Corrections, Public Safety Services eliminate the Oil Spill

Coordinator's public outreach program.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 224

Department of Public Safety and Corrections - Public Safety Services, outsource Information Technology applications and services where appropriate to improve operating efficiencies and realize savings.

ACTIONS REQUIRED: *Administrative action*

XVIII. DEPARTMENT OF PUBLIC SERVICE

Recommendation No. 115

The Public Service Commission should be subjected to the criteria of full cost recovery.

ACTIONS REQUIRED: *Legislation* - Title 45 contains numerous fees, each of which must be analyzed individually; *Administrative action*

Recommendation No. 116

The Public Service Commission should reduce the number of telephone lines and delete voice mail.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 117

The dues and subscriptions for the entire Public Service Commission that no longer serve the agency's needs or which are too costly should be eliminated.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 118

The Public Service Commission should consolidate the number of copiers and electronic devices throughout the agency.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 119

The Public Service Commission should reduce the number of vehicles and implement the use of "pool vehicles".

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 120

The Public Service Commission should use one purchasing source with all purchase orders issued from a central location; additionally the agency should make efforts to buy in bulk, maintain an adequate inventory of supplies and equipment, and implement a requisition system for issuance statewide.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 121

The Public Service Commission should reduce agency membership in professional regulatory organizations.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 122

The Public Service Commission should continue to move toward electronic documentation and filing requirements to reduce paper, office supplies, postage, and other associated costs.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 123

To the extent possible, the Public Service Commission should consolidate multiple investigations within a single subpoena request to reduce enforcement costs.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 124

The Public Service Commission should maintain and retain information obtained through the subpoena process in a database to avoid duplication of requests for records that must be purchased.

ACTIONS REQUIRED: *Administrative action*

XIX. DEPARTMENT OF REVENUE

Recommendation No. 6

Require non-resident contractors to include tax ID number on each permit and proof that contractor has completely registered to do business in Louisiana.

ACTIONS REQUIRED: *Legislation - RS 47:9; RS 47:306; RS 47:337.18*

Recommendation No. 7

Department of Revenue increase number of auditors through employee definitions to increase compliance.

ACTIONS REQUIRED: Administrative action; *Legislation* - Appropriation

Recommendation No. 57

The Department of Revenue be authorized and directed to establish provisions on its website so that taxpayers may ask questions about tax notices and receive answers online, through email, and that allow taxpayers to file an appeal of an alleged delinquency online.

ACTIONS REQUIRED: *Legislation* - Appropriation; *Administrative action*

Recommendation No. 58

Urge departments and agencies of state government to contract with the Department of Revenue to have their document and remittance processing performed by that department until that department's equipment is used as close to 100% of the time as is practical and possible.

ACTIONS REQUIRED: *Legislation* - Appropriation; *Executive order*; *Administrative action*

Recommendation No. 59

The Louisiana Workforce Commission audit program for unemployment insurance taxes be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Louisiana Workforce Commission to perform this service be appropriated annually to the Department of Revenue to perform the service.

ACTIONS REQUIRED: *Legislation* - Appropriation

Recommendation No. 60

Transfer the audit functions and responsibilities of the International Registration Plan currently administered by the Department of Public Safety and Corrections to the Department of Revenue, which currently performs audits for the International Fuel Tax Agreement, and require that no more than 75% of the monies spent by the Department of Public Safety and Corrections to perform these services be appropriated to the Department of Revenue to perform the services.

ACTIONS REQUIRED: *Legislation* - R.S. 47:511; *Legislation* - Appropriation

Recommendation No. 65

The Department of Revenue contract with willing local political subdivisions to have the department, while it is auditing for state sales taxes, to also audit for local sales taxes and be paid a reasonable fee to be negotiated between the two entities.

ACTIONS REQUIRED: *Legislation* - Revised statutes; *Administrative action*

Recommendation No. 71

Provide a tax clearance requirement for all state vendors and contractors and permit state

departments and agencies to "garnish" payment to vendors and contractors doing business with the state and who also have a final judgment as to an account receivable in favor of the state.

ACTIONS REQUIRED: *Legislation* - Public Works Contracts (Chapter 10 of Title 38, R.S. 38:2181 et seq), Professional, Personal, Consulting, and Social Services Procurement (Chapter 16 of Title 39, R.S. 39:1481 et seq) and Procurement Code (Chapter 17 of Title 39, R.S. 39:1551, et seq)

Recommendation No. 152

The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service be appropriated annually to the Department of Revenue to perform the service.

ACTIONS REQUIRED: *Legislation* - Revised statutes; *Legislation* - Appropriation; *Agency rule*

Recommendation No. 207

The governor and the Legislature support and pass the Louisiana New Start Education Tax Credit Program which would (a) provide a \$4,000 refundable state income tax credit per child to parents who have a child attending a Louisiana public school that is deemed to be "academically unacceptable" by the Louisiana Department of Education and who assume the cost of their child's education in a private or parochial school in Louisiana, and (b) provide a \$4,000 state income tax credit to any Louisiana taxpayer that donates \$4,000 to a nonprofit, scholarship-granting organization recognized by the Louisiana Department of Education which, in turn, uses the money to provide scholarships to families of children who are attending "academically unacceptable" schools in Louisiana and who elect instead to send their children to a private or parochial school in Louisiana.

ACTIONS REQUIRED: *Legislation*

Recommendation No. 214

Department of Revenue charge based on full cost recovery private businesses, groups or individuals for issuing private letter rulings.

ACTIONS REQUIRED: *Legislation*

XX. DEPARTMENT OF SOCIAL SERVICES

Recommendation No. 8

Move Department of Social Services printing and mail operations to private company.

ACTIONS REQUIRED: *Administrative action*; *Legislation* - Appropriation

Recommendation No. 20

Department of Social Services should implement on average a 1:8 supervisor-employee report ratio.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 67

Develop plans to further integrate services of the Department of Social Services and the Louisiana Workforce Commission, especially those services where shared clientele is realized.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 70

Transfer Independent Living, Community & Family Support, and Head and Spinal Cord Injury Trust Fund programs from the Department of Social Services, Louisiana Rehabilitation Services to the Department of Health and Hospitals, Office of Aging and Adult Services.

