

PERFORMANCE AUDIT REPORT

WATS Lines in State Agencies

**A Report to the Legislative Post Audit Committee
By the Legislative Division of Post Audit
State of Kansas**

July 1985

PERFORMANCE AUDIT REPORT

WATS Lines in State Agencies

OBTAINING AUDIT INFORMATION

This audit was conducted by Ellyn Rullestad, Senior Auditor, and Tom Vittitow, Auditor, of the Division's staff. If you need any additional information about the audit's findings, please contact Ms. Rullestad at the Division's offices.

TABLE OF CONTENTS

SUMMARY OF AUDIT FINDINGS

WATS LINES IN STATE AGENCIES

How Many Toll-Free WATS Lines Are State Agencies Now Leasing, and For What Purposes?	1
How Much Do Leased WATS Lines Cost the State, And Are the Costs Justified?	5
Are There Ways to Combine or Centralize WATS Lines To Provide More Efficient and Economical Services?	10
APPENDIX A: Toll-Free WATS Lines in State Agencies	18
APPENDIX B: Funding for State-Operated WATS Lines, Fiscal Year 1984	20
APPENDIX C: Funding for State-Operated WATS Lines, July Through December, 1984.	22
APPENDIX D: Number of Calls on State-Operated WATS Lines, Fiscal Year 1984	24
APPENDIX E: Number of Calls on State-Operated WATS Lines, July Through December, 1984.	25
APPENDIX F: Hours of Use of State-Operated WATS Lines, Fiscal Year 1984	26
APPENDIX G: Hours of Use of State-Operated WATS Lines, July Through December, 1984.	27
APPENDIX H: Cost of Calls on State-Operated WATS Lines, Fiscal Year 1984	28
APPENDIX I: Cost of Calls on State-Operated WATS Lines, July Through December, 1984.	29
APPENDIX J: Agency Response	31

WATS LINES IN STATE AGENCIES

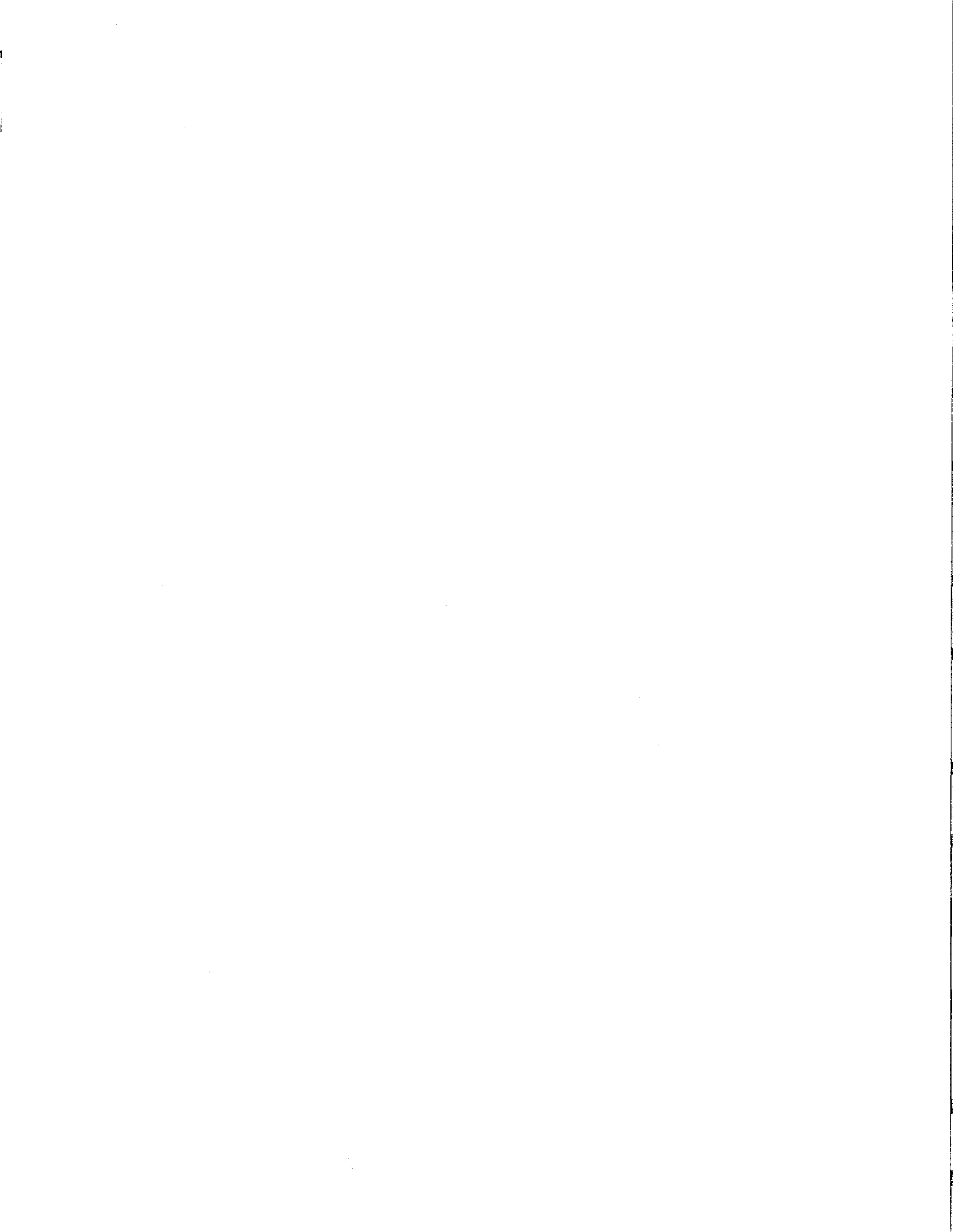
Summary Of Legislative Post Audit's Findings

