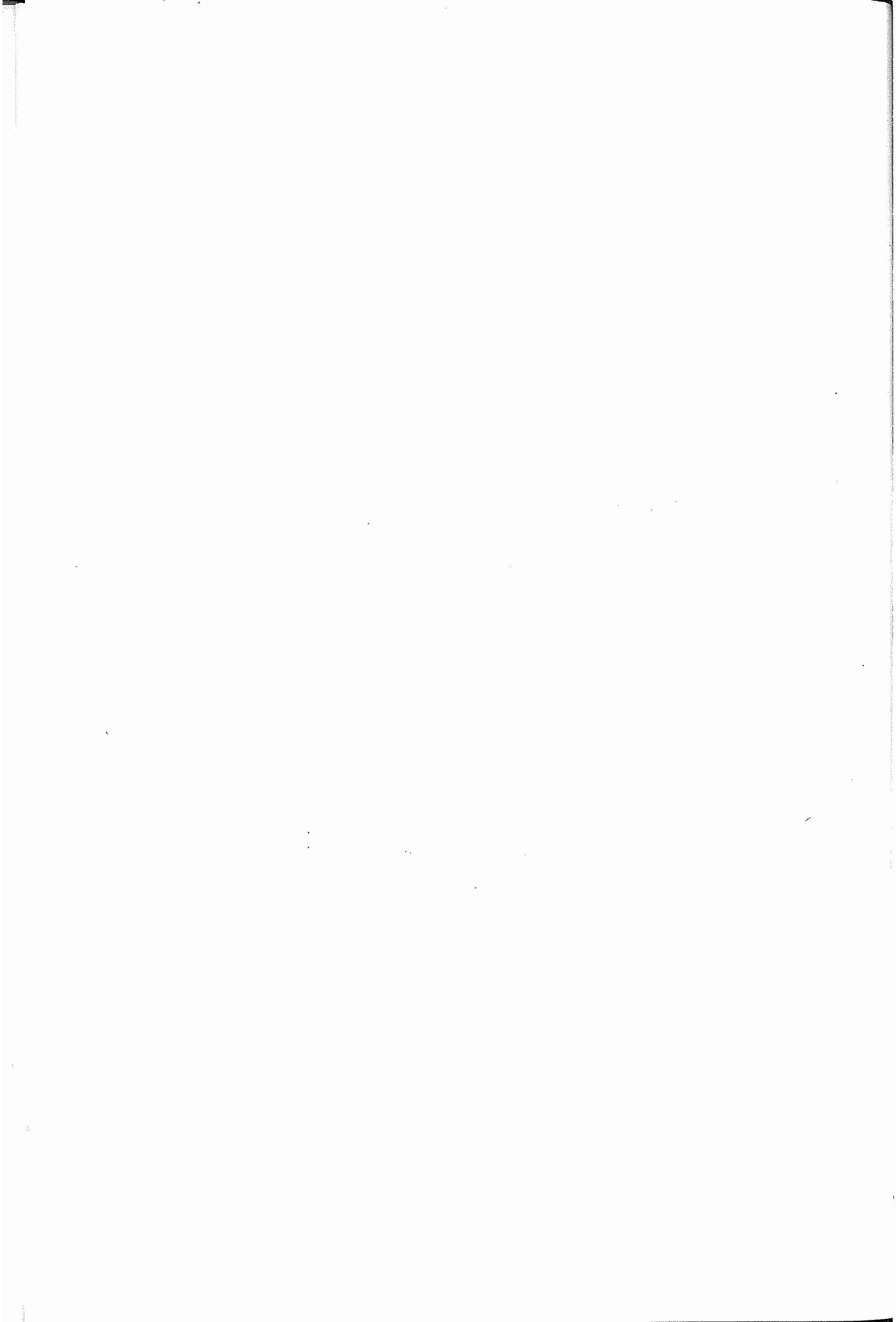
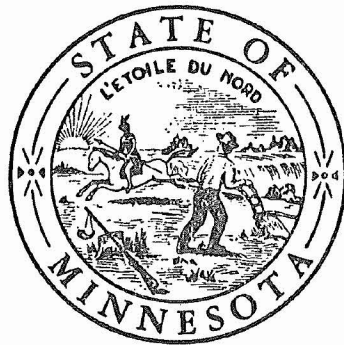


**The Minnesota Self-Survey
1955-58**



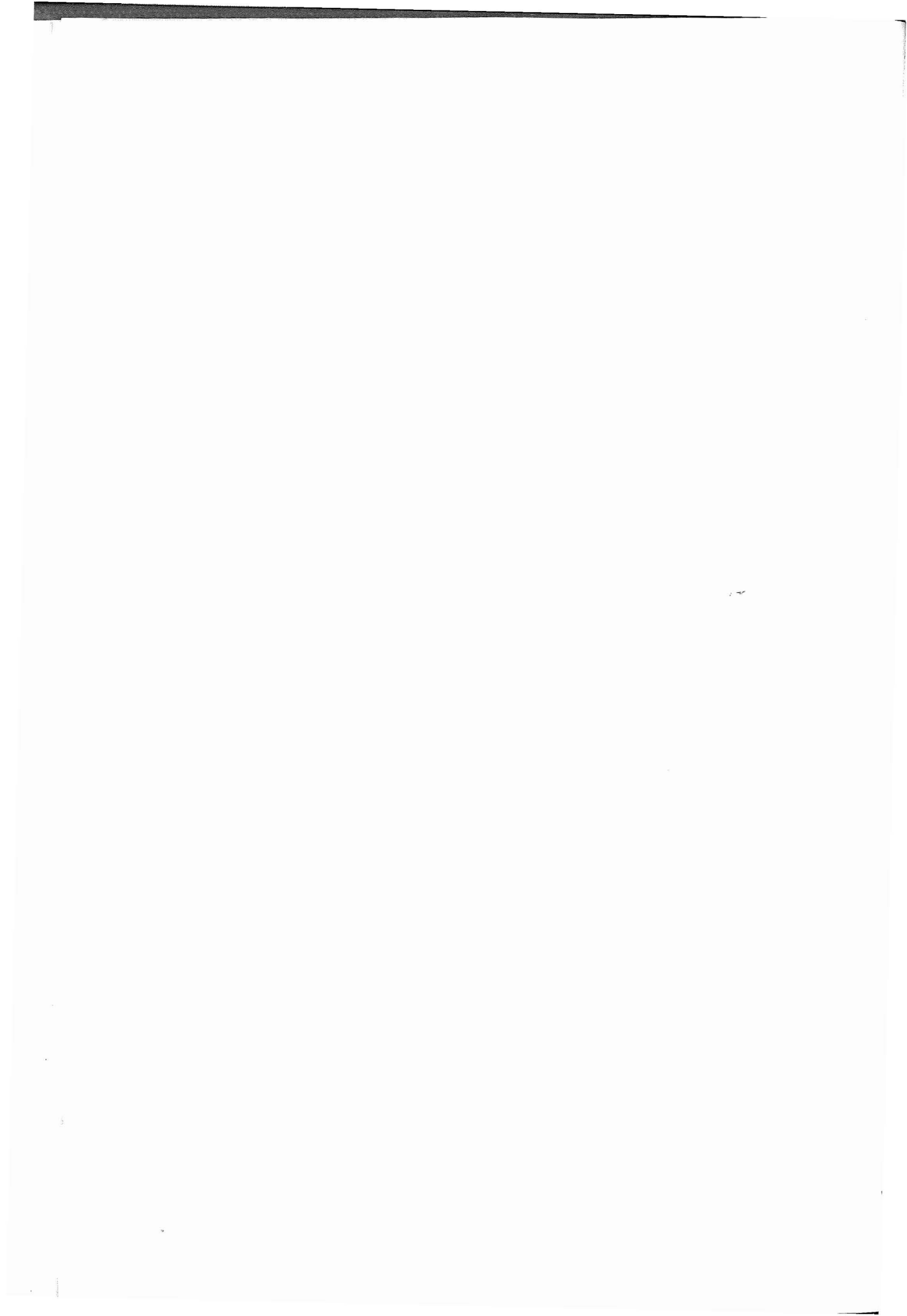
THE MINNESOTA SELF-SURVEY

**Reports of the Operational Task Forces
and
Summary Evaluation**



Conducted Pursuant to the Instruction of
GOVERNOR ORVILLE L. FREEMAN

Under The Direction Of
Commissioner of Administration Arthur Naftalin



FOREWORD

Of the many programs aimed at improving Minnesota state government undertaken during the last four years one of the most productive has been the Minnesota Self-Survey, a project that has provided us with a comprehensive analysis of our administrative operations and that has defined the areas most in need of improvement.

This volume brings together the findings of the project's thirty-three operational task forces and presents a summary evaluation by the Commissioner of Administration who directed the undertaking.

These detailed findings constitute a checklist against which one can note the progress that has been made during the three years since the project was launched. Because Self-Survey is a continuing activity, it is timely and helpful that this second report should appear now to provide a renewed stimulus.

We in state administration are extremely enthusiastic about Self-Survey. It has diagnosed our deficiencies in a spirit of cooperation and mutual assistance, and this volume is further evidence of the success of this approach.

I should like again to thank the many administrators, employees, technicians, and legislators who participated in this important project. Each of them has reason to be pleased with his part in a project that has brought great gains to the government of the State of Minnesota.

Orville L. Freeman, *Governor*

October 15, 1958.

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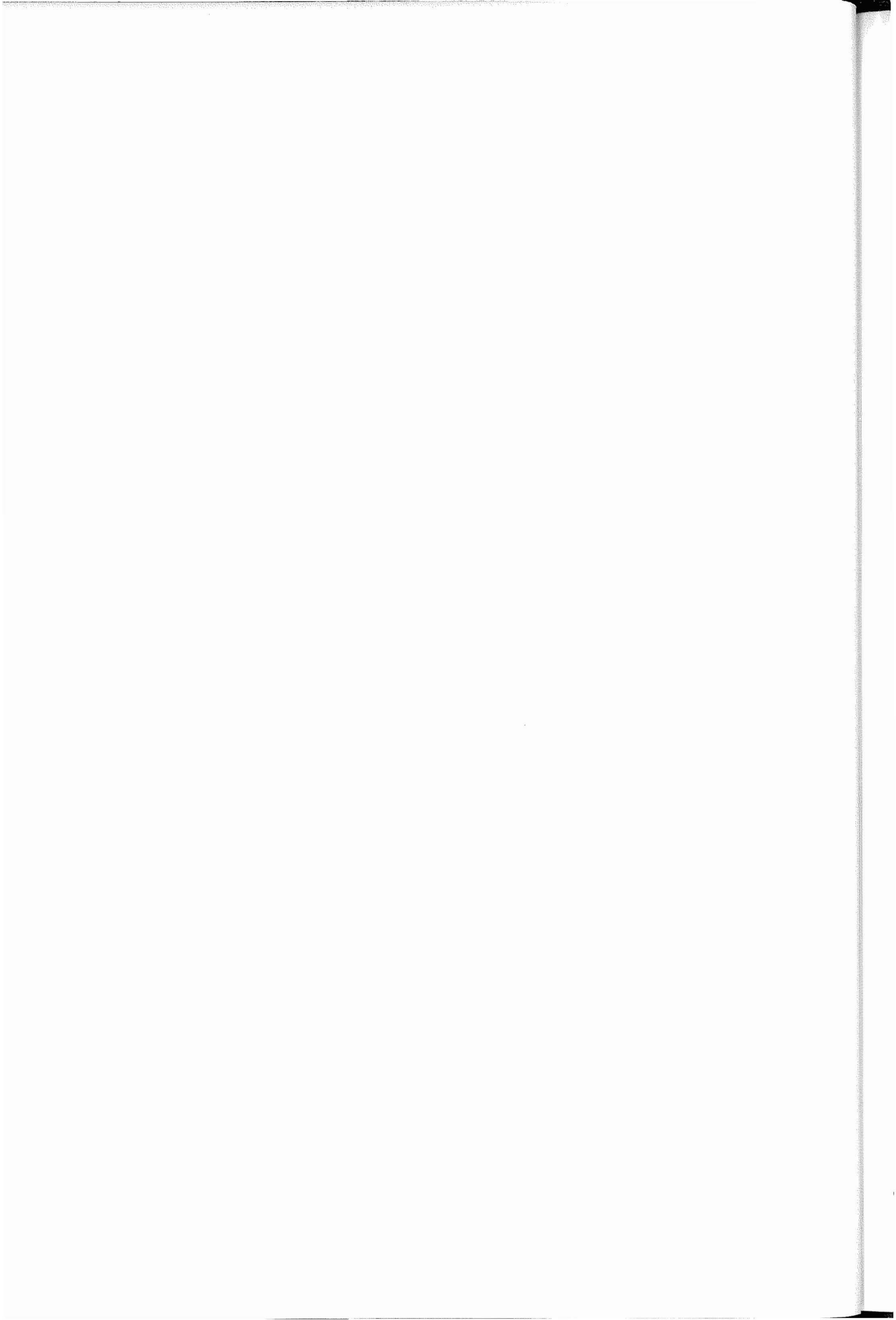
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The Self-Survey Project
A Summary Evaluation



The Self-Survey Project

A Summary Evaluation

BY ARTHUR NAFTALIN

*Commissioner of Administration
and Director of the Project*

Three years have now elapsed since the launching of the Minnesota Self-Survey — a device by which Minnesota state government, through the use of its own personnel, has sought to evaluate and improve its administrative operations.

The project received much national, even international, attention because of its "do-it-yourself" approach.¹ Its enlistment of administrators, employees, technicians and legislators in an across-the-board cooperative effort was viewed as a challenging and novel experiment. It proceeded on the assumption that improvements in management are best achieved by giving those involved in the administrative operations the responsibility for developing and executing desirable changes.

I. The Operational Task Forces

Self-Survey is a continuing (and, ideally, a never-ending) activity that should be constantly observed and reviewed. It is timely, therefore, to evaluate the contributions the project has made during the three years since its launching. An opportunity for such further review arises with publication in this volume of the summary findings of the project's thirty-three operational (also called operating) task forces. These summaries are presented here together with brief evaluations of each task force's activity.

¹ See "An Experiment in 'Do-It-Yourself'," by Arthur Naftalin, *State Government*, January 1956, pp. 8-11, 21.

This volume supplements the project's first report which covered the work of the functional task forces.² In fact, this report should logically have preceded the earlier volume because the recommendations of the functional groups were based upon the findings of the operational task forces. In any case, the two volumes are complementary and provide a comprehensive review and evaluation of the entire project.

Self-Survey was launched in August of 1955 with establishment of the operational task forces. Each was assigned one major administrative agency or a group of smaller ones and their findings were collated and transmitted to the functional task forces, which were created during the period from March to June of 1956. Their reports were accepted by the Self-Survey Policy Committee on October 23, 1956.

By any standard the project was enormously successful. The task forces returned hundreds of useful and significant recommendations, many of which have been adopted and others of which are being incorporated into continuing programs of management improvement. The project exposed weaknesses in state administration and, at the same time, made recommendations to correct the deficiencies. It awakened forces of vitality that had grown quiescent. It infused a new zest and enthusiasm into the entire structure by helping administrators and employees recapture a sense of purpose and direction in their work.

The summaries contained in this volume were not easy to prepare. It was necessary to develop them from extensive masses of material. Often the findings did not reflect the full contributions of a particular task force. For example, the existence of the task force often served to prod agencies into making improvements before the task force could launch its work. In these cases the task forces did not report such improvements as resulting from Self-Survey, although it is clear that they would not have been made had the project not been in operation.

Also, because Self-Survey emphasized improvements with a minimum of friction, there was a deliberate attempt to deemphasize differences among task force members and to

² *The Minnesota Self-Survey: Reports of the Functional Task Forces and Summary Review.*

make no recommendations that would unnecessarily embarrass or annoy administrators. Thus many administrative changes were achieved informally and are not shown in the

As a result, there is a rather substantial unevenness in the summaries. The evaluations following each task force report attempt to fill in some of the gaps, but these, too, only suggest the scope of the project's results. The summaries are, therefore, not definitive and all-inclusive. They do, however, indicate the range of the salutary effects the project had upon Minnesota government and they do describe the areas in which further efforts at improvement should be made.

II. Major Accomplishments

Self-Survey produced a vast number of specific improvements, the combined impact of which constitutes its basic contribution. This impact can be appreciated only in part, however, from the item-by-item cataloguing given in the summaries that follow. It is better understood when viewed in the context of the major areas that were most profoundly affected. These are (1) improved personnel management, including increased salaries; (2) better administrative procedures; (3) improved budgeting and central control; (4) better structural organization; (5) improved physical conditions, and (6) systematic attention to planning.

1. Improved Personnel Management

Almost all operational task forces reported that the agencies they were studying faced impaired operations because the state had failed to provide salaries that were comparable to those being paid by other governmental jurisdictions and by private industry.⁵ These findings were transmitted to the Functional Task Force on Employees' Salaries, which, after further analysis, unanimously recommended that the

⁵ See especially summaries of Operational Task Forces 5, 6, 8, 9, 10, 17 and 31. (In further references to these task forces they will be designated as OTF. References to functional task forces will be shown as FTF.)

state adopt the basic policy of paying salaries comparable to other governments and private industry.⁴

The administration endorsed this recommendation and requested the Department of Civil Service to reassign all positions to pay ranges that would achieve comparability. Reassignments affecting virtually every employee were made and a first decisive step in achieving comparability had been taken.

The next stage involved financing the increases. The state had fallen behind because biennial budget proposals had failed to request the appropriations needed for comparability. To avoid this problem the administration made the new salary assignments effective with opening of the 1957-59 biennium. This permitted the incorporation of the new salary schedule in the proposed biennial budget, thus ensuring legislative review in the light of the policy of comparability. As a result, appropriations voted by the 1957 session provided comparability for most employees.

This program would not have been possible without the active support of the Functional Task Force on Employees' Salaries. Each functional task force included not only administrators and legislators but also public members with extensive and prestigious experience as topflight executives in private industry. For example, the functional task force on salaries was headed by Mr. Philip W. Pillsbury, Chairman of the Board of Pillsbury Mills. With persons of this standing in the community supporting the Self-Survey recommendations and with legislative members themselves having been involved in task force activity, the Legislature regarded Self-Survey findings and recommendations with confidence. This resulted in gains that otherwise might not have been possible.

The Self-Survey found that the state — perpetually struggling with revenue problems — had over the years failed to develop an effective salary policy. By 1955 the state's salary schedule had seriously deteriorated. It had become difficult to attract qualified personnel and the state was rapidly losing some of its best trained and most promising employees.

⁴ See *Reports of Functional Task Forces and Summary Review*, pp. 21-8. (This report will be referred to subsequently as *Summary Review*.)

Self-Survey activity by no means completely solved the salary problem, but the improvements were so substantial it can be fairly said that Self-Survey — if it accomplished nothing else — breathed new life into state administration by reestablishing a workable pay schedule.

Other notable gains in personnel management related to Self-Survey include:

Establishment of an interne training program in cooperation with the Public Administration Center of the University of Minnesota. Under this program University students in public administration are employed half-time by the state on work that provides experience in various phases of administration. Now at the end of its second year, the program has already involved 15 trainees.

Formal in-service training programs for selected groups of employees. The need for enlarged attention to in-service training was stressed by many task forces.⁶ As a result, training programs were established for keypunch operators, auto mechanics, engineering aides, highway right-of-way agents, and bridge inspectors.

Revision of travel regulations. On July 1, 1957, the Commissioner of Administration revised travel regulations to cover a number of Self-Survey recommendations,⁷ including more frequent reimbursement to employees for their travel expenses, increased maximum allowance for meals, and permission to charge auto parking expense.

Pilot study on performance standards. The Department of Civil Service has launched a pilot project as part of a long-term program of establishing work measurement and performance standards.⁷

Continuing salary comparisons with private industry. With acceptance of the policy of comparability the Department of Civil Service is maintaining a continuous salary survey upon which are based adjustments in the salary schedule.

⁶ OTF 5, 7, 9, 12, 18, 21, 30, 32 and 33; also, FTF on Recruitment, Training, and Promotions, in *Summary Review*, pp. 31-9.

⁷ OTF 10; also, FTF on Transportation and Communication, in *Summary Review*, pp. 83-95.

⁷ OTF 5 and 7; also, FTF on Recruitment, Training, and Promotions, in *Summary Review*, p. 37.

Retirement and Social Security. Self-Survey findings were a major factor in the adoption by the 1957 legislative session of a comprehensive expansion in employees' retirement benefits, providing coverage of state employees under the Old Age and Survivors Insurance provisions of the Social Security Act, improved financing of the state employees' retirement fund by state matching of employee contributions, and a removal of a \$200 per month maximum on benefits.⁸

Recruitment of college seniors. The Department of Civil Service, in response to the need for a wider recruitment activity, as revealed by Self-Survey, initiated a systematic program of directly acquainting graduating college seniors with employment opportunities.⁹

Standard overtime plan. Repeated references to problems that departments face in administering overtime led to a further study, still in process, of the development of a standard overtime plan for all departments and employees.¹⁰

2. Better Administrative Procedures

Viewed in long-term perspective, perhaps the most significant contribution made by Self-Survey was its dramatic highlighting of the failure of most agencies to keep pace with modern methods of business administration. Again, task force after task force reported that agencies were conducting their affairs with equipment and methods that had become obsolete decades ago.

A flood of Self-Survey recommendations urged new business machine operations,¹¹ improved systems and procedures within agencies,¹² expanded and new operations in the central Department of Administration,¹³ more extensive study and

⁸ OTF 10 and 23.

⁹ OTF 29, 30 and 31; also, FTF on Recruitment, Training, and Promotions, in *Summary Review*, p. 33.

¹⁰ OTF 5, 6, 10, 16, 21, 25, 31 and 33.

¹¹ OTF 1, 5, 6, 7, 8, 9, 12, 17, 19, 23, 24, 25, 26, 27, 28 and 30.

¹² Every task force, except OTF 4, 13 and 20 made reference to the need for improved systems and procedures.

¹³ OTF 1, 8, 9, 15, 16 and 28; also, *Summary Review*, pp. 11-5.

analysis of organization and methods,¹⁴ improved regulations governing employee travel, overtime and sick leave,¹⁵ and a host of other matters.¹⁶

In short, the Self-Survey described hundreds of specific deficiencies in management operations. There were repeated references to the need for utilizing highspeed equipment in the processing of various kinds of data, such as licensing, engineering computation, accounting, statistical reporting, and tax auditing.

As a direct consequence, the administration proposed to the 1957 legislative session that \$50,000 be appropriated for a comprehensive study by qualified professional consultants to determine the feasibility of applying electronics to major data processing operations. The 1957 session voted the appropriation¹⁷ and a consulting firm was engaged.

Now completed, the study gives Minnesota what is perhaps the first comprehensive examination of the application of electronics to state government processes. The consultants recommended establishment of a computer center that initially will embrace eight major applications.¹⁸ The computer is on order and the state has begun the necessary training of personnel, adjustment in operating procedures, and the programming of the machine applications. The center will begin operations on July 1, 1959, if appropriate action is taken by the 1959 legislative session.

¹⁴ Twenty-five of the 33 OTF's referred to the need for more extensive O & M work.

¹⁵ OTF 5, 6, 10, 16 and 33.

¹⁶ Generally on improved administrative procedures see in *Summary Review*, FTF on Systems and Procedures, pp. 57-69; FTF on Accounting, pp. 73-9; and FTF on Transportation and Communication, pp. 83-95.

¹⁷ *Minnesota Session Laws 1957*; Chap. 929, Sec. 17, Subd. 10.

¹⁸ The applications are (1) the general statewide accounting function, (2) income tax collection, (3) gasoline tax collection and refunding, (4) motor vehicle registration, (5) gathering and reporting of welfare statistics, (6) highway cost accounting, (7) payroll preparation, and (8) highway engineering computation.

The feasibility study consultants made frequent references to the value of the Self-Survey findings. In their report¹⁹ they said: "This project (the feasibility study) grew naturally out of the Self-Survey program undertaken by the State in previous years and covering all State operations. Indeed, much of the background material for this present study has been drawn from the working papers of the Self-Survey."

The initial computer applications will cover about sixty per cent of the state's data processing and will save \$600,000 annually, according to the documented estimates of the consultants. The study pinpointed savings that will be realized and indicated how further economies can be made with future expansion of the computer center.

While the feasibility study was under way other improvements in administrative procedures were being made along related routes. In July, 1957, the Department of Administration created a Division of Research and Planning to provide a central focus for management improvement work.²⁰ Since its establishment the new division has been engaged primarily in directing and supervising the feasibility study and the pre-programming phases of the computer operation. It has also assisted in specific follow-throughs in areas defined by Self-Survey as most urgently in need of attention.

One important byproduct of the feasibility study was the training of a nucleus of state employees in organization and methods analysis. The arrangement with the consultants called for such training and the results have been most beneficial. They now provide an indispensable cadre of technicians not only for pre-programming of the computer but for other studies of systems and procedures.

Also, the feasibility study has caused systems "cleanup" work in many departments as part of the computer preparation. This activity is beneficial in its own right and represents important management progress independent of the computer installation.

¹⁹ The report is entitled *Electronic Data Processing Feasibility: State of Minnesota, Department of Administration*. The study was conducted by Booz, Allen and Hamilton, management consultants.

²⁰ OTF 1; also, *Summary Review*, pp.14-5.

Another major improvement in administrative procedures directly related to Self-Survey is the development of a central payroll system for Minnesota state government. The Self-Survey revealed that the state had been operating 116 separate payrolls to cover its 14,000 employees. Most of the payrolls were manually prepared and manually executed.²¹ Following up on the Self-Survey, the Department of Administration made a further and more intensive analysis of the payroll problem and from this emerged a plan to utilize existing tabulating equipment for a single central payroll system.

The central payroll operation is being progressively developed and by January 1, 1959, will cover all employees. When the computer center is installed on July 1, 1959, conversion of payroll to the electronic tape system will be readily accomplished with the inevitable "bugs" having been eliminated during the period of progressive development.

The Self-Survey pointed up the interdependence between central administration and the operating departments in any program of management improvement. It underscored the point that many deficiencies in state government can be remedied by development of uniform standards and uniform operations that are centrally planned and controlled. Completion of the feasibility study and the rapid progress in planning for the computer center constitutes a major part of the comprehensive program of management improvement. These accomplishments would have been extremely unlikely, if not altogether impossible, had Self-Survey not prepared the ground for their acceptance by the operating agencies and had it not gathered the essential basic information which provided the launching stimulus.

Other improvements in administrative systems and procedures related to Self-Survey include:

Creation of the Division of Central Services in the Department of Administration. This brought together eight functions that were either being performed in a scattered fashion or with only casual supervision.²² A Documents Sec-

²¹ OTF 1, 8, 9, 17 and 25.

²² OTF 1. The functions are central tabulating, stores, documents, micro-filming, equipment repair, mailing, addressographing, and duplicating. Plans for further development of the Division include telephone service and central car pool.

tion was created to handle sale and distribution of state publications in a fashion similar to the Superintendent of Documents in the national government.²³ Central addressographing and central microfilming²⁴ were inaugurated and other operations, such as central equipment repair, were expanded.

*Establishment of central tabulating service.*²⁵ Self-Survey revealed that many functions that could be performed more efficiently and more economically by mechanical punch-card equipment were being manually operated. This was often due to the fact that an agency could not afford the necessary equipment because its particular operation was too limited to justify a separate installation.²⁶ One of the most dramatic byproducts of Self-Survey was establishment of the central tabulating service in the Central Services Division of the Department of Administration. In addition to performing the central payroll function, already noted, the tabulating service, after two years of operations, now serves four agencies in the processing of licenses²⁷ and provides statistical assistance to four others.²⁸ Major services provided are the handling of the bonus claims of Korean War Veterans and the entire accounting function for the State Employees Retirement Association.

Increased use of dictating equipment. Many departments reported difficulty in hiring and retaining qualified stenographic employees²⁹ and the Self-Survey revealed that agencies had made relatively little use of dictating equipment. As a result the Department of Administration has encouraged purchase of such equipment and steady improvement in stenographic work has followed.

²³ OTF 8.

²⁴ OTF 15, 16 and 28.

²⁵ FTF on Systems and Procedures, in *Summary Review*, pp. 65-7.

²⁶ OTF 6 and 23.

²⁷ Departments of Labor and Industry, Health, and Agriculture, and the Division of Insurance.

²⁸ Department of Health, State Employees Retirement Association, Teachers Retirement Association, and Department of Veterans Affairs.

²⁹ OTF 9, 17 and 24.