ACTIONS REQUIRED: *Administrative action; Agency rule; Legislation - R.S. 28:821 et seq and R.S. 46:2631 et seq and R.S. 36:478(I); Legislation - Appropriation*

Recommendation No. 72

Perform a system-wide analysis of behavioral health needs of high risk children within the child welfare and Office of Juvenile Justice systems to maximize the use of Medicaid funding. Such analysis shall be performed in-house by state employees.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 74

Governor's Office on Homeland Security and Emergency Preparedness (GOHSEP) work with Louisiana's congressional delegation to identify and utilize federal funding for establishing additional shelter-capacity in-state for Louisiana residents who cannot self-evacuate and shelter during emergency periods.

ACTIONS REQUIRED: *Administrative action; Federal approval; Congressional action*

Recommendation No. 75

Consolidate eligibility and enrollment functions for citizens needing services or support from Department of Social Services or Department of Health and Hospitals at no additional cost.

ACTIONS REQUIRED: *Administrative action; Agency rule; Federal approval; Legislation*

Recommendation No. 77

Transfer appropriate rehabilitation service functions in the Department of Social Services to the Department of Health and Hospitals and the Louisiana Workforce Commission.

ACTIONS REQUIRED: *Executive action; Administrative action; Agency rule; Federal approval; Legislation - R.S. 36:471 et seq and R.S. 46:331 et seq and 2101 et seq.; Legislation - Appropriation*

Recommendation No. 107

Office of Juvenile Justice partner with the Department of Social Services and other stakeholders to better implement the Families in Need of Services Program with a goal of preventing youth from entering the costly juvenile justice system.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 36:408 and R.S. 46:1906*

Recommendation No. 225

Department of Social Services eliminate the Earned Income Tax Credit technical support program since it is not within the core competency of the department.

ACTIONS REQUIRED: *Administrative action; Federal approval; Legislation - R.S. 46:231.6, 231.8, 231.10 and 231.11*

XXI. DEPARTMENT OF STATE**Recommendation No. 136**

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and

contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

XXII. DEPARTMENT OF STATE CIVIL SERVICE

Recommendation No. 135

The Office of Workforce Development and the Department of State Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 175

To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 179

The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules and state laws governing leave accrual and accumulation and to determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 181

The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 183

All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 185

By February 1, 2010, the Department of State Civil Service should hold mandatory education and training for all upper level management (whether classified or unclassified) and human resources staff of executive branch agencies to inform or refresh them regarding the current rules and procedures for layoffs, layoff avoidance measures, salary flexibility, and other workforce management tools. By March 15, 2010, the Department of State Civil Service and the upper level management, whether classified or unclassified, and human resources personnel of each agency should schedule and hold in-depth discussions regarding the particularized personnel needs of the agency and the tools, processes, and rules by which Civil Service can help the agency meet those needs. To the extent the current practices of Civil Service do not meet the needs of the agency, Civil Service should consider rule changes.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 186

The Department of State Civil Service should coordinate with the Division of Administration to eliminate any duplication in training programs and to ensure there are no gaps in the training programs offered.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 187

The Department of State Civil Service shall adopt appropriate national, regional, or state testing or certification programs that may be used in lieu of the civil service exam to determine qualifications for classified positions. The department should give due consideration to ACT WorkKeys as well as to any similar testing or certification programs. The department should balance the positive aspects of each program against any increased costs to the state as an employer or to the prospective employee as an applicant. The department should consider whether an applicant who already has a rating or certification from a public or private national, regional, or state entity should be allowed, on an individual basis, to have that certification substitute for the civil service examination.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 188

The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 189

The State Civil Service Commission should not consider an employee whose annual performance review shows he or she "meets expectations" for any pay increase which purports to be based on meritorious service or performance.

ACTIONS REQUIRED: *Agency rule; Executive action*

Recommendation No. 190

The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 191

The legislature and the Department of State Civil Service should continue efforts to enlarge the pay bands, to provide opportunities for flattening agencies' organizational charts, to encourage use of pay-for-performance initiatives, and to widen the utilization of the dual career ladder. Additionally, the department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities in a manner that is objective and consistent, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the State Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 192

As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 193

All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.

ACTIONS REQUIRED: *Administrative action; Agency rule; Executive action*

Recommendation No. 194

The Department of State Civil Service should encourage state agencies to take full advantage

of existing special pay and rewards and recognition policies to provide employees with both monetary and nonmonetary rewards for outstanding performance. This should take place in conjunction with the implementation of the new annual pay increase system based upon the employee's annual performance review. Where the department perceives an agency to be underutilizing these tools, the department should contact the agency directly to schedule a discussion about the appropriate use of special pay, rewards and recognition, and pay-for performance options.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 197

The Department of State Civil Service should lower the number of classifications to 800 by December 31, 2010, and further lower the number to 600 by December 31, 2011.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 206

The Department of State Civil Service should investigate whether savings could be achieved by the coordination of recruitment efforts by state entities at individual events or locations.

ACTIONS REQUIRED: *Administrative action*

XXIII. DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

Recommendation No. 64

The fixed-site scale responsibilities of the Department of Transportation and Development be transferred to the Louisiana State Police, and that the State Police be directed to achieve a savings of at least 25% in the second year through the consolidation of the responsibilities.

ACTIONS REQUIRED: *Legislation - R.S. 32:2 et seq.; Legislation - Appropriation*

Recommendation No. 138

Department of Transportation and Development eliminate its airplane.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 139

Department of Transportation and Development eliminate four ferry routes (Melville, White Castle, Reserve and New Roads).

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 144

Reduce the number of Department of Transportation and Development districts by at least two districts.