How many toll-free WATS lines are State agencies now leasing, and for what purposes? During 1984 and the first half of fiscal year 1985, there were 41 incoming WATS numbers, with 50 separate circuits. One of these numbers was discontinued in August 1984 and another incoming line was approved in the second half of fiscal year 1985. State agencies leased seven outgoing WATS lines during that period. Two additional outgoing lines were approved in the second half of fiscal year 1985.

These toll-free lines are used for several distinct purposes. Thirty-two lines are service and information-related. Ten lines are operated under contract with the federal government or by specific federal direction, and five are either required by State statute or used to provide the outreach services required by statutes. Seven lines are "hotlines." The remaining lines fall into a miscellaneous category.

How much do the leased WATS lines cost the State, and are the costs justified? WATS lines cost State agencies \$326,000 in fiscal year 1984. Of this amount, \$136,000 came from the State General Fund, \$113,000 came from fee funds, and \$76,000 came from federal funds. For the first half of fiscal year 1985, the total cost of the toll-free WATS lines was \$151,000. These WATS lines are relatively costly when compared to the cost of calls made on the KANS-A-N system. In some instances, it appears that these high costs may not be justified and that the services provided by toll-free WATS lines could be provided in more cost-efficient ways.

Are there ways to combine or centralize WATS lines to provide more efficient and economical services? The audit explored several alternatives for providing WATS line services. These include routing all calls through the KANS-A-N system, consolidating multiple lines within an agency, allowing an agency to accept collect calls, and expanding the use of foreign exchange lines. The audit recommends that the Bureau of Telecommunications work with agencies to determine the most cost-effective alternative for providing WATS line services.



WATS Lines in State Agencies

At its meeting on April 26, 1985, the Legislative Post Audit Committee directed the Legislative Division of Post Audit to conduct a performance audit of the use of Wide Area Telephone Service (WATS) lines by State agencies. Legislative concerns had been raised about the number, purpose, control over, and cost of the toll-free, 800-prefix WATS lines being leased by State agencies. Questions were also raised about whether WATS lines could be combined or centralized to provide State services more efficiently and economically.

The audit addressed three main questions:

- 1. How many toll-free WATS lines are State agencies now leasing, and for what purposes?**
- 2. How much do the leased WATS lines cost the State, and are the costs justified?**
- 3. Are there ways to combine or centralize WATS lines to provide more efficient and economical services?**

To answer these questions, the auditors surveyed all State agencies, interviewed officials of the Division of Information Systems and Communications' Bureau of Telecommunications, and gathered cost data from the individual telephone bills for each line. They found that State agencies are leasing 41 incoming 800-prefix numbers, with a total of 50 separate circuits. In addition, seven outgoing WATS lines are leased. In fiscal year 1984, these 57 toll-free lines cost a total of \$326,000. Most of the lines are service or information related.

All new WATS lines must be approved by the Bureau of Telecommunications before they can be installed. The auditors found that the Bureau's approval procedures could be improved. Finally, the auditors examined alternatives for providing telephone services more efficiently, including consolidating existing lines, expanding the use of foreign exchange (FX) lines, and having agencies accept collect calls. The remainder of the audit discusses each of these findings in more detail.

How Many Toll-Free WATS Lines Are State Agencies Now Leasing, and for What Purposes?