Mechanization of motor vehicle registration. For years the mechanization of this vast operation had been discussed but virtually no progress had been made in changing it from a wholly manual system. The Secretary of State who serves as Motor Vehicle Registrar utilized Self-Survey as a means of furthering his program to put the more than 1,000,000 vehicle registrations on punch-cards.³⁰ The changeover, now in process, will reduce administrative costs and will provide greatly improved service.

Audit of personal income tax returns. Self-Survey task force members were startled to discover that the great bulk of personal income tax returns were never audited because of the time and cost involved in the manual system. An electronic card calculator was installed in the Department of Taxation, enabling the automatic checking of returns against pre-determined schedules and a program was launched to compare state and federal returns.³¹

Improved cash accounting. Self-Survey revealed that literally millions of dollars in cash were being received by the state over the counter and were being kept in counter drawers without machine accounting and often without receipts being issued.³² These findings led to a statewide program to introduce modern cash register receipting and accounting.

Disposal of old records. Many task forces urged more rapid disposal of old files,³³ thus assisting the State Archivist in his program of accelerating records disposal, which is adding needed filing space without the necessity of additional capital outlay.

3. Improved Budgeting and Central Control

In many respects, Self-Survey is an extension of the budgeting process. It provides an enlarged opportunity for the kind of administrative analysis that is customarily restricted to the budgeting season.

³⁰ OTF 24.

³¹ OTF 26.

³² OTF 3, 7, 13, 16 and 24.

³³ OTF 7, 9, 24, 28 and 31.

In previous years there had been time for only hurried reviews of ongoing programs and for hasty noting of administrative deficiencies. This time Self-Survey made it possible to give fuller budgetary attention to administrative needs. This was true not only in the preparation of the budget itself; it was also reflected in the deliberations of the Senate Finance Committee and the House Appropriations Committee. Legislators who had served on task forces had seen at first-hand the administrative problems faced by the operating agencies.

The concentrated attention made possible by Self-Survey helped to achieve the consolidation of many appropriation accounts,³⁴ and the Legislative Research Committee is now studying the possibility of consolidating a number of funds.

Previous legislative sessions had often reduced supplies and expense appropriations because of the pressure to limit state spending. In 1957 there was a somewhat keener awareness on all sides — among budget examiners, administrators, employees, and legislators — of the need to provide adequate financing.³⁵ At the same time, the additional information and insight resulting from Self-Survey gave the Department of Administration, through its Budget Division, an improved basis for determining quarterly allotments and for approving requisitions for personnel and supplies.

Thus, by enlarging the area of understanding among administrators, budgeting officials, and legislators, Self-Survey has made more meaningful the central direction provided by the Department of Administration as the administrative arm of the chief executive.

Perhaps the single most important budgetary improvement was the development, for the first time in the state's history, of a capital outlay budget. This was evolved as a byproduct of the work of the Interim Legislative Commission to Study State Building Needs, whose work is noted below.³⁶

The Self-Survey reaffirmed and won new support for the administrative principle that an operating department has much to gain by cooperating with the central administrative agency. As part of this development the Department of

³⁴ OTF 8, 17 and 26.

³⁵ OTF 2, 3, 4, 5, 6, 9, 15, 17, 19, 20, 22, 27, 30, 31 and 33.

³⁶ See p. 15.

Administration shifted its emphasis more in the direction of serving and assisting the operating department, emphasizing less the strict aspects of control and supervision. In other words, Self-Survey helped to produce a more wholesome climate of administration in which the control department and the operating departments have come to feel more and more as parts of a coordinated organization and less and less as rivals with unrelated and competitive needs.

4. Better Structural Organization

Task forces referred repeatedly to the need for improvements in the basic structure of the state government's administrative organization, both within agencies and in the overall pattern. Minnesota made a great advance with adoption of the Reorganization Act of 1939 that created the Department of Administration and accomplished other major improvements. The intervening years, however, have pointed up the need for further basic reorganization, and the Self-Survey revealed numerous structural deficiencies in many agencies and in the overall pattern.

In 1955, before the launching of Self-Survey, Governor Freeman had submitted a comprehensive reorganization proposal to the Legislature. It was adopted, with some modifications, only to be invalidated by the Supreme Court because of a clerical error in the engrossment of the bill. The act would have reduced the number of state agencies and would have provided many important consolidations and improvements.

Self-Survey produced extensive detail showing the advantages to be gained from the Governor's reorganization proposal.⁷ These findings greatly buttressed Governor Freeman's renewed proposal to the 1957 session. The Legislature again was generally favorable to reorganization and the interest of many individual legislators was stimulated and reenforced by their Self-Survey activity. Unfortunately, the reorganization proposal became entangled in a political dispute that only indirectly related to reorganization, and it failed of passage.

⁷OTF 3, 6, 7, 8, 9, 13, 15, 18, 25, 26, 27, 29 and 32.

The Self-Survey recommendation that the Governor's term be increased from two to four years⁸⁸ was submitted by the 1957 legislative session as a constitutional amendment and will be voted upon in the November, 1958, general election. If approved the new term will become effective with the election of 1962.

The progress made in management improvement, especially in the development of plans for the computer center, gives new emphasis to the need for reorganization and to the administration's program that will be submitted again to the 1959 legislative session.

Reorganization is closely related to the several aspects of management improvement that have already been noted. It aims basically at the reduction in the number of major agencies by establishing a limited number of departments (12 to 15) that would consolidate functions now scattered over some 40 agencies having major responsibilities and another 60 having minor functions or advisory or subsidiary responsibilities.

Reorganization would not only provide stronger and better integrated central direction, it would bring together related functions that are now separately and independently administered, would provide a much sharper focus for the administrative activity of the chief executive, and would fix administrative responsibility more definitely in department heads.

In the continuing effort at reorganization the Self-Survey findings will play a significant role, because, if for no other reason, it has served to acquaint some 500 administrators, employees and legislators with the needs and advantages of a more rational and more effective structure of state government.

Self-Survey has already been extremely helpful in programs developed by departments for their internal reorganization, most notably the Department of Conservation, the Board of Education, the Department of Highways, the State College Board, the Department of Taxation, and the Department of Administration.⁸⁹

⁸⁸ FTF on Overall Structure in *Summary Review*, p.127.

⁸⁹ OTF 1, 7, 9, 12, 15, 20, 21, 23, 24, 26, 27 and 28.

As this is written plans are moving forward to reconvene the Self-Survey task forces for a "refresher" review of agency progress in implementing the original findings. This renewed activity will be related to the administration's further efforts at reorganization in the 1959 session.

5. Improved Physical Conditions

Another area in which substantial and tangible improvements are being made that result from the Self-Survey is the state government's physical plant, especially the alleviation of the serious space shortage.⁴⁰ Year by year the space problem had continuously worsened, but, again, because of the lack of a concerted and fully documented program, virtually nothing had been done to improve physical conditions and to check the alarming deterioration that was taking place throughout state buildings and institutions. Again task force after task force called attention to the serious difficulties in this area.⁴¹ The 1955 legislative session authorized a new state office building in the Capitol area, but it became clear, partially as a result of Self-Survey, that the originally planned structure would not be large enough to care for essential space needs and the 1957 session approved an expansion in plans.

At the same time that the Self-Survey was in process the Legislative Interim Commission to Study State Building Needs was considering all physical plant problems throughout the entire state. This group received many Self-Survey recommendations that were later made part of the extensive ten-year program submitted to the 1957 session jointly by the committee and by Governor Freeman.

Physical plant problems are now being effectively attacked and, as the current building program proceeds, the problems will be progressively alleviated. In this case the progress is due primarily to the work of the interim commission; however, the task force findings provided extremely helpful supporting data.

In other ways, too, the Self-Survey aided in the improve-

⁴⁰ OTF 3, 5, 7, 8, 10, 11, 21, 23, 26 and 29.

⁴¹ OTF 10, 17, 25, 26, 27, 30, 31 and 33.

ment of working conditions. Many task forces noted inadequate lighting, need for better ventilation, and wasteful use of office space for storage and filing or because of inefficient working arrangements.⁴² The findings have helped accelerate the state's program of records disposal and have encouraged improved space utilization.

6. Systematic Attention to Planning

Implicit in many of the gains that have already been cited is the increased attention to long-term planning. One section of the Work Manual was devoted to "Long Term Needs and Prospects." This portion of the study yielded vast amounts of data concerning proposed new and expanded functions, future elimination or curtailment of functions, likely trends in population, revenue receipts and exhaustion of natural resources, and likely future developments in federal-state relations.

Certain areas are in crucial need of planning. We have already noted the need in the general area of physical plant and how this problem is being met through the joint efforts of the Legislative Building Commission and the Department of Administration.

The need is also crucial in the areas of higher education,⁴³ care and support of the aging,⁴⁴ future growth in the highway system,⁴⁵ water conservation,⁴⁶ state support of public schools,⁴⁷ and institutional care of the mentally ill,⁴⁸ the mentally retarded and others requiring welfare assistance.

In the specific area of administrative planning, significant progress has already resulted from Self-Survey, as noted in connection with the feasibility study for electronic data processing and the development of the computer center. These

⁴² OTF 6, 7, 8, 21, 22 and 23.

⁴³ OTF 27.

⁴⁴ OTF 29.

⁴⁵ OTF 12.

⁴⁶ OTF 7.

⁴⁷ OTF 9.

⁴⁸ OTF 31.

are, however, viewed only as the beginning of a continuing and even more penetrating program of administrative analysis and long-term planning. If Self-Survey findings are given full implementation, the future will see intensive studies into all phases of personnel management (work measurement, in-service training, improved use of the merit increase system, expanded orientation programs, more scientifically determined staffing patterns, increased attention to causes of turnover, better recruitment practices, a more systematic program of promotions, and a general improvement in working conditions).

This envisions the expansion in the activity already begun by the new Division of Research and Planning in the Department of Administration and, also, the launching of a large-scale planning program to deal with broad substantive areas of government in order to define better the priorities of all state needs and relate them to prospective revenue levels.

Effective governmental planning is in many respects one of the most difficult administrative activities to develop and sustain. Day-to-day pressures often submerge the planning function as they do administrative research and analysis. Self-Survey proved to be a device that can help overcome this obstacle by providing at least the rudiments of planning despite the pressures and the lack of adequate resources specifically allocated for this function.

The research and planning function has enjoyed considerable growth within departments as a result of the project. This is reflected in the volume and type of suggestions for improvement that have been submitted to the state's Merit Award Board. There is apparent an expanding interest in continuous administrative studies and analyses and much of this interest can be traced directly to the agency's involvement in Self-Survey.⁴⁰

III. Less Tangible Achievements

The value of Self-Survey cannot be measured exclusively in terms of the tangible improvements that have been noted.

⁴⁰ OTF 3, 5, 9, 10, 12, 15, 21 and 23.

In fact, much of its value is found in such intangible improvements as (1) employee morale, (2) administrative vitality, (3) enlarged administrative understanding, (4) improved communication, (5) accumulation of basic data for further analysis, and (6) greatly improved legislative cooperation.

1. Employee Morale

The project gave employees a renewed sense of the importance of their work. It enabled them to advance ideas that in many cases had long preoccupied them without adequate opportunity for their expression. It permitted them to interact as coequals with administrators and legislators in a more constructive context than the usual "employer-employee" relationship.⁵⁰

Salary increases and other improvements in working conditions helped strengthen employee morale and generally the entire project infused a new spirit among employees who had become increasingly discouraged and frustrated by the seeming lack of concern with their problems.

2. Administrative Vitality

Similarly, Self-Survey gave many administrators a new zest for their work.⁵¹ It showed them how to make a systematic inventory of their operations and it provided an unprejudiced setting in which they could determine for themselves the strong and weak points in the functioning of their agencies. The extensive interchange of information among task forces was a wholesome prod to administrators to pay closer attention to the progress of their agencies. They came to welcome the fact that the work of their agencies was being observed in a spirit, not of petty criticism, but of sincere effort on the part of central administration to provide more assistance and better direction.

As a result of Self-Survey, administrators derived a greater understanding of the overall problems faced by the

⁵⁰ OTF 3, 9, 11, 16 and 17.

⁵¹ FTF 8; OTF 9 and 13.

entire administration. Administrators often tend to place almost exclusive emphasis upon their own operation and sometimes are competitive, even negative, in their relations with other agencies or programs of the same government. Self-Survey exposed administrators to problems that transcended their immediate jurisdictions and gave them a sense of the larger objectives of the state government.

3. Enlarged Administrative Understanding

One of the truly significant achievements of Self-Survey was the vast amount of "in-service" training that took place on an informal and "non-directive" basis. When 500 participants undertake administrative analyses, however sparse and incomplete much of the activity might be, the mere fact that they are involved in analyzing, discussing, and sometimes arguing the merits of alternative arrangements is certain to enlarge the area of administrative understanding. New ideas and new applications are given attention and each participant becomes involved in the administrative process in a fashion that challenges his imagination and his qualities of leadership.

In the course of Self-Survey all phases of management improvement—ranging from personnel practices and systems and procedures through use of electronics and accounting and fiscal arrangements—were widely discussed and, for an extended period, the entire state government took on the atmosphere of a vast college campus devoted exclusively to the study of public administration.

4. Improved Communication

Another intangible byproduct of Self-Survey was improved communication and cooperation between and among agencies, especially between the operating agencies and the central Departments of Administration and Civil Service. The gathering of the information required by Self-Survey called for considerable interdepartmental contact, especially among the technicians who served on the various task forces. This exchange of information greatly strengthened the government's framework of communication, the carryover

effects of which are certain to be felt for a long period of time.

A striking illustration of the benefits of enlarged communication is the experience of the Department of Conservation's equipment supervisor who served as the technician member of the Task Force on the Department of Military Affairs.⁵² Newly-appointed to his conservation post, the equipment supervisor had been casting about for helpful guides in organizing a workable program for the Department. His Self-Survey assignment opened before him the efficient and well-developed inventory and maintenance program of the military department. He was able to adapt many aspects of the military program, which, he frankly conceded, would not likely have come under his scrutiny had the Self-Survey opportunity not arisen.

5. Basic Data For Further Analysis

The thirty-three operational and ten functional task forces gathered data and detail which fill several large filing cabinets. This material constitutes a mine of information that has already been enormously useful in analyses of particular problems. The feasibility study consultants, as already mentioned, found the Self-Survey extremely helpful. Several special studies made subsequent to the Self-Survey have also effectively used the information. While it obviously becomes dated in time, much of the material has permanent value and will be of continuing usefulness not only to administrators and analysts but also to researchers and others interested in the administrative history of the State of Minnesota.

6. Legislative Cooperation

Frequent reference has already been made to the great benefit that resulted from legislative participation in the project. It can be fairly said that legislative-executive relations reached a high point in terms of mutual understanding

⁵² OTF 7 and 17.

and confidence in the 1957 session and much of this was directly due to the Self-Survey activity.⁵⁸

IV. Self-Survey Methods Reevaluated

How the Self-Survey project was organized and managed has been told in detail in the *Summary Review* that introduces the *Reports of the Functional Task Forces* and in the article in *State Government* magazine previously noted. The reader interested in a detailed statement concerning the mechanics of the project is referred to these sources.

Without describing again the approach and methods, we shall simply note here those aspects worthy of particular comment as a kind of catalogue of "do's" and "don'ts" in Self-Survey based upon the Minnesota experience. Inquiries have come from all parts of the United States and from many foreign countries, reflecting a widespread interest in an evaluation of not only the substantive improvements that resulted from the project but also in the methods and materials used in the study.

An evaluation of Self-Survey methods should necessarily review (1) use of the Work Manual prepared for the project; (2) the scope of task force activity; (3) the nature of task force leadership; (4) the type and extent of task force participation; (5) the arrangement in point of time for task force and other Self-Survey activity; (6) the financing of the project; (7) publication of the Self-Survey data, findings, and recommendations; (8) the follow-through to give effect to the findings, and (9) the overall direction and management of the project.

1. Use of the Work Manual

Soon after the launching of Self-Survey it became apparent that the operational task forces would require some type of central and systematic direction if their work was to

⁵⁸ Reference to the value of Self-Survey to the legislator is made in OTF 3, 5, 7 and 11. Reference to the value to the particular agencies in having legislative participation is made in OTF 3, 8, 10, 19, 22, 24, 27 and 30.

have reasonable uniformity in scope and comprehensiveness.

To fill this need a Work Manual was developed consisting of 161 questions that covered as many aspects of administration as could be anticipated as relevant to the study. The manual had three major divisions, the first dealing with personnel; the second, operating procedures; and the third, prospects for the future. The questions are reproduced in the Appendix to this volume together with notes indicating specific weaknesses in the Work Manual.⁵⁴

The choice of format for the Work Manual proved especially helpful. Each of the 161 questions headed a separate 8½ x 11 work sheet, providing the task force with space to enter data or to attach relevant materials. The completed work manuals often ran into several hundred pages with the material always organized in the uniform fashion required by the manual. This facilitated the gathering on a cross-departmental basis of information pertaining to a single administrative topic. For example, the questions dealing with use of private cars by state employees (see appendix) produced comparative data by the thirty-three operational task forces that served as an excellent beginning point for the work of the Functional Task Force on Transportation and Communications and became an important background for legislative consideration.

The Work Manual has enjoyed a wide circulation among administrative analysts in many governmental jurisdictions and private management consultants. Because of this interest, we have received many inquiries asking our evaluation of the manual's effectiveness. In general one must note that it was an indispensable device. It provided definite and specific guide-lines for the activity of each task force. The questions were developed in a logical sequence that gave the task force a clear sense of a proper beginning and enabled it to note progress as its work proceeded.

Deficiencies in the Work Manual are described in the appendix. Here we might note only that they related for the most part to a failure to cover certain areas in greater detail and to require more concrete evaluations and recommendations by the operational task forces.

⁵⁴ See Page 123.

2. The Scope of Task Force Activity

Each task force was assigned either a single agency or a group of related agencies as its field of inquiry. The assignments were made without careful analysis as to their size and scope. The result was that the work required of the various task forces covered a wide range. The scope of several was too limited to permit a fully effective study.⁵⁵ For others, notably in the case of the Department of Highways, the scope was too large.⁵⁶

3. Nature of Task Force Leadership

The thirty-three operational task forces were organized and directed by the Department of Administration's six budget examiners. Each served as a combined chairman-secretary for five (in some cases six) task forces. Because their regular work was so closely related to Self-Survey the budget examiners made ideal chairmen. As members of the budget staff they were accustomed to working cooperatively and, as the project proceeded, there was extensive exchange of findings and mutual reenforcement.

Self-Survey imposed an enormous workload upon the the examiners that could not be fully compensated with pay, but the experience gained was so valuable to them they participated with enthusiasm throughout and provided an indispensable focalizing and cohering dimension.

In the case of the functional task forces the chairmen were public members and the secretaries were top-level state officials who had demonstrated special interest in management improvement. This combination was uniformly successful.⁵⁷

4. Type and Extent of Task Force Participation

Each operational task force consisted basically of five

⁵⁵ OTF 2, 4, 12, 14, 16 and 18.

⁵⁶ OTF 12.

⁵⁷ *Summary Review*, p 10.

members: (1) the budget examiner as chairman, (2) the administrator whose agency was under study, (3) an employee engaged in the agency's activity, (4) a technician drawn from another agency, and (5) a state legislator.

In all cases there was unevenness in participation, especially among the legislators. Their activity ranged all the way from, in a very few cases, providing the main stimulus to the task force to virtual non-participation. On the whole, however, the legislators manifested keen interest and many of them contributed large amounts of their personal time and even their own expenses incidental to Self-Survey work. Had it accomplished nothing else, Self-Survey could be regarded as successful by reason of its having involved legislators so extensively.

The participation of administrators also ranged from "sparking" the task force to a passive observer's role. In one case a new hospital superintendent took up his assignment on the same day that the Work Manual arrived at his desk. He immediately instructed his top subordinates to complete all questions as quickly as possible. Within eight days he had in the form of a completed Work Manual a comprehensive and for him indispensable inventory of the strong and weak points in the hospital administration and compact and inclusive detail on virtually every phase of its operation. At the other extreme were a few administrators who remained skeptical and unenthusiastic about Self-Survey. They sometimes sought a hurried white-washing of operations and made little effort to conceal their impatience with the project. In all cases, however, administrators did, with varying impact, achieve an enlarged view of their operations and it is doubtful that any administrator would deny that his agency profited in some degree from the project.

One administrator, in analyzing his own reactions to Self-Survey, said he was "almost wholly negative" at the outset. As it proceeded his attitude became more and more positive and, in the end, he had the enthusiasm of the "new convert." He said he had always disliked and distrusted the role of "staff advisers" and had initially viewed Self-Survey as an unpromising extension of staff activity. As Self-Survey unfolded, however, he found himself compelled to view his operation from the perspective of the staff adviser and came

to appreciate the advantages of reviewing staff recommendations in an unprejudiced context. He said he regarded this joining of line and staff as one of the most beneficial results of the project.

Employee activity also ranged from dedicated effort to perfunctory observation. Many employee members were understandably preoccupied with salary questions and working conditions and often were reluctant to deal with questions of policy and procedures. They, too, however, made uniformly helpful contributions.

Technicians like budget examiners were on the whole the most energetic participants. Their regular work involves management improvement and they accepted Self-Survey as an opportunity to advance ideas that they had in many cases been germinating for a long period of time.

5. The Timing of Self-Survey

When Self-Survey was launched it was not clear how much time should be allowed for the operational and functional phases. Nor was any attempt made to determine how often and for how long the task forces should meet.

It became apparent, however, that deadlines would have to be met, if the survey was to be completed in reasonable time. Original deadlines were adjusted several times. The operational task forces were launched in the period from August 19, 1955, to December 6, 1955. The first deadline for all reports was set for April 1, 1956, but this was pushed back several times until the date of July 15, 1956 was made firm and final.

Meanwhile, as the operational groups were completing their work, the functional task forces were organized. They were launched during the period from March through June of 1956 and their reports were formally accepted on October 23, 1956, by the policy committee.

Some task forces complained that the time allowed was not sufficient to cover intensively the full scope of the inquiry. But, given the biennial legislative session, it was essential that the work be completed in order to prepare recommended legislation for the approaching session.

In evaluating the time factor it can be fairly said that

a project of this scope, assuming the same type of leadership and the same degree of cooperation that were achieved in the Minnesota experience, should require a minimum of eighteen months and preferably two years.

6. Financing of the Project

It is impossible to report a true and accurate cost estimate for the project, because the big bulk of the activity was provided by administrators and employees and legislators who received no compensation beyond what they would have received for their regular responsibilities. Also, many incidental expenses were covered in the regular departmental accounts.

Not even one employee was engaged directly and exclusively for Self-Survey. The only direct expenses attributable to the project were for publishing the materials and reports and for some scattered reimbursements of travel by legislators. In all, this amounted to less than \$5,000.

The financing arrangement proved beneficial and successful, but any frank assessment of the project would justify the conclusion that at least a modest budget that permits the full-time employment of a small staff exclusively for Self-Survey report-writing and clerical operations should be considered as desirable. Our experience placed a heavy burden upon the director and the budget examiners, and if a full-scale repetition were to be undertaken some additional staff should be provided.

7. Publication of Findings and Recommendations

The extensive reports of the operational task forces cover fifty-eight completed work manuals. They range from 10,000 to 100,000 words each, constituting several million words. Duplication of the materials for general distribution would be extremely costly and perhaps, even if cost were not a factor, would be of limited value. The original copies are on file and are consulted extensively.

This volume together with the earlier publication covering the functional task forces provide a reasonably comprehensive detailing of the project's findings and recommenda-

tions. Other publications include the Work Manual, the Directory of Self-Survey Personnel, and a set of general instructions for task force participants.

8. Follow-through to Give Effect to the Findings

The crucial test of Self-Survey is, of course, the follow-through that results. As frequently noted, Self-Survey has many built-in follow-through mechanisms. With agency administrators actively participating and with top direction centered in the Department of Administration the findings are automatically before those with responsibility to give them effect.

The follow-through has been impressive, we feel, although much still remains to be done. Further legislation is required and will be sought in the 1959 session. Even more important, however, is the need for further and more detailed analyses. It is one thing, for example, to find that the state is permitting what would appear to be excessive private car use and it is quite another thing to develop an alternative program involving state purchase of vehicles and a central car pool. Further studies are needed to determine car pool costs and to define policies that will ensure an improved operation. This requires time and personnel. Again and again task forces recommended an expansion in the Department of Administration in order to undertake such further study.⁸⁸

Self-Survey has given us an enormous launching push; we need now to follow up with an enlarged program on the part of our newly created Division of Research and Planning in the Department of Administration. We need to work through with the Legislature necessary changes in the law. We need to consolidate the substantial gains that have already been made.

9. Overall Direction and Management

Finally, a word about the project's overall direction. It was conducted pursuant to the instruction of Governor Freeman.

⁸⁸ See *Summary Review*, pp. 12-5 and 60-2 for a description of new functions recommended for the Department of Administration.

He displayed throughout a keen interest in the entire project and made it clear to all participants that the project was of central importance to the administration. The value of the Governor's personal and continuing participation cannot be overemphasized. It ensured cooperation that otherwise would have been difficult, in some cases impossible, to achieve. There is much natural opposition to improvement efforts and to overcome this opposition requires firmness and clearness in purpose. The success of the Minnesota Self-Survey is due in large measure to the fact that in its overall direction these qualities were so clearly present.

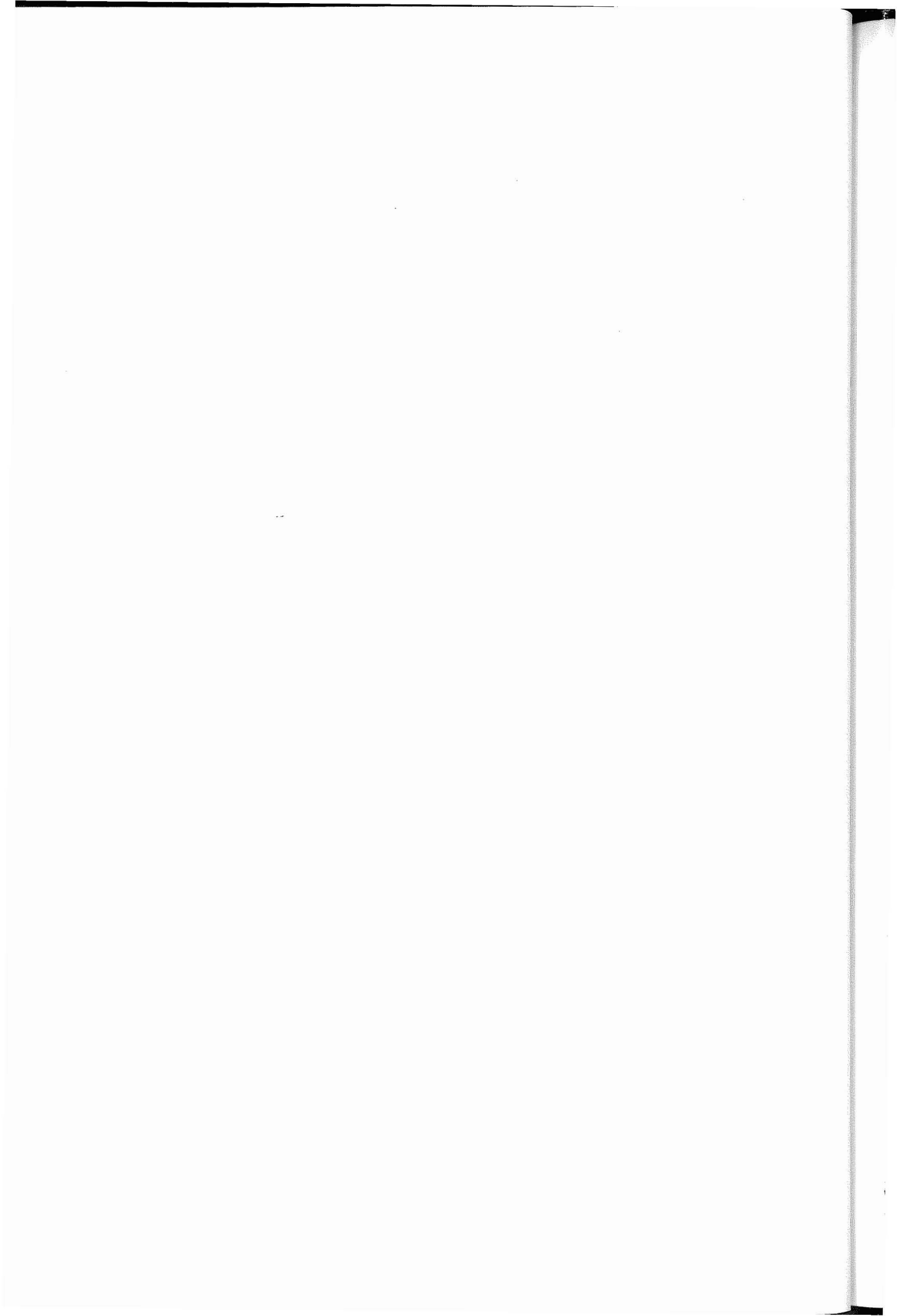
It is also relevant to note that the relationship between the Governor and the Department of Administration was a further source of strength. From the outset of his administration the Governor has made it clear that he regards the Department of Administration as his administrative arm, that in matters pertaining to administrative organization, procedure, and finance—as distinct from substantive policy concerns—the Commissioner of Administration speaks for the Governor, that he is, in a real sense, a state business manager, as was intended under the 1939 Reorganization Act. Because of this relationship, the Self-Survey commanded the respect and attention of all agencies. It was looked upon as integrally related to the ongoing business activity of the state.