ACTIONS REQUIRED: *Legislation - R.S. 36:501(C)(2)*

Recommendation No. 145

Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 146

Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 147

Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 148

Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 149

Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 150

Department of Transportation and Development approve more projects for value engineering.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 230

Provide that the annual budget for the Crescent City Connection Division of the Department of Transportation and Development can be no more than the amount of annual tolls collected by the Crescent City Connection, which tolls cannot be raised without a two-thirds vote of the legislature.

ACTIONS REQUIRED: *Legislation* - Constitutional amendment; *Legislation* - Appropriation

XXIV. DEPARTMENT OF THE TREASURY

Recommendation No. 136

Each statewide elected official should determine, as of October 2, 2009, the number of unfilled positions authorized for the agency in its Table of Organization, Appropriated Table of Organization Full Time Equivalents (T.O.FTEs) approved by legislative appropriation, eliminate approximately 50% of those unfilled positions, and return the funds appropriated therefor to the state. In addition, each statewide elected official should not, unless otherwise approved by the Commissioner of Administration, exceed the number, considered the ceiling of occupied Non-T.O. FTEs that existed on October 2, 2009, for the remainder of the fiscal year and return any subsequent savings to the state. Collectively the number of occupied Non-T.O. FTEs for statewide elected officials (Schedule 04 and Schedule 06) was 325 on October 2, 2009.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

XXV. DEPARTMENT OF VETERANS AFFAIRS

Recommendation No. 38

Department of Public Safety and Corrections - Public Safety Services, Department of Health and Hospitals and Department of Veterans Affairs automate time and attendance systems.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 40

Department of Veterans Affairs consider consolidating pharmacy services at the veterans homes through an RFP.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 41

Department of Veterans Affairs consider outsourcing the physician services at the veterans homes through an RFP.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 42

Department of Veterans Affairs re-negotiate the competitive therapy services at the veterans homes.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 43

Department of Veterans Affairs evaluate outsourcing or re-negotiate the food contracts at the veterans homes.

ACTIONS REQUIRED: *Administrative action*

XXVI. DEPARTMENT OF WILDLIFE AND FISHERIES

Recommendation No. 32

Department of Wildlife and Fisheries consider consolidating the litter hotline from DEQ.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 33

Department of Wildlife and Fisheries consolidate the marine, inland, and wildlife facilities at the Lacombe Hatchery.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation*

Recommendation No. 86

Department of Wildlife and Fisheries write an RFP to outsource control of aquatic plants.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 109

Develop, plan and explore efficiency opportunities for consolidating field sampling programs within the departments of Health and Hospitals, Environmental Quality and Wildlife and Fisheries.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 113

The permitting teams of the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality should be co-located.

ACTIONS REQUIRED: *Administrative action*

XXVII. LOUISIANA WORKFORCE COMMISSION

Recommendation No. 19

Louisiana Workforce Commission eliminate Second Injury Fund over time.

ACTIONS REQUIRED: *Legislation - R.S. 23:1371-1379*

Recommendation No. 27

Louisiana Workforce Commission write an RFP to privatize the issuance & distribution of certificates to one-stop participants.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 56

Make pretrial mediation of disputed claims filed with the Office of Workers' Compensation voluntary, which will eliminate the need for six attorney mediators at that office at an average annual savings of \$75,000 for each mediator.

ACTIONS REQUIRED: *Legislation - R.S. 23:1310.3; Legislation - Appropriation*

Recommendation No. 59

The Louisiana Workforce Commission audit program for unemployment insurance taxes be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Louisiana Workforce Commission to perform this service be appropriated annually to the Department of Revenue to perform the service.

ACTIONS REQUIRED: *Legislation - Appropriation*

Recommendation No. 67

Develop plans to further integrate services of the Department of Social Services and the Louisiana Workforce Commission, especially those services where shared clientele is realized.

ACTIONS REQUIRED: *Administrative action; Federal approval*

Recommendation No. 77

Transfer appropriate service functions in the Department of Social Services to the Department of Health and Hospitals and the Louisiana Workforce Commission.

ACTIONS REQUIRED: *Executive action; Administrative action; Agency rule; Federal approval; Legislation - R.S. 36:471 et seq and R.S. 46:331 et seq and 2101 et seq.; Legislation - Appropriation*

Recommendation No. 135

The Office of Workforce Development and the Department of State Civil Service should begin discussions now, in anticipation of a reduction in the state workforce, to develop a plan for easing the transition of the employees from state service to private employment.

ACTIONS REQUIRED: *Administrative action*

XXVIII. HIGHER EDUCATION

Recommendation No. 1

Reduce total number of state-owned automobiles to 2004 level over a 12 month period.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 2

Reduce total number of automobiles by 20% and convert many agency fleets to rental over a 12 month period.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 3

Hold department heads accountable for poor safety performance by department employees.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 4

Hire a safety consulting firm, where necessary, to train poorly performing department personnel to prevent work-related accidents.

ACTIONS REQUIRED: Administrative action; *Legislation* - Appropriation

Recommendation No. 5

Develop coordinated plan for consolidated collection of accounts receivable where feasible.

ACTIONS REQUIRED: *Executive action*; *Legislation* - Appropriation

Recommendation No. 21

Place jurisdiction over all receivables by all departments in Louisiana state government with the Cash Management Review Board and require that the State Receivables Report be compiled and published no later than 60 days after the end of every quarter.

ACTIONS REQUIRED: *Legislation* - R.S. 39:372 through 374

Recommendation No. 25

The governor and the legislature authorize and direct the LSU Health System to adopt the recommendations of Alvarez and Marsal for the operation of the interim Charity Hospital in New Orleans. The governor and legislature direct every other charity hospital in Louisiana to contract for a similar financial and operational assessment with a third party private sector consulting firm, such as but not necessarily Alvarez and Marsal, that specializes and has a proven track record in turnaround management, corporate restructuring and performance improvement for institutions and their stakeholders.

ACTIONS REQUIRED: *Legislation* - Resolution; *Legislation* - Appropriation; *Executive order*

Recommendation No. 50

Implement a single infrastructure for external health care initiatives.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 81

Request an independent study of "Charity Hospital" to evaluate the overall plan and report findings to the legislature before convening of the next regular session.