This audit addresses only the toll-free WATS lines leased by State agencies separately from the KANS-A-N system. There are 43 KANS-A-N WATS lines for calls placed to off-network locations within Kansas, and 55 KANS-A-N WATS lines for calls outside of Kansas.

WATS lines are a special type of telephone line. They can be both incoming and outgoing. Incoming WATS lines enable a caller to dial into a

number without charge. They are identified by an 800-prefix. WATS lines can come into a single phone, into several phones, or through a switchboard. In addition, a single WATS number can have several circuits to handle a large volume of incoming calls. Outgoing WATS lines enable a caller to dial from a number without a specific charge for individual calls. Agencies lease WATS lines from the telephone company. Each line is charged a basic rate for the WATS service. Additional charges are levied based on the number of hours the line is used each month. These charges are tapered; the more hours of use, the lower the hourly charge.

**There Are 41 Unique, Incoming WATS Lines,
And Seven Outgoing Toll-Free Lines**

To determine the number of toll-free WATS lines leased by State agencies, the auditors surveyed each State agency and interviewed officials from the Bureau of Telecommunications. Based on the results of the survey and the information provided by the Bureau, the auditors determined that State agencies were leasing 41 unique incoming WATS numbers during fiscal year 1984 and the first half of fiscal year 1985. These numbers had a total of 50 incoming WATS circuits. (One of these numbers was discontinued in August 1984, and one has been approved in the second half of fiscal year 1985.) Appendix A lists each of the WATS numbers and indicates the number of lines available to the number.

In addition, there are seven outgoing WATS lines. These are also listed in Appendix A. One is located in the Adjutant General's Office and the others are located within the legislative branch. Five of these legislative lines are temporary and are in operation only during the legislative session. (Two outgoing lines have been approved in the second half of fiscal year 1985.)

**Most Leased WATS Lines Provide a Service
Or Supply Information to Callers**

According to the results of the survey, agencies lease toll-free WATS lines for five main reasons. The following table lists these reasons and the number of lines associated with each purpose. Because some agencies suggested more than one use for a line, there is some duplication in the chart.

<u>Purpose of WATS Line</u>	<u>Number of lines</u>
Service or information related	32
Operated under federal contract or federal direction	10
Hotline	7
Miscellaneous	7
Authorized by statute/outreach	5

Most leased WATS lines are for service-related or information purposes. Several universities operate toll-free lines for admissions and athletic information. There are also numbers people can call to obtain information about workers' compensation, vocational rehabilitation, insurance, unclaimed proper-

ty, the status of legislation, patient information at the Kansas University Medical Center, and the like. In all, 32 WATS lines fall into the general service or information-related category.

Some WATS lines are operated under contract with the federal government or by specific federal direction. Ten lines fall into this category. These include the disability determination and appeals lines operated by the Department of Social and Rehabilitation Services for

the Social Security Administration. The Adjutant General operates both an incoming and outgoing WATS line for National Guard recruitment. Finally, a toll-free telephone number is provided by the Employment Security Systems Institute of the Department of Human Resources to allow employment security agencies from other states to report computer problems. These lines are all paid for with federal funds.

Several WATS lines were established as hotlines. Seven lines fall into the hotline category. These include the welfare fraud and abuse line operated by the Department of Social and Rehabilitation Services, the REDDI line (Report Every Drunk Driver Immediately) operated in conjunction with the Highway Patrol, the consumer protection line operated by the Attorney General, the crime and arson line operated by the Kansas Bureau of Investigation, the poison control line operated by the Medical Center, the poaching line operated by the Fish and Game Commission, and the toll-free line operated by the Insurance Department. In general, these lines are paid for out of State funds.

A few WATS lines are authorized or required by law. Three WATS lines now being leased are specifically authorized by statutes: the welfare fraud and abuse hotline and the hearing-impaired line, both operated by the Department of Social and Rehabilitation Services, and a toll-free number in the Department on Aging. Two other lines are not specifically required by statute, but the law does require the agency to develop a mechanism for providing outreach services. In these cases, the agencies installed toll-free lines to meet this requirement. The Low-Income Energy Assistance Program line operated by the Department of Social and Rehabilitation Services and the special education line operated through the Department of Education fall into this category.

Several WATS lines fall into a miscellaneous category. This category includes a line used by the Department of Human Resources for three months each year. This line enables employers to call in their responses to the annual occupational employment statistics survey. This miscellaneous category also includes the several outgoing legislative WATS lines, which are in operation primarily during the legislative session.