The Governor named a 15-man policy committee headed by the Commissioner of Administration and including four administrators, four employees, four legislators, and three technicians. The policy group met five times to review the procedures employed. It accepted the reports but made no effort to evaluate or approve particular recommendations. The policy committee performed a valuable service by symbolizing the comprehensiveness and basic impartiality of the inquiry.

Conclusion

One would hope that this evaluation will not strike the reader as little more than an effort at self-congratulation. We have not attempted to conceal our enthusiasm for the Self-Survey project nor to deny our pride in its successful execu-

tion. But we have sincerely tried to view the project with objectivity. It is not unlikely that we have magnified the project's true value and it is altogether possible that what we have accomplished could have been achieved in other ways. But it is our sincere conviction that this "self-help" approach has had for us enormous practical value and has been a most successful undertaking.



**Summaries of Procedures and Findings
of the
Operational Task Forces**

TASK FORCE NO. 1

DEPARTMENT OF ADMINISTRATION

A. Major Divisions of Task Force Assignment

1. General Office.
2. Division of Budget.
3. Division of Public Property.
4. Division of Purchasing.
5. Division of Printing.
6. Division of Architecture and Engineering.

B. Summary of Task Force Proceedings

This Task Force held eleven meetings. In addition to the regular employee representation on the Task Force, opinions of the general body of department personnel were voiced through a morale survey conducted in conjunction with the Task Force's study by employees in three divisions of the Department.

C. Administrative Improvements Resulting from Self-Survey

1. Department payroll preparation has been placed on tabulating machines utilizing the existing machine installation in the Department of Public Welfare.

2. Organizational consolidation of the Divisions of Purchasing and Printing eliminated one full-time clerical position.

3. Using equipment already in operation as a nucleus, a centralized addressograph service, available to all departments, was initiated.

4. All department correspondence is now patterned to the use of window envelopes to expedite correspondence handling.

5. One copy of the biennial budget submittal has been eliminated, expediting preparation procedures for the operating departments and eliminating a duplication of files with the Public Examiner's Office.

6. Weight of budget forms has been reduced, allowing departments to complete preparation in one typing run instead of two.

7. Revision of contract procedures has (a) eliminated the complete contract file formerly kept in the Department of Administration (duplicating the State Auditor's files), (b) expedited processing of the contracts, and (c) eliminated the necessity for signatures on many copies of these documents.

D. Further Administrative Improvements Recommended

1. Internal reorganization of the Department.
2. Improvement in internal communications.
3. Improvement in central mailing distribution through more frequent and better scheduled deliveries.

E. Recommendations for Legislative Action

1. Appropriate legislative authorization and adequate appropriation for the following new services:
 - a. Central mail inserting service.
 - b. Central tabulating machine service.
 - c. Central statistical and reporting services.
 - d. State car pool operation.
 - e. Central warehouse facilities for purchasing operations.
 - f. Central records storage facilities.
2. Decentralization of the inventory process under a standardized department records plan with periodic audit either by the Department of Administration or the Public Examiner.
3. Transfer of federal surplus property distribution, now handled by the Department of Education without complete legal authority, to the Department of Administration with appropriate legal authorization.

F. Other Significant Findings

1. The law requires the Commissioner of Administration to measure any legal notice which is the subject of disagreement between a publisher of a newspaper and a public official. As a matter of practice, the major part of all legal notice measurement work is submitted to and is measured by the Printing Division, whether in disagreement or not.
2. The conflict in the split of financial control between the budget process of the Department of Administration and the pre-audit process of the State Auditor's Office results in confusion for the operating departments and considerable duplication of financial records.

G. Task Force Membership

Chairman: Donald G. Zahn, Budget Examiner, Department of Administration.

Administrator: William E. Stevenson, Assistant Commissioner of Administration.

Employee: Herman Rosenfield, Electrician, Division of Public Property, Department of Administration.

Technician: Henry R. Steffenson, Major, Finance and Procurement, Department of Military Affairs.

Legislator: Senator Val Imm, Mankato.

H. Director's Evaluation

This report of the Department of Administration Task Force does not reflect the full impact of Self-Survey on the Department. Departmental personnel—in particular the budget staff—were so involved in all phases of the project that they tended to concentrate on their other Self-Survey assignments at the expense of the Department's own detailed study.

Also, the leadership relationship of the Department of Administration to the entire Self-Survey created an unusual atmosphere. The chairman of the group, working under his own superior, was perhaps a bit more "gentle"

in his pursuit of the "hard realities" than was the case in his work with other task forces.

However, during and since the Task Force activity, the Department's internal administration has been under continuous review and appraisal. On July 1, 1957, three new divisions were created, reflecting, in part, the addition of new responsibilities that resulted from Self-Survey.

The new Division of Research and Planning has the responsibility of supervising the electronic data processing feasibility study (see page 7) and of directing further Self-Survey activities. The new Division of Central Services will integrate the Department's growing list of service functions, including tabulating, duplicating, mailing, microfilming, central stores, central equipment, documents, and addressographing. The new Division of Social Security Retirement is supervising referenda among employees to determine whether retirement programs should be coordinated with federal Social Security. It will administer all Social Security retirement programs for state and public employees. Also, as part of the reorganization, the position of administrative assistant to the Commissioner was created.

The reorganization of the Department of Administration implemented many findings and recommendations of the ten functional task forces. Reorganization is a continuing process, and, in some respects, the most important results of Self-Survey will find application in the future development of the Department of Administration.

TASK FORCE NO. 2

DEPARTMENT OF AERONAUTICS

A. Major Divisions of Task Force Assignment

1. Engineering.
2. Inspection and Enforcement.
3. Administrative.

B. Summary of Task Force Proceedings

This Task Force held nine meetings, including a one-day field trip to view various types of aircraft facilities and airport services. The Task Force met with airport managers, flying school operators, aircraft servicing firms, crop-dusting pilots, and, in cooperation with the Minnesota Aeronautical Advisory Committee (a permanent quasi-official group named by the Commissioner of Aeronautics), consulted representatives of the Flying Farmers of America, commercial airlines, and military aviation.

C. Administrative Improvements Resulting from Self-Survey

1. Employment of additional field representatives to cover more fully

(See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

areas in which there is increasing industrial expansion.

2. Inclusion in the Department's budget of the financial needs of the Metropolitan Airports Commission (MAC). Heretofore the MAC has made no budgetary submission but has requested funds as needed, requiring the Department to curtail its program from time to time in order to meet the needs of the MAC.

3. Increase in some department fees for inspection and licensing of flight facilities to make such service more self-sustaining.

4. Purchase of a state-owned executive-type aircraft for use in certain situations, such as shuttle service between the cities in which there are multiple state installations and transportation of large groups to a single destination.

5. Maintenance and hangaring at a single site of all state-owned aircraft headquartered in or near the Twin Cities, producing savings in maintenance and better utilization of aircraft.

E. Recommendations for Legislative Action

(See Director's Evaluation below.)

F. Other Significant Findings

1. The Task Force favored continuance of user-tax financing, regarding this approach as the best means of ensuring growth of the Department at relatively the same speed as the aviation industry.

2. Despite limited personnel and funds, the Department has, in the view of the Task Force, been successful in promoting and regulating aviation in Minnesota.

G. Task Force Membership

Chairman: Carl W. Vorlander, Budget Examiner, Department of Administration.

Administrator: Pearle Beggs, Office Manager, Department of Aeronautics.

Technician: Vera J. Likins, Chief of Transactions, Department of Civil Service.

Employee: C. Edward Hendrickson, Civil Engineer, Department of Aeronautics.

Legislator: Representative Roy Dunn, Pelican Rapids.

H. Director's Evaluation

The Aeronautics Task Force engaged in a rather extensive amount of activity, especially for an administrative operation that involves only 18 full-time employees. The Department's small size limited the scope of the Task Force operation, and, shortly after the Self-Survey began, a new commissioner took over direction of the Department, creating some uncertainty on the part of Task Force personnel concerning the direction its study should take. Also, earlier management studies had recommended consolidation of the Department into a larger agency, and fear of being party to a similar recommendation tended to immobilize the departmental personnel participating in the Task Force. Moreover, the Department is essentially dedicated to the promotion of the aviation industry and promotional programs are extremely difficult to evaluate in customary management terms.

Because of these factors, no administrative improvements directly attributable to Self-Survey were reported. Nor were any recommendations developed for legislative action. A number were discussed by the Task Force but, in the absence of unanimous support, the members decided not to list their findings in any formal or official manner. The points reviewed are, however, reported in the completed Task Force Work Manual.

The Task Force did make one recommendation that, if adopted, will greatly increase manpower and aircraft utilization. This is the recommendation calling for the hangaring at one site of all state-owned aircraft located in or near the Twin Cities.

The experience of this Task Force, like that of others covering small operations, strongly indicates the desirability of assigning larger administrative areas to a task force in order to provide sufficient scope for comprehensive analysis.

TASK FORCE NO. 3
*DEPARTMENT OF AGRICULTURE
AND RELATED AGENCIES*

A. Major Divisions of Task Force Assignment

1. Department of Agriculture.
 - a. Plant Industry.
 - b. Agricultural Products Inspection.
 - c. Markets.
 - d. Administrative Services.
2. Livestock Sanitary Board.
 - a. Tuberculosis Control Program.
 - b. Brucellosis Control Program.
 - c. Other Diseases.
3. Poultry Improvement Board.

B. Summary of Task Force Proceedings

1. *Department of Agriculture.* The Task Force met thirty-two times with uniformly good attendance. The legislative member attended fifteen meetings and more than fifty employees were interviewed. The Task Force made a comprehensive study of all functions performed by the Department.

2. *Livestock Sanitary Board.* The same basic Task Force, with the addition of the Board's executive officer and the substitution of an employee representative, also studied the Livestock Sanitary Board, and for this purpose held ten meetings. Fifteen employees were interviewed, and the administration of the Board's control programs were reviewed with the respective supervisors.

3. *Poultry Improvement Board.* Similarly, the same Task Force, with the secretary of the Board added and an employee representative substituted, studied the Poultry Improvement Board. For this purpose the Task Force devoted two full meetings and portions of another three sessions.

C. Administrative Improvements Resulting from Self-Survey

1. The Department of Agriculture's accounting procedure was strengthened with the centralization of several functions. Collection of receipts was placed under a single cashier and separate bookkeeping services in various units were consolidated.

2. The Department of Agriculture closed its Minneapolis office by moving its operations to the State Office Building, effecting a savings in rent of approximately \$2,100. It also moved its East Grand Forks station to a state-owned warehouse at an annual savings of \$1,080 in rent.

3. As the result of information provided by employees, the Department of Agriculture corrected a number of salary inequities, and, as a result of information gathered under Self-Survey, financed the new pay plan with no unsettling effect on the Department's services.

4. The employment by the Livestock Sanitary Board of veterinary stu-

dents on certain "clean-up" phases of the control programs was discontinued because the Task Force inquiry revealed that this practice was not economical.

5. The Poultry Improvement Board, as a result of the study, was abolished by the 1957 Legislature and its functions transferred to the Department of Agriculture.

D. Further Administrative Improvements Recommended

1. Further study of the advisability of continuing certain free services now provided by the Department of Agriculture.

2. Reorganization of the Division of Markets in the Department of Agriculture to place its Section of Market and Produce Inspection on a self-sustaining basis. A fully self-sustaining operation would effect annual savings of approximately \$9,000.

3. Elimination of the inspection service provided the municipal market in Minneapolis by the Department of Agriculture.

4. Integration of the record-keeping in the various programs of the Livestock Sanitary Board, especially in view of the declining operations in the brucellosis program.

E. Recommendations for Legislative Action

1. Increased appropriations financed by increased fees for inspecting and testing programs (egg, dairy, seed-testing, etc.) provided by Department of Agriculture.

2. Provision of state-owned cars for employees in cases where amount of travel makes mileage reimbursement less economical.

3. Sufficient appropriations to permit the Department of Agriculture to assist development of secondary agricultural crops (maple syrup, wild rice, pulp wood, apples, potatoes, etc.), permitting full participation in the USDA Agricultural Marketing Program, which finances half the costs, and encouraging the development of cooperatives in these areas.

4. Study of the advisability of establishing a system of state meat inspection.

5. Study of the advisability of a schedule of fees for services performed by the Livestock Sanitary Board, including the licensing of garbage feeding operations.

6. Increased state financing of the complete cattle-testing program because of withdrawal of federal financial support.

7. Adoption of legislation requiring the slaughter of infected animals within a limited time as part of the Livestock Sanitary Board program.

F. Other Significant Findings

1. The Department of Agriculture is in great need of a well-qualified seed potato marketing specialist to hold the demand for Minnesota seed potato foundation stocks.

2. The present strong emphasis on dairy inspection by the Agricultural Products Inspection Service should be broadened to other food areas, such as meat and egg inspection.

3. The Department of Agriculture should be housed in one building.

4. The Livestock Sanitary Board should be one of the first agencies considered for quarters in the State Office Building when space becomes available with completion of the new Centennial Building. Present quarters are not satisfactory.

G. Task Force Membership

Chairman: Leo B. Belford, Assistant State Budget Officer, Department of Administration.

Administrators: Byron G. Allen, Commissioner of Agriculture; Dr. Ralph L. West, Secretary and Executive Officer, Livestock Sanitary Board; W. K. Dyer, Secretary and Executive Officer, Poultry Improvement Board.

Employees: Waldo Johnson, Administrative Assistant, Department of Agriculture; Joan Huber, Clerk Stenographer, Livestock Sanitary Board; and William Anderson, Entomologist, Plant Industry Division.

Technician: Eugene J. Koepp, Accountant, Department of Health.

Legislator: Senator Donald Sinclair, Stephen.

H. Director's Evaluation

This Task Force, as the above summary suggests, was one of the most successful in the Self-Survey. Its meetings were well attended and all members participated with serious interest. All Department of Agriculture operations were thoroughly covered, and this is reflected in the extensive information reported in the completed work manuals.

The Commissioner of Agriculture has made an especially conscientious effort to carry out the Self-Survey recommendations. Owing in large measure to the enthusiasm engendered by the project, the Department enjoyed unusual success in the 1957 legislative session.

The extent of employee participation is especially noteworthy. The Task Force made a special effort to encourage employee contributions and this resulted in the gathering of much helpful information concerning how operations could be made more efficient and economical.

The recommendations for further improvements can all be accomplished in due time. The Task Force study highlighted duplications that can be eliminated, the desirability of adjusting fees to make services more nearly self-sustaining, and the gains to the state's economy that will result from development of secondary agricultural industries.

The experience of this Task Force underscores the value of participation by legislators in projects of this type. Where, as in this case, the legislative member took a full and conscientious interest in the proceedings, the administrative departments clearly benefited in the legislative session that followed. In this case, the legislator acquired an intensive familiarity with the operations reviewed and was able to speak more authoritatively in support of legislative problems.

TASK FORCE NO. 4
DEPARTMENT OF CIVIL DEFENSE

A. Major Divisions of Task Force Assignment

(See Director's Evaluation below.)

B. Summary of Task Force Proceedings

This Task Force held six meetings to review the program and problems of the agency.

C. Administrative Improvements Resulting from Self-Survey

(See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

The size of the Department (total complement: 13) makes mechanization of payrolling and accounting unfeasible; however, these functions should be combined with those of a department having tabulating equipment.

E. Recommendations for Legislative Action

1. Establishment of civil service status for all employees, except the director.

2. Increased appropriations to ensure better maintenance of equipment.

F. Other Significant Findings

1. Concern was expressed over the fact that all equipment purchased with federal funds remains federal property for which the state is accountable but for which the state does not have sufficient personnel for adequate supervision and control.

2. Lack of state funds has seriously hampered the establishment of satisfactory Civil Defense programs at the local level.

G. Task Force Membership

Chairman: Carl W. Vorlander, Budget Examiner, Department of Administration.

Administrator: Col. Hubert Schon, Director, Department of Civil Defense.

Employee: Roy Aune, Mobile Support Unit Commander, Department of Civil Defense.

Technician: Jerome Brower, Assistant Executive Officer, Department of Health.

Legislator: Senator Archie Miller, Hopkins.

H. Director's Evaluation

The Department of Civil Defense has, as its name indicates, the single and limited responsibility of developing plans for the protection and defense of the state in the event of disaster or attack by a foreign power. Because of its limited scope and its small size, the Department did not constitute an especially good subject for study. Since its establishment in 1951, it has been officially regarded as a temporary agency, and, because of the uncertainty concerning its future, it has never achieved the recognition and support that would enable the Department to develop its program as extensively as would be desirable. Despite this limitation, the Department has developed one of the nation's most outstanding civil defense programs.

The Task Force was instrumental in helping the agency achieve greater administrative stability. Its recommendation that employees be given civil service status was adopted by the 1957 legislative session.

It should also be noted that the Department's administrative and fiscal procedures were found to be in basically good order, due in large measure to their having been recently installed by the Public Examiner and the Department of Administration.

TASK FORCE NO. 5

DEPARTMENT OF CIVIL SERVICE

A. Major Divisions of Task Force Assignment

1. Recruitment and Examination.
2. Classification and Pay.
3. Transactions and Office Management.

B. Summary of Task Force Proceedings

This Task Force held eight meetings, all of which were well attended. The Department's staff provided comprehensive information for the completion of the work manual. Ten departmental employees were interviewed.

C. Administrative Improvements Resulting from Self-Survey

1. The Department's tabulating machine activities were transferred to the Department of Public Welfare, thereby eliminating the need for a separate machine installation in the Department. This resulted in estimated annual savings of \$700.

2. The Department launched a pilot study to define the problems that will most likely have to be dealt with in the statewide application of performance standards.

3. Mailing costs were significantly reduced by combining all mailings previously sent under separate covers to the same agency or individual.

4. Multiple handling of certain interoffice forms has been eliminated, thereby speeding up payroll processing.

D. Further Administrative Improvements Recommended

1. A statewide in-service training program to improve personnel performance.

2. Use of tabulating equipment for payroll verification.

3. Increase in fees charged municipalities for examinations conducted in their behalf (firemen, policemen, etc.), placing such examinations on a more nearly self-sustaining basis.

4. Development of a standardized overtime and sick leave program for all state employees.

E. Recommendations for Legislative Action

1. Legislation permitting a schedule of charges for information provided credit agencies and similar organizations by the Department.

2. Sufficient appropriations to provide needed salary adjustments for state employees.

F. Other Significant Findings

1. Department appropriations have been too small in recent years to

finance needed services described above.

2. The Department faces a serious physical space problem. Its offices are cramped and there is no space for examinations. As a result the Department must rent space for this purpose, which is costly and inconvenient.

3. There is duplication of effort in the recruiting program of this Department and of the Departments of Highway, Employment Security, Welfare and Conservation.

G. Task Force Membership

Chairman: Carl W. Vorlander, Budget Examiner, Department of Administration.

Administrator: John W. Jackson, Director, Department of Civil Service.

Employee: Donald Anderson, Technician, Department of Civil Service.

Technician: William E. Stevenson, Assistant Commissioner, Department of Administration.

Legislator: Representative Arthur H. Ogle, Mankato.

H. Director's Evaluation

Because of the central importance of personnel management in overall administration, the Department of Civil Service played a crucial role in Self-Survey. This Department was extremely helpful in reviewing and critically evaluating the approach and procedures utilized in the Self-Survey. It is worthy of special note that Civil Service personnel was second only to the Department of Administration in the extent of participation. In this respect, an extremely valuable byproduct of Self-Survey was a greatly improved relationship between the Departments of Civil Service and Administration.

The Civil Service Task Force was another example of the value of legislative participation. The legislative member devoted much time to the Task Force and, as a result, became well acquainted with the problems of the agency. The Task Force noted the effect that a strong civil service system has on the efficiency and economy of all agencies and recommended increased appropriations for civil service operations.

The savings attributed to the new mailing procedure is typical of administrative improvements resulting from Self-Survey. While the particular economy was not large, it is part of an impressive accumulation of savings that resulted from the study. Recommendations regarding mechanized payroll verification were developed into complete procedures. Recommendations regarding overtime and sick leave standardization have been studied and the resulting standard plans are pending approval.

In the area of staff agency - line agency relationships, the Self-Survey presented an unusual opportunity for operating departments to air their complaints. The Task Force Work Manual contained specific questions on relationships between the operating agency under study and each staff agency. Many helpful comments and criticisms were gathered in this fashion and will serve as the basis for further improvement in these relationships.

TASK FORCE NO. 6

COMMERCE AGENCIES

A. Major Divisions of Task Force Assignment

1. Division of Banking and Department of Rural Credit.
2. Department of Business Development.
3. Compensation Insurance Board.
4. Division of Insurance and State Fire Marshal.
5. Division of Securities and Real Estate Licensing Section.

B. Summary of Task Force Proceedings

The Task Force met eleven times in the offices of the various agencies studied. Because of the large number of independent agencies involved, the Task Force had a varying membership and a wide scope of inquiry. It examined activities that included open and closed banks, rural credit, publicity, trade promotion, business and industrial research, insurance rate-making and licensing, regulation of securities, real estate licensing, and Fire Marshal activities.

C. Administrative Improvements Resulting from Self-Survey

1. In the Department of Business Development administrative house-keeping functions were consolidated and made the direct responsibility of the deputy. A file clerk was substituted for a librarian position, effecting annual savings of more than \$2,000.
2. The annual renewal of insurance agents' licenses was mechanized, at an estimated annual savings of \$3,000.

D. Further Administrative Improvements Recommended

1. More delegation by department heads of administrative authority to subordinates, relieving department heads of routine responsibilities.
2. Utilization of existing keypunch and tabulating facilities of other agencies by Department of Business Development and Division of Insurance for collection of data presently done manually.
3. Increased inter-agency exchange of data, such as manufacturing statistics now separately gathered by the Departments of Business Development and Employment Security.
4. Use of the newsletter of the Department of Business Development by other agencies having information of interest to the business community.

E. Recommendations for Legislative Action

1. Establishment of a Department of Commerce to embrace the agencies in this area now operating independently.
2. Sufficient appropriations to permit the Division of Banking to audit annually all state banks, as required by law. (Fees collected from such audits provide added revenue for the state.)

3. Amendments to the real estate law to make its enforcement provisions more effective and to require examination of all applicants for licenses.

4. Adequate appropriations to permit the Department of Business Development to enforce fair trade laws, to aid community planning (for which large sums of federal moneys are available) and to promote new industries for the state.

F. Other Significant Findings

1. The Task Force emphasized the need for a uniform overtime plan for all state employees.

2. It also stressed the need for more adequate salaries for employees.

3. It urged that existing field offices of various state departments be made available to agencies that do not maintain field offices.

4. It is noted that the law enforcement function of the Department of Business Development is incompatible with its promotional activities.

5. It also noted that adequate working space, lighting and modern equipment were lacking in all agencies studied.

G. Task Force Membership

Chairman: Mary E. Healy, Budget Examiner, Department of Administration.

Administrator: Cyril C. Sheehan, Commissioner of Insurance.

Employees: Orrie A. Monroe, Bank Examiner, Division of Banking; Adolph E. Hoitomt, Attorney, Division of Insurance; Samuel J. Held, Attorney, Division of Securities; Keith Yandon, Research Statistician, Department of Business Development.

Technician: Leo A. Bernat, Statistician, Department of Employment Security.

Legislator: Senator John H. McKee, Bemidji.

H. Director's Evaluation

The findings of the Task Force were of special interest because they have implication for many diverse functions involving a large number of agencies. Inquiries by the Task Force led to many general discussions concerning overall reorganization and they emphasized the desirability of establishing a Department of Commerce that would consolidate into a single department all the agencies in this general area of state government.

Because the individual agencies are small, each goes its separate way and this prevents the development of such central services as research and planning which the agencies are too small to perform for themselves but which would be easily obtainable. Peak periods occur in one agency requiring the hiring of additional help at the same time that slack periods may exist in another agency. Integrated administration would enable cross-agency utilization of personnel, thus smoothing out peak and slack periods.

The Task Force reported that, in the Commerce group of agencies, there was a noticeable tendency on the part of department and division heads to devote much of their time to routine tasks which could be delegated and thereby produce more efficient and more expeditious operation.

The Task Force also noted many duplications of effort that result in poor utilization of personnel, equipment, office space and supplies.

It is clear that the Commerce group of agencies offers one of the most promising areas for administrative improvement. This has already been recognized by the Legislature which in 1955 adopted a reorganization proposal that created a Department of Commerce (the act was declared unconstitutional) and was a central feature of the 1957 reorganization proposal which failed to pass.

TASK FORCE NO. 7

DEPARTMENT OF CONSERVATION

A. Major Divisions of Task Force Assignment

1. Division of Waters.
2. Division of Forestry.
3. Division of Lands and Minerals.
4. Division of Game and Fish.
5. Division of State Parks.
6. Administrative Services.

B. Summary of Task Force Proceedings

This Task Force held thirty-five meetings, of which fifteen were held at various points in the state with groups of employees at central locations in their respective areas. The Task Force traveled more than 2,600 miles and met with approximately 450 employees.

C. Administrative Improvements Resulting from Self-Survey

1. The Department developed personnel and operating manuals.
2. The organization of the Game Warden Service was streamlined and given improved supervision.
3. The use of several report forms was discontinued.
4. The operation and management of the tree nursery program, previously carried on in both Game and Fish and Forestry, was centralized in Forestry, and the number of separate nurseries was reduced from five to three.
5. Working conditions of certain agencies were greatly improved. (See Director's Evaluation.)
6. A receipts suspense account was established in the Department, greatly improving the handling of cash receipts in all divisions.

D. Further Administrative Improvements Recommended

1. Shifting of the Construction Engineering Section from the Division of Waters to an independent status reporting directly to the Commissioner.
2. Establishment of performance standards for all departmental positions.
3. Greater utilization of existing tabulating equipment.
4. Increased authority for the existing forms control committee to make possible further changes in paper work procedures.
5. Establishment of a central filing system.
6. Application of statistical methods to pre-auditing of expense accounts.
7. Development of a car pool for central office personnel.

E. Recommendations for Legislative Action

1. Statutory authority for administration of the Department should be vested in the Commissioner rather than in the several division heads.
2. A recodification of laws pertaining to the Divisions of Forestry, Lands

and Minerals, and Parks is needed.

3. Agents and sub-agents who sell hunting and fishing licenses should be paid a fixed fee per license instead of a percentage of the license fee, as at present. This would increase Game and Fish Fund receipts an estimated \$170,000 annually.

4. Certain parks should be transferred to municipalities and counties as they do not fit in a state park system.

5. The functions of the Surveyor General, the forestry project of the Iron Range Resources and Rehabilitation Commission and the Water Pollution Control Commission should be transferred to this Department.

F. Other Significant Findings

1. Absolute veterans preference has been a serious handicap in properly filling supervisory positions.

2. Poor working conditions and space allocations have had a bad effect on employee morale and efficiency.

3. The Archives Commission should publish schedules for automatic disposal of routine records instead of repeated applications for such materials.

G. Task Force Membership

Chairman: Carl W. Vorlander, Budget Examiner, Department of Administration.

Administrator: Clarence Prout, Deputy Commissioner, Department of Conservation.

Employees: Jerome Liemandt, Game Warden, Division of Game and Fish; John Lindell, Park Superintendent, Division of State Parks; James C. Ryan, Forest Ranger, Division of Forestry; Roger Williams, Civil Engineer, Division of Waters; Roger V. Johnson, Mining Engineer, Division of Lands and Minerals.

Technician: Robert A. Whitaker, Supervisor, Public Examiner's Office.