ACTIONS REQUIRED: *Legislation* - Resolution; *Legislation* - Appropriation; *Executive order*

Recommendation No. 85

The Board of Regents, in collaboration and consultation with the postsecondary education management boards, study the consolidation of purchasing functions among the campuses to increase purchasing power.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 87

Department of Public Safety and Corrections – Corrections Services expand its partnership with Louisiana State University Health Sciences Center - Shreveport to provide the more costly medications to inmates in the Shreveport region.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 101

The LSU Health Care Services Division be directed, to the maximum extent possible, to execute affiliation agreements with other hospitals that have high levels of Medicare patients and a commitment to resident training in order to receive additional money from Medicare for graduate medical education, which such additional monies are currently being left on the table because of low numbers of Medicare patients in the Charity Hospital system.

ACTIONS REQUIRED: *Legislation - Resolution; Administrative action*

Recommendation No. 104

Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise and provide that such unit is a resource for all departments and agencies considering or implementing privatization or outsourcing regardless of which department controls the asset or the service being privatized or outsourced. The unit will serve as a center of functional excellence for privatization and outsourcing.

ACTIONS REQUIRED: *Administrative action; Legislative - Appropriation*

Recommendation No. 105

Every department and agency be required to: (1) Organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.

ACTIONS REQUIRED: *Executive action; Administrative action; Legislation - Appropriation; Legislation - R.S. 17:1994 and 3126, and R.S. 28:21 and 912, R.S. 33:140.62, R.S. 36:254, R.S. 38:2311, R.S. 46:2600, R.S. 47:633.6 and R.S. 49:200.1*

Recommendation No. 106

Each state department is to prepare and provide a review or an analysis of what could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately permanently reduce or eliminate continuation costs or expenses in their respective department, agency, board or commission. Provide financial incentives for implementation of permanent sustainable savings.

ACTIONS REQUIRED: *Administrative action; Legislation - R.S. 42:1123; Legislation - Const. Art. 7 Sec. 14*

Recommendation No. 134

The legislature should require that all institutions of higher education bring their Tables of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.

ACTIONS REQUIRED: *Legislation*

Recommendation No. 151

All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The personal appearance or written application for approval of the Joint Legislative Committee on the Budget shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Legislative Committee on the Budget does not approve the contract. (6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications. (7) The number of hours and amount of compensation, including salary and benefits, paid to all employees under the contract. All information shall be provided in a format prescribed by the Joint Legislative Committee on the Budget.

ACTIONS REQUIRED: *Legislation; Legislative committee action*

Recommendation No. 153

State agencies, including higher education and state public hospitals, are directed to explore adoption of LEAN principles to improve efficiency, increase productivity, eliminate waste in system processes and save money.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 155

Research outsourcing print and mail infrastructure across all agencies and departments.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 159

Reduce the state automobile fleet by at least 10% prior to December 31, 2009; reduce at least an additional 10% of the 11,484 vehicles remaining prior to December 31, 2010; reduce at least an additional 10% of the 10,336 vehicles remaining prior to December 2011; emphasize

pooling and convert many agency fleets to rentals.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 160

Eliminate certain unfilled positions within the executive branch of state government in response to Executive Order No. BJ2009-11.

ACTIONS REQUIRED: *Executive action; Administrative action*

Recommendation No. 167

Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be evaluated immediately by Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division on a case by case basis in each community, and the study should be completed by December 31, 2010. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. Huey P. Long Medical Center should be the first to be evaluated under this policy and an RFP should be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the future allocated between the inpatient and outpatient services.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation; R.S. 17:1518.1*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least

thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 183

All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 193

All executive branch agencies should be encouraged to utilize the maximum allowable probationary period of two years for employees hired on or after January 1, 2010. The Civil Service Commission should consider whether the minimum probationary period should be lengthened, perhaps to the current two-year maximum.

ACTIONS REQUIRED: *Administrative action; Agency rule; Executive action*

Recommendation No. 199

The Department of Health and Hospitals should study the use and feasibility of telemedicine.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 211

Primary responsibility for adult education resides with the Louisiana Community and Technical College System and the responsibility and funding of the Department of Education's Division of Adult and Community Education should be transferred to the system.

ACTIONS REQUIRED: *Legislation - Appropriation; Legislation - R.S. 17:14*

Recommendation No. 231

Require any revisions to the final business plan for the proposed new Charity Hospital in New Orleans previously approved by the Joint Legislative Committee on the Budget in 2007 to be resubmitted for approval to the Joint Legislative Committee on the Budget prior to the sale of bonds by the governing corporation or the State.

ACTIONS REQUIRED: *Administrative action; Legislative committee approval*

Recommendation No. 235

Provide that the span of control in all departments shall be a minimum of one manager per ten employees. Highly technical, policy or non-repetitive functions may have a span of control as low as one manager per five employees with the permission of the Joint Legislative Committee on the Budget.

ACTIONS REQUIRED: *Legislation - Revised statutes; Legislation - Appropriation; Legislative committee approval*

XXIX. RETIREMENT SYSTEMS

Recommendation No. 173

Any proposal of a separation package, whether it takes the form of an early retirement program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

ACTIONS REQUIRED: *Administrative action; Legislation - appropriation; Legislation - Chapter 12 of Title 42; Legislation - Title 11*

Recommendation No. 175

To the extent that agencies employ the retirement incentive layoff avoidance measure of Civil Service Rule 17.9, the agency should abolish the position vacated by each retiree or the agency should abolish other positions which provide the same savings that would be gained from abolition of the vacated position.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 176

The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility by paying the full actuarial cost; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in

service credit to become eligible, and to require the member to retire within 30 days of such purchase.

ACTIONS REQUIRED: *Legislation - R.S.11:429*

Recommendation No. 177

The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

ACTIONS REQUIRED: *Legislative committee action; Streamlining commission action*

Recommendation No. 178

The legislature should protect the provisions of Act 497 of the 2009 Regular Session which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances allow.