**WATS Lines For Providing Information:
An Example**

Two incoming WATS lines in the admissions office at the University of Kansas provide general information and services to prospective students. These lines are used to answer questions about admissions, transfers, and campus visits. One of the WATS lines takes calls placed within Kansas; the other is for out-of-State calls. The in-State number receives an average of 1,130 calls per month, while the out-of-State line averages 1,211 calls. Monthly charges for the in-State and out-of-State WATS lines averaged \$1,084 and \$1,320, respectively. The per-minute costs to operate the two WATS lines are \$.34 for the in-State line and \$.31 for the out-of-State line. The University pays for the two WATS lines solely from student fees.

Before a WATS Line Can Be Installed It Must Be Approved By the Bureau of Telecommunications

State law enacted in 1974 requires that all telecommunications equipment and service purchases be approved by the Department of Administration. A Department of Administration policy issued in March 1976 provided for the Secretary of Administration to review all State agency requirements for leased, private, long-distance lines, including WATS lines, and to authorize the acquisition of such services.

More recent policy changes in April 1985 delegated this responsibility to the Director of the Division of Information Systems and Communications. The Division's policies require agencies to obtain written approval from the Director before any telecommunication equipment or services can be obtained. In making their requests, agencies must submit a detailed description of the services required, including alternatives considered. In addition, the benefits and costs of the request must be provided.

Each request for the installation of a WATS line is reviewed by the Division's Bureau of Telecommunications. In their discussions with the auditors, Bureau officials indicated that the general guidelines for approving toll-free WATS lines include the requirement of a specific authorizing statute or a specific operational need for the line. They also examine the source of funding. Generally, requests for WATS lines that are federally funded are automatically approved.

The Bureau does not have written guidelines to follow in reviewing and approving toll-free WATS lines. Most of the existing WATS lines have been in use since before the approval requirements were in place. The auditors looked at nine of the most recently installed toll-free WATS lines to ensure that the appropriate requests for services had been made. In seven of the nine cases, they examined the request for a description and cost of the services, and approval by the Bureau of Telecommunications. The requests noted the general purpose for the installation of the WATS line, the estimated cost of the line, if available, and any statutory basis for the line. Generally, a brief statement of why a toll-free number was needed was also included in the requests.

Federally Required WATS Lines: An Example

The Adjutant General's Office reported that the Kansas National Guard, under the direction of federal laws and codes, operates both an incoming and an outgoing WATS line to recruit personnel. Combined, these two lines in the first six months of fiscal year 1985 had a total of 5,876 calls, and total charges of \$8,069. During that same period, the two lines were used a total of 355 hours and had an average per-minute charge of \$.36 for the incoming line and \$.40 for the outgoing line. These lines are contracted for and paid out of the U.S. Property and Fiscal Offices.

The Bureau approved the requests for the seven WATS lines examined in detail. However, the auditors noted that the Bureau had no written procedures to guide it in making determinations as to whether a line should be approved. Without specific written guidelines, it is difficult to ensure that consistent criteria are applied to each agency request.

Recent approvals did not have written documentation. Two of the nine requests for WATS line services were made after April 1985, when

the new approval policies were put into place. One request, dated May 1, was for two outgoing WATS lines in the Governor's Office and mansion. The second request was for an incoming agricultural hotline authorized by the 1985 Legislature. That line becomes effective July 1, 1985.

The auditors found that the Bureau approved both of these requests, even though no written documentation was submitted along with the requests, as required, regarding the purpose, need, alternatives, and cost-benefit of the lines. Bureau officials told the auditors that both requests were made by phone, and that the Bureau discussed the need for the WATS lines and other factors with the agencies prior to approval. Nonetheless, by approving these lines without written documentation the Bureau did not follow its current policy in this area.

Recommendations

1. The Bureau of Telecommunications should develop specific written guidelines governing its review and approval of toll-free WATS lines in State agencies.
2. To comply with its policies regarding WATS lines, the Bureau should require agencies to submit written requests, including a description of the services required, alternatives considered, and costs and benefits of the services, before approving any agency's request for a toll-free WATS line.

How Much Do Leased WATS Lines Cost the State, And Are the Costs Justified?

