

Bobby Jindal  
Governor



Paul W. Rainwater  
Commissioner of Administration

STATE OF LOUISIANA

## Mid-Year Deficit Elimination

Joint Legislative Committee on the Budget  
November 19, 2010

Paul Rainwater  
Commissioner of Administration



STATE OF LOUISIANA



## Executive Order No. BJ 2010-20 Executive Branch - Expenditure Reduction

	<b>State General Fund</b>
<u>Schedule 01-Executive Department</u>	\$6,094,311
<u>Schedule 03-Veterans Affairs</u>	\$350,495
<u>Schedule 04-Elected Officials</u>	
04-139 Secretary of State	\$2,430,964
04-141 Office of Attorney General	\$350,000
04-146 Lieutenant Governor	\$93,129
04-160 Agriculture and Forestry	\$1,646,031
<u>Schedule 05-Economic Development</u>	\$1,195,191
<u>Schedule 06-Culture, Recreation and Tourism</u>	\$1,350,618
<u>Schedule 08A-Corrections Services</u>	\$5,071,813



## Executive Order No. BJ 2010-20 Executive Branch - Expenditure Reduction

	<b>State General Fund</b>
<u>Schedule 08B-Public Safety Services</u>	\$3,485,973
<u>Schedule 08C-Juvenile Justice</u>	\$4,564,339
<u>Schedule 09-Health and Hospitals</u>	\$20,804,466
<u>Schedule 10-Children and Family Services</u>	\$11,711,646
<u>Schedule 14-Louisiana Workforce Commission</u>	\$275,000
<u>Schedule 17-Civil Service</u>	
17-562 Ethics Administration	\$115,216
17-563 State Police Commission	\$17,998
17-564 Division of Administrative Law	\$19,645



## Executive Order No. BJ 2010-20 Executive Branch - Expenditure Reduction

	<b>State General Fund</b>
<u>Schedule 19A-Higher Education</u>	\$34,745,030
<u>Schedule 19B-Special Schools and Commissions</u>	
19-657 Louisiana School for Math, Science, & the Arts	\$134,066
19-662 Louisiana Educational Television Authority	\$100,000
19-666 State Board of Elementary & Secondary Education	\$72,040
19-673 New Orleans Center for the Creative Arts	\$155,875
<u>Schedule 19D-Education</u>	\$6,320,266
<u>Schedule 19E-LA Health Care Services Division</u>	\$5,307,534



## Executive Order No. BJ 2010-20 Executive Branch - Expenditure Reduction

### State General Fund

#### Schedule 20-Other Requirements

20-452 Local Housing of State Juvenile Offenders	\$201,430
20-933 Governor's Conferences & Interstate Compacts	\$15,778
20-941 Agriculture & Forestry – Pass Through Funds	\$102,692

#### Schedule 21-Ancillary

21-804 Office of Risk Management	\$1,000
----------------------------------	---------



## Examples of General Fund reductions by department

### Division of Administration: \$4.1 million

Eliminating of 15 authorized positions and other cost-savings measures to reduce operating expenditures, such as savings in utilities, administrative costs, supplies, and travel.

### GOHSEP: \$1.1 million

Eliminating unfilled vacancies. Other savings include reducing and/or eliminating travel, overtime, the purchase of general office supplies, and professional services contracts for staff development.

### Department of Veterans Affairs: \$350K

Reducing dependency on State General Funds by \$350,495 through a strategic plan to increase Federal revenues, resulting in no loss to the Department's overall budget.



## Examples of General Fund reductions by department

### Louisiana Economic Development: \$1.2 million

Saving \$86,011 by leaving unfilled, recent openings among LED's regional representatives. Saving \$84,180 by terminating the remaining balances on four Tier 2 matching grant program contracts. Saving \$1,025,000 by realigning previously committed incentive payments to better reflect revised project timelines.

### Corrections Services: \$5.1 million

Reducing personnel costs by \$2.7 million, half of which comes from consolidating offender housing assignments at Louisiana State Penitentiary, as well as reducing staff through attrition. Reducing overtime and other costs with savings of over \$1 million, as well as more than \$1 million in inventory reductions, professional services, and energy conservation (utilities).



## Examples of General Fund reductions by department

### Public Safety Services: \$3.4 million

Eliminating vacant positions in the Department.

### Office of Juvenile Justice: \$4.6 million

Through implementation of systemic reform efforts, including transforming treatment services in secure care facilities, service coordination in communities, and use of an evidence-based assessment tool called the SAVRY, OJJ has realized a 3.3 percent reduction in recidivism, which has produced a decrease in the demand for residential services, allowing for savings of \$4.6 million while maintaining the current level of services to individual youth.



## Examples of General Fund reductions by department

### Department of Health and Hospitals: \$20.8 million

Consolidating functions among staff and streamlining operations, while considering every source of funding to provide the same services provided today at less cost. Reductions in the non-Medicaid program offices are in line with the department's overall strategy of eliminating inefficiencies, leveraging existing resources in the private sector to spend state dollars more effectively, using new tools and technologies to streamline functions, and working toward a more comprehensive approach to providing services.

### Department of Children and Family Services: \$11.7 million

Leveraging and utilizing federal and state funds more efficiently, streamlining services and increasing productivity in order to reduce spending of state general funds.



## Examples of General Fund reductions by department

### Louisiana Workforce Commission: \$275K

Louisiana Rehabilitation Services (LRS), the only LWC program that receives state general funds, is eliminating 12 vacant positions, reducing operating costs and generating another \$538,000 in savings as a result of the recent transfer of LRS into the LWC. No direct service funds will be reduced because of this cut. The LWC also is accelerating plans for the full integration of LRS' vocational rehabilitation services with other workforce programs within the LWC to enable to the program to achieve better outcomes in the future.

### Higher Education - \$34.7 million

\$22.2 million, or 64 percent, of reductions are to non-Institutions of Higher Education, and \$12.5 million, or 36 percent, of reductions are to Higher Education Institutions.



## Examples of General Fund reductions by department

### Department of Education: \$6.3 million

Reducing \$5 million for the state's Literacy and Numeracy program, which can be supported through alternative sources of funding. Savings of \$900,000 will be realized in the department's budget and includes strategies to streamline the department's operations, including positions, as well as \$400,000 reduction for the Recovery School District (RSD).



## Position Reductions

- 693 reduction in full-time authorized positions (T.O.) associated with the mid-year deficit elimination.
- When added to previous position reductions through budgetary action of 6,363, the mid-year deficit position reductions bring a total of 7,056 position reductions since January 2008.