ACTIONS REQUIRED: *Legislation - appropriation*

Recommendation No. 180

The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.

ACTIONS REQUIRED: *Legislation - Const. Art. III, Sect. 2; Legislation - Senate Rule 9.1; Legislation - House Rule 7.2*

Recommendation No. 181

The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint

report be issued at least thirty days before the convening of the 2011 regular legislative session.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 195

The Deferred Retirement Option Plans of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System should be closed effective January 1, 2015. Any state employee whose membership in the Louisiana State Employees' Retirement System is governed by Act 75 of the 2005 Regular Session should not be permitted to participate in the plan. Any person who enters the plan applicable to his or her system on or after January 1, 2013, should sever employment upon completion of participation in the plan. Any person who is eligible to enter the plan on or before January 1, 2015, and who has not submitted an application to enter the plan on or before January 1, 2015, should be prohibited from participation in the plan. The retirement systems should provide for early application to enter the plan for those members whose eligibility begins near the termination date of the plan but who may wish to begin participation on a date after January 1, 2015, but in no case shall such participation extend beyond the legally permissible time limitations.

ACTIONS REQUIRED: *Legislation - R.S. 11:447 et seq.; Legislation - R.S. 11:786 et seq.; Legislation - R.S. 11:1152 et seq.*

Recommendation No. 227

Require that the retirement plan benefit structure for the four state retirement systems be changed to a defined contribution plan for all new employees hired after July 1, 2010.

ACTIONS REQUIRED: *Legislation*

XXX. LEGISLATURE

Recommendation No. 24

Sunset and abolish all special funds in the State Treasury and the statutes establishing such special funds, with some exceptions, as of June 30, 2011, after a full comprehensive review by the Joint Legislative Committee on the Budget by December 31, 2010.

ACTIONS REQUIRED: *Legislation - repeal of dedications*

Recommendation No. 25

The governor and the legislature authorize and direct the LSU Health System to adopt the recommendations of Alvarez and Marsal for the operation of the interim Charity Hospital in New Orleans. The governor and legislature direct every other charity hospital in Louisiana to contract for a similar financial and operational assessment with a third party private sector consulting firm, such as but not necessarily Alvarez and Marsal, that specializes and has a proven track record in turnaround management, corporate restructuring and performance

improvement for institutions and their stakeholders.

ACTIONS REQUIRED: *Legislation* - Resolution; *Legislation* - Appropriation; *Executive order*

Recommendation No. 26

The governor and the legislature are urged to utilize and strictly apply the criteria of Act 842 of the 2008 Regular Session with eligibility for funding being limited to organizations that are accredited or certified by the Louisiana Association of Nonprofit Organizations or nationally certified or accredited and following the content of the existing executive order which content should be made statutory. Further the Legislative Auditor and Inspector General should have ample tools and mandates to oversee these funds with all due diligence.

ACTIONS REQUIRED: *Legislation* - R.S. 39:51.1

Recommendation No. 44

Legislation be enacted to allow reverse auctions.

ACTIONS REQUIRED: *Legislation* - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950

Recommendation No. 52

Require at least 60% of the money in Louisiana's Capital Outlay Program be spent on road and bridge construction and maintenance through the existing priority program and at least 20% of the money in Louisiana's Capital Outlay Program be spent on deferred maintenance of state buildings, including colleges and universities, for each year of the next five years.

ACTIONS REQUIRED: *Legislation* - R.S. 39:101 et seq.

Recommendation No. 54

Direct all boards and commissions, except those boards responsible for administering Louisiana's retirement systems, to file electronically, on or before February 1 of each calendar year, with the Commissioner of Administration of the state of Louisiana, the Speaker of the Louisiana House of Representatives and the President of the Louisiana Senate, a financial statement setting forth in detail the assets and liabilities, including unencumbered and encumbered cash on hand, of each board and commission. Further direct all money which is not needed by these boards be subject to appropriation for any lawful purpose by the Legislature.

ACTIONS REQUIRED: *Legislation* - R.S. 42:1124.2.1

Recommendation No. 61

That inefficient and circular flows of tax payments and tax credits be eliminated by having the state make a direct payment to the local government or entity levying the tax or surcharge

for which tax credits are taken.

ACTIONS REQUIRED: *Legislation* - Constitutional amendment; *Legislation* - Revised statutes

Recommendation No. 63

Direct the Department of Health and Hospitals to immediately and fully implement the provisions of LRS 22:1065 et seq., better known as the “Baby Bill,” as well as the Louisiana Health Insurance Premium Payment Program, and report to the Legislature on a semi-annual basis its results to fully implement these two provisions of Louisiana law.

ACTIONS REQUIRED: *Legislation* - R.S. 22:1065 at seq.; *Agency rule*

Recommendation No. 71

Provide a tax clearance requirement for all state vendors and contractors and permit state departments and agencies to "garnish" payment to vendors and contractors doing business with the state and who also have a final judgment as to an account receivable in favor of the state.

ACTIONS REQUIRED: *Legislation* - Public Works Contracts (Chapter 10 of Title 38, R.S. 38:2181 et seq), Professional, Personal, Consulting, and Social Services Procurement (Chapter 16 of Title 39, R.S. 39:1481 et seq) and Procurement Code (Chapter 17 of Title 39, R.S. 39:1551, et seq)

Recommendation No. 78

Board of Elementary and Secondary Education study the use of digital textbooks in state schools and to report to the Legislature prior to March 2010.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 79

All Louisiana public school students who have been suspended from school for more than five days in a school year or who have more than ten unexcused absences from school in a school year may be required to enroll in the Louisiana National Guard Youth Challenge Program or alternatively, be placed in the Louisiana Department of Education's Jobs for America's Graduates Program, at the discretion of the principal. Pay for increased enrollment in the Youth Challenge Program and/or the JAG Program with Minimum Foundation Program funds. Change Louisiana law to prohibit students from dropping out of school until they have reached 18 years of age.