Because leased WATS lines are not part of the monthly KANS-A-N billing system, State agencies receive a monthly bill from Southwestern Bell for each toll-free line. The auditors collected information from these bills for each agency to determine the costs of their leased WATS lines. Each number carries a basic monthly charge for the use of the line. The current basic charge is \$110.75 per month. Additional charges are levied for the hours that the line is in use. These usage charges are levied on a declining scale so that the more hours a line is used, the lower the cost for each additional hour. The tariffs for toll-free WATS lines leased from Southwestern Bell in fiscal year 1985 are as follows:

<u>Hours Used Per Month</u>	<u>Hourly Rate</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>
First 8	\$19.96	\$ 13.98	\$7.98
Next 13	18.23	12.77	7.98
Next 20	16.35	11.45	7.98
Over 41	14.38	10.07	7.98

As the chart indicates, the lowest rates are charged for WATS line use that exceeds about 40 hours per month.

Based on the data gathered from the telephone bills, the auditors determined that the cost for leased WATS lines in fiscal year 1984 was about \$326,000. For the first half of fiscal year 1985, the cost was about \$151,000.

WATS Lines Are Paid From Several Different Funding Sources

Some leased WATS lines are paid for from sources other than State General Fund moneys, such as agency fee funds or federal funds. The following chart breaks down the total cost of the leased WATS lines by funding source. There is some duplication in the chart because three lines, two at the Department of Social and Rehabilitation Services and one at the State Library, were paid for with both State and federal moneys. Appendices B and C list each agency's charges for WATS line service.

Cost of WATS Lines Leased by State Agencies

	<u>Number Of Lines (a)</u>	<u>Fiscal Year 1984</u>	<u>Fiscal Year 1985 (b)</u>
State General Funds	21	\$ 136,174	\$ 42,415
Fee Funds	22	113,448	64,266
Federal Funds	17	76,135	44,064
TOTAL		<u>\$ 325,757</u>	<u>\$ 150,745</u>

- (a) Three lines were paid for with both State and federal dollars.
- (b) Only the first six months of fiscal year 1985 are shown here.

Less than half the WATS line lease costs are paid with State General Fund moneys. As the table shows, State General Fund moneys accounted for \$136,174 of the nearly \$326,000 paid in fiscal year 1984 for leased WATS lines, or about 42 percent. About 35 percent was paid from fee funds, and the remaining 23 percent came from federal funds. In fiscal year 1985, the General Fund share appears to be smaller, but these figures exclude the cost of the outgoing legislative lines and the incoming "bill status" line in the State Library. Those lines are paid for out of the General Fund, and account for a fairly significant portion of the total costs--about 13 percent of fiscal year 1984 costs. Most of these costs are incurred in the second half of the fiscal year.

Leased WATS Lines Received an Average of About 5,400 Calls Per Line in Fiscal Year 1984

As part of their determination of whether costs were justified, the auditors collected information on the use of leased WATS lines. As the following chart shows, approximately 294,000 calls were made to toll-free numbers leased by State agencies in fiscal year 1984. This number of calls translates into approximately 16,000 hours of use.

Annual Overall Use of Leased WATS Lines

	Fiscal Year 1984	Fiscal Year 1985 (a)
Total calls	294,173	121,735
Total hours	16,169	6,485
Average hours of usage per line	299.4	127.2
Average number of calls per line	5,448	2,387

(a) Fiscal year 1985 statistics represent only the first six months of the year.

There is considerable difference in usage among the lines. The averages noted above mask the variations in usage that occur among the different WATS lines. For example, the number of calls per line in fiscal year 1984 ranged from only 117 for the Low-Income Energy Assistance Program line to 23,500 at Fort Hays State University. Similarly, the number of hours on those lines ranged from 3.1 hours to 1,376 hours for the year. Appendices D through G list the number of calls and hours of usage for each line.

Costs and use of WATS lines on a per-call basis also varied significantly. As the following table indicates, calls made on leased WATS lines in fiscal year 1984 lasted an average of 3.3 minutes. The average cost per call was \$1.11; the average cost per minute was \$.34. In the first half of 1985, the average costs per minute increased to \$.39. (This figure is likely to be less for the full fiscal year, because some heavily used lines--such as the outgoing legislative lines--are not included in the analysis.) The following table shows the average costs and use of WATS lines, by call.

Average Cost and Utilization of WATS Lines, By Call

	Fiscal Year 1984	Fiscal Year 1985
Average minutes per call	3.30	3.20
Average cost per call	\$1.11	\$1.24
Average cost per minute	\$.34	\$.39

As with the overall figures, the costs per minute varied considerably among the lines. In fiscal year 1984, costs ranged from \$.26 per minute to \$5.68 per minute. The \$.26 per minute cost was to the physician referral line operated by the University of Kansas Medical Center. In fiscal year 1984, that line had 1,253 hours of use, compared with an average for all lines of about 300 hours. Costs were low for this line because of the high volume. The Low-Income Energy Assistance Program line had the highