Effective Government: 
Reorganization of Executive Departments 

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Introduction

Governments change over time in response to broad social and economic trends but the overall structure remains remarkably stable. The growth of government in the early 20th century reflects the perils of both stability and change in organizational structure. A large number of agencies were created in response to modernization but, following the organizational style of an earlier era, many were “quasi-autonomous bits of government over which there was little if any effective control except for the legislature’s biennial appropriation acts.”2 These conditions led to constitutional revision and the reorganization initiatives described below. Governor-elect Blunt has indicated that he plans a review of governmental organization in the near future. If so, it will be the first such review since the early 1970s.

If governmental reorganization is infrequent, a cross-departmental review of practices and procedures is even less frequent. In fact, there has been only one such review which occurred in the 1990s. That review resulted in significant process changes both within and across departments. The review was initiated by Governor Carnahan and conducted by the Commission on Management and Productivity, frequently known as COMAP.

This report briefly summarizes the evolution of the structure of modern state government and the COMAP process review of the 1990s.

Little Hoover Commissions and governmental reorganization, 1945-1974

Revisions to the Missouri Constitution adopted in 1945 provide the foundation for the organization of Missouri’s current executive departments. The revised constitution required that all agencies be assigned by the Governor “to the department to which their
respective powers are germane” (Article IV, Section 12). However, the creation of a new organizational structure did not occur immediately. Rather the amalgamation of the multitude of boards, commissions, and agencies occurred over the next 30 years, spurred in part by studies of governmental organization called “Little Hoover Commissions,” conducted in the 1950s and 1960s. The third such commission submitted a 1971 report that recommended sweeping organizational change. It was quickly followed by a constitutional amendment, approved in 1972, that mandated that reorganization be implemented by July 1, 1974. The amendment was implemented by SB 1, enacted in late 1973, after extensive legislative debate and following Governor Bond’s veto of the first reorganization act.3

Reorganization by executive order

Most of the major reorganizations that have occurred since the 1970s have been done by statute, including the creation of the Department of Health in 1985 and the Department of Insurance in 1991. However, under a 1967 Missouri law, the Governor may submit an executive order to the General Assembly to reorganize one or more departments. These plans may call for a redesign of a department, or for the shifting of functions from one department to another. A 1999 plan shifted job training responsibilities within the Department of Economic Development and transferred other training functions from the Division of Labor and Industrial Relations to the Department of Economic Development (see Executive Order 99-02).4 Similarly, the Division of Aging was transferred to the Department of Health in 2001 and the Department was renamed as the Department of Health and Senior Services (see Executive Order 01-02).

The Governor’s executive order will become effective unless disapproved by the General Assembly. About one-third of those proposed since 1971 have been disapproved. Disapproval:
- Must occur within 60 calendar days of submission of the plan to the General Assembly;
- Is effective if only one house disapproves; and
- Is accomplished through the adoption of a resolution (see Sections 26.500 to 26.540, RSMo).

The reorganization act also allows department directors to revise the internal organization of their departments. These revisions are submitted to the Governor, the Secretary of State, and the Revisor of Statutes who prints them in the annual supplement to the Revised Statutes.5

Organizational Autonomy and Type of Transfer

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3 Senate Bill 1 was not codified, as is typically the case, but was printed as Appendix B in the Revised Statutes of Missouri.
4 The Governor’s executive orders can be found under “Reference Services” on the Secretary of State’s website.
5 See Section 1.6(2), Reorganization Act of 1974, Appendix B, Revised Statutes of Missouri. The departmental director’s plans are reprinted in Vol. 15, Appendix C, RSMo.
When organizational components are transferred to a new department, they are transferred by “type”, as outlined in the Reorganization Act of 1974. The type of transfer determines the degree of autonomy that the transferred entity has from the departmental director. Today, most new programs are created within a department without the assignment of a specific organizational type. In such case, the program is a Type I entity, and under the full jurisdiction of the director of the department. The types are as follows:

**Type I** – All powers, duties and functions are transferred to the new department and the director may fully assimilate the agency into the department and has full discretion over budget, personnel and the assignment of functions. Example: State Park Board in the Department of Natural Resources.

**Type II** – The “receiving” department exercises control over the budget, personnel and positions, and space and equipment but does not control the substantive policies of the transferred entity. Example: Soil and Water Districts Commission in the Department of Natural Resources.

**Type III** – The receiving department has authority over the budget but little else, leaving the transferred entity free to operate without the control of the director of the department to which it was transferred. Example: The Public Service Commission in the Department of Economic Development. 

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**Efficiency review**

There was an extensive review of the functioning of state government in the 1990s with an emphasis on improving cross-department cooperation, and accountability, conducted by the Commission on Management and Productivity (COMAP). The Commission was established in late 1993 and was active for several years. Six different groups worked on issues such as duplication in state computer systems, developing a customer service focus, financial management, strategic planning and organizational efficiency. The review occurred in two phases. In the first phase, teams composed of equal numbers of state employees and individuals with applicable private sector experience reviewed and recommended changes in state practices. In the second phase, management level state employees designed ways to implement the Commission’s recommendations.

The Commission did much to bring current business thinking to state government. It helped career state employees see state government, rather than just their department, as an enterprise, it focused attention on the value of customer service, and it introduced strategic planning as a tool for adapting to the future. The Commission’s recommendations led to several statutory changes as well as a change in the budget process. Budgets, for example, now include a statement about the goals for a particular appropriation known as “Form Fives,” that can be used as benchmarks for performance.

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6 The types of transfer are defined in Appendix B, Reorganization Act of 1974, Vol. 15, RSMo. Specific transfers can be found in the chapter and section in which each department is created (see, for example, Section 620.010 (Department of Economic Development) and Section 640.010 (Department of Natural Resources) for particularly complex organizational transfers).
Suggested Citation