

MEMORANDUM



DATE: March 11, 2019
TO: House Appropriations Subcommittee on Transportation
FROM: William E. Hamilton
RE: Michigan Department of Transportation Staffing Levels

Introduction/Summary

Michigan Department of Transportation (MDOT) programs are delivered by both classified state employees, i.e. employees under the state classified Civil Service system, and private contractors.

The work of planning, financing, designing, and overseeing the department's capital construction and preservation program is performed in part by department employees in the state classified civil service system and in part by private contractors hired by the department under personal service contracts.

The actual physical construction for the state trunkline capital construction and preservation program is carried out by private construction contractors generally working under contracts awarded through an open competitive bidding process.¹

State trunkline maintenance activities are carried out both by department employees and local road agencies under contract with the department.

Other department functions, including administration of local agency federal-aid programs, public transportation programs, and aeronautics programs, are carried out primarily by department employees.

Over the last three decades, the department has experienced a significant reduction in staffing levels.

This memo reviews MDOT staffing levels over a 28-year period – FY 1990-91 through FY 2017-18. Over that period, actual average full-time equated positions in the department declined from 4,266 to 2,836 – a reduction of 1,430 positions (33.5%).

MDOT staffing for the six most recent fiscal years, FYs 2012-13 through FY 2017-18, averaged 2,584. The actual average number of classified MDOT employees in FY 2014-15, 2,570, was the lowest of the entire 28-year period of this analysis. MDOT staffing at December 28, 2018 totaled 2,682 FTE positions (actual headcount).

The reduction in MDOT staffing over this period was due to a number of factors, including early retirement programs and hiring freezes; these two factors are discussed in additional detail on page 4. Other factors affecting department staffing include constrained revenue and increased use of consultants; a detailed analysis of these two factors is beyond the scope of this memo.

Because there are different ways of measuring staffing levels in state government, this memo starts with a description of those measures, as well as a description of the sources used for this analysis.

¹ The value of contracts awarded to private construction contractors in FY 2017-18 through MDOT's Contract Services Division totaled \$2.2 billion; of which \$1.8 billion was for state trunkline construction projects. Those figures represent all-time highs for the department. Non-trunkline construction contracts include contracts under the local federal aid construction program, aeronautics capital projects, and rail capital projects.