ACTIONS REQUIRED: *Administrative action; Agency rule*

Recommendation No. 80

Except as required by the federal government, the Louisiana Constitution, or court order, limit State General Fund appropriations in FY 10-11 and FY 11-12 for operating expenses

to no more than 98% of each fiscal year's appropriation while, at a minimum. Providing the same kind and level of needed services as provided in the prior fiscal year through increased productivity.

ACTIONS REQUIRED: *Executive Action; Administrative action; Legislative - Appropriation*

Recommendation No. 81

Request an independent study of "Charity Hospital" to evaluate the overall plan and report findings to the legislature before convening of the next regular session.

ACTIONS REQUIRED: *Legislation - Resolution; Legislation - Appropriation; Executive order*

Recommendation No. 84

Governor and legislature authorize the Department of Health and Hospitals to use co-pays up to ten dollars for emergency room treatment to the extent allowed by federal law and in a way that would encourage proper use of resources and discourage overuse of resources that may not be needed. Such co-pay shall not apply to services rendered for emergency conditions or services for children.

ACTIONS REQUIRED: *Administrative action; Administrative rule; Federal approval; Legislation*

Recommendation No. 134

The legislature should require that all institutions of higher education bring their Tables of Organization on budget, to the extent and in the same manner followed by other executive branch agencies.

ACTIONS REQUIRED: *Legislation*

Recommendation No. 151

All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The personal appearance or written application for approval of the Joint Legislative Committee on the Budget shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Legislative Committee on the Budget does not approve the contract. (6) The number of employees who will be working under the contract, by head count, full time equivalence and qualifications. (7) The number of hours and amount of compensation, including salary and benefits, paid

to all employees under the contract. All information shall be provided in a format prescribed by the Joint Legislative Committee on the Budget.

ACTIONS REQUIRED: *Legislation; Legislative committee action*

Recommendation No. 161

Modernize the procurement statutes across all procurement areas.

ACTIONS REQUIRED: *Legislation* - Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapter 17 and 17-A of Title 39 of the Louisiana Revised Statutes of 1950

Recommendation No. 169

Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 173

Any proposal of a separation package, whether it takes the form of an early retirement

program, a retirement incentive, a buyout plan in exchange for voluntary separation, or a severance package for involuntary separation, should be carefully analyzed to ensure that the total projected expense of the plan, including any actuarial costs to retirement systems or increases in the premium amounts paid for group health insurance, does not outweigh the savings to the state; specifically the recurring savings of the state should pay for the costs of the package within five years of implementation. Additionally, the state should route up to 50% of the annual savings resulting from the severance of employees receiving the separation package to the retirement system and the group health insurance provider to help fund the additional direct or indirect costs, if any, associated with implementation of the separation package. Further, the inclusion of provisions prohibiting reemployment of the voluntary participants and requiring elimination of positions held by all employees severed from employment should be strategically included in the package design to avoid "double dipping" and to maximize savings.

ACTIONS REQUIRED: *Administrative action; Legislation - appropriation; Legislation - Chapter 12 of Title 42; Legislation - Title 11*

Recommendation No. 176

The legislature should consider allowing members of the Louisiana State Employees' Retirement System to purchase service credit to be used for purposes of eligibility by paying the full actuarial cost; the legislature may choose to restrict this to members who have attained the age at which they would be eligible to retire but who lack five years or less in service credit to become eligible, and to require the member to retire within 30 days of such purchase.

ACTIONS REQUIRED: *Legislation - R.S.11:429*

Recommendation No. 177

The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

ACTIONS REQUIRED: *Legislative committee action; Streamlining commission action*

Recommendation No. 178

The legislature should protect the provisions of Act 497 of the 2009 Regular Session which provide for application of excess investment earnings toward reduction of the unfunded accrued liabilities of the retirement systems for teachers and state employees and should capitalize on opportunities to provide additional payments when funds and circumstances

allow.

ACTIONS REQUIRED: *Legislation - appropriation*

Recommendation No. 179

The legislative committees on governmental affairs should meet jointly to study the current Civil Service rules and state laws governing leave accrual and accumulation and to determine whether the current structure supports the overall employment and compensation policies of the state of Louisiana. Particular emphasis should be given to a determination of whether disability insurance may be used as a substitute for or as a supplement to sick leave accrual and accumulation, and the cost, if any, of the current law and rules allowing leave balances to be converted to retirement credit.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 180

The legislature should consider adopting a special, earlier prefiling date for legislation related to retirement to allow adequate time for fiscal and actuarial analysis of the effect of the proposed legislation.

ACTIONS REQUIRED: *Legislation - Const. Art. III, Sect. 2; Legislation - Senate Rule 9.1; Legislation - House Rule 7.2*

Recommendation No. 181

The legislative committees on governmental affairs, retirement, appropriations, and finance should undertake a comprehensive study of the state's policies related to the employment and retention of state public servants, the compensation package offered to those public servants, the extent to which the combination of salary and benefits supports the employment and retention policies, and the adjustments, if any, to the compensation package that may be more successful in furthering employment and retention policies; after the study is complete, it is recommended that the committees present a joint report to the House of Representatives and the Senate detailing the committees' findings and recommending proposals for any changes the committees deem necessary or prudent. The Commission recommends that the joint report be issued at least thirty days before the convening of the 2011 regular legislative session.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 182

The legislature should require each agency receiving state funding or operating with self-generated funds derived from fees and other assessments or interagency transfer to evaluate and justify its staffing level as part of the state budgeting process. Each agency head should consider engaging in strategic workforce planning and using that strategic plan in presenting staff justification to the legislature. An agency's strategic workforce plan should be subject to internal review and amendment at regular intervals not to exceed three years.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 183

All executive branch agencies, including higher education entities, should be required to report all employees to the Department of State Civil Service and the legislature, including "T.O." and "non-T.O.", full-time equivalents, work-as-needed, "when-actually-employed," part-time, seasonal and temporary, and the head count and full-time equivalent for employees working under contract. The reporting of these additional groups of employees to Civil Service shall be at the same time, in the same manner, and to the same extent reported now or as Civil Service may require. The report to the legislature shall, at a minimum, be made as a part of the annual budgeting process; however, the legislature may require such report to be made more frequently.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 184

The legislature should determine whether an agency's unclassified managers receive pay increases even if they have not complied with the requirements applicable to classified managers regarding completion of the performance reviews of the employees supervised.

