



DEPARTMENT OF AUDITS AND ACCOUNTS

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February 22, 2018

The Honorable Bill Heath
Chairman, Senate Government Oversight Committee
110-C State Capitol
Atlanta, GA 30334

SUBJECT: Fiscal Note
Senate Bill 438 (LC 28 8716)

Dear Chairman Heath:

This bill would give certain state agencies the ability to provide callers the opportunity to participate in a post-call automated satisfaction survey. The survey would measure caller perceptions of courteousness of state office staff, if state office staff were able to resolve a caller's issue, and employability of state office staff in the private sector. The bill also requires that state offices publish survey results on their websites and provide an annual report of survey results to the House Committee on Governmental Affairs and the State Government Oversight Committee at the beginning of each legislative session.

The bill has an estimated cost of approximately \$2 million to \$9.5 million annually, with additional one-time implementation costs of \$88,000 to \$148,000. The variation in cost is due to uncertainty related to the total number of agencies to which the bill applies. We assume that the Department of Administrative Services would establish a statewide contract, and applicable agencies would contract for services. Procurement costs are not included in the estimate.

Contract costs are dependent on the number of phone lines, the number of calls received, and the number of surveys completed. Georgia Technology Authority (GTA) provided two cost estimates.

- *Low Estimate* – The estimate is based on the nine “Top-20” executive branch agencies with an agency head appointed by the governor, as well as three agencies listed in the bill. The 12 agencies had 7,601 employees at the end of FY 2017. Costs are estimated at \$1.9 million annually.
- *High Estimate* – The estimate assumes that all executive branch agencies, including those with agency heads appointed by a board, would have survey contracts. These 80 entities had 58,625 employees at the end of FY 2017. Total costs are estimated at \$9.5 million.

Exhibit 1

Annual Total Cost for Executive Branch Agencies for Survey System¹

	Low Estimate	High Estimate
Number of Agencies, Entities	12	80
Number of Agency Staff ²	7,601	58,625
Estimated Number of Surveys Completed	1,581,000	12,194,000
Cost of Survey System Operations ³	\$1,781,210	\$9,348,750
Cost of Survey System Integration and Data Consulting	\$128,000	\$128,000
Total Annual Cost	\$1,909,210	\$9,476,750

¹Annual estimates do not include the cost of implementation, which is \$88,000 (Low) and \$148,000 (High).

²Employee staff figures are based on FY2017 end-of-year headcounts.

³A component of Survey System Operations is the management of "survey stacks". The cost of managing the first 2 million surveys is \$185,000. For every additional 5 million surveys, there is an additional \$185,000 charged.

The cost estimates also include the following assumptions:

- An average of eight calls per day for each state employee. This average was chosen to take into account state employees who may field high call volumes (including call centers), as well as those who receive few calls.
- Each employee has only one desk phone, though many agencies are also issuing mobile devices to employees. If mobile devices are included, the costs would be higher because each mobile number would require provisioning to connect to the survey platform. Additionally, statistical linkages will be required so that survey results from each phone would aggregate to the single employee.
- A survey completion rate of 10%. Industry statistics suggest that less than 10% of callers remain on the line after their call to complete surveys.
- Surveys are post-call only for inbound calls.

Some agencies utilize temporary and contract employees to support operations. Since the employee count for this group fluctuate based on peak periods and special projects, they are excluded from the analysis. GTA noted that there is currently no reliable measure of how many phone calls state employees receive and a study of call volumes across state agencies may need to be conducted prior to the statewide contract procurement process.

Sincerely,



Greg S. Griffin
State Auditor



Teresa A. MacCartney, Director
Office of Planning and Budget