Legislator: Representative Harry Basford, Wolf Lake.

H. Director's Evaluation

The findings of the Task Force on Conservation reflect the continuing complexity in the administration of this Department that results from statutory provisions that vest responsibility for administering the agency's five line divisions in division directors rather than in the Commissioner. While the Commissioner has the authority to appoint the directors and is responsible for general supervision of all departmental activities, the statutes specify the functions that each division must perform. This arrangement reduces the Commissioner's flexibility and impedes the development of a truly integrated department.

As a result, the Department has been repeatedly reorganized in an effort to achieve an increasing measure of department-wide integration. The most recent statutory reorganization was in 1943 which established the present organizational framework.

The crucial finding of this Task Force urges the abolition of the statutory status of the divisions and the vesting of full statutory authority in the

Commissioner, as is the case in all other major departments in Minnesota state government.

Governor Freeman's reorganization plans to the 1955 and 1957 legislative sessions included this proposal as one of their central features.

Because of the wide range of functions performed by this Department, this Task Force was unusually active. It made itself accessible to all employees who wished to be heard, and, as a result, it successfully cleared up many employee grievances. For example, the Task Force found draftsmen in a field office working in heavy outdoor clothing to protect themselves against severe weather, so cold that the ink froze in the inkwells. The Director moved immediately to correct the situation.

The activity of the Task Force was sparked by the participation of the legislative member. He took an unusually keen interest in all phases of the study and in the session that followed actively supported many proposals that grew out of his Self-Survey experience. Among gains made in the legislative session were a start of the recodification of conservation laws and the beginning of a program to transfer to the municipalities parks not properly part of a state system.

Also, as the result of Self-Survey, greater use is now being made of the Department's tabulating equipment, especially for various statistical reports that in the absence of the improvements would have been either impossible to prepare or delayed for many months.

Also, the State Archives Commission, in response to a Self-Survey finding, is now establishing schedules for automatic disposal of routine records.

TASK FORCE NO. 8

CONSTITUTIONAL OFFICES

A. Major Divisions of Task Force Assignment

1. Office of the Governor.
2. Office of the Attorney General.
3. Supreme Court, Law Library, and Revisor of Statutes.
4. Office of the State Auditor.
5. Office of the State Treasurer.

B. Summary of Task Force Proceedings

The Task Force met seven times with the various constitutional officers or their representatives. Its assignment, therefore, covered an unusual range of administrative activity and involved a sensitive area of internal interagency relations. Activities covered included such diverse functions as administration of the Governor's office, the Auditor's accounting system, liquor tax collection by the State Treasurer, and drafting of legislative bills.

C. Administrative Improvements Resulting from Self-Survey

(See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

1. Transfer of clerical work now performed by the Governor's Office in connection with notary public commissions to the Secretary of State and transfer of the clerical work involved in restoration of civil rights from the Governor to the Department of Public Welfare.

2. Imposition of a fee for duplicate notarial certificates now issued without charge.

3. Sale of bound volumes of Attorney General's opinions, now distributed without charge.

E. Recommendations for Legislative Action

1. Transfer to the Department of Taxation of the mortgage registration tax, now collected by the State Auditor, and the liquor tax collection, now performed by the State Treasurer.

2. Adequate appropriations for installation of a central disbursing unit.

3. Appropriate legislation to reduce the number of separate funds and appropriation accounts maintained by the State Auditor.

F. Other Significant Findings

1. The Task Force noted the need for an expanded bill-drafting service and urged that there be adequate facilities to enable the Revisor of Statutes to serve as a clearing house and research center for proposed legislation.

2. It also noted that the salary of the Deputy Clerk of Court should be

made commensurate with the responsibility of the position.

3. It urged immediate attention to the problems of adequate space and lighting in all offices covered by the Task Force.

G. Task Force Membership

Chairman: Mary E. Healy, Budget Examiner, Department of Administration.

Administrator: Karl F. Rolvaag, Lieutenant Governor.

Employees: M. Ray McDonough, Accountant, State Auditor's Office; Frank Larkin, Clerk of Supreme Court; Cyrus Magnusson, Executive Secretary, Governor's Office; Edward Hompe, Liquor Stamp Supervisor, Treasurer's Office; Mary Hagberg, Chief Clerk, Attorney General's Office.

Technician: Joseph M. Robertson, Director of Tax Research, Department of Taxation.

Legislator: Senator Gordon Rosenmeier, Little Falls.

H. Director's Evaluation

Because of the diversities of functions covered by this Task Force and because its study involved constitutional officers whose legal status differs from other operating departments, the findings of this group were limited. The Task Force reported no improvements as directly attributable to Self-Survey, but several of its recommendations for legislative action were considered favorably by the 1957 session, and other recommended improvements are now in process of installation.

The recommendation that the bound volumes of the Attorney General's opinions be sold instead of distributed without charge is typical of a number of similar recommendations made by other task forces which led to the creation of the Documents Section in the Division of Central Services of the Department of Administration. The establishment of this Section is regularizing and systematizing an activity which previously was widely diffused over all operating agencies.

The 1957 legislative session adopted the Self-Survey recommendation that the mortgage registration tax be transferred from the office of the State Auditor to the Department of Taxation.

The recommendation that liquor tax collections be transferred from the office of the State Treasurer to the Department of Taxation was incorporated by the Governor in his reorganization proposal, which was approved by the House but failed in the Senate in 1957.

In this connection, it should be noted that one objective of overall reorganization, as proposed to both the 1955 and 1957 sessions, is the consolidation of all tax collection activity in the Department of Taxation. In the matter of alcoholic beverage taxes, the State Treasurer now collects the liquor tax and the Department of Liquor Control collects the beer tax.

Worthy of special note is the Task Force finding, based upon statements made by the State Auditor, that the absence of a central disbursing unit is costing the state between \$1½ and \$2 million dollars annually. The State

Auditor informed the Task Force that present methods of processing payments to vendors involves delays of from one week to three months, resulting in the loss of many automatic discounts.

Similarly, the payroll process, in the absence of a central disbursing system, involves excessive duplications of effort, supplementary payrolls and other costly procedures. The payroll system is scheduled for complete mechanization beginning in January, 1958. In the absence of mechanics for one central payroll operation at this time, the 116 separate payrolls now maintained by the state will be processed in five groups and will be made uniform for machine processing.

In accordance with Self-Survey recommendations, the office of the Revisor of Statutes has been expanded and strengthened.

Adoption of a constitutional amendment in 1956 removed the Clerk of Supreme Court from the elected positions, making it possible to adjust the salary for this position in accordance with the Self-Survey recommendation. Also, other salary inequities noted by the Task Force have been corrected.

The overall accomplishment of this Task Force is reflected in the accumulation of many small corrective measures rather than in larger more comprehensive improvements, an experience that was typical of many task forces.

TASK FORCE NO. 9

DEPARTMENT OF EDUCATION

A. Major Divisions of Task Force Assignment

1. Elementary and Secondary Schools Division.
2. Teacher Personnel Division.
3. Business and Legal Division.
4. Vocational Education Division.
5. Vocational Rehabilitation Division.

B. Summary of Task Force Proceedings

This Task Force held fourteen meetings and toured the Department's offices in downtown St. Paul. The Task Force had the continuous assistance of the Department's assistant commissioner and departmental accountant. The employee representative performed a special service for the Task Force by personally interviewing about three-fourths of the Department's employees, which number approximately 300, to gather suggestions and comments. These were incorporated in the report submitted by the Task Force.

C. Administrative Improvements Resulting from Self-Survey

1. For the first time the Department's payroll is machine processed. This has been accomplished through the use of machines in the Department of Conservation. This improvement has relieved the heavy workload in the Department's accounting section.

2. As a result of Task Force suggestions, the Department disposed of obsolete records, freeing approximately 225 cubic feet of space for other use.

3. Reimbursement for use of private cars has been reduced by increasing use of state-owned vehicles for in-state travel.

D. Further Administrative Improvements Recommended

Development of an Administrative Services Section that would provide improved central direction for:

- a. Personnel management.
- b. Improved internal communications.
- c. Centralized departmental accounting.
- d. Development of a stenographic pool.

E. Recommendations for Legislative Action

1. Transfer of the Department's federal surplus property distribution program to the Department of Administration in order to systematize the program and to give it a valid legal base.

2. Centralization of authority for the distribution of aids to school districts, now handled in separate phases by the Department of Education and the State Auditor.

3. Clarification of the law to permit the Department to utilize private

testing agencies for the preparation of state examinations.

4. Additional staff to enable the Department to discharge its function of reviewing and approving contracts entered into by school districts for rentals of facilities and for transportation of pupils. Due to the lack of personnel, the contracts are now merely stamped, "approved for lack of evidence of non-approval."

5. Adequate substitute authority to enforce standards in view of the recent weakening of authority to withhold aids to school districts. The Department has found existing procedures so cumbersome as to thwart the effective supervision and enforcement of its standards.

F. Other Significant Findings

1. The Task Force noted the functional similarity between the program of vocational rehabilitation of disabled persons handled by the Division of Vocational Rehabilitation and the program of rehabilitation of the blind handled by the Department of Public Welfare.

2. The Commissioner of Education stressed the need for some process that would allow the Department's professional staff time for self-improvement.

3. Some confusion exists between the Departments of Civil Service and Education over the classification of professional positions. The Task Force found that Civil Service emphasizes job duties, while Education stresses personal qualifications and background.

4. The Department indicated heavy personnel turnover, especially in its stenographic and typist positions, ascribing low pay as the main cause.

5. The Department performs clerical and record-keeping duties for two non-state agencies, the Future Farmers of America and Future Homemakers of America. The Task Force noted that there is no statutory authority for this activity.

G. Task Force Membership

Chairman: Donald G. Zahn, Budget Examiner, Department of Administration.

Administrator: Dean Schweickhard, Commissioner, Department of Education.

Employee: Rita Bertrand, Accountant, Department of Education.

Technician: George Wangenstein, Assistant Secretary of State.

Legislator: Representative Karl Grittner, Saint Paul.

H. Director's Evaluation

The Task Force on the Department of Education provided an excellent example of the effect that Self-Survey had in stimulating administrative analysis in an agency that had grown accustomed to accepting ongoing routines uncritically. Improvements studied in one area soon involved other operations until the Department's entire organization came under comprehensive review.

In the matter of machine use, for example, the Department's experience in machine processing of payrolls encouraged an inquiry into the use of tabu-

lating equipment for other purposes. The Department investigated the application of machine processing to all aspects of accounting, to its school lunch aid distribution and to the maintenance of teacher personnel records.

Similarly, questioning by the Task Force of the need for retention of old documents stimulated a more active disposal program and a continuing study of storage requirements.

The Task Force recommendation that there be increased use of state vehicles to reduce private mileage reimbursement was reflected in the appropriation detail adopted by the 1957 legislative session.

Also, accepting another Self-Survey recommendation, the Legislature gave legal status to the Department's federal surplus property distribution program and transferred this activity to the Department of Administration.

TASK FORCE NO. 10
DEPARTMENT OF EMPLOYMENT SECURITY

A. Major Divisions of Task Force Assignment

1. Unemployment Compensation Division.
2. Employment Services Division.
3. Administrative Staff Service.
4. Appellate Service.
5. Legal Service.
6. Research and Analysis Service.
7. Public Information Service.

B. Summary of Task Force Proceedings

The Task Force held nineteen meetings, including one in the Minneapolis local office and a visit to the St. Paul local office. The Task Force held a series of roundtable discussions with employees, division heads, section heads and local office managers and gathered a large number of constructive suggestions and recommendations. The Department employs approximately 700 and has thirty-three local offices throughout the state in addition its central office in St. Paul.

C. Administrative Improvements Resulting from Self-Survey

1. The Department reduced from five to four the number of field supervisors reporting directly to the Employment Services Director, which produced annual savings of \$7,392. The reduction was made possible by eliminating the Minneapolis-St. Paul district and making the supervisors of the Minneapolis and St. Paul local offices directly responsible to the Director of Employment Services.

2. The Department's management of in-state travel was improved by the purchase of a new vehicle and the disposal of two old state-owned cars which could no longer be relied upon for distant trips.

3. The Department has incorporated into its quarterly mailing of contribution and wage reports to 40,000 employers an informational sheet describing the services available through the Department.

4. The Department installed the procedure of contacting employers directly by telephone in cases where a claimant's benefit payment is likely to be delayed due to potential disqualification. The telephone call replaces a form letter which in the past resulted in delay in gathering information concerning the reasons for an employee's separation. The new procedure has speeded up the first benefit payment in such cases.

D. Further Administrative Improvements Recommended

1. Study of additional methods for speeding up payments in some cases was discussed at length by having local offices make final determination in cases that involve potential disqualification. At present the local office forwards the information to the central office for determination, which results in delay of

about one week. The Task Force was not agreed as to the desirability of local office determination.

2. Filling by the Commissioner of the position of Administrative Services Supervisor.

E. Recommendations for Legislative Action

1. Amendment of the present law regarding the confidential nature of information supplied by employers so that information (name, address, principal business, and products) can be made available to other state departments.

2. An amendment to enable the Department to supply the Department of Taxation wage information gathered from employers.

3. Repeal of the requirement that Old Age and Survivors pension payments be deducted from unemployment compensation primary benefit payments. This provision has been extremely difficult to administer and is often circumvented. Minnesota is only one of thirteen states having this requirement.

4. Reduction from twelve to seven days of the period in which a disqualification determination may be appealed.

5. Increased authority for the Department in providing quarters for its thirty-three local offices. The Task Force found that improved quarters can be acquired at reduced cost if the Department is authorized to enter into long-term leases, lease-purchase agreements, or outright purchase or building of office quarters. More adequate quarters for the Minneapolis local office should be provided.

F. Other Significant Findings

1. The State Archivist should establish automatic schedules for disposal of records after they have been retained for a stipulated period.

2. A change in the law to provide for twenty-six paydays per year for state employees (bi-weekly pay periods), with further provision that payment be made five or six days after the end of the work period. The conversion should be made over a period of several months to avoid hardship for employees.

3. The Task Force felt that the Department of Administration should review its policies, rules and practices in the following areas:

a. Out-of-state travel—lump sum approval with department discretion as to trips.

b. Household moving expense—department determination.

c. Travel advance for state employees.

d. Overlap on replacement of employees and transfer of employees.

e. Standard overtime policy.

4. State Employment Service personnel reported many complaints concerning the practices of private fee employment agencies. The Task Force felt that the complaints warrant further study by proper authorities.

5. The Task Force found that the most pressing problem for both administrators and employees is adequate salaries and pay classifications.

6. The Task Force noted that, whereas in the past Minnesota was a leader in providing fringe benefits to state employees, it is now falling behind in this respect. Therefore, it recommended favorable consideration for Old Age and Survivors Insurance, medical and hospitalization insurance, and unemployment compensation.

G. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: Frank T. Starkey, Commissioner, Department of Employment Security.

Employee: Donald H. Anderson, Labor Market Analyst, Minneapolis Local Office, Department of Employment Security.

Technician: Dick Dobrick, Chief, Classification and Pay Division, Department of Civil Service.

Legislator: Senator Leslie E. Westin, St. Paul.

H. Director's Evaluation

Because the Department of Employment Security performs federally assigned functions under elaborate federal regulations and with federal funds, the state is limited in the degree to which it can affect changes in organization and administrative procedures. Therefore, the Task Force centered its study on improved personnel utilization and better service to applicants and employers.

One finding of this Task Force which is representative of similar findings throughout the Self-Survey project was the extent of reimbursement for employees' use of their private cars. This Department reimbursed for more than 500,000 miles in one year, and the Task Force urged further study into the Department's travel policies. Other similar recommendations are being reviewed by the Department of Administration in an effort to establish a more economical general policy on the use of state-owned and private vehicles.

An interesting point revealed by this Task Force was the relative lack of public awareness that the Department provides a number of employer services. Adopting a recommendation of the Task Force, the Department publicized these services by describing them in the routine mailing of wage and contribution reports to employers. This move to acquaint employers with the services promptly elicited many favorable responses.

The work of this Task Force also pointed up the possibility of greater efficiency in interdepartmental exchange of data. The Task Force pointed out that, with proper state and federal legislation, the Department of Employment Security could provide valuable assistance to other state departments. For example, the Manufacturers Directory published by the Department of Business Development would be improved with additional information available in the Department of Employment Security, and the quarterly wage payment reports would be helpful in the auditing of income tax returns by the Department of Taxation.

As in the case of a number of other task forces, this Task Force made significant contributions by reenforcing the need for legislation already under consideration in the Department. For example, the Legislature reduced the period for appealing benefit determinations from twelve to seven days and authorized construction of a Minneapolis office building for the Department, two proposals supported by the Self-Survey.

TASK FORCE NO. 11 DEPARTMENT OF HEALTH

A. Major Divisions of Task Force Assignment

1. Administration.
2. Medical Laboratories.
3. Environmental Sanitation.
4. Special Services.
5. Disease Prevention and Control.

B. Summary of Task Force Proceedings

Twenty-eight meetings were held at the Department offices and at four of the Department's eight district offices. The Task Force also visited the State Sanatorium at Ah-Gwah-Ching and the hospital at the Cass Lake Indian Agency. More than forty employees appeared before the Task Force or were interviewed on the job.

C. Administrative Improvements Resulting from Self-Survey

1. A much-needed general administrative procedure manual for district operations is in process.
2. The volume and variety of forms in use in the Department are being reduced and greater uniformity is being achieved.
3. Use of personnel has been improved through reorganization. Lines of authority have been made firmer and more adequately delineated.
4. Field operations are under better coordination.
5. Semi-monthly staff conferences have been regularly held for review of policies, discussion of departmental problems, and the receipt of informal reports and directives.

D. Further Administrative Improvements Recommended

1. Use of health administrators in cases in which medical officers are not available.
2. Improved administrative direction and financing for water and air pollution programs.
3. Technical assistance and service for municipalities in the field of water supply.
4. Additional inspectors, to be financed by increased fees, for inspection of new plumbing and remodeling in public buildings.
5. Expansion of the Section of Special Laboratory Studies.

E. Recommendations for Legislative Action

1. Authority and financing for a program of home safety, involving state-local cooperation.
2. Decentralization of the inspection program for hotels, resorts and restaurants, with the sharing of fees with local subdivisions that maintain

approved sanitary programs.

3. Unification and expansion of public health nursing services at the local level.

4. State support for dental health and industrial health programs, now operated solely with federal funds.

5. Amendment of the Plumbers Licensing Law to provide increased fees to meet more adequate operations and to license plumbers in communities under 5,000.

6. Appropriations for a blood program under which hospitals will be initially supplied with collection facilities and which will be made available for statewide need when a disaster occurs.

7. Legislation to authorize more complete control of private disposal systems.

8. Location of all offices of the Department in one structure.

F. Other Significant Findings

1. The Board does not comply with state law that requires that it "report its doings and discoveries to the legislature . . . with such information and recommendations as it shall deem useful." The Board claims it was relieved of this responsibility by failure of the Legislature to provide for printing an annual report.

2. Present personnel are unable to keep pace with requests for assistance in hospital planning, reviewing of plans and inspectional services during construction or remodeling.

3. The Department measures high in performance and production in terms of laboratory services, vital statistics registration, environmental sanitation, and hospital services administration.

4. The Task Force noted the dependence of the Department upon federal aid. More than forty per cent of all department activity is financed by federal grants-in-aid. This dependence should be carefully studied to protect the future of the program in the event federal aid should be withdrawn.

G. Task Force Membership

Chairman: Leo B. Belford, Assistant Budget Officer, Department of Administration.

Administrator: Dr. R. N. Barr, Executive Officer, Department of Health.

Employee: Bertil J. Estlund, Accountant, Department of Health.

Technician: Jerome W. Brower, Assistant Executive Officer, Department of Health.

Legislator: Representative E. P. Johnson, Hawley.

H. Director's Evaluation

A striking characteristic of the work of this Task Force was the high degree of interest among employee members. This meant that the Self-Survey was a valuable instrument in preparing the way for organizational changes that otherwise would have been more difficult to achieve. By involving em-

ployees in preliminary discussions concerning the need for the changes, the Task Force greatly assisted the Department in developing an acceptable climate for the necessary changes.

Unlike most of the task forces, this Task Force did not confine its study to administrative operations. The interest of Task Force members in the functions and services provided by the Department led the Task Force into a review of the substantive aspects of the programs.

Here again the legislative member was unusually active in the work of the Task Force. He attended a large number of the meetings and traveled a great many miles. His familiarity with the needs of the Department, growing out of his participation on the Task Force, greatly assisted the Department in its efforts to obtain favorable legislative action on its proposals in the 1957 session.

TASK FORCE NO. 12

DEPARTMENT OF HIGHWAYS

A. Major Divisions of Task Force Assignment

1. Administration Division.
2. Highway Safety Division.
3. Traffic and Planning Division.
4. Construction Division.
5. Maintenance Division.

B. Summary of Task Force Proceedings

The Task Force held fourteen meetings, of which four were in the field. It met with 125 employees of all ranks from all divisions, including a number of labor union representatives.

C. Administrative Improvements Resulting from Self-Survey

1. Task Force findings emphasized the gains that can be made in Highway Department engineering by developing the use of electronic computers.
2. An improved filing system was installed in the Plans Section of the Construction Division.
3. Greater uniformity in use of hired equipment has been achieved in maintenance districts.
4. Engineering sections of the Construction Division were reorganized, resulting in (a) permanent work assignments; (b) better work distribution; (c) greater delegation of authority; (d) separation of non-engineering and engineering functions; (e) clear definitions of lines of authority. (See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

1. Greater use of non-professional personnel on jobs not requiring technical knowledge.
2. Continued study of departmental reorganization and the need for long-term planning.
3. Increased training of middle-management personnel for the exercise of responsibility and authority.
4. Install new system to permit use of drivers license fee receipt as a temporary license pending issuance of the formal license.
5. Compilation of and adherence to standard specifications to eliminate slowdowns in plans preparation caused by changes during the project. (See Director's Evaluation below.)

E. Recommendations for Legislative Action

1. Removal from the trunk highway system of roads that are not properly part of a state system.
2. Transfer to the Public Examiner from the Department of Highways

the auditing of books of Justices of the Peace to insure that funds due the Trunk Highway Fund as a result of traffic fines are actually forwarded.

3. Transfer of chauffeur's licensing from the Secretary of State to the Department of Highways and consolidation of this activity with drivers licensing.

4. Legislation providing drivers license reciprocity between states which have equally high standards.

F. Other Significant Findings

1. The Department of Highways has done an exceptionally good job in developing a number of manuals covering all operating policies and procedures.

2. Disabled veterans preference has had a harmful effect on the Department's personnel administration.

G. Task Force Membership

Chairman: Carl W. Vorlander, Budget Examiner, Department of Administration.

Administrator: Kermit Bergstralh, Personnel Officer, Department of Highways.

Employee: Herbert Schultz, Executive, Department of Highways.

Technician: Karl Apitz, Fiscal Officer, Department of Employment Security.

Legislator: Senator Harold Schultz, St. Paul.

H. Director's Evaluation

From the start of Self-Survey it was recognized that the work of a single task force would be inadequate to cover the huge scope and many complex operations of the Department of Highways. This Department employs approximately 5,000 persons and accounts for twenty-five per cent of the state's financial operations. Also, at the time of the launching of the Self-Survey, the Department was just beginning its work on the huge federal interstate highway program which makes necessary a fundamental reorganization and expansion of the Department.

It was decided that the Task Force should proceed with its study, but, in recognition of the need for a more intensive review of the Department's administration, Governor Freeman appointed a special advisory committee on highway organization and the work of this committee supplemented the findings of the Task Force. In fact, the committee's work, spurred by the Self-Survey, has constituted the basis for continued reorganizational activity in the Department.

The committee found, in effect, that basic reorganization is essential throughout the entire Department if it is to cope successfully with the new federal program. Accordingly, the recommendations of this committee have been under continuous study and, as this report is being prepared, basic proposals are being reviewed in the Departments of Highway, Administration, and Civil Service.

While the work of this committee was not directly part of Self-Survey, its findings can logically be regarded as part of the overall project. Therefore,

for further details concerning Self-Survey progress in the Department of Highways see "Report on Minnesota Highway Department Organization Structure." This report was issued under date of May 22, 1957, and copies are available in the Department of Administration.

Members of this special committee were William E. Stevenson, Assistant Commissioner of Administration; Edwin M. Lane, Assistant Director of Civil Service; Raymond B. Vecellio, State Public Examiner; Carl W. Vorlander, Budget Examiner in the Department of Administration; and two public members, William G. Kubicek and Daniel B. Magraw.

The committee recommended a more clear definition of line and staff functions and a regrouping of operations along more functional lines. It recommended the creation of a program division headed by a program engineer responsible for integrating all relevant factors in the development of a long-term construction and maintenance program, removing the programming function from the ongoing construction and maintenance operation.

It recommended further that all construction and maintenance be coordinated under the chief engineer and that these activities be systematically divided into three major divisions: (1) all pre-contract letting functions, (2) post-contract letting functions, and (3) bridge construction and maintenance. Each of these divisions would be headed by an assistant chief engineer.

Another major recommendation of the advisory committee is the introduction of a new concept of administration which calls for the delegation of primary authority to the nine district engineers for the management of the highway program in their districts, thus reducing the extent of review and approval required on particular projects in the central office. This recommendation, in fact, is the central proposal for reorganization and around its installation turns much of the effort to strengthen administration within the Department.

TASK FORCE NO. 13
MINNESOTA HISTORICAL SOCIETY

A. Major Divisions of Task Force Assignment

1. Manuscripts.
2. Newspapers.
3. Publications.
4. Library.
5. Museum.
6. Field Services.
7. Pictures.

B. Summary of Task Force Proceedings

The Task Force held ten meetings. The Minnesota Historical Society building was toured and division and section chiefs were all interviewed.

C. Administrative Improvements Resulting From Self-Survey

1. A detailed study of fiscal and accounting procedures to eliminate duplicate records and to install more efficient accounting operations.
2. Purchase of a state-owned vehicle for the use of the field director. He was reimbursed for more than 26,000 miles for private vehicle use during 1954-1955.

D. Further Administrative Improvements Recommended None.

E. Recommendations for Legislative Action

1. Legislation establishing the Society as a state agency. With approximately eighty-nine per cent of the Society's funds now being provided by the state, the Task Force believes it should be brought under mandatory state fiscal control. At present it is voluntarily under such control.
2. Abolition of the State Geographic Board and transfer of its powers and duties to the Commissioner of Conservation, who would exercise such powers subject to the "advice and consent of the Historical Society."
3. Abolition of the Minnesota Historical Sites and Markers Commission and transfer of its duties to the Director of the Historical Society, who would exercise this authority with the "advice of the Commissioner of Highways."

F. Other Significant Findings

The Society was custodian of the Census Bureau records and provided census research service for a fee. Receipts averaged \$3,000 annually. July 1, 1955, the Census Bureau records and the Census Research Service were transferred to the State Archives Commission.

G. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: Russell W. Fridley, Director, Minnesota Historical Society.

Employee: Lucille Kane, Curator of Manuscripts, Minnesota Historical Society.

Technician: Victor Carlson, Accountant, Department of Public Welfare.

Legislator: Representative Alfred I. Johnson, Benson.

H. Director's Evaluation

The Minnesota State Historical Society is one of a number of operations that are financed in part by the state but which are not directly under state control. The Society is managed by a board composed of private citizens who serve without pay. Efforts to reorganize or to improve administrative operations in programs of this type must necessarily involve those who are not directly employed by the state. Self-Survey played an especially helpful role in the study of such operations.

The success of Self-Survey in assisting the Society in this regard is reflected in a letter written by Russell W. Fridley, Director of the Society, who said: "More than any other development in my experience with the Society and state government it (the Self-Survey) provided the opportunity to bring into sharper focus than ever before the problems of the institution. In stimulating us to appraise the institution's problems and by providing the atmosphere in which to plan for their solution, it has been of great value. Thus, it has interested me from two points of view: first, as an extremely useful tool in administration; and second, as a significant development in the history of Minnesota state government."

Throughout the entire Self-Survey there was a high degree of cooperation among participating task force members; in fact, the project's success depended upon such cooperation. It is worthy of special note, however, that in the case of this Task Force the opportunity for a full review of its operations was welcomed and enthusiastically utilized by a non-state agency. The agency not only cooperated in the Self-Survey but also voluntarily accepted findings requiring compliance with state procedures. For example, the Society elected to follow the recommendations calling for purchase of a state-owned vehicle to replace private car reimbursement.

TASK FORCE NO. 14

DIVISION OF LABOR CONCILIATION

A. Major Divisions of Task Force Assignment

1. Conciliation.
2. Certification of Union Representation.

B. Summary of Task Force Proceedings

The Task Force met six times at the offices of the Division and reviewed all operations of this small agency which has only eleven employees.

C. Administrative Improvements Resulting from Self-Survey

1. The Department discontinued leasing space in Duluth for conciliation meetings and instituted a program of hotel rental as needed. This shift to holding meetings and hearings in a downtown hotel in Duluth reduced the annual \$900 rental and telephone charges in that city by about fifty per cent.

2. Adoption of a printed form to replace individually typed letters to principals involved in labor disputes, advising them of the time and place of the meetings, reduced costs for this operation by approximately fifty per cent. Considerable savings resulted because about 3,000 such letters are mailed each year.

3. One full-time clerical position was discontinued and replaced by part-time help to enable financing of the new pay plan.

D. Further Administrative Improvements Recommended

Greater use of the qualifications and training of the Deputy Labor Conciliator. He performs much administrative work, such as scheduling of meetings, and, as a result, conducts relatively few conciliation meetings. Consideration should be given to employment of an office manager to relieve the Deputy for conciliation duties.

E. Recommendations for Legislative Action

1. Clarification of the Labor Conciliator's authority in dealing with disputes involving political subdivisions.

2. Clarification of departmental nomenclature. The department head by law is named the Labor Conciliator, but six of his assistants are also classified by Civil Service as Labor Conciliators, creating some minor confusion. The Task Force recommended an amendment naming the department head the Director of Conciliation, his assistants as Labor Conciliators.

F. Other Significant Findings

Statistics submitted by the Department indicate that the Minnesota Labor Relations Act has been effective in helping to maintain a low rate of work stoppages as compared with other states.

G. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: Harry Hanson, Labor Conciliator, Division of Conciliation.

Employee: F. Carroll Malloy, Assistant Labor Conciliator, Division of Conciliation.

Technician: Walter E. Holtan, Institutions Administration Supervisor, Department of Public Welfare.

Legislator: Representative Alf L. Bergerud, Hopkins.

H. Director's Evaluation

The work of this Task Force provides another example of the advantage of assigning one survey team an area of administration large enough to provide an effective scope of inquiry. Although some savings were realized as the result of the work of this Task Force, the agency's operations were too specialized and too limited for efficient use of the Task Force.

This observation relates to the larger point made repeatedly during the discussions concerning Governor Freeman's reorganization proposals in 1955 and 1957, namely, that efficient administration requires the development of large basic functional units that coordinate and integrate related functions. For example, the Division of Labor Conciliation is only one of several agencies operating in the labor area. The establishment of a single Department of Labor would incorporate not only this agency but also the present Industrial Commission and conceivably the Department of Employment Security, thus creating single direction for all related activities and opening the way for more systematic central housekeeping arrangements:

Under existing statutes the Division of Labor Conciliation is in the Department of Labor and Industry; in practice, however, it carries on its activities without direction or assistance from the Department nor does the Conciliator report to the Industrial Commissioners who head the Department.

While the scope of this Task Force was limited, a number of specific savings were accomplished. Also, while it was not a Self-Survey recommendation, additional savings in the amount of \$4,322 were realized during the course of the Self-Survey with the transfer of the Labor Conciliator's offices from rented quarters to the State Office Building.

TASK FORCE NO. 15

DEPARTMENT OF LABOR AND INDUSTRY

A. Major Divisions of Task Force Assignment

1. Accident Prevention.
2. Administration.
3. Boiler Inspection.
4. Statistics.
5. Steamfitting Standards.
6. Voluntary Apprenticeship.
7. Women and Children.
8. Workmen's Compensation.

B. Summary of Task Force Proceedings

The Task Force on Labor and Industry met eight times, each meeting of which covered one of the Department's divisions as outlined above. The Task Force interviewed the three Commissioners, one of whom served as a member, and the heads of all divisions and units, fourteen in all.

C. Administrative Improvements Resulting from Self-Survey

1. The backlog of audits on workmen's compensation claims was eliminated with the employment of an additional clerk and acquisition of a calculator to replace manual computation.
2. A follow-through detailed management study was undertaken by the Department of Administration, resulting in many administrative improvements and savings. (See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

1. Establishment of a central cashier unit for the Department.
2. Utilization of the central addressograph installation, replacing hand-addressing of envelopes.
3. Elimination of a special bank account for Boiler Inspection and deposit of receipts in the State Treasury.
4. Modernization of the facilities of the Statistics Division.

E. Recommendations for Legislative Action

1. Revision of the boiler inspection law which is contrary to good administration and accounting.
2. Amendment of the fee employment agency law to permit regulation of fees charged by private employment agencies.
3. Increase in steamfitting license fees to make them more nearly comparable with costs. (In this connection, public buildings should be inspected for compliance with the code and to protect taxpayers' investments.) Steamfitters' licenses should be renewable one year from date of issue rather than January 1 annually.

4. Adoption of a requirement that self-insurers of workmen's compensation pay a fee—possibly a percentage based on average payrolls—for their permits. (Insurance carriers pay a two per cent gross premium to the state.)

F. Other Significant Findings

1. Administrative responsibility is divided among the three Commissioners who head this Department, depriving the agency of a single responsible head.

2. Tight appropriations hamper activities of the Department, especially travel for field employees.

G. Task Force Membership

Chairman: Mary E. Healy, Budget Examiner, Department of Administration.

Administrator: Arthur E. Ramberg, Commissioner, Department of Labor and Industry.

Employee: Carl E. Dahlquist, Statistician, Department of Labor and Industry.

Technician: William T. Bergland, Examiner, Department of Public Examiner.

Legislator: Representative Joseph Prifrel, Jr., Saint Paul.

H. Director's Evaluation

Because this agency is headed by a three-man commission, top direction has historically been loosely divided. It has long been apparent that, because of the diffusion in its administration, this Department is in great need of reorganization. The Task Force found many weaknesses in the agency and it was regarded as desirable to follow up the Task Force activity with a more intensive study by the Department of Administration.

A special team of analysts, following up the Task Force study, recommended (1) that a single department head supplant the three-man Industrial Commission; (2) revision of the boiler inspection laws; (3) transfer of the office of the Fire Marshal from the Division of Insurance to the Accident Prevention Division in the Department of Labor and Industry; (4) change of the expiration date for steamfitters' licenses from the present uniform December 31 expiration date to one year from date of issue; and (5) disposal of compensable workmen's compensation case files after six years.

Governor Freeman's reorganization proposal to the 1957 session would have created a Department of Labor headed by a single administrator, but the proposal was not adopted. Of the study group's recommendations, the 1957 session did revise the boiler inspection laws to provide that boiler inspectors become full-time state employees rather than continuing on a fee basis, that fees be increased, and that all receipts from boiler inspection be deposited in the General Revenue Fund instead of being retained in part by the inspector.

The 30-page report of the special study team was carefully reviewed by the Industrial Commission and a program launched to give effect to its recommendations.

The findings, in addition to those requiring legislative action, called for appointment of an administrative supervisor with sufficient authority to coordinate all the administrative activity within the agency, the expansion and modernizing of the Division of Statistics, a general housecleaning in all divisions with the rearrangement of office space, the transfer of surplus equipment and publications to agencies that could make use of them, the destruction of records no longer needed, basic revision in many procedures, and the combining of the steamfitting and boiler inspection functions.

Since the Task Force and special study team completed their work, progress, while slow, has been made on many of these recommendations.

In further efforts to reorganize the state government the creation of a single Department of Labor and Industry should be given high priority.

TASK FORCE NO. 16

LIQUOR CONTROL AND CRIME BUREAU

A. Major Divisions of Task Force Assignment

1. Bureau of Criminal Apprehension.
2. Office of the Liquor Control Commissioner.
3. State Athletic Commission.

B. Summary of Task Force Proceedings

The Task Force held eleven meetings and interviewed a number of division heads and employees of all agencies studied.

C. Administrative Improvements Resulting from Self-Survey

1. New procedures for handling receipts, including cash, were adopted by the Liquor Control Commissioner. Previously as many as six individuals handled receipts, often retaining them in desks and file cabinets for several days and even weeks before deposit. The new procedures provide for daily deposit of all receipts and their handling is restricted to two employees.

2. Revisions in the Liquor Control Commissioner's semi-annual publication of Minimum Consumer Retail Price Bulletins, including four supplements, reduced the number of pages required, for a saving of approximately \$1,000 annually.

3. New radio equipment was obtained for the Bureau of Criminal Apprehension from the Federal Civil Defense Administration under an arrangement in which the federal government paid fifty per cent of the cost. In 1953 the Legislature transferred the Bureau's radio operations to the Highway Patrol, leaving the Bureau without radio communication. As a result of the arrangements made with Civil Defense, the Bureau improved its communications between the central office and investigators in the field, increasing its efficiency and reducing needless trips.

4. Rental of office space for the State Athletic Commission was discontinued and its offices moved into the State Office Building at an annual rental savings of \$750.

5. Budget submission by the Athletic Commission was placed on a semi-annual instead of a quarterly basis, saving much time and paper work.

6. The Bureau of Criminal Apprehension acquired two additional state-owned vehicles, making it possible to reduce travel reimbursement costs. The Task Force found one employee was reimbursed for 33,130 miles of private car use and another for 22,458 miles.

D. Further Administrative Improvements Recommended

1. Use of central addressographing and mailing services by the Bureau of Criminal Apprehension. It now uses an outmoded hand-operated addressograph to mail its weekly bulletin to 1,100 recipients.

2. Modification of the Liquor Control overtime plan to allow law enforcement inspectors to accumulate more than six days compensatory time, en-

abling intensive investigative work during spring and summer and relatively lighter work in fall and winter, when tourist travel is lighter.

E. Recommendations for Legislative Action

1. Bonding of dealers in sale of 3.2 beverages as a protection for the general public.
2. Legislation authorizing the Bureau of Criminal Apprehension to charge a fee for licensing of short wave radio transmitting and receiving sets.
3. A law requiring registration of felons, as recommended by the Minnesota Efficiency in Government Commission.
4. Legislation to undedicate the receipts of the State Athletic Commission. It was recommended that the Athletic Commission operate on a direct legislative appropriation from the General Revenue Fund.
5. Extension of the five per cent admissions tax on boxing events to closed-circuit telecasts of such contests as a means of raising additional revenue.
6. Increase in all regulatory permit fees issued by the Liquor Control Commissioner.

F. Other Significant Findings

1. There is no supervision or regulation of wrestling in Minnesota. Some members of the Task Force favored such regulation and also the extension of the admissions tax to these events with the proceeds apportioned to the municipalities in which they are held. The Task Force, however, made no recommendation on the point.
2. The Task Force made no recommendation concerning reorganization proposals that would integrate Liquor Control with a larger agency. It did favor placing the Bureau of Criminal Apprehension under the Attorney General and providing the position of Superintendent with civil service status.
3. The Athletic Commission employs a clerk steno on a fulltime basis. The workload is insufficient to occupy her full time, especially during the summer and early fall when there is practically no activity in boxing. There would be no need for this clerk steno if the Commission could call upon some other division for occasional stenographic help.

G. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: Roy T. Noonan, Superintendent, Bureau of Criminal Apprehension.

Employee: Orvel Johnson, Accountant, Office of the Liquor Control Commissioner; Charles Reiter, Investigator, Bureau of Criminal Apprehension.

Technician: Robert MacDonald, Personnel Officer, Department of Employment Security.

Legislator: Representative John Hartle, Owatonna.

H. Director's Evaluation

Because of their relatively small size, these three agencies were studied

under one task force grouping. This technique was used to assure complete coverage of all agencies within the time available and proved to have no serious disadvantages.

One of the comments of this Task Force is of special interest since it casts light on a common problem. The Task Force noted that the law refers to the liquor control agency as the Office of the Liquor Control Commissioner without designating it as either a department or a division of Minnesota state government.

Receipting procedures in the Office of the Liquor Control Commissioner violated many of the basic practices of good cash handling procedures at the time the survey was undertaken. The Department enlisted the aid of the Public Examiner in instituting a new cash handling system. The new procedure reduced the number of persons handling the cash, expedited depositing, and established control. While the new procedure did not eliminate any personnel, it accomplished faster service to the public and better cash protection.

The importance of employee participation is again apparent in the report of this Task Force. The changes in the composition of the Minimum Consumer Price List, which resulted in annual savings of printing costs of \$1,000, were the suggestion of one of the Department's employees.

TASK FORCE NO. 17

DEPARTMENT OF MILITARY AFFAIRS

A. Major Divisions of Task Force Assignment

1. Office of the Adjutant General.
2. National Guard.
3. Camp Ripley.
4. Armory Maintenance.

B. Summary of Task Force Proceedings

The Task Force held seven meetings at the Office of the Adjutant General in the State Capitol and flew to Camp Ripley to discuss problems and operations at the camp with officers and civilian personnel, both federal and state. Department activities are predicated upon the organization of the Army of the United States and the United States Air Force. Regulations relative to the operations of the Department are prescribed in one form or another primarily by the federal government.

C. Administrative Improvements Resulting from Self-Survey

1. The pattern of preventative maintenance employed by the Department of Military Affairs has, as a result of Self-Survey, been adopted by the Department of Conservation. This resulted in substantial savings and the elimination of many administrative problems. (See Director's Evaluation below.)
2. The employees became much more conscious of their work routines and procedures, which will increase their efficiency. For example, in reviewing the agency's operations, it was observed that the Department had been posting detailed expenditure information on two separate records kept in the same office. This duplication was eliminated.

D. Further Administrative Improvements Recommended

1. Elimination of duplicate state employee retirement records. The Department maintains detailed records of cumulative deductions from employees pay for retirement, which records are also maintained by the State Employees Retirement Association.
2. Machine preparation of the Department's payroll.

E. Recommendations for Legislative Action

1. Consolidation of the Department's eight separate appropriation accounts into two accounts, salaries and supplies and expense, thus saving considerable time and paper work.
2. Financing the state's portion of the cost of additions and alterations to state armories from the State Building Fund instead of the General Revenue Fund.
3. Adequate appropriation to enable the Department to furnish veterans a certificate of military service which is acceptable for all veterans purposes in

lieu of a Certificate of Discharge from the War Department. Due to lack of personnel, the Department has maintained no record of military service for veterans of World War II and the Korean War, with the result that it is unable to issue the certificates for World War II and Korean veterans as is now required by law.

F. Other Significant Findings

1. The Department of Military Affairs is experiencing difficulties in turn-over of employees, especially in clerical positions. Also, certain inequities in employees' pay exist because some are on the federal payroll and others are on the state payroll.

2. To save time and paperwork, the Task Force suggested that the Department of Administration consider allowing departments to submit a budget covering the first six months of the fiscal year and quarterly budgets for the last six months.

3. The Task Force concluded that transfer of the management of armory construction to the Department of Administration would not be advisable because the Department of Administration does not have sufficient personnel to provide adequate supervision.

4. The Department of Military Affairs expended approximately \$850,000 in fiscal 1955 in state funds and more than \$8,000,000 in federal funds.

G. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: Major General Joseph E. Nelson, Adjutant General.

Employee: Thomas J. Ryan, Sergeant, Department of Military Affairs.

Technician: Milton Johnson, Plant and Equipment Supervisor, Department of Conservation.

Legislator: Representative Carl M. Iverson, Ashby.

H. Director's Evaluation

At first glance, one might get the impression that not much could be accomplished by a study of a department such as Military Affairs, since its operations are so rigidly intertwined with regulations of the federal government. However, this study, like the others, produced significant results.

This Task Force provides us with an excellent example of the value of the Self-Survey in promoting interchange of ideas, practices, and procedures. Just prior to the beginning of Self-Survey, the technician on this Task Force had been assigned the responsibility of designing and installing a statewide preventive maintenance program for equipment within his own department, the Department of Conservation. His participation on the Task Force on Military Affairs enabled him to observe and investigate military procedures for preventive maintenance. As a result, he was able to install a successful similar program within his own department with a considerable savings of time and effort.

The Task Force recommended reduction of the number of appropriation accounts used to finance this Department, and the 1957-1959 biennial

budget proposals were submitted to the Legislature in accordance with this recommendation. The 1957 Legislature, however, made the appropriations on the old basis, although in recognition of the need to reduce the number of funds and accounts in the state's accounting structure, this problem was made the subject of a special study by the Legislative Research Committee.

TASK FORCE NO. 18 *NATURAL RESOURCES*

A. Major Divisions of Task Force Assignment

1. Iron Range Resources and Rehabilitation Commission.
2. Land Exchange Commission.
3. Surveyor General.
4. Soil Conservation Commission.

B. Summary of Task Force Proceedings

In eight meetings, including field trips to Hibbing and Grand Rapids, this Task Force surveyed the operations of agencies, other than the Department of Conservation, that deal with the state's natural resources. The Task Force met with the heads of the several agencies studied, the State Auditor, the Deputy Commissioner of Conservation, and several legislators and employees.

C. Administrative Improvements Resulting from Self-Survey

None. (See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

1. Use of standard appraisal form by all state agencies engaged in appraisal of land values.
2. Establishment of a formal training course for land appraisers in order to achieve uniformity in quality of appraisals.
3. Adoption by the state of a policy and practice of initiating land exchanges when they are beneficial to state interests.
4. Development of a catalogue of all state-owned lands giving location and planned utilization or disposition.
5. Consolidation into one agency of jurisdiction over all lands now managed by the various conservation agencies.
6. Establishment of fixed-day meetings for the Land Exchange Commission instead of meeting at the call of the Commission.

E. Recommendations for Legislative Action

Transfer of administrative operations now performed by the Land Exchange Commission to the Division of Forestry in the Department of Conservation, retaining the Commission for policy-making purposes only.

F. Other Significant Findings

1. The Task Force was divided over three proposals to transfer various functions in this area of state government: (a) The Soil Conservation Commission to the Department of Agriculture, (b) the forestry project of the Iron Range Resources and Rehabilitation Commission to the Division of Forestry, and (c) the Surveyor General to the Division of Forestry with a check-scale

established in the agency performing the state post-audits.

2. The programs of the Soil Conservation Commission and the Divisions of Waters and Game and Fish in the Department of Conservation appear to be in conflict.

G. Task Force Membership

Chairman: Carl Vorlander, Budget Examiner, Department of Administration.

Administrator: Kaarlo Otava, Commissioner, Iron Range Resources & Rehabilitation.

Employee: Howard Sabin, Engineer, Department of Highways.

Technician: Dorothy Farrell, Revenue Operations Supervisor, Division of Parks, Department of Conservation.

Legislator: Representative Lawrence Yetka, Cloquet.

H. Director's Evaluation

The agencies which this Task Force studied are among the smallest in Minnesota state government. The administrative staff of the largest of these agencies consists of only five people while the smallest has no administrative personnel of its own but operates through administrative attachment to a larger department. Under these circumstances, the area for improvement lay in consolidation of the functions performed by these small units into the duties of larger departments performing parallel services. This, of course, cannot be accomplished by administrative action alone, since such consolidation requires legislative action.

The Task Force found itself sharply divided on this question of combination of functions. Administrative members from each agency involved tended to favor continued independent status for their particular agency. This points up one of the continuing obstacles to overall governmental reorganizations; agencies tend to prefer remaining independent and to resist development of larger functional departments that will coordinate a number of related activities. In his 1955 and 1957 special messages on reorganization Governor Freeman proposed a number of consolidations that would have greatly reduced the number of independent agencies. The need for such reduction continues and will be proposed again to the 1959 session.

TASK FORCE NO. 19
DEPARTMENT OF PUBLIC EXAMINER

A. Major Divisions of Task Force Assignment

1. General Office.
2. Municipal Reporting.
3. Post Audits: County, Municipal and State.

B. Summary of Task Force Proceedings

This Task Force met five times in the office of the Public Examiner, and interviewed the Public Examiner, the office executive, and employee representatives.

C. Administrative Improvements Resulting from Self-Survey

Post-audit positions were reclassified to higher ranges commensurate with the responsibility these employees assume. This was a proposal that heretofore did not receive the consideration it merited.

D. Further Administrative Improvements Recommended

Investment records now handled by IBM Service Bureau can be handled by existing state machine installations.

E. Recommendations for Legislative Action

1. Establishment of a uniform system of accounting required by law for all political subdivisions.
2. Legislation enabling the Public Examiner to audit accounts involving public officers who are charged with the custody of private as well as public funds.
3. Provision that self-sustaining agencies not now included under the so-called attributable costs law reimburse the General Revenue Fund for the costs of the Public Examiner's audit.

F. Other Significant Findings

1. Lack of funds to hire needed personnel and pay travel expenses prevents audit of Soil Conservation, Drainage and Conservancy and Watershed Districts.
2. The three-year statute of limitations on criminal matters makes it important that audits be made at least once every three years, yet the limited staff makes that impossible.
3. Periodic (unscheduled) cash counts by either the Public Examiner, or someone within the individual department recommended by the Public Examiner, is recommended as a deterrent to anyone attempting to conceal theft.

G. Task Force Membership

Chairman: Mary E. Healy, Budget Examiner, Department of Administration.

Administrator: Robert A. Whitaker, Supervisor of Municipal Reporting, Department of Public Examiner.

Employee: William P. Wegscheider, Examiner, Department of Public Examiner.

Technician: Lowell W. Marsh, Director of Research, Department of Business Development.

Legislator: Representative Vladimir Shipka, Grand Rapids.

H. Director's Evaluation

This agency conducts post-audits of state agencies and political subdivisions. As a part of its duties, this Department recommends improvements in fiscal procedures and installs fiscal systems. It is not surprising, therefore, that this agency has generally good operating procedures of its own, as indicated by the Task Force report.

The Task Force's recommendation that post-audit costs of self-sustaining accounts be recovered resulted in remedial legislation by the 1957 Legislature.

This Task Force pointed out another of several instances where departments have been unable to fulfill their responsibilities because of lack of appropriation support. In this instance, increased appropriations by the 1957 Legislature made possible post-audits of Soil Conservation Districts, Drainage and Conservancy Districts, and Watersheds Districts which previously had not been covered.

TASK FORCE NO. 20
RAILROAD AND WAREHOUSE COMMISSION
MAIN OFFICE

A. Major Divisions of Task Force Assignment

1. Commission's Central Office.
2. Livestock Buyers.
3. Bus and Truck Division.
4. Engineering Division.
5. Rate Division.
6. Statistical Division.

B. Summary of Task Force Proceedings

There were fourteen scheduled meetings at the Railroad and Warehouse Commission offices in the State Office Building. All division and section heads appeared before the Task Force at least once, and some were interviewed several times. A number of other employees were also interviewed.

C. Administrative Improvements Resulting from Self-Survey

None. (See Director's Evaluation below.)

D. Further Administrative Improvements Recommended

None. (See Director's Evaluation below.)

E. Recommendations for Legislative Action

Adequate appropriations to enable the Railroad and Warehouse Commission to purchase state-owned cars for divisions and sections that now reimburse for private car use.

F. Other Significant Findings

1. Some of the Commission's activities are seasonal and therefore have peaks and valleys. The agency does not employ any seasonal help although full-time employees are moved between divisions during peak periods. Some members of the Task Force were of the opinion that there was over-staffing during the "valley" periods.

2. Analyses of work procedures apparently are not made. The Task Force believes the Commission should establish a work simplification program.

3. Although the Administrative Services Section is available to house-keeping functions for all divisions under the Railroad and Warehouse Commission, many accounting duties are performed in other sections of the agency. The Commission has not felt it feasible to accomplish centralized accounting.

G. Task Force Membership

Chairman: Leo B. Belford, Assistant State Budget Officer, Department of Administration.

Administrator: E. W. Lund, Commissioner, Railroad and Warehouse Commission.

Employee: James J. Moffit, Accountant, Railroad and Warehouse Commission.

Technician: Althea Lindholm, Accountant, Department of Agriculture.

Legislator: Representative Leonard E. Lindquist, Minneapolis.

H. Director's Evaluation

The activities of the Railroad and Warehouse Commission cover a wide range, including jurisdiction over public warehousing, weighing and inspection of all grain received at terminal warehouses, weighing of livestock at all terminal markets, testing of all public scales, regulating livestock buyers' activities other than at public stockyards, and establishing rates and charges of railroads, telephone companies, motor carriers and street railways.

In order to provide more complete coverage of these many activities, three task forces were assigned to this one agency.

The work of the three task forces was undertaken at the same time that the Department was under study by the Legislative Commission to Report on the Railroad and Warehouse Commission. The two studies underscored the need for administrative reorganization, but, in the case of the task forces, there was a tendency to withhold recommendations until the legislative commission had completed its study.

Also, the work of the Task Force was complicated by the elective status of the three Railroad and Warehouse Commissioners who were not inclined to support findings and recommendations that would lead to administrative reorganization.

The legislative commission did recommend basic reorganization of the Railroad and Warehouse Commission. The legislative group recommended establishment of a chief administrator to be appointed by the Governor, with consent of the Senate, with the Commission itself to be appointed by the Legislature. Governor Freeman accepted the legislative commission's recommendations, but they became involved in a controversy during the 1957 session with the result that Governor Freeman's entire reorganization program failed to pass.

The complications involved in the work of the Task Force on the main office resulted in very meager accomplishments, although it is clear from the findings that many administrative improvements can be made in this agency.

TASK FORCE NO. 21
RAILROAD AND WAREHOUSE COMMISSION
GRAIN INSPECTION DIVISION

A. Major Divisions of Task Force Assignment

1. Minneapolis Office.
2. Duluth Office.
3. River Shipping Points. Savage, Red Wing,

B. Summary of Task Force Proceedings

Sixteen meetings were held at the Commission offices, at the Grain Inspection offices in Minneapolis, and in Duluth. Field trips were made to Savage and to Duluth to observe grain weighing and coal operations. Fifty employees appeared at meetings or were interviewed. Representatives of the grain trade were interviewed and the Minneapolis Grain Exchange was visited.

C. Administrative Improvements Resulting from Self-Survey

The study revealed that the inspectors were handicapped by lack of equipment. As an example, grain dividers were shared by two or more inspectors. Inspectors were frequently waiting at a divider in order to finish examinations. The Task Force recommended and the Commission made provision for the purchase of additional dividers. This will result in a saving in overtime if not regular time on the inspection floor.

D. Further Administrative Improvements Recommended

1. Further study of coal weighing, which is carried on only at Duluth. There has been no demand on the part of the public or the trade for this service at other points, and it may be advisable to abolish the function in its entirety.
2. Study of the hay inspection service, which is almost entirely confined to the Twin Cities area and principally at the University Farm and the South St. Paul Stockyards. This function should be studied with a view to abolishing it.
3. Further consideration of the transfer of the Weighing Section (track and hopper scale testing) of the Grain Inspection to the Weights and Measures Division. This was previously recommended by earlier studies but is opposed by the Commission.
4. The Grain Division has a large number of forms and the Task Force believes many of them can be unified and simplified.

E. Recommendations for Legislative Action

1. Consideration by the Legislature of the abolition of Minneapolis Grain Appeals Board, which would save \$20,000 annually.
2. Provision of additional employees for inspections of barley, a function

which had been neglected through the years.

3. A new financing arrangement for the Grain Inspection Division. At present it is financed by a General Revenue Fund appropriation. Fees charged for inspections are paid directly to General Revenue and are based upon actual cost. However, it is extremely difficult to determine in advance the financial requirements of the Division because its workload is contingent upon the volume of grain shipments. This function could be financed either by (1) dedicated receipts, (2) an "open-end" appropriation controlled by the Governor with the advice of the Legislative Advisory Committee, or (3) a contingent fund allocated by the Governor with the advice of the LAC.

4. A new lighting system for the inspection floor of the Minneapolis office.

F. Other Significant Findings

1. Consideration should be given to housing the Grain Inspection Division in the event a state office building is constructed in Minneapolis or midway.

2. The Grain Inspection Division has an in-service training program for grain inspectors which is operating effectively.

G. Task Force Membership

Chairman: Leo B. Belford, Assistant Budget Officer, Department of Administration.

Administrator: Paul A. Rasmussen, Commissioner, Railroad and Warehouse Commission.

Employees: Sam Hunegs, Grain Inspector, Grain Inspection Division, (Minneapolis); Mikal Kartvedt, Weigher, Grain Inspection Division (Duluth).

Technician: Chester G. Chapado, Welfare Administrative Supervisor, Department of Public Welfare.

Legislator: Representative Joseph E. Karth, St. Paul.

H. Director's Evaluation

This is the second of the three task forces which covered the operations of the Railroad and Warehouse Commission. (See Director's Evaluation for Task Force No. 20.) Here again the effect of the legislative commission's activities are evident, since the administrative and legislative members of the Task Force gave first priority to the legislative commission's study.