ACTIONS REQUIRED: *Legislative committee action*

Recommendation No. 188

The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 190

The Department of State Civil Service should annually report to the Joint Legislative Committee on the Budget regarding the turnover rate in state agencies and the cost associated therewith; the report should provide data on specific job classifications where the turnover rate is especially high or the cost to the state is great.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 191

The legislature and the Department of State Civil Service should continue efforts to enlarge the pay bands, to provide opportunities for flattening agencies' organizational charts, to

encourage use of pay-for-performance initiatives, and to widen the utilization of the dual career ladder. Additionally, the department should monitor the current performance evaluation process to ensure each agency conducts the evaluation activities in a manner that is objective and consistent, both internally and in comparison to other agencies. If the department finds that objectivity and consistency are chronically lacking, the department should inform the State Civil Service Commission and the legislature so that rules or laws may be formulated to assist the agencies in achieving objectivity and consistency in performance evaluation.

ACTIONS REQUIRED: *Administrative action; Legislation*

Recommendation No. 192

As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 207

The governor and the Legislature support and pass the Louisiana New Start Education Tax Credit Program which would (a) provide a \$4,000 refundable state income tax credit per child to parents who have a child attending a Louisiana public school that is deemed to be “academically unacceptable” by the Louisiana Department of Education and who assume the cost of their child’s education in a private or parochial school in Louisiana, and (b) provide a \$4,000 state income tax credit to any Louisiana taxpayer that donates \$4,000 to a nonprofit, scholarship-granting organization recognized by the Louisiana Department of Education which, in turn, uses the money to provide scholarships to families of children who are attending “academically unacceptable” schools in Louisiana and who elect instead to send their children to a private or parochial school in Louisiana.

ACTIONS REQUIRED: *Legislation*

Recommendation No. 221

Provide, by statute, that one of the options for the use of excess revenue should be a recurring (permanent) tax cut for individual and corporate taxpayers, which should be budgeted.

ACTIONS REQUIRED: *Legislation - Constitutional amendment; Legislation*

Recommendation No. 231

Require any revisions to the final business plan for the proposed new Charity Hospital in New Orleans previously approved by the Joint Legislative Committee on the Budget in 2007 to be resubmitted for approval to the Joint Legislative Committee on the Budget prior to the sale of bonds by the governing corporation or the State.

ACTIONS REQUIRED: *Administrative action; Legislative committee approval*

Recommendation No. 233

The governor and the Legislature increase no state tax or fee to deal with the current budgetary shortfall.

CITATIONS: *Legislation - Public bid law*

Recommendation No. 235

Provide that the span of control in all departments shall be a minimum of one manager per ten employees. Highly technical, policy or non-repetitive functions may have a span of control as low as one manager per five employees with the permission of the Joint Legislative Committee on the Budget.

ACTIONS REQUIRED: *Legislation - Revised statutes; Legislation - Appropriation; Legislative committee approval*

Recommendation No. 236

No NGO shall be eligible to contract with a department or agency to which the same or similar function is being provided by a department of agency, if an appropriation for that NGO has been vetoed by the governor, unless strictly for budgetary purposes, and has not been overridden by the Legislature. The prohibition shall exist for a period of one year after the governor's veto message.

ACTIONS REQUIRED: *Legislation*

XXXI. LOCAL GOVERNMENT

Recommendation No. 6

Require non-resident contractors to include tax ID number on each permit and proof that contractor has completely registered to do business in Louisiana.

ACTIONS REQUIRED: *Legislation - RS 47:9; RS 47:306; RS 47:337.18*

Recommendation No. 53

Require non-elderly, non-disabled recipients of any affordable housing or housing assistance program offered through the Louisiana Housing Finance Agency to obtain formal employment in the private sector or government, and require that those recipients who claim they cannot find employment to participate in a supervised job search or in educational job training program that assists people to obtain employment or perform community service.

ACTIONS REQUIRED: *Legislation* - R.S. 40:600.1 et seq.

Recommendation No. 61

That inefficient and circular flows of tax payments and tax credits be eliminated by having the state make a direct payment to the local government or entity levying the tax or surcharge for which tax credits are taken.

ACTIONS REQUIRED: *Legislation* - Constitutional amendment; *Legislation* - Revised Statutes

Recommendation No. 65

The Department of Revenue contract with willing local political subdivisions to have the department, while it is auditing for state sales taxes, to also audit for local sales taxes and be paid a reasonable fee to be negotiated between the two entities.

ACTIONS REQUIRED: *Legislation* - Revised statutes; *Administrative action*

Recommendation No. 108

School districts should work with the Office of Juvenile Justice to forward local Minimum Foundation Program (MFP) funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state and so that MFP dollars follow the student.

ACTIONS REQUIRED: *Administrative action*; *Legislation* - R.S. 17:100.1; *Legislation* - Const. Art. 8 Sec. 13

Recommendation No. 167

Inpatient capacity can be absorbed by the community hospitals in certain markets, with a renewed investment being made in outpatient and primary care access. These models should be evaluated immediately by Department of Health and Hospitals, Louisiana State University and Louisiana State University Health Care Services Division on a case by case basis in each community, and the study should be completed by December 31, 2010. In those communities where these models would be successful, the state should evolve the system to meet the needs of that community while optimizing the existing complement of non-public beds in that market. Huey P. Long Medical Center should be the first to be evaluated under this policy and an RFP should be written to outsource the acute and inpatient care for that Medical Center while planning for an outpatient clinic either within the current Huey P. Long Medical Center structure or using private providers using the DSH funds available in the

future allocated between the inpatient and outpatient services.

