



# DOTD Reforms

## February 2021

### Efficiency Studies (2004-2007)

- In March 2005 Dye Management, under contract with DOTD, completed a detailed analysis of DOTD processes, key business drivers and areas of potential operational improvements. The report entitled "Improving Performance - Providing Accountability" was focused on 12 key processes for improving DOTD's efficiency, effectiveness, and responsiveness to customers.
- In April 2005, DOTD announced a self-initiated effort to eliminate 425 positions (approximately 8 percent of the workforce). It should be noted that the number of authorized positions declined from 5603 in FY 2000 to 4260 in FY 2021 (a reduction of 1343 positions).
- In September 2005, Dye Management completed a review of DOTD District Operations focused on optimizing staffing and further decentralization of headquarters functions. The recommendations did not include consolidation of Districts.
- In 2007, as an outgrowth of Dye's work, the Quality and Continuous Improvement Program (QCIP) was formally established in DOTD policy as an independent internal process re-engineering section. To date, QCIP has undertaken approximately 360 process improvement projects, including several of the initiatives listed below.

### Commission on Streamlining Government (2009-2015)

- Act 491 of the 2009 Regular Session established the Commission on Streamlining

Government. Its mission was to examine each agency's constitutional and statutory activities, functions, programs, services, powers, duties, and responsibilities to determine which of these activities, functions, services, powers, duties, and responsibilities could be eliminated, streamlined, consolidated, privatized, or outsourced in an effort to reduce the size of state government.

- Eleven DOTD-related recommendations included increased outsourcing, elimination of little-used ferry crossings, and reduction of DOTD's vehicle fleet.

### Span of Control (2011-2013)

- A review of span of control was initiated within DOTD to evaluate supervisor-to-staff ratios and seek opportunities for optimization. Section administrators were required to report on current span of control levels and either provide justification for current levels or recommend changes.
- DOTD's overall span of control (ratio of supervisors to employees) was increased to 1:5.7.

### Operation 57 – Phase 1 (2012-2015), Phase 2 (2016-2018)

- Operation 57 was a self-initiated effort, carried out by QCIP, entailing a comprehensive review of all 57 sections and districts within DOTD. Operation 57's primary goals were to identify needs for achieving and sustaining optimum section and district performance and to create a central

repository of critical departmental data. This assessment provided each section/district with a better understanding of its responsibilities and work processes, how it could better contribute to DOTD's success, how to plan for the next wave of change, the status and condition of equipment and facilities, and changes that could improve their overall efficiency.

- Nearly 160 recommendations were generated; 126 were implemented in Phase 1, the balance were implemented in Phase 2.

### **Governmental Efficiencies Management Support (GEMS) (2013-2015)**

- The Governmental Efficiencies Management Support (GEMS) initiative, conducted by Alvarez and Marsal (under contract with the Division of Administration), was focused on identifying ways in which state government could be both more efficient with its resources and effective with its services, developing strategies for improving services, and helping government function better in addition to saving money.
- Nine DOTD-related recommendations included reduced outsourcing of design and construction engineering, implementation of an engineering QA/QC team, reduced insurance coverage on some facilities and vessels, and the sale of excess property.
- At least one recommendation (calling for reduced outsourcing of design and construction engineering) conflicts with the earlier Streamlining Commission recommendation calling for increased outsourcing.

### **DOTD Business Plan Update (2017-2018)**

- In the absence of additional revenues and in anticipation of state TTF shortfalls, DOTD self-initiated an update of its business plan, through the QCIP process, for both the operating and capital budgets.
- Nine task teams were established under executive leadership to investigate opportunities for DOTD to revise different elements of its business practice while remaining committed to achieving Departmental goals of producing tangible infrastructure improvements, enhancing public trust in DOTD, and delivering quality customer service.

- Thirty-two recommended changes were grouped in four main areas:
  - A - Leveraging resources within capital projects
  - B - Leveraging maintenance resources
  - C - Adjustments to how DOTD structures its programs and business activities
  - D - Reallocating costs to the capital budget previously improperly allocated to the operating budget

### **Legislative Audits, Internal Audits, Federal Process Reviews (Periodic)**

- The Louisiana Legislative Auditor conducts both routine and special audits of DOTD. Routine audits are conducted annually. Additionally, audits are conducted on an annual basis for the LA 1 toll operation. The CCCD toll operation was also audited numerous times prior to its elimination.
- Several internal audits are conducted each year to ensure statutes, regulations, policies, and best practices are being followed. DOTD recently (2020) hired a second internal auditor.
- DOTD's Audit Section performs audits, financial reviews, and related services to ensure proper business operations. The Section provides audit services on external entities including railroad and utility companies, consultants (engineers and surveyors), universities, municipalities, and various recipients of State and Federal Financial assistance, including reviews of contract charges that have been incorporated into DOTD's closeout processes.
- In 2010, an Audit Review Committee was established in DOTD policy to provide oversight and accountability for all Department audit findings and to advise the Secretary on policy matters. The Audit Review Committee consists of DOTD executives and meets on a quarterly basis.
- The Federal Highway Administration and the Federal Transit Administration periodically conducts process reviews to ensure DOTD is following federal regulations in its administration of federal-aid programs. Areas of needed improvement are noted and follow-up reviews are carried out.