Two points covered by this Task Force, the lack of need for the coal operation at Duluth and abolition of the Grain Appeals Board, were also considered by the legislative commission. The 1957 legislative session ordered termination of the Duluth coal weighing operation by December 31, 1958, but no action was taken on abolishment of the Grain Appeals Board.

The Task Force gave special attention to the matter of extensive overtime payments to the grain inspectors. It was found that extremely poor lighting conditions made effective work difficult and that inspectors were not provided with enough equipment. Overtime payments remain a problem, but the other matters have been corrected through administrative action.

TASK FORCE NO. 22
RAILROAD AND WAREHOUSE COMMISSION
WEIGHTS AND MEASURES
AND LIVESTOCK WEIGHING

A. Major Divisions of Task Force Assignment

1. Weights and Measures Division.
2. Livestock Weighing Division.

B. Summary of Task Force Proceedings

This Task Force held fifteen meetings, nine of which were with Weights and Measures and six with Livestock Weighing. It met at various times in the Commission's offices in the State Office Building, the Weights and Measures Division offices in Minneapolis and the Livestock Weighing Division offices in South St. Paul. Field trips were made to the stockyards and to highway scale stations. Division heads attended most meetings and took an active part in the study. Thirty employees were interviewed.

C. Administrative Improvements Resulting from Self-Survey

1. Equipment used by the Weights and Measures Division, in particular trucks engaged in the movement of weights, was old and inadequate. As a result of Self-Survey, an appropriation was granted by the 1957 session for substantial replacement.

2. The quarters occupied by the Livestock Weighing Division adjacent to the stockyards was greatly improved with the introduction of air-conditioning.

3. A new type of livestock weighing tickets was adapted for use by weighers at the stockyards. The old type involved the use of several carbons which caused much smearing of the records. The new type eliminates use of carbon and provides a more legible and neater copy.

D. Further Administrative Improvements Recommended

Increased use of existing supervisory personnel for spot-checking of retail package merchandise (groceries and meat markets) and of gasoline stations. The Task Force was of the opinion that, because the Division of Weights and Measures has insufficient funds for annual inspections, compliance would be greatly increased by a more active spot-checking program.

E. Recommendations for Legislative Action

Adequate financing of the Weights and Measures Division to enable it to make all inspections required by law. The Task Force recommended that mandatory inspections be required less frequently than once a year, as presently required, and that the function be made entirely self-supporting.

F. Other Significant Findings

None.

G. Task Force Membership

Chairman: Leo B. Belford, Assistant State Budget Officer, Department of Administration.

Administrator: Hjalmar Petersen, Commissioner, Railroad and Warehouse Commission.

Employees: George Fazendin, Supervisor, Division of Weights and Measures, and O. W. Warnlof, Supervisor, Division of Livestock Weighing.

Technician: Charles B. Schubert, Executive, Livestock Sanitary Board.

Legislator: Senator Thomas D. Vukelich, Gilbert.

H. Director's Evaluation

This is the third of the three task forces which covered the operations of the Railroad and Warehouse Commission. (See Director's Evaluation for Task Force No. 20.) This Task Force reported that the two divisions it studied were operating under well-established and efficient patterns of good management. This general finding appears confirmed by the Legislative Commission to Report on the Railroad and Warehouse Commission which made no recommendation for change in either division.

The Livestock Weighing Division operates under a state-federal cooperative agreement pursuant to the Federal Packers and Stock Yards Act. Changes of operation or fees for this Division are cleared with the federal government, which affords some opportunity for periodic review of procedures.

The Weights and Measures Division, though well managed, has been unable to complete all inspections required by law because of inadequate appropriation support. Increased appropriations by the 1957 session relieved this situation to some extent.

TASK FORCE NO. 23 *RETIREMENT ASSOCIATIONS*

A. Major Divisions of Task Force Assignment

1. State Employees Retirement Association.
2. Teachers Retirement Association.
3. Highway Patrolmens Retirement Association.
4. Game Wardens Retirement Association.

B. Summary of Task Force Proceedings

This Task Force held a total of twelve meetings, including sessions in the offices of each of the agencies except the Game Wardens Retirement Association covered.

C. Administrative Improvements Resulting from Self-Survey

1. One of the greatest difficulties in keeping members' accounts has been the similarity of employee names, which results in erroneous posting of members' deductions. To correct this situation and to prevent setting up new accounts for old employees returning to state service, the employees' social security numbers have been adopted as a means of identification and control. This procedure will materially increase the efficiency of the State Employees Retirement Association in keeping members accounts and in filing membership records.

2. The Teachers Retirement Association paid its annuitants on a quarterly basis. This procedure required a considerable portion of the time of a clerk steno in the preparation and typing of approximately 1,200 annuity warrants and abstracts each quarter. Annuity abstracts and warrants are now prepared on tabulating machine equipment of the State Employees Retirement Association at a considerable savings in employee time. This procedure will also permit the payment of annuities on a monthly basis without increasing the cost to any great extent should the decision be made to pay annuities monthly as is done in most other retirement systems.

3. The Teachers Retirement Association had followed the practice of mailing out a return self-addressed postcard with each refund check, which postcard the recipient of the refund was expected to sign and return. The purpose of this postcard was mostly to acknowledge receipt. The Task Force found that the cancelled warrant served this purpose equally well. The practice has, therefore, been discontinued with resultant savings of clerical time and cost of postcards.

4. Practically every employee of the State Employees Retirement Association was critical of the working conditions, especially the heat, ventilation and light, in their offices. This agency was located on the sixth floor of the State Office Building, where much of the space was originally planned for storage only. During the Task Force study, arrangements were made with the Department of Administration to move the State Employees Retirement Association offices to the second floor of the State Office Building. This resulted in

greatly improving the working conditions and favorably affected employee morale.

D. Further Administrative Improvements Recommended

1. State Employees Retirement Association:
 - a. Machine processing of individual investment listings and interest calculations.
 - b. Mechanical stuffing, sealing and mailing of annuity payments and refunds, presently being done manually.
 - c. Reappraisal of the Association's practice of including self-addressed postcards with the annuity checks to annuitants which must be signed and returned before subsequent payments are made. This is being done to verify the proper handling of checks by annuitants and prevent fraud. The number of checks mailed monthly has increased greatly since 1932, when this practice was started, and now numbers in the thousands.
2. Teachers Retirement Association:
 - a. Streamlining and modernizing of the Teachers Retirement organization because it appears to lack distinct lines of authority and responsibility.
 - b. Item c above regarding self-addressed postcards also applies to the Teachers Retirement Association.

E. Recommendations for Legislative Action

1. Removal of the \$200 monthly maximum limitation on annuities for members of the State Employees Retirement Association. Under SERA, the early retirement at age fifty-eight after thirty-five years service with a \$200 maximum annuity tends to invite state employees to retire early. A person who reaches his maximum annuity at an early age continues to pay toward retirement with no additional annuity credits. This feature actually cost the system more money by increasing the number of annuitants. It also encourages people to leave state service while they still have productive years.
2. Elimination of the duplication in the maintenance of investment records. They are at present kept in five different departments, State Auditor, State Treasurer, State Board of Investment, Public Examiner, and the Retirement Associations.
3. Revision of membership in the Board of Trustees of the Teachers Retirement Fund to provide a majority of participating members of the Association. At present the Board is composed of three ex-officio members and two elected from the membership of the Association. Also, the law provides for election of the two elected Board members at the time and place of the annual meeting. This procedure is not representative since the organization has members located throughout the state. An election by mail ballot would assure greater participation and be more representative.

F. Other Significant Findings

Under present law, state employees pay into the State Employees Retirement Fund six per cent of salary up to a maximum of \$4800 per calendar year. State departments paying salaries from a source other than appropria-

tion from the General Revenue Fund are required by law to pay to the retirement fund an amount equal to sixty per cent of the amount deducted from the salaries of employees. For departments paying salaries from the General Revenue Fund, the state contribution comes from a .6 mill tax levy on all non-homestead real and personal property. In the past, this .6 mill tax levy has not produced a sum equal to sixty per cent of the sums deducted from the salaries of employees paid from the General Revenue Fund, and the federal government is questioning the state's right or authority to require the full sixty per cent contribution from departments which pay salaries from federal funds.

G. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: Ona A. Crume, Secretary, State Employees Retirement Association.

Employees: Harold Murck, Accountant, Teachers Retirement Association; Josephine Stackley, Key punch Operator, State Employees Retirement Association.

Technician: Edward Stonich, Assistant Manager, St. Paul Local Office, Department of Employment Security.

Legislator: Senator Elmer Peterson, Hibbing.

H. Director's Evaluation

The findings of this Task Force contributed substantially to many changes and improvements in both the retirement laws and the operations of the retirement associations.

Among changes recommended by the Task Force in the various state retirement laws, the following were adopted by the 1957 session:

1. Removal of the maximum limit of \$200 per month on retirement annuities in cases which the standard formula resulted in a higher annuity.

2. Discouragement of early retirement by providing that annuities for persons retiring prior to age sixty-five shall be the actuarial equivalent of the annuity payable at sixty-five. Under the law in effect at the time the Self-Survey the reduction in annuity for early retirement was considerable less than under the actuarial equivalent method of calculation.

3. Provision of an opportunity for employees to vote on the question of coordinating their retirement system with federal Social Security. (As a result of these elections held on October 15, 1957, the state employees' retirement system is now coordinated with Social Security. Members of the teachers' retirement system, with exception of the five state colleges, voted down a similar proposal.)

4. Provisions for employer contributions to match employee retirement deductions on a current basis. Failure of the state to match employee deductions on an equal basis in the past resulted in a sizable unfunded liability.

The Task Force recommended that mechanical equipment be utilized for keeping investment records and performing interest calculations. Despite the fact that the investment portfolios of the State Employees and Teachers Retirement Associations now exceed sixty million dollars and are rapidly

growing, the investment records and interest calculations are still processed on a manual basis. The retirement associations are actively investigating the field of mechanical processing, however, with a view toward adopting the Task Force recommendation. As noted above, the Teachers Retirement Association has already moved to mechanical preparation of its annuity abstracts and warrants.

The Task Force found a large backlog of uncompleted work in the State Employees Retirement Association and requested the Association to prepare a plan of organization which would be adequate to accomplish the purposes of the agency on a current basis. This plan was reviewed by the Task Force, the Association's Directors, and the Department of Administration before it was put into effect. The resulting organization did materially aid in alleviating the problems of the agency, but the press of additional work resulting from new retirement legislation has complicated the backlog situation. As a follow-through on this Task Force activity, the Research and Planning Division of the Department of Administration is now engaged in a more intensive study of the organization and procedures of the Association.

TASK FORCE NO. 24
SECRETARY OF STATE'S OFFICE

A. Major Divisions of Task Force Assignment

1. Corporation Division.
2. Motor Vehicle Division.

B. Summary of Task Force Proceedings

This Task Force held seventeen meetings, including a tour of the agency's offices in the State Capitol Building. A representative of a cash register company appeared before the Task Force to discuss receipts handling procedures.

C. Administrative Improvements Resulting from Self-Survey

1. The Task Force explored the possibility of processing motor vehicle registration on business machine equipment and of expediting receipts handling through a cash register system. The agency has conducted further study on both of these proposals and received appropriations to install these two systems.

2. The Motor Vehicle Division's biennial report to the Legislature had previously cost approximately \$4,500 due in great part to the large amount of time and effort expended on statistical tabulations of registration by counties. In the future these statistics will be prepared on an estimated basis, thereby cutting the estimated cost to \$500, a biennial savings of \$4,000.

3. The agency has improved its procedures for granting merit increases with the use of a rating form to measure merit more accurately.

D. Further Administrative Improvements Recommended

1. An accelerated records disposal program in the Corporation Division that could release seventy-five square feet of floor space now taken up by dead files.

2. Completion of the new organizational plan as it affects the proposed Fiscal Services Section in the Motor Vehicle Division.

E. Recommendations for Legislative Action

1. Authority for the Secretary of State either to charge for information from motor vehicle records now given free to the public or to limit the dissemination of such information. This would free a considerable amount of clerical time for other departmental duties.

2. Adoption of a program designed to even out the seasonal load of motor vehicle registration for which the Task Force made the following suggestions:

- a. A staggered registration through the twelve months of the year.
- b. Different periods for registration of different types of vehicles.
- c. Making the appropriation for the first year of the biennium available for encumbrance early in the legislative session and allowing the Reformatory to begin production without waiting for formal bid procedures. This

would greatly reduce the license plate production problem and the supply of plates would be much more even.

d. Handling the entire registration through Deputy Registrars, eliminating the counter and mail operations. The Division now handles over 150,000 applications over the counter and from 350,000 to 400,000 applications by mail. The peak load would then be restricted to the processing of the applications received through the Deputy Registrars. The effect of such a system would be to pass on to that part of the public not now using the Deputy Registrar services a portion of the cost of processing the applications through the Deputy Registrar fee. This system would also result in the reduction of plate mailing and handling costs.

F. Other Significant Findings

1. There is duplication in the handling of old land records between the Corporation Division and the Division of Lands and Minerals of the Department of Conservation.

2. The Department has a high turnover history in the classifications of clerk-stenographer and clerk-typist. Lack of career opportunity is cited as the major reason for this turnover.

3. The Corporation Division feels a strong need for a Director of Elections to properly carry on the election activity.

4. The enactment of a title law for motor vehicles would substantially increase the total work load of the Motor Vehicle Division but would yield large revenue.

G. Task Force Membership

Chairman: Donald G. Zahn, Budget Examiner, Department of Administration.

Administrators: (Corporation) George Wangenstein, Assistant Secretary of State; (Motor Vehicle) Wilmur E. Howes, Assistant Motor Vehicle Registrar.

Employees: (Corporation) Arnold Anderson, Clerk, Secretary of State's Office; (Motor Vehicle) Donald Lee, Law Enforcement Inspector, Secretary of State's Office.

Technician: Daniel Marell, Administrative Analyst, Highway Department.

Legislator: Representative Clifton Parks, Saint Paul.

H. Director's Evaluation

The Motor Vehicle Division of the Secretary of State's Office is a major example of the movement toward mechanization stimulated by Self-Survey. Conversion of motor vehicle registration to punchcard processing is now under way and is expected to produce annual savings of over \$100,000. In the preparation of registration cards one machine alone will have daily production equivalent to that of sixteen typists. More prompt service to the public will result with the processing of approximately 55,000 renewals daily as compared to 16,000 to 18,000 currently.

The installation of new machines provides better cash control, expedites daily reconciliations, simplifies internal and post audit, and accumulates current statistical information on different types of registrations. Long lines of taxpayers waiting to pay their tax have been greatly reduced by the faster service resulting from this installation.

The 1957 Legislature recognized the need for a Director of Elections in the Corporation Division by providing appropriation for that position. This action will not only give much needed specialized attention to our election processes but will greatly improve the Division's ability to serve the public. Due to the small staff in this office, regular work had become backlogged during election periods.

TASK FORCE NO. 25 *SOLDIERS' HOME BOARD*

A. Major Divisions of Task Force Assignment

1. Soldiers' Relief Office.
2. Soldiers' Home.

B. Summary of Task Force Proceedings

This Task Force held eight meetings. The dietitian supervisor of the Department of Welfare reviewed all food preparation and serving operations for the Task Force. Task Force members visited the Hastings State Hospital for the purpose of viewing a centralized food service operation.

C. Administrative Improvements Resulting from Self-Survey

1. Menu planning was improved and the nutritional needs of the residents were placed on a balanced menu basis.
2. Food handling and supply storage procedures were improved.
3. Close scheduling of personnel resulted in a marked decrease in end-of-the-year overtime payments.

D. Further Administrative Improvements Recommended

1. Establishment of a single food preparation area with discontinuance of the kitchen in the women's division.
2. Assumption of the extensive Soldiers' Home road system maintenance by either the State Highway Department or the City of Minneapolis.
3. Arrangement for public transportation available at employee work shift changes.
4. Utilization of existing facilities of other state departments for payroll and payment abstracting.
5. Establishment of liaison between employees of the Soldiers' Home with similar employees at other state institutions for training and operational purposes.
6. Relocation of all offices in a central building to achieve better coordination of functions.

E. Recommendations for Legislative Action

1. Coordinate services rendered veterans through the Soldiers' Home Board and the Department of Veterans' Affairs.
2. Increase accommodations at the Soldiers' Home through partial financing available through the federal Veterans' Bureau.

F. Other Significant Findings

1. The quantity of repair work needed on Soldiers' Home buildings cannot be accomplished by the limited trades employees available. A floating re-

pair crew from a state central agency would be invaluable in bringing the physical plant back to a state of repair.

2. The Soldiers' Home Board administers the Soldiers Relief Fund, which is financed through dedication of an annual one-tenth mill on each dollar of assessed valuation of taxable property. The receipts from this source have, in recent years, been consistently in excess of expenditures needed for this purpose.

G. Task Force Membership

Chairman: Conrad W. Peterson, Budget Examiner, Department of Administration.

Administrator: Richard Soderling, Commandant, Soldiers' Home.

Employee: Chester Nelson, Carpenter Foreman, Soldiers' Home.

Technician: Herbert Gardner, Personnel Officer, Department of Public Welfare.

Legislator: Representative Harold J. Anderson, Minneapolis.

H. Director's Evaluation

Since its establishment in 1887 the Minnesota Soldiers' Home has been operated as a separate and independent agency of the state government under direction of the Soldiers' Home Board. The Board not only administers the Home but also the Soldiers' Relief Fund which is financed by a .1 mill levy on all taxable property in the state.

Many findings of the Task Force relate to efforts to bring the Soldiers' Home Board into closer working relationship with other welfare and relief agencies of the state government. Reorganization proposals aimed at integrating this institution with the Department of Veterans Affairs have met with resistance on the part of veterans organizations who are eager that the Soldiers' Home not be identified with "welfare" or relief connotations.

In further review of the operations of this institution, attention should be directed at two primary factors: (1) the continuance of the one-tenth of a mill dedicated levy, which in recent years has been yielding more than is necessary for the relief function it is intended to finance and (2) the administrative advantages and economies that can be achieved by consolidating this agency with other welfare operations.

TASK FORCE NO. 26

DEPARTMENT OF TAXATION

A. Major Divisions of Task Force Assignment

1. Administrative.
2. Inheritance and Gift.
3. Tobacco Products.
4. Income Tax.
5. Petroleum.

B. Summary of Task Force Proceedings

This Task Force met ten times with representatives of the various divisions, the Commissioner, his deputy and his administrative assistant. Meetings were held in the Petroleum Division and in the administrative offices of the Department. One session included a tour of the Department's offices. Three employee representatives on the Task Force interviewed departmental employees to receive comments and suggestions which were relayed to the Task Force.

C. Administrative Improvements Resulting from Self-Survey

1. Realignment of oil inspection districts in the Petroleum Division eliminating a position at approximate savings of \$3,500-\$4,000 per year.
2. Placing department payrolls on tabular equipment.

D. Further Administrative Improvements Recommended

1. License Section of Petroleum Division to be absorbed within the Division when present supervisor retires.
2. Elimination of fund designation (by 16 funds) for income tax deposits.
3. Greater use of machines to take the place of seasonal help in "sight" adding of income tax statements.

E. Recommendations for Legislative Action

1. Centralizing of tax collections in this Department (i.e. mortgage registration from State Auditor's office; liquor stamp from Treasurer's office).
2. Repeal of Minnesota Statutes 1953, Chapter 293, which has been declared unconstitutional.
3. Confidential material such as Employment Security records should be available upon request to the Commissioner of Taxation for specific information but not as a routine practice.

F. Other Significant Findings

1. It was also noted that duplication of IBM equipment and an Administrative Services Section in the Petroleum Division will be eliminated when

this Division is housed with the other Taxation divisions.

2. Accountants are assigned to the opening of mail during income tax rush periods because low salaried people are careless in handling this simple routine.

3. Employees representatives felt fieldmen were not kept advised of civil service opportunities and other information available to employees working in the state office.

4. Job counseling of Employment Service (Employment Security) should be utilized by state agencies and employees.

G. Task Force Membership

Chairman: Mary E. Healy, Budget Examiner, Department of Administration.

Administrator: P. S. Jokull, Administrative Services Supervisor, Department of Taxation.

Employees: Carl F. Gislason, Oil Tax Examiner; Victor R. Bates, Auditor, Income Tax Division; Charles E. Olson, Attorney, Inheritance and Gift Tax Division.

Technician: R. F. Stebbing, Director of Finance, Department of Highways.

Legislator: Senator Donald Fraser, Minneapolis.

H. Director's Evaluation

The Task Force found the Department of Taxation generally well-organized in its divisional structure but recommended some further improvements within the divisional units. Subsequent reorganization has placed the cashiering and mailing units and a newly established central accounting unit under the direction of the Administrative Services Supervisor.

The Department of Taxation is one of the several agencies most affected by the growth in state population and economic activity. Because of its relatively large size, adequate housing in one central location has been difficult to achieve. In 1955, all divisions except Petroleum were brought together in one leased building in downtown St. Paul. While this represented an improvement, the Department is still handicapped by having its operations dispersed over thirteen floors, each with relatively small area. The new Centennial Office Building, now under construction, will provide modern, functional, and adequate space for all of the agency's functions.

The Task Force recommended the transfer to the Department of Taxation of two functions: (1) liquor collections from the State Treasurer's Office and (2) mortgage registration tax collection from the State Auditor's Office. The former was part of Governor Freeman's 1957 reorganization proposal which failed to pass in the legislative session, but the latter, submitted as a separate measure, was adopted.

The Department by administrative action solved many problems involved in distribution of income tax deposits to the various funds with establishment of a deposit clearance account. (See D2 above.) The new procedure eliminates duplication of records between the cashier and accounting units, provides quicker deposit of funds, and eliminates a large number of adjustment documents.

TASK FORCE NO. 27

STATE TEACHERS COLLEGES

A. Major Divisions of Task Force Assignment

1. State Teachers College Board.
2. Bemidji State Teachers College.
3. Mankato State Teachers College.
4. Moorhead State Teachers College.
5. St. Cloud State Teachers College.
6. Winona State Teachers College.

B. Summary of Task Force Proceedings

The full Task Force or its various sub-committees held fourteen meetings. The full Task Force visited each college once during the study and a subcommittee also visited each college once. Representatives of the faculty, classified staff, and student body either participated in Task Force meetings or were interviewed informally by Task Force members. The Task Force also attended one meeting of the State Teachers College Board and sat jointly with the Legislative Interim Commission on State Building Needs during one college visit.

C. Administrative Improvements Resulting from Self-Survey

With the mounting enrollments, the colleges are moving toward mechanization. Copy machines for transcripts of records, cash registers for receipts handling, and key sort systems for registration are examples of recent teachers colleges improvements along this line.

D. Further Administrative Improvements Recommended

1. Careful further study of the advantages of shifting from the quarter to the semester system. This change would eliminate one cycle of registration, recording, and examination each year.

2. Further mechanization of record-keeping. Machine applications to registration, admissions, placement, testing programs and other records would save many man-hours now required to maintain records and provide necessary statistics.

3. Assumption by the State Teachers College Board of stronger leadership and direction. The Task Force noted that there are five separate programs of teacher training rather than one and that there is a general lack of coordination in curriculum and budget planning. (See Director's Evaluation below.)

E. Recommendations for Legislative Action

1. Full exploration and study by the Legislature of the place of the Teachers Colleges in the state's system of higher education. The Task Force stressed the need to clarify the relationship among the Teachers Colleges

(especially as they move toward a status of "state colleges"), the State Board of Education, the junior college system, and the University of Minnesota.

2. Consideration of monthly instead of semi-monthly payrolls. The Task Force noted a suggestion from some colleges that considerable clerical time could be saved by this shift.

F. Other Significant Findings

Various studies reflect the State Teachers Colleges' strong resistance to central control. Almost all accrediting agency studies comment disapprovingly on state laws and regulations based on information supplied to the accrediting agencies by the colleges. This situation reflects a basic resentment by the whole field of education to control from any source, which is a problem requiring much further study.

G. Task Force Membership

Chairman: Donald G. Zahn, Budget Examiner, Department of Administration.

Administrator: Wilbur W. Holes, President, State Teachers College Board.

Employee: A. O. Whiteside, Accounting Supervisor, State Teachers College Board.

Technician: Edward E. Slettom, Deputy Commissioner, Department of Agriculture.

Legislator: Representative Peter Popovich, Saint Paul.

H. Director's Evaluation

Since the Self-Survey study, the five State Teachers Colleges have been redesignated as State Colleges by legislative action.

The Task Force report stressed the need for improved coordination in the entire field of higher education in the state. These problems have been the subject of more concentrated attention by other study groups, such as the Governor's Commission on Higher Education (Gale Commission) which released its report "Minnesota's Stake in the Future" in December, 1956, and the Legislative Commission on Higher Education, which was created by the 1957 session.

Increasing enrollments, need for qualified staff, and need for expanded physical plant are major problems confronting all institutions of higher education. These are reflected in the Task Force report.

Efforts to reorganize and strengthen the administration of higher education is complicated by the different types of authority vested in governing boards. The University has a wide measure of autonomy because its independence is established in the State Constitution. The colleges, on the other hand, are created by statute and are subject to statutory controls. As a result the State Colleges are subject to central administrative controls and its governing board has not had the same type of autonomy as does the Board of Regents. The Task Force recognized the need for strengthened leadership for the State Colleges and a revision in its board structure.

While it is generally agreed that the present form of State College Board should be modified, there is widespread disagreement over the direction such change should take. Governor Freeman has proposed that the State Colleges be integrated with the University and administrative authority over both the colleges and the University be consolidated in the Board of Regents. Others have urged that the State Colleges be given, under statute, the same independence and autonomy that the University now has under the constitution. This would mean removing the colleges from such central administrative controls as civil service, pre-audit by the State Auditor, budget allotment and control by the Department of Administration, central purchasing, and central architectural and engineering services. Still others have urged a retention of the present arrangement but with a new basis for selection of board members in order to minimize influence of local pressures and to achieve greater statewide leadership.

The Legislative Commission on Higher Education will report its recommendations concerning this basic problem to the 1959 session.

The 1957 session recognized the serious problems confronting the State Colleges by taking strong action to improve their general financial position. They increased the State Colleges' operating appropriations by fifty-three per cent over the previous biennium and provided building appropriations of almost twelve million dollars.

TASK FORCE NO. 28

DEPARTMENT OF VETERANS AFFAIRS

A. Major Divisions of Task Force Assignment

1. Relief Division.
2. Pension and Claims Division.

B. Summary of Task Force Proceedings

This Task Force held nine meetings in the office of the Commissioner of Veterans Affairs. The Department has an authorized complement of 51½ positions and offices in Duluth, Moorhead, Minneapolis and Fort Snelling in addition to its office in the Veterans Service Building.

C. Administrative Improvements Resulting from Self-Survey

1. The 1955 Legislature reduced the Department's personnel complement from 55½ to 51½ employees, without noticeably reducing services. After the Task Force survey was undertaken, there was an additional reduction of one veterans assistance officer made in the Duluth branch office.

2. A systematic examination and purge of obsolete relief case files was undertaken during the Task Force study. After clearance from the State Archives Commission, 125 cubic feet of dead files were eliminated. This will enable the Department to operate for a number of years without purchasing any additional file cases.

3. The account clerk was devoting a portion of her time to preparing individual travel vouchers from employee daily reports. The Task Force suggested that each employee prepare his own travel voucher and the account clerk audit for accuracy. This has had satisfactory results.

C. Further Administrative Improvements Recommended

1. Microfilming of World War II soldiers bonus records, now stored in approximately 130 five-drawer file cabinets, and which are referred to infrequently. Microfilming of these records will make available a considerable amount of storage space and a large number of five-drawer file cabinets which are in excellent condition.

2. Microfilming of World War I and Spanish-American War bonus records, now filed in several hundred file cases.

3. Closing of the Minneapolis branch office. A county veterans service officer is available who is equipped and capable of handling the veterans' problems which might arise in this locality. One executive II is able to perform all the required functions and duties of this office. This employee's time could be utilized to a much greater extent if he were working in the main office.

4. Reclassification of the position of welfare executive II, which is over-classified. Activity for which this position is responsible has been greatly reduced.

5. Internal department reorganization to enable the department head

to devote more time to major administrative policy and less time to detail and employee supervision.

D. Recommendations for Legislative Action

1. Consolidation of the relief programs now separately administered by the Department of Veterans Affairs and the Soldiers' Home Board. The Task Force also believes consolidation of all activities performed by the Department of Veterans Affairs, the Soldiers' Home Board and the Soldiers' Home into one department warrants consideration.

