Louisiana On Track to Reach 2015 Savings Goals
$50 million in General Fund Savings already recognized in FY15

BATON ROUGE – Today, the Division of Administration (DOA) announced it was on track to reach the savings and efficiency goals outlined in the Governmental Efficiencies Management Support (GEMS) report released in June. Of the $75 million in General Fund savings included in the budget for fiscal year 2015, DOA has recognized $50 million.

“This proves that we’re on the right track and that the hard work of state agencies is paying off,” said Commissioner of Administration Kristy Nichols. "We created aggressive targets and are finding ways to meet them even as falling oil prices have made other adjustments necessary."

While the current budget includes $75 million in General Fund Savings, the full GEMS report outlined more than $302 million in total savings and efficiencies for the fiscal year. That number includes savings at the Office of Group Benefits as well as revenue generated from the Department of Revenue. As of December 8, total savings and efficiencies recognized in FY 15 was $182 million.

DOA and the other agencies included in the GEMS project presented an update at the Senate Finance Committee meeting held today at the Capitol. Each agency reported on their progress and confirmed their targets for this year and fiscal year 2016.

In fiscal year 2016, the state is projected to generate $574 million in total savings and efficiencies. The overall report identifies more than $2.7 billion in efficiencies and cost savings measures that the state will implement over the next five years across all areas of operations, including expanding already successful programs, maximizing federal funding, improving internal performance, preventing fraud and abuse, and more effectively managing contracts.

Those efficiencies and cost savings measures come from the Department of Transportation and Development, the Department of Corrections, the Office of Juvenile Justice, Department of Public Safety, the Department of Health and Hospitals, the Department of Children and Family Services, the Office of Risk Management, the Department of Revenue, Louisiana Economic Development, the Office of Group Benefits, and the Division of Administration.