ACTIONS REQUIRED: *Administrative action; Legislation - Appropriation; R.S. 17:1518.1*

XXXII. LOUISIANA HOUSING FINANCE AGENCY

Recommendation No. 53

Require non-elderly, non-disabled recipients of any affordable housing or housing assistance program offered through the Louisiana Housing Finance Agency to obtain formal employment in the private sector or government, and require that those recipients who claim they cannot find employment to participate in a supervised job search or in educational job training program that assists people to obtain employment or perform community service.

ACTIONS REQUIRED: *Legislation - R.S. 40:600.1 et seq.*

XXXIII. NONPROFIT ORGANIZATIONS

Recommendation No. 26

The governor and the legislature are urged to utilize and strictly apply the criteria of Act 842 of the 2008 Regular Session with eligibility for funding being limited to organizations that are accredited or certified by the Louisiana Association of Nonprofit Organizations or nationally certified or accredited and following the content of the existing executive order which content should be made statutory. Further the Legislative Auditor and Inspector General should have ample tools and mandates to oversee these funds with all due diligence.

ACTIONS REQUIRED: *Legislation - R.S. 39:51.1*

Recommendation No. 236

No NGO shall be eligible to contract with a department or agency to which the same or similar function is being provided by a department of agency, if an appropriation for that NGO has been vetoed by the governor, unless strictly for budgetary purposes, and has not been overridden by the Legislature. The prohibition shall exist for a period of one year after the governor's veto message.

ACTIONS REQUIRED: *Legislation*

XXXIV. STREAMLINE GOVERNMENT COMMISSION

Recommendation No. 172

Each agency and department shall engage in a thorough review of its contracts and shall reduce the Fiscal Year 2009-2010 and Fiscal Year 2010-2011 cost of such contracts by ten percent each fiscal year, subject to exceptions submitted to and approved by the Commissioner of Administration. Each exception shall be reported to the Commission on Streamlining Government. Each agency and department shall report on such review and

contract cost reductions to the Commission on Streamlining Government by December 1 of each year through 2011. The word "contracts" as used in this recommendation, shall not include contracts let pursuant to the Public Bid Law, contracts let pursuant to the Procurement Code, or contracts required by state or federal law. Statewide elected officials, the State Board of Elementary and Secondary Education and the Legislature are directed to reduce expenditures for private contracts with agencies by at least 10% from FY 2010 levels. Such reductions should target professional services contracts, under-performing contracts, and contracts funded exclusively with state dollars. All agency heads should review private contracts and identify underperforming and low-priority contracts, determine whether the contract is productive and fulfills an agency mission, whether the activity can be performed in-house with existing staff and budget, or if the activity should be completely eliminated. Agency heads should take immediate action and publish online an overview report at least thirty days before the 2010 Regular Session convenes. All new and renewed contracts with agencies should include information from the private entity as to the number of private sector jobs and the hours associated with each job that will be created or maintained under the contract.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 177

The legislative committees on retirement should continue meeting jointly to study the possibility of altering the design of the retirement plan benefit structure of the four state retirement systems to provide for decreased risk to the employer agencies and the state, increased predictability of costs, and greater portability of benefit. The committees should be cognizant of the state's exemption from social security participation and the effects of any change in that exempt status on employees as well as the state. This study should specifically include consideration of a defined contribution structure. The Commission on Streamlining Government should review any report issued by the committees as part of its ongoing duties pursuant to the provisions of Act 491 of the 2009 Regular Session.

ACTIONS REQUIRED: *Legislative committee action; Streamlining commission action*

Recommendation No. 188

The Department of State Civil Service, with the support of the Legislative Auditor, should examine the supervisor-to-staff ratios, within each program in executive branch agencies and determine whether the ratio is appropriate based on the particularized circumstances and data from the industry. The department should report annually to the State Civil Service Commission, the division of administration, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government as to the programs examined, the ratio, and the propriety of that ratio. If possible, the data should be maintained in the Integrated Statewide Information System (ISIS) or any successor data information system.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 192

As a part of continuing assessment of whether the state's employment practices are meeting the goals and policies of workforce attraction and retention, it is of paramount importance to know why employees separate from service. Currently, the costs of turnover are quite large. The Department of State Civil Service should encourage each agency to conduct exit interviews with employees who sever employment and to record the reasons for the separation in the Integrated State Information System (ISIS) or other utilized personnel records system. If possible, the department should work with the Division of Administration to revise the turnover reasons in ISIS to make the data more meaningful and valuable. The department should include the turnover information, including reasons for separation, as a part of its reports. At least once a year, the department should report to the State Civil Service Commission, the Joint Legislative Committee on the Budget, and the Commission on Streamlining Government regarding turnover rates, reasons for separation, any recommendations for decreasing the turnover rate, and any other information the department deems important for an overall understanding of state employee turnover and the reasons for separation.

ACTIONS REQUIRED: *Administrative action*

Recommendation No. 215

Each agency must review its historical vacancy and attrition rates and shall make strategic reductions in positions by five percent, first looking at layers of management and clerical staffing, each year for three years. Furthermore each agency should review process re-engineering and unit consolidation while preserving critical services such as public safety and direct patient care. Reductions can be achieved through outsourcing privatization and program elimination where feasible and cost effective. Each agency must report to the Commission on Streamlining Government by December of 2010 and 2011 the achieved reductions and explanation of why the target was not met. Finally, state personnel who learn new skills or increased scope of responsibility should be reviewed for pay increases using savings from staff reductions.

ACTIONS REQUIRED: *Legislation; Administrative action*

Recommendation No. 217

Direct the Office of Group Benefits to write an RFP to consider consolidating and outsourcing state employee group medical benefits under a single administrative provider to more effectively leverage critical mass and improve efficiency, and report the results back to the Commission on Streamlining Government. Multiple options/levels can be offered through a single provider.

ACTIONS REQUIRED: *Administrative action*