2. Legislation permitting the appropriation for Disabled Veterans Relief to be carried over into the second year of the biennium, providing greater flexibility in meeting contingencies.

E. Other Significant Findings

1. Barring international conflict, the Department's operations and personnel requirements will be fairly stable for the next decade.

2. Passage of a Korean War bonus would be a function probably administered by this Department. Increased personnel would be required temporarily.

F. Task Force Membership

Chairman: Harry Groschel, Budget Examiner, Department of Administration.

Administrator: William Revier, Commissioner, Department of Veterans Affairs.

Employee: Trygve Lode, Accountant, Department of Veterans Affairs.

Technician: James Alexander, Accountant, Department of Aeronautics.

Legislator: Representative Sheldon Beanblossom, Saint Paul.

H. Director's Evaluation

Since staff members of the Legislative Research Committee were also conducting a study of the Department of Veterans Affairs at the time of the Self-Survey, the Task Force did not concern itself with the smaller details of daily operations of this Department. The Legislative Research Committee did not publish a formal report, but a copy of its findings was made available to the Task Force, and the two studies cover the agency comprehensively.

Microfilming of soldiers bonus records, as recommended by the Task Force, is currently being accomplished through the Central Microfilming Unit of the Department of Administration. Microfilming of these records will not only release approximately 135 file cases for other use, but will make a large storage room available for other needs.

The Task Force recommended internal reorganization that will relieve the Commissioner of Veterans Affairs from detailed supervision. The Department recently completed such a reorganization, mainly by reducing from eight to four the number of units engaged in administering benefits.

TASK FORCE NO. 29
DEPARTMENT OF PUBLIC WELFARE
CENTRAL OFFICE

A. Major Divisions of Task Force Assignment

1. Division of Corrections.
2. Division of Child Welfare.
3. Division of Public Assistance.
4. Division of Medical Services.
5. Division of Administrative Services.
6. Division of Field Services.
7. State Sanatorium.

B. Summary of Task Force Proceedings

This Task Force held a total of fifteen meetings. Each division director appeared before the Task Force and explained the specific operation of his unit. Employees were then contacted relative to their operational observations. A special trip was made to the State Sanatorium at Walker for a review of the institutional practices and problems.

C. Administrative Improvements Resulting From Self-Survey

1. Approval of new forms and reprinting of existing forms for all divisions was centered in one individual. This decreased the number of forms used and eliminated duplication between operating divisions.

2. Institutional payrolls have been processed by the central office and a gradual schedule of absorbing current expense accounting by the central office was planned.

3. Intensive recruiting by the personnel unit was inaugurated and employee turnover and unfilled positions were materially reduced.

4. Clearer delineation between the central office and the institutions as to line and staff relationships was established.

5. Administrative encouragement increased the number of acceptable improvement suggestions submitted by employees through the employees suggestion system.

6. Vacated bed space made available at the State Sanatorium through the reduction of tuberculosis incidence was utilized for the mentally ill.

7. Greater use has been made in budget planning of statistical data available from the Research and Statistics Section.

D. Further Administrative Improvements Recommended

1. Continuation of review of existing reporting forms and elimination and combining of such forms where possible.

2. Further study of office space arrangements and building improvements for the Department of Public Welfare in order to achieve optimum efficiency. The Department is housed in a building not designed for office purposes.

3. Review and current revision of the "Institutional Policy Manual."

E. Recommendations for Legislative Action

1. Transfer of licensing and inspection of county nursing homes to the Department of Health, which is now responsible for licensing of private nursing homes.

2. Transfer of inspection of jail and lockup functions to the Bureau of Criminal Apprehension.

3. Consolidation and reassignment of the functions now performed by the Youth Conservation Commission, the Board of Parole, and the Department of Public Welfare.

F. Other Significant Findings

1. The Task Force found that the Youth Conservation Commission and the Department of Public Welfare and its agents, the County Welfare Boards, both perform the following functions related to children and their parents:

- a. Assistance to courts on child studies.
- b. Foster home finding.
- c. Placement of children for foster care.
- d. Casework to children and parents on relationships, emotional and security problems.
- e. Community planning consultation.

Continuance of the operational functions in these same areas by two state agencies is questionable, and a unified program centering responsibility in a single agency warrants consideration.

2. The state now performs vocational rehabilitation services through split operations between the Department of Public Welfare and the Department of Education. Consideration should be given to integration of all vocational rehabilitation services under one department.

G. Task Force Membership

Chairman: Conrad W. Peterson, Budget Examiner, Department of Administration.

Administrator: Ray Lappegaard, Deputy Commissioner, Department of Public Welfare.

Employee: Rolf Stageberg, Vocational Training Supervisor, Department of Public Welfare.

Technician: Edwin Lane, Assistant Director, Department of Civil Service.

Legislator: Representative Howard Ottinger, Chaska.

H. Director's Evaluation

In terms of total number of employees, the Department of Public Welfare is the largest agency in the state government. Its operations cover mental hospitals, children's institutions, penal institutions, management of numerous public assistance programs and supervision of all welfare and relief activities administered by the eighty-seven counties.

Because of the many activities covering so wide a range of welfare serv-

ices, the Department faces an unusually difficult set of administrative problems. Its institutions are located in all parts of the state and lines of communication must be maintained with eighty-seven county offices. The Department is also involved continuously in relations with the federal government in administering various aid programs.

The present organization of the Department dates from 1953 when the previously independent Division of Social Welfare and Division of Public Institutions were combined into the single department. At that point the central office underwent extensive expansion in an effort to provide more effective central direction and control for the widespread welfare activities.

Many of the problems implicit in so large a consolidation are still present, as is reflected in the Task Force findings. For example, while the Division of Medical Services provides central direction for the mental health program, each of the eight mental hospitals maintains a wide degree of local autonomy. They develop their own procedures, forms and policies in many areas. As a result, the central office must cope with administrative problems relating to budget, personnel, acquisition of supplies, and the full range of administrative methods and procedures, in the face of a constant struggle to solve the relationship between the home office and operations in the field.

Because of the large number of activities administered by the Department of Public Welfare, four separate task forces were assigned to different areas of the Department's program. Viewed as a group, the findings of the four task forces show that this Department has a wide range of administrative problems, many of which date back to the period when welfare administration was highly diffused, and it is fair to say that in the last four years—since the major consolidation—much progress has been made in developing effective central administration.

However, the administrative problems are so numerous and their dimensions so large that much additional work is required in more clearly defining line and staff relationships, central office and field relationships, and organization and management of the large central office.

A major effort at further welfare reorganization was undertaken by Governor Freeman in his reorganization proposal to the 1957 session. The Governor proposed that the three penal institutions now managed by the Department of Public Welfare be combined with the State Board of Parole and Probation and the Youth Conservation Commission, both of which now operate independently of the Department of Public Welfare. These agencies operating in the correctional field would, under the Governor's proposal, be consolidated into a single Department of Corrections completely independent of the Department of Public Welfare. This proposal was not adopted when the Governor's omnibus reorganization bill failed to pass. Task force findings tend to support the desirability of creating the independent Department of Corrections.

TASK FORCE NO. 30
DEPARTMENT OF PUBLIC WELFARE
CHILDREN'S INSTITUTIONS

A. Major Divisions of Task Force Assignment

1. Braille and Sight Saving School.
2. School for the Deaf.
3. Cambridge State School and Hospital.
4. Faribault State School and Hospital.
5. Owatonna State School.
6. Children's Center.
7. Gillette State Hospital.

B. Summary of Task Force Proceedings

This Task Force held eight meetings, including visits to the institutions surveyed. Appointed Task Force members attended all scheduled meetings. An employee representative and the superintendent of each of the institutions visited participated in the individual meeting for the specific institution. Approximately fifty additional individuals from the children's institutions were contacted or appeared formally before the Task Force.

C. Administrative Improvements Resulting from Self-Survey

1. Bread and bakery products are now produced at the State Prison and supplied to Gillette State Hospital and Lake Owasso Children's Home.
2. Expanded use of project labor for building repair work has reduced maintenance costs.
3. Revised staffing assignments at the Cambridge State School and Hospital made possible full utilization of all bed space available for patients.
4. Installation of photocopy equipment reduced typing time for producing additional letter copies for record and reference purposes.
5. Establishment of institutional safety committees reduced accidents and use of sick leave by employees.
6. In-service programs were expanded.
7. Fire drills and building evacuation exercise are now regularly scheduled as a fire safety precaution.

D. Further Administrative Improvements Recommended

1. Arrangement with state teacher training institutions to provide specialized training to a limited number of teachers in working with deaf, blind, and mentally retarded groups to meet staffing recruitment needs.
2. Increased public participation in activities of the children's institutions through utilization of volunteer services.
3. Continued exploration of foster home placement possibilities for the mentally retarded.

E. Recommendations for Legislative Action

1. Expansion of public school facilities and curriculum offerings on a regional basis for the blind, deaf, and mentally retarded.
2. Establishment of a diagnostic treatment center for the mentally retarded.
3. Extension of services at Gillette State Hospital to include clinical problems of the cerebral palsied child.
4. Continued financial support for replacement of existing institutional buildings that are functionally outmoded and are rated as fire hazards by the State Fire Marshal.

F. Other Significant Findings

1. Lack of bed space has created a backlog of over 1,400 children in the mentally retarded category awaiting placement in the state's institutions for children. Recently new facilities were added to Cambridge State School and Hospital and several hundred additional children were admitted to that institution. However, insufficient additional staff were provided to handle the type of children coming to the institution. The Task Force felt that future appropriations should provide logical staffing allowances coordinated with construction of new facilities and care requirements of patients.

2. The excellent orthopedic program at Gillette State Hospital has reduced the length of stay of patients and average patient population has declined.

G. Task Force Membership

Chairman: Conrad W. Peterson, Budget Examiner, Department of Administration.

Administrator: Ray Lappegaard, Deputy Commissioner, Department of Public Welfare.

Employees: Mary LeRoux, Social Worker, Department of Public Welfare; Margaret MacIntyre, Social Worker, Department of Public Welfare; Genevieve Norlander, Graduate Nurse, Faribault State School and Hospital; Margaret Hattstad, Psychiatric Aide, Cambridge State School and Hospital; Francis Edwards, Houseparent, Owatonna State School.

Technician: Bertil Estlund, Accountant, Department of Health.

Legislator: Representative Leo Mosier, Minneapolis.

H. Director's Evaluation

Children's services provided by the Department of Public Welfare cover institutional care for the blind, deaf, crippled, mentally retarded, and emotionally disturbed children, and also welfare services for the dependent and neglected child. This Task Force reviewed the operations in this area of the Department's activity.

As was the case with the other task forces examining operations in the welfare field, this group found that institutional management suffered from a lack of adequate appropriations for staffing, housing, and educational and training programs. The numbers of children to be cared for have continu-

ously increased with the result that the state's facilities have not been sufficient to deal with the case load adequately. In the case of the mentally retarded, there is a long waiting list of children eligible for admission to the state institutions. This problem is being alleviated with construction of the new Brainerd State School and Hospital which, when completed, will provide space for 2,000 mentally retarded. Unfortunately, however, the institution will not be completed for several years.

The findings of the Task Force underscore the need for greater participation by local communities in the development of programs that will provide education, training and care of children now managed on a statewide basis. The 1957 session did take action promoting this approach by adopting legislation requiring local school districts to provide special classes for children who would otherwise require direct state assistance. As part of this program the Legislature provided additional special aid to the school districts to make such service possible. Also, by appropriation action, the Legislature authorized special programs for the training of teacher specialists in these fields.

In this area it can be noted again that much progress has been made in developing a sound administrative base, but the problems are many and difficult and much further attention will be required for the continuous improvement of these programs.

TASK FORCE NO. 31
DEPARTMENT OF PUBLIC WELFARE
MENTAL HOSPITALS

A. Major Divisions of Task Force Assignment

1. Anoka State Hospital.
2. Fergus Falls State Hospital.
3. Hastings State Hospital.
4. Moose Lake State Hospital.
5. Rochester State Hospital.
6. St. Peter State Hospital.
7. Sandstone State Hospital.
8. Willmar State Hospital.

B. Summary of Task Force Proceedings

This Task Force held twelve meetings and visited each of the eight state hospitals. Three of the joint task force members were able to visit all eight of the mental hospitals and in turn were joined by the superintendent and the employee representative of the specific hospital visited. The Task Force interviewed sixty-five individuals relative to hospital operations.

C. Administrative Improvements Resulting from Self-Survey

1. Establishment of a trainee class in addition to existing psychiatric aide levels affords employee entrants an opportunity to acquire basic skills and training before assuming patient care responsibilities.

2. Increase in the use of tranquilizing drugs has resulted in improved patient behavior and therapy. This has shortened patient hospitalization and has increased materially the discharge rate.

3. Improved planning and scheduling of maintenance and repair work at the mental hospitals with emphasis on prevention has reduced project costs.

4. Revised staffing assignments of personnel has provided better patient coverage and has reduced the necessity for considerable overtime.

5. Coordination of institutional farm programs with provision needs has improved the standard of patient meals.

6. Establishment of institutional safety committees has reduced accidents and use of sick leave by employees.

D. Further Administrative Improvements Recommended

1. Enlargement of auxiliary services to release psychiatrists, registered nurses and other professional staff members from clerical and routine activities.

2. Assignment of a greater portion of non-medical administrative functions to lay administrators.

3. Increased usage of volunteer services.

4. Recheck of records and filed material and prompt disposal of inactive case material and documents.

E. Recommendations for Legislative Action

1. Provision for proper staffing of all building additions for which appropriations are made.
2. Increased support of research projects in the field of mental illness.
3. Expansion of out-patient clinics to provide services on a preventative basis.
4. Provide state support for nursing homes for the aged which will release beds in the mental hospitals now occupied by senile patients not requiring intensive treatment.

F. Other Significant Findings

1. The high rate of employee turnover is a major problem at several of the state's mental hospitals. Many hospitals had an over-all turnover of approximately twenty-five per cent, and among psychiatric aides, hospitals experienced as much as forty per cent turnover in the single class. Recruitment of registered nurses, physicians, therapists, and psychiatrists has been difficult, and many authorized positions in these classes remain vacant.
2. Considerable criticism has been leveled at the mental hospitals for the lack of timely repair and maintenance work on existing buildings. When repair projects were finally carried out, the buildings had reached a stage of neglect which required the state to spend many times the cost of the original repair proposals.

G. Task Force Membership

Chairman: Conrad W. Peterson, Budget Examiner, Department of Administration.

Administrator: Dr. Dale Cameron, Medical Director, Department of Public Welfare.

Employees: Erwin Peterson, Psychiatric Aide, Moose Lake State Hospital; Rev. Albert Blatz, Chaplain, St. Peter State Hospital; Jacob Hoogaker, Psychiatric Aide, Sandstone State Hospital; Berdine Erickson, Psychiatric Aide, Rochester State Hospital; Joseph Yanz, Building Foreman, Hastings State Hospital; Gordon Lundquist, Psychiatric Aide, Willmar State Hospital; Hilding Bonderson, Attendant Guard, St. Peter State Hospital; Edward Drechsel, Account Clerk, Fergus Falls State Hospital; Lloyd Larson, Patient Placement Agent, Anoka State Hospital.

Technician: Dr. Helen Knudsen, Chief, Hospital Services Section, Department of Health.

Legislator: Representative Edward Volstead, Minneapolis.

H. Director's Evaluation

In the last ten years the state's mental health program has received increasing attention as the public and the Legislature have become more and more aware of the serious human problems that exist in this area. There has been a gradual shift from purely custodial care of patients to an intensive treatment program, requiring greatly expanded staffs and general improvement in all

types of care and treatment. This has meant that the cost of operating the eight mental hospitals has increased many times during the last decade.

The emphasis upon treatment and rehabilitation has paid great benefits, measured in human terms. Patients are better housed and cared for and the discharge rate has gone up. Also, a new attitude on the part of the community has been developing with the result that patients are finding readjustment in community life easier and the period of their stay in the hospitals has been, on the average, reduced.

The administrative problems faced by the mental hospitals grow out of the new approach and the new emphasis. They have to do primarily with recruiting and training adequate staffs in the face of extremely serious shortages in the professional field, obtaining adequate budgets to cover rising costs at the same time that programs are being expanded, and with developing effective lines of communication between the central office and the eight hospitals. The Task Force emphasized the need for further expansion in treatment programs and for improved long-term planning in all aspects of hospital administration.

Of special note in connection with the mental hospitals is the unusual progress that has been made in the improvement of the physical plants, as a result of the intensive work accomplished by the Legislative Interim Commission to Study State Building Needs created by the 1955 legislative session. This group examined all physical plant needs in the state and developed a ten-year building program, the first stage of which was acted upon by the 1957 session. The first stage provided new hospital space, extensive rehabilitation of existing plant, and introduced a systematic program of long-term planning to cover capital outlay needs. The commission was made permanent by the 1957 session and the second stage of the ten-year program will be before the 1959 session for action.

As in the case of the other task forces dealing with the Department of Public Welfare, the problems in the area of mental health are numerous and complex, but, given the difficulties under which the program must proceed, the progress that has been made has laid a sound foundation for further improvement in the mental health program.

TASK FORCE NO. 32
DEPARTMENT OF PUBLIC WELFARE
PENAL INSTITUTIONS

A. Major Divisions of Task Force Assignment

1. Stillwater State Prison.
2. St. Cloud State Reformatory for Men.
3. Shakopee State Reformatory for Women.

B. Summary of Task Force Proceedings

This Task Force held eight meetings. Approximately thirty-five individuals were contacted during the survey. Separate employee meetings were held at Stillwater and St. Cloud after regular work hours to acquaint all penal personnel with the objectives of the survey and to afford an opportunity for each individual to be heard. Field trips to each of the three institutions were made by all members of the Task Force.

C. Administrative Improvements Resulting from Self-Survey

1. Medical services to inmates were improved through employment of physicians and registered nurses and acquisition of limited items of medical equipment.

2. In-service training programs were inaugurated for the training of custodial officers and other staff members.

3. A prison classification system was inaugurated to give each inmate diagnostic consideration and an individualized productive program aimed at rehabilitation.

4. A complete revamping of the existing industrial program at the State Prison was undertaken. Installation of modern equipment and realignment of production systems improved the efficiency of plant operation.

5. Production of furniture manufacture on a state-use basis was expanded at St. Cloud Reformatory.

6. A simplified cost accounting method was designed to provide timely information on production cost factors essential for efficient manufacturing control.

7. Recreational opportunities were enlarged at all three penal institutions with resultant improvement in inmate morale.

8. Expansion of both academic and vocational educational programs at the penal institutions intensified the inmate rehabilitation process.

D. Further Administrative Improvements Recommended

1. Closer coordination between the penal institutions and the services rendered by the State Parole Board.

2. Provision for psychiatric services and work-ups for a greater number of inmates as a part of the rehabilitation program.

3. Greater utilization of case work-ups available from other institutions,

courts, and probation officers having previous contacts with inmates.

4. Introduction of additional items of manufacturing.
5. Organization of inmate work assignments as an integral part of the planned individualized rehabilitation program.
6. Reorganization of employee shift assignments to reduce overtime payments.

E. Recommendations for Legislative Action

1. Broadening of the state-use program to include all state departments.
2. Reorganization of the state's separate correctional departments into a coordinated State Correctional Department under one administrative head with operating divisions under the adult and juvenile services.
3. Establishment of minimum security prison camps and half-way houses.
4. Utilization of inmate labor on work projects at other state institutions.
5. Increased support of preventive work and expanded parole facilities.

F. Other Significant Findings

1. Sales of farm machinery have declined alarmingly in recent years with serious effect on the profit margin to the state. It is believed that this is due to the failure of the state to keep abreast of modern design and production methods. Continued attention to improving the industrial program is a prime necessity.

2. Operation of a penal camp at East Grand Forks on property bequeathed to the Braille School and the Gillette State Hospital now requires a complexity of financial record keeping. Arrangements should be made whereby the St. Cloud Reformatory can acquire the land and assume responsibility for this operation.

G. Task Force Membership

Chairman: Conrad W. Peterson, Budget Examiner, Department of Administration.

Administrator: Alvin Gillett, Correctional Program Supervisor, Department of Public Welfare.

Employees: Clarence Watrin, Twine Factory Foreman, State Prison; Clarence Schaubach, Guard Instructor, Reformatory for Men.

Technician: Edward Mattson, Assistant Superintendent, Bureau of Criminal Apprehension.

Legislator: Representative William Shovell, St. Paul.

H. Director's Evaluation

The central finding of this Task Force worthy of note is the emphasis upon the need for establishing a Department of Corrections that would consolidate the three adult penal institutions with the services provided by the Board of Parole and Probation and the Youth Conservation Commission (See director's evaluation for Task Force No. 29). Traditionally, the three adult penal institutions have been administered as part of a general institutional

program involving the essentially unrelated welfare activities of mental health and children's services. In recent years there has been a growing awareness of the need to separate penal administration from the other welfare areas. This need is underscored by the Task Force findings.

Internally, one problem that received special attention is the future development of prison industries. Programs involving the production of products for the use of state agencies or for general sale involve aspects of planned work for inmates as part of a rehabilitation program and also are involved in basic questions of financial management and support of the institutions. The nature of prison industries has undergone many changes in recent years and there is now need for developing new programs that will provide opportunities for training and rehabilitation and at the same time not involve the penal institutions in manufacturing or services that unfairly compete with private industry. Since completion of the Task Force report the Department of Public Welfare has been investigating various possibilities in this area.

This Task Force was one of the most successful in the Self-Survey. The legislative member was unusually active and attentive to the work of the group, and many specific administrative improvements that have been accomplished since the Task Force completed its work are directly related to the group's findings and recommendations.

TASK FORCE NO. 33

YOUTH CONSERVATION COMMISSION

A. Major Divisions of Task Force Assignment

1. Central Office.
2. Red Wing State Training School for Boys.
3. Sauk Centre Home School for Girls.
4. Willow River Forestry Camp.

B. Summary of Task Force Proceedings

This Task Force held seven meetings. Field trip visits were made to Sauk Centre Home School for Girls and Red Wing Training School for Boys at which time employees were afforded an opportunity to discuss their individual institutional problems with Task Force members.

C. Administrative Improvements Resulting from Self-Survey

1. In-service training programs were expanded, and the two business managers now attend the business managers' meetings held by the Department of Public Welfare for their managers.
2. Increased activity in the field of prevention improved the handling of juvenile delinquents on the local level.
3. Creation of local committees enlarged the understanding of the work of the Youth Conservation Commission and materially improved public relations.

D. Further Administrative Improvements Recommended

1. Establishment of central accounting including all institutions and camps operated by the Youth Conservation Commission.
2. Coordination of the farm operations at Red Wing Training School to supply farm products for all Youth Conservation Commission operations.
3. Scheduling of maintenance and repair work on a preventive basis.
4. Establishment of safety committees at each institution to reduce accidents and employee use of sick leave.
5. Disposal of farm properties at Sauk Centre Home School for Girls.

E. Recommendations for Legislative Action

1. Provision for increased personnel on the county level at both the pre-sentence and the parole stages on a state and local cost-sharing basis to reduce institutionalization of juvenile delinquents.
2. Provision for adequate facilities for the delinquent who is mentally defective or emotionally disturbed.
3. Establishment of additional youth camps on a cooperative basis with the Department of Conservation, Divisions of Forestry and State Parks.
4. Establishment of a central reception center properly staffed to enable

complete diagnosis of each referred delinquent prior to the Youth Conservation Commission hearing.

F. Other Significant Findings

1. The time period for processing a delinquent at the reception center was found to require a longer period than allowed by statute. Shortening of reception center processing time would reduce costs materially and would be beneficial for delinquents later diagnosed as not requiring institutionalization.

2. The nature of the Youth Conservation Commission parole agent's position indicates that overtime in excess of the state's forty-hour work week is required in order to give case load coverage. Payment of such accumulated overtime on a straight time basis would be an enormous state expense. The parole agent accepts this as a condition of his employment. However, consideration of a sliding scale of overtime reimbursement should be made as a morale booster.

G. Task Force Membership

Chairman: Conrad W. Peterson, Budget Examiner, Department of Administration.

Administrator: A. Whittier Day, Director, Youth Conservation Commission.

Employees: Clifford Indahl, Accountant, Youth Conservation Commission; Rudolph Lano, Electrician, Sauk Centre Home School for Girls; Ramona Thompson, Clerk Stenographer, Red Wing Training School for Boys.

Technician: Lester Nelson, Accountant, Department of Conservation.

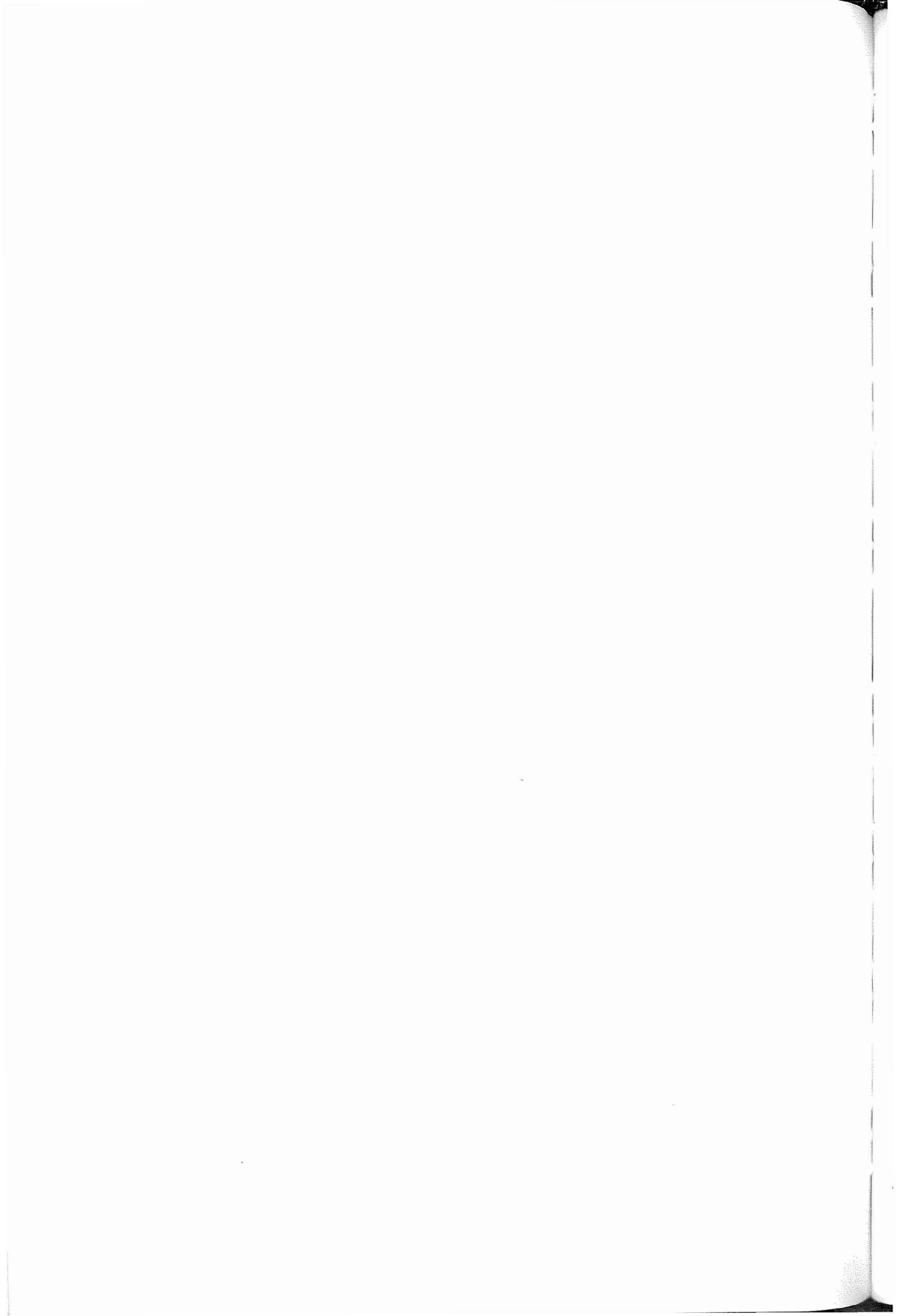
Legislator: Senator Arthur Gillen, South St. Paul.

