



Legislative Post Audit Performance Audit Report Highlights

State Inspection Functions:
A K-GOAL Audit Determining the Cost Savings or Efficiencies
From Automating Inspection Processes

Report Highlights

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Audit Concern

Legislators have raised questions about whether there are ways to operate State inspection functions more efficiently.

Key Facts & Findings

- Only two of the seven KDHE inspection programs we reviewed—the Confined Animal Feeding Operations Program and the Drinking Water Program—are fully automated.
- Fully automating the inspection processes we reviewed could result in about \$6,600 in postage savings a year, because reports would no longer need to be mailed back and forth between inspectors and the central office.
- These results are based on a review of seven programs that have a routine inspection function. KDHE has other programs these efficiencies could be applied to.
- Further, this audit only explored automating the routine inspection process, which is part of an overall regulatory program. Even greater efficiencies could be gained by automating the entire process.

Estimated Potential
Net Cost Savings as a
Result of This Audit:
\$28,600 per year
\$114,400 over 4 years

AUDIT QUESTION: *Could Savings Be Achieved by More Fully Automating KDHE's Processes Related to Preparing, Storing, and Retrieving Inspection Reports?*

AUDIT ANSWER:

- In general, automating an agency's processes for preparing storing, sharing, and retrieving inspection reports can increase an agency's efficiency levels through both cost and time savings.
- As shown in the figure on the back of this HIGHLIGHTS sheet, KDHE could achieve annual net savings of about \$28,600 in staff and postage costs, for the sample programs we reviewed. About \$6,800 of the savings would be State General Fund moneys.
- We estimated that a half-time inspector position within the Wastewater Program could be eliminated through automation, resulting in about \$28,500 in cost savings a year.
- In addition to cost savings, KDHE could save an additional 1,770 hours of staff time—almost 44 weeks—that could be freed-up for other needed work in the programs we reviewed.
- Automating inspection processes also can improve data integrity, and can provide more data for management analysis of KDHE's programs and regulated entities.

We Recommended

- That the Department develop a multi-year plan for automating its inspection processes, and consider the benefits and costs of fully automating its entire regulatory process.
- That all inspectors with tablet computers should be required to use them, and that officials should explore the benefits and costs of completing work on an existing but incomplete inspection database (CLARIS).

Agency Response: *In general, the Department agreed with the report and our recommendations to consider the benefits and costs of automating its inspection processes, to complete current database projects, and for staff to use any currently available technology.*

**Estimated Compensation, Postage, and Time Savings That
We Estimated KDHE Could Achieve Through Automation**

Program	Savings and Efficiencies Gained			Annualized Costs Related to Purchase of Tablet Computers	
	Estimated Annual Compensation Savings (a)	Estimated Annual Postage Savings (rounded)	Additional Staff Time Freed Up for Other Work (in weeks)		
Confined Animal Feeding Operations	\$ -	\$ 730	Inspector	3.4 (b)	\$ -
			Clerk / Supervisor	0.0	
Drinking Water	\$ -	\$ -	Inspector	0.0	\$ -
			Clerk / Supervisor	0.0	
Wastewater	\$ 28,442	\$ 400	Inspector	0.0	\$ (160)
			Clerk / Supervisor	2.5	
Underground Injection Wells	\$ -	\$ -	Inspector	3.9	\$ (330)
			Clerk / Supervisor	0.0	
Underground Storage Tanks	\$ -	\$ 460	Inspector	11.4	\$ (2,940)
			Clerk / Supervisor	0.0	
Child Care and Licensing	\$ -	\$ 4,970	Inspector	15.6	\$ (2,940)
			Clerk / Supervisor	7.0	
Asbestos	\$ -	\$ -	Inspector	0.0	\$ -
			Clerk / Supervisor	0.0	
Totals	\$ 28,442	\$ 6,560	N/A	43.8	\$ (6,370)

(a) Currently, only 24% of the estimated compensation savings are funded through State General Fund money.

(b) These time savings are achieved by requiring inspectors to use the tablet computers already available to them, and not through additional automation steps.

Source: LPA estimated cost and time savings achieved through inspection process automation.

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**DO YOU HAVE AN IDEA FOR
IMPROVED GOVERNMENT EFFICIENCY OR COST SAVINGS?**

If you have an idea to share with us, send it to ideas@lpa.ks.gov, or write to us at the address shown. We will pass along the best ones to the Legislative Post Audit Committee.