H. Director's Evaluation

Perhaps no agency of state government faces so difficult an administrative program as does the Youth Conservation Commission. The increasing rate of juvenile delinquency has expanded the number of youthful offenders committed by the courts to a point that existing facilities and operating budgets are greatly overtaxed. The YCC was created in 1947 as an independent agency of state government in order to provide special and separate attention to the youth problem. Unfortunately, while the agency has received increasing attention, it has been compelled, since its establishment, to operate with insufficient resources in the face of an increasing delinquency rate.

As a result, the Commission has been unable to provide statewide probationary services sufficient in scope to minimize the need for institutionalizing youthful offenders and to maximize the amount of treatment, supervision, and rehabilitation that the YCC's program, to be effective, requires on the part of the local communities. Also, until recently, the YCC has not been able to undertake long-term planning that provides for expanding institutional needs. The agency's operations have been spread over four institutions and three reception centers located in various parts of the state. With limited budgets and the scattered operations, the YCC has suffered from many administrative deficiencies, as are reflected in the Task Force findings.

Since completion of the Task Force work, the YCC administration has been strengthened, and, while in the immediate period the increasing rate of youthful offenders is imposing an administrative problem of enormous dimension, long-term improvement in the problem of housing is assured as the result of activity in several directions: (1) A new central reception center is now being designed as part of the Residential Treatment Center authorized by the 1957 legislative session; (2) construction of a new day camp in the St. Croix State Forest; and (3) negotiation for the purchase of the federal installation at Sandstone, currently being used as a mental hospital, which would be converted for YCC use, if purchased from the federal government. With alleviation of the space problem and increase in personnel, the YCC will be in an improved position to strengthen its overall administration.



Appendix
Self-Survey Work Manual



APPENDIX

The Self-Survey Work Manual

The central reporting device used in the Self-Survey project was the Work Manual. This was a spiral-bound 8½ x 11 workbook consisting of 161 questions organized in three parts: (1) Personnel, Salaries, and General Management; (2) Operating Procedures; and (3) Long Term Needs and Prospects. Each question headed a work-sheet page upon which the observations, comments and findings of the task force were entered.

Each task force member had a copy of the manual which he was permitted to retain as his personal workbook. The budget examiner, as combination chairman-secretary of each group, maintained an official master workbook containing the final findings of the task force as a unit.

While the manual served as a guide for task force work, the task forces were not limited to the questions in the workbook nor even to the areas covered by its contents.

The manual proved to be entirely successful. It was, in fact, indispensable as a guide and a coordinating tool. However, as the survey progressed it became increasingly obvious that the manual had certain deficiencies, the most important of which was the failure to require more complete and specific conclusions and recommendations by the operating task forces. On the pages which follow, the Task Force Work Manual questions are reproduced with comments indicating more specifically the areas of desired improvement.

Part I

Personnel, Salaries, And General Management

Section 1. Agency's Functions and Statutory Authority

- Item 1. This department's activities are prescribed by statute as follows:
(Page contains schedule with columns for Legal Citation and Function or Activity.)
- Item 2. What functions of this agency correspond with like functions of another agency, such as inspection services?
Should require more specific detail regarding legal restrictions or other factors which might have an effect on the possibility of combination with other agencies.
- Item 3. What reports and certifications are required by statute (S) or departmental regulation (R)? (Page contains schedule with columns for Name of Report or Certification, Due Date and Frequency, Required Form, and Prescribed by (S) or (R).)
Should be clarified to define "reports" in order to eliminate areas of communication not intended for this section.
- Item 4. What functions prescribed by law are not being performed? Explain the non-conformity with statutes. What regulation is suggested to correct this situation?

Should be clarified to cover "substantial performance" of the agency's functions.

- Item 5. What activities or services are being performed that are not required by law?

Should require a conclusion regarding the value of the service not performed. Should also require a recommendation for remedy in cases where the service is considered valuable.

- Item 6. Are there any functions that would be better performed by some other state agency? Indicate any reorganization proposals in other agencies that would affect this department.

Can be eliminated if Section 1, Item 2 is made more specific.

Section 2. Previous Studies and Surveys

- Item 1. List here all previous studies, surveys, and analyses of the operations of this department. Give name of study, date, sponsorship, exact page references, form of report, and where copies can be obtained, together with a summary of recommendations affecting this department.

- Item 2. Which survey recommendations have been installed? Indicate results of such changes.

- Item 3. Which survey recommendations have not been installed? What reasons are advanced for this?

- Item 4. Attach here pages from Report of the Minnesota Efficiency in Government Commission that pertain to this department.

Can be eliminated since pertinent portions should be included in Section 2, Item 1.

Section 3. Organization of Agency

This section should also ask the questions: Does this organization have unity and coordination? What is done to promote unity? This section should also contain a summary of recommended organization improvements.

- Item 1. In this space enter an organization chart of the agency as it is presently arranged and staffed. Show all organizational units and list all positions within the unit.

- Item 2. Describe the plan of organization, its basis (whether geographic, types of clientele, by purposes or function) and evaluate its general effectiveness. When was the present organization established? When last reviewed? When were the most recent modifications made?

Should eliminate reference to basis of organization since this proved to be confusing to some laymen members and of little practical value. Should require evaluation of recent modifications.

- Item 3. What is the span of control of the higher level administrative positions in the department and the major divisions?

- Item 4. How is authority delegated? What duties and to whom? If available,

include in this space a flow chart of the department's operations.

Section 4. Personnel Complement by Classifications

- Item 1. List classifications in descending order of range. (Page contains schedule with columns for Job Class, Range, Number in each division, and Total.)

Section 5. Adequacy of Classifications

- Item 1. Are job classifications in line with the work performed? How recently have desk audits been made and in what job classifications?
Should be eliminated. This is a technical function of the Civil Service Department.
- Item 2. Are periodic surveys made to keep classifications in line with duties performed, and are the proper authorities advised when changes are made in job assignments?
Should include the date of last review by Civil Service Department.
- Item 3. Are there positions peculiar to this agency which should have a classification other than those included in the present Civil Service job classifications? (For example, Public Examiner auditors other than the accountant series.)
Should require an explanation of need for other classifications. If these questions are used for a similar study, the example should be changed to fit an appropriate situation.
- Item 4. What personnel other than department head are in unclassified service and why?

Section 6. Recruitment

- Item 1. Who is responsible for recruiting new personnel in this department?
Should be clarified to indicate that this question pertains to personnel recruited by the department rather than those recruited by the Civil Service Department.
- Item 2. From what sources are personnel recruited and what methods are used in recruitments? (Newspaper, personal contact, etc.)
Can be combined with Section 6, Item 1.
- Item 3. In what areas and for what classifications has the agency found it necessary or desirable to recruit personnel beyond the offerings of existing Civil Service Department registers?
- Item 4. Has the agency found veterans preference or other Civil Service requirements a bar to effective recruitment?
Should be eliminated. The situations posed by this question cannot be effectively evaluated.

Section 7. Orientation and In-Service Training

- Item 1. What procedures or program exists for orienting new personnel?

- Item 2. What manuals or bulletins are used for employee instruction?
- Item 3. Describe any formal in-service training programs conducted with the agency's own resources, and indicate individuals or agency responsible for such function.
Can be combined with Section 7, Item 2.
- Item 4. To what extent are employees informed of departmental policies and problems in addition to the requirements of their individual jobs?
Should require an evaluation of the adequacy of departmental actions in this area.
- Item 5. What opportunities are afforded employees to learn requirements of jobs other than their own within the agency? Is rotation practiced within classification limitations?
- Item 6. What is the extent of employee visitation with like governmental units or participation in professional meetings? What is the agency's policy on employee training or education through non-agency facilities such as college or public school classes?
Should require an evaluation of the adequacy of this type of training.

Section 8. Merit Rating and Merit Increases

- Item 1. How does the department rate the work of the employee? List the administrators, supervisors, or other employees (together with their class titles) who are responsible for the maintenance of the departmental merit rating system or systems.
- Item 2. Indicate the uses in which the departmental merit rating system is utilized as a tool of personnel management.
Should include the conclusions of the task force regarding the further uses of a merit rating system.
- Item 3. To what extent are employees informed of the existence of the departmental merit rating system and the uses made of the ratings?
Can be combined with Section 8, Item 1.
- Item 4. Describe the system used by the department in determining which employees should receive merit increases. How many employees in this department, who are below the maximum of their pay range, have received no merit increase in more than a year?

Section 9. Promotions

- Item 1. What policy is used by this department regarding promotion of career employees?
Should be clarified to differentiate between departmental promotions and state-wide promotions.
- Item 2. What channels of communication are used to inform all employees of promotional opportunities?
Should question the effectiveness of the system being used.
- Item 3. What effect has the application of veterans preference had on the

filling of higher level positions?

Can be combined with Section 9, Item 1.

- Item 4. Does the Civil Service system, as it operates today, bring into your department the kind of employees who would be desirable for upper level positions as they develop?

Should be eliminated. Answers to this question tended not to be valid.

Section 10. Turnover

- Item 1. Enter in this chart the data regarding turnover in this department during fiscal 1954-1955. (Page contains schedule with columns for Classification, Average Complement, Suspensions, Dismissals, Lay-offs, Deaths, Retirement, Resignations, Total Separations, and Per Cent of Complement.)

- Item 2. What are the chief reasons for turnover in this department? What percentage of resignations are due to: (Page contains schedule with items for Marriage, Low Pay, Pregnancy, Unsatisfactory working conditions, Lack of career opportunity, and Other (specify).)

Should indicate the method of accumulation of data on causes of turnover so that the validity of the answers can be determined.

- Item 3. What has this department done constructively to meet the turnover problem?

Section 11. Relations with Civil Service Department

- Item 1. How does this department maintain its relations with the Civil Service Department? Where is responsibility for personnel decisions fixed?

First part of this item should be clarified by reading: "Who is responsible for departmental contacts with the Civil Service Department?"

- Item 2. What methods are employed by this department to familiarize employees with Civil Service rules and regulations?

Should require an evaluation of the methods used.

- Item 3. What difficulties is this department experiencing with the Civil Service Department?

Should use the wording of Part II, Section 14 to read: "Describe any weaknesses in the relations of this department with the Civil Service Department." Should then require recommendations for overcoming these weaknesses.

- Item 4. What remedial steps does this department recommend to improve the operation of the Civil Service Department?

Can be eliminated in view of changes to Section 11, Item 3.

Section 12. Vacations, Sick Leave, Overtime

- Item 1. What procedure is followed in granting vacation leave to employees

of the department? Do they have a limited choice of dates? Seasons? Does the limitation of 24 days accrued vacation leave create a problem of sporadic leave-taking on the part of employees in order to avoid forfeiting earned vacation leave?

- Item 2. What procedure is followed by employees utilizing sick leave? What check is made of actual need for such sick leave? What departmental records are kept regarding sick leave? To what extent have departmental employees found it necessary to use their "banked" sick leave of over 100 days?
- Item 3. Describe overtime policy in effect in this department? If statutory, list statute.
Should require an evaluation of the policy in terms of the department's needs and the practices of other departments.
- Item 4. How will the new proposed standard overtime policy, if adopted, affect this department?
Can be eliminated. If applicable, subject matter should be covered under Section 12, Item 3.

Section 13. Seasonal Help and Peak Loads

- Item 1. When do peak loads and necessity for seasonal help occur?
- Item 2. List seasonal and part-time employees in this department by classification and numbers employed. (Page contains schedule with columns for Classification, Number, and Other.)
- Item 3. What methods are used to recruit seasonal and part-time employees? Do you recruit from other departments? Are lists of seasonal employees maintained and used for re-employment?
- Item 4. Does this department have a guaranteed annual wage plan for seasonal employees?
Can be eliminated. In the Minnesota situation, this question had application for only one department.
In place of this question, this section should require a summary of recommendations for alleviating seasonal and peak load problems.

Section 14. Working Conditions and Employee Morale

- Item 1. Does this department have adequate working space, lighting, ventilation, and noise control?
Should require description of specific conditions.
- Item 2. What is the general level of employee morale? What factors affect morale adversely in this department?
Should require a determination of the basis for the answer to this item.
- Item 3. What use does this department make of the Employees Suggestion System?

Should require recommendations for increasing the use of the system.

- Item 4. Is absenteeism and tardiness a serious factor? Give reasons peculiar to this department.

Should require recommendations for rectifying poor situations.

- Item 5. What specific activities aimed at strengthening employee morale does this department sponsor? Employee publication, periodic social events, staff or group meetings, etc.?

- Item 6. Has this department a counseling or grievance procedure to aid employees in solving work and personal problems and to protect them against unjust treatment?

Should be changed to read: "In what manner are employee grievances handled? Is it effective?"

Section 15. Adequacy of Salaries and Salary Appropriation

- Item 1. What positions, if any, have remained vacant due to the salary scale? Give classification and pay scale.

Can be eliminated. Subject matter will be covered under Section 15, Item 2.

- Item 2. Recruitment for what positions has been difficult due to the state salary scale? Give classification and pay scale.

- Item 3. Because of the state salary levels, what positions in your department at present are manned by persons of below average competence necessary for that position?

Can be eliminated. Answers to this question are not complete or effective.

- Item 4. How will installation of the new pay plan affect positions described in Items 1, 2, and 3 of this section?

Can be eliminated. Answers to this question are speculative.

- Item 5. What positions performing statutorily prescribed duties were eliminated or left vacant due to an inadequate salary appropriation?

Can be eliminated. Pertinent information will be produced under Section 1, Item 4, and Section 15, Item 6.

- Item 6. What services have been either eliminated or are being inadequately performed due to insufficient salary appropriation?

Section 16. Financing the Pay Plan

- Item 1. (This section contains an extensive six-page schedule for indicating costs and proposed financing of the new pay plan.)

Can be eliminated. The information contained in this schedule pertained to a special situation confronting Minnesota departments at the time of the Self-Survey.

Part 2

Operating Procedures

Section 1. The Agency Head

- Item 1. Describe the activities that the department head engages in directly. Indicate the approximate percentage of his normal work period devoted to the following types of activity: (Page contains schedule with items for Correspondence, Conferences with Subordinates, Staff Meetings, Office Appointments, Speaking Engagements, and Other (specify).)
- Item 2. What is the department head's span of control, i.e., what staff members report to him directly and how frequently? How often does he meet with division heads? Are other than division heads included in staff meetings.
Should require an evaluation of the effectiveness of the situation covered by this question.
- Item 3. Are subordinates required to submit regular reports to show work performed, backlogs, proposed work schedules, and the like? If form is used, attach copy.
- Item 4. Does the department head review budget and allotment requests more than superficially? In what manner and how frequently?

Section 2. The Supervisory System

- Item 1. In what areas do professional personnel whose background is basically technical rather than administrative hold supervisory positions?
Should require reasons for situations which exists.
- Item 2. Describe any situations where responsibility is not accompanied by appropriate authority.
- Item 3. Describe any situations where normal flow of authority or communications is being by-passed.
Should require reasons for situations which exist.
Should also require a description of methods of communication and an evaluation of their effectiveness.
- Item 4. In what areas are supervisors performing work of a routine nature which might be passed down to their subordinates?
Should require reasons for situations which exist.
- Item 5. Have work routines been analyzed to establish simple methods for setting performance standards and judging personnel requirements?
Should require an evaluation of systems of work analysis which exist.
- Item 6. What has been done to eliminate peak loads by rescheduling operations to avoid overtime and excessive staffing?
Can be eliminated. Subject matter will be covered under Part I, Section 13.

Section 3. Management of Administrative Services

- Item 1. How are the administrative services handled in this department? Is there a divisional grouping of these services? If so, what does it include and who is in charge?
- Item 2. Is there a defined program for regular review of administrative procedures aimed at simplification and economy?
Should require an evaluation of programs which exist.
- Item 3. If an administrative services division were to be created for this department, which employees would be assigned to such a division? List by classification and number in each. In the case of stenographers indicate the approximate time each spends in actual stenographic work.
- Item 4. Does the department maintain a stenographic pool? If so, what is the Civil Service classification of the steno pool supervisor? How many clerks, typists and stenographers at each level are in the pool? How many of each are not in the pool?
Should require recommendations for more effective use of clerical personnel.

Section 4. Control of Expenditures and Management of Receipts

- Item 1. Describe the method by which control of requisitions and other documents leading to encumbrances is maintained.
- Item 2. Describe the method by which travel, communications and similar items are encumbered. What checks are imposed to prevent unnecessary expenditures in the supplies and expense account?
Should change the word "encumbered" to "controlled" in first part of this question.
This section should also be expanded to include a question or series of questions regarding annual telephone costs. Specific information should be requested regarding total costs, local costs, long distance costs, origin and destination of long distance calls, review of need for calls, and methods of authorizing long distance calls.
- Item 3. How does this department manage and control receipts and deposits? Is there evidence of laxness in the handling of receipts?
Should require recommendations for improvements.
- Item 4. Has the Public Examiner made recommendations for the improvement of these procedures in this department during the last five years? What are these recommendations? Have they been followed?

Section 5. Handling of Payroll

- Item 1. Describe the method of salary payments from time-keeping through issuance of salary warrant. Be specific.
- Item 2. Who authorizes the filling of vacancies? Is there a check for need?
Should be clarified by defining the level of vacant positions.

Section 6. Use of Business Machine Equipment

- Item 1. List business machine equipment presently available in the department. (Page contains schedule with columns for Type of Machine, Number of Type, If Rented, Monthly Charge, and Hours Per Month Not In Use.)

Should be clarified by defining "business equipment". Should also require information on any equipment utilization studies which have been made.

- Item 2. List operations which have been placed under machine control.
The questions covered under Section 6, Items 2 through 6 inclusive and Section 7, Item 2, require more technical knowledge than was generally available to the operating task forces. This area should be the object of study for a separate functional task force operating on the same basis as an operating task force.

- Item 3. Indicate advantages in terms of man-hours saved, better space utilization, elimination of bottlenecks, and improvement in availability of data that appropriate additional business machine equipment would provide.

See comments under Section 6, Item 2.

- Item 4. List operations which should be converted to machine control.

See comments under Section 6, Item 2.

- Item 5. Indicate possible savings which would accrue from such conversion.

See comments under Section 6, Item 2.

- Item 6. What existing machine installation in another department could be utilized by this department and for what purposes?

See comments under Section 6, Item 2.

Section 7. Use of Other Than Business Machine Equipment

- Item 1. Has a maintenance program been developed by the agency to keep equipment in operating condition? Indicate what use is made of manufacturers' service, a preventive maintenance program, outside agency calls, and maintenance unit cost records.

- Item 2. What steps are taken by the agency to insure efficient scheduling of equipment use?

See comments under Section 6, Item 2.

- Item 3. Indicate functions now performed manually which should be adapted to mechanized operation together with equipment which would be required for such conversion.

- Item 4. List here equipment in the department's possession not in active use. Indicate reason for non-use. Are the items available for transfer or sale?

Section 8. Paper Work and Forms Control

- Item 1. List here all forms in use in this department. (Chairman of the Task Force should gather a copy of each form, including letterheads

and envelopes of all sizes.) (Page contains schedule with columns for Form Name, Stock (S) or Specially Printed (P), Number of copies, Page Size, and Number Used Annually.)

Generally, it was found that the volume of forms was too large for effective thorough analysis by the operating task forces.

- Item 2. What is this department's procedure for initiating, reviewing, and cataloguing all printed forms and stationery to insure that unnecessary forms are eliminated; that forms are properly designed, economically printed and distributed; and that the system of which the forms are a part are as simple and efficient as possible?
- Item 3. What work simplification studies or plans have been undertaken recently (within last 2 years) and what have been the results?
Should require an evaluation of the effectiveness of any work simplification programs.
- Item 4. What is the type and volume of correspondence and forms presently being mailed in plain envelopes requiring individual addressing?
Should require specific information regarding class and number of pieces. Should also ask for class and volume information on use of window envelopes.
- Item 5. With regard to multi-copy forms, what review is being made to determine the need for all copies of the forms and whether special carbons or mechanical devices could be instituted?
- Item 6. Does your office provide self-addressed return envelopes with outgoing mail which requires prompt replies?
Require description of circumstances under which this action is taken.

Section 9. Research and Planning

- Item 1. Does a research and/or planning section or unit exist in this department? If so, describe composition and functions. If not, explain who has responsibility for these functions and how they are handled.
- Item 2. Are the research services of this department available to other state agencies? Is there an exchange of data and ideas with other state agencies, the Federal government, other political sub-divisions, or private industry?
- Item 3. What statistical reports are issued and to whom are they distributed?
Should be expanded to indicate use of these reports.
- Item 4. What assistance does the department provide in the preparation of proposed legislation concerning its operations?

Section 10. Filing, Microfilming and Storage

- Item 1. Is there a systematic disposal procedure for records which do not have to be retained permanently?
Should require description and evaluation of the system.
- Item 2. Does this department maintain a file of records that duplicates a

file maintained in some other department? List and define such files and indicate the justification for such duplication. Similarly, do two or more divisions within this department maintain duplicate records?
Should require recommendations regarding the need for duplicated files.

- Item 3. Are there any permanent records that could be adapted to a microfilm recording procedure?
Should be changed to read: "What permanent records could be adapted to a microfilm recording procedure?"
- Item 4. Does the department maintain a central filing system? Do the divisions within the department maintain central files? Or does each unit or individual maintain independent files?
Should require justification for any individual files.
- Item 5. How many cubic feet of storage is taken up by dead files? Indicate what percentage of this space could be released by the disposal of unnecessary records.
- Item 6. Space occupied for filing and storage of records. Indicate by divisions or other work units.
Should be clarified to indicate that the question pertains to current files.

Section 11. Office Space, Furniture, Facilities

- Item 1. Does the department have adequate working space and well-lighted working areas? Describe deficiencies.
Should require description of specific examples or answers will tend to be generalized.
- Item 2. Is there a long-range plan to standardize furniture and equipment? Has this plan varied from division to division?
Can be eliminated in situations where, like Minnesota, purchasing laws require competitive bid procedures.

Section 12. Use of Motor Vehicles and Planes

- Item 1. List all motor vehicles and planes in use in this department. (Page contains schedule with columns for Vehicles, Make and Model, Used by Whom, Miles used 1954-1955, Maintenance Cost 1954-1955.)
- Item 2. Is there a program for frequent inspection, regular preventive and corrective maintenance and for systematic trade-in of used vehicles? Are the vehicles operated only by properly licensed personnel?
Should require description of programs and of any system used to check licensing of personnel.
- Item 3. How many miles of in-state travel by private car did this department reimburse employees for in 1954-55. List by employee, showing total mileage in each case.
- Item 4. Where are state-owned vehicles housed? What control is maintained to prevent poorly scheduled driving and elimination of per-

sonal use of state-owned vehicles? Show specifically cases where employees regularly drive state-owned vehicles to and from work.

Item 5. Are headquarters for all field personnel properly designated and is travel from field offices to central office reduced to a minimum?

Item 6. What pooling arrangement would be advantageous for this department?

Should also comment on disadvantages of pooling arrangements.

Section 13. In-State and Out-of-State Travel

Item 1. Describe the program or system used by this department to control in-state travel.

Should require an evaluation of the system.

Item 2. Describe the system whereby the department's out-of-state travel is determined. What criteria are used to determine priority to trips to national conventions, work-shops, federally called meetings, or others?

Item 3. How does the department audit expense accounts and determine subsistence allowances?

Item 4. Would a regular "shuttle" service, by plane or auto, be helpful to this department? How would it be utilized?

Section 14. Relations With Staff Agencies

Item 1. Describe any weaknesses in the relations of this department with the Department of Administration.

Item 2. Describe any weaknesses in this department's relations with the State Auditor's Office.

Item 4. Describe any weaknesses in this department's relations with the Attorney General's Office.

Item 4. Describe any weaknesses in this department's relations with the Public Examiner.

Section 15. Public Relations

Item 1. What programs does this department have for training its employees in public relations techniques? Is a manual issued containing such information as proper telephone answering, letterhead salutation and complimentary close, receptionist techniques, and office etiquette?

Should require specific information on techniques used in connection with any training programs.

Item 2. What use does this department make of press, television, radio and easily understood published reports to acquaint the public with its activities?

Should also require detail on the types of information released to the public such as educational, advertising, promotional. Frequency of release should also be indicated.

- Item 3. What public appearances do representatives of this department make to present accurate information regarding the operation and aims of the department to various citizens groups?
- Item 4. What use is made of pictures, graphs, cartoons, exhibits, and other modern informational devices in this department's annual reports or other publications?
Should require an evaluation in terms of cost and effect.

Part 3

Long Term Needs And Prospects

Section 1. Proposed New and Expanded Functions

- Item 1. What new services are being urged for state government that this department would most likely be expected to administer, if adopted? Indicate approximate annual cost.
Should require the department's recommendations regarding the need for the service described. Also indicate the source of request for new service.
- Item 2. What present services should be expanded in order to bring them up to the standard of performance considered desirable by the department? Indicate approximate annual cost.
Comments on Section 1, Item 1, are also applicable to this question.
- Item 3. Indicate whether the department has plans completed for new projected programs for which there is at present neither authorization nor appropriations. Indicate approximate annual cost.
- Item 4. Are new or expanded services affecting this department being proposed at the federal level? Specify, indicating approximate annual cost to the state.

Section 2. Future Elimination or Curtailment of Functions

- Item 1. What services presently provided by this department will likely be eliminated in the next several years? Describe function and indicate likely expiration date, giving reasons for its elimination. How much approximate savings will such elimination of function mean?
- Item 2. What services will likely be curtailed? Give reasons and indicate approximate savings.
- Item 3. What proposals for consolidation of state agencies would affect the functions or services of this department? Indicate possible savings, if such proposals are adopted.
Should require an evaluation of the proposals and indicate the sources of proposals.
- Item 4. What services presently being performed and not specifically authorized by law could be discontinued? Indicate approximate savings

and whether the department would recommend that such services be discontinued.

Section 3. Effect of Population Factors on Future Service

- Item 1. Are the cost and extent of services provided by this department dependent upon the size of the state's population? Indicate which services must be expanded to meet additional loads resulting from population growth.
- Item 2. On a 10-year basis (1955-1964) project the population expansion in Minnesota that has a direct effect upon the services of this department.

Section 4. Natural Resources Outlook

- Item 1. to the existence of a natural resource (mineral, timber, soil, etc.)? Is this department's functions, services or operations directly related Describe such functions and show relationship.
- Item 2. From what is known concerning this natural resource what general prediction can be made concerning the future of the functions affected?
- Item 3. What special programs should be undertaken to protect the natural resource that serves as the basis for this department's operations?
- Item 4. Are there federal-state implications involved in the services dependent upon a natural resource? What is the outlook for federal action in this field?

Section 5. Prospective Trend in Receipts

- Item 1. List here and summarize the experience during the period from 1950-55 of all receipts from services or functions provided by this department.
Should be clarified by requiring the information for "the latest five fiscal years."
- Item 2. Project on a 10-year basis (1955-64) the likely income from the receipts listed in Item 1.
Dates should be clarified by identification on a fiscal year basis.
- Item 3. Are the items for which the state charges fees in all cases in line with the cost of providing such services? Which fees should be increased to bring them into line?
Should change second part of this question to read: "Which fees should be modified to bring them into line?"
- Item 4. Are there any services for which no charge is presently made but which ought not to be given free of charge to the recipient? Describe in detail.

Section 6. Physical Plant

- Item 1. List all buildings under the management of this department and indicate their general condition, age, etc.
- Item 2. List all major repairs and improvements that should be made in the physical plant. List in the order of priority.
Should require this information in the form of a ten-year plan.
- Item 3. What is the condition of the power plant? Describe any special problems and needs in this area.
- Item 4. Have any new buildings been urged for the functions of this agency? Do plans of any sort exist for such buildings?
Should require description of the state of plans. Should also require comments on the feasibility of use of proposed buildings by all state agencies in the area.
- Item 5. What special problems exist in this area requiring immediate attention?
Can be eliminated. Will be covered under the other items of Section 6.
- Item 6. What problems should be considered as part of a 10-year program?
Can be eliminated. Will be covered under the other items of Section 6.

Section 7. Future of Federal-State Relations

- Item 1. What functions presently being performed are financed in whole or in part by federal aids? List them and show amount spent by state and federal governments during the last five years.
- Item 2. What special problems arise because of the federal support?
Should require recommendations for solutions to these problems.
- Item 3. What are the prospects for federal aid in the future?
Should be restricted to "foreseeable future".
- Item 4. If federal aids were discontinued, how would this affect particular services?

Section 8. Relative Standing of Department

- Item 1. Are indexes available indicating the relative standing of particular services provided by this agency in comparison with similar services provided by other states? Enter such indexes here.
- Item 2. How does this department evaluate the standards of its services in comparison with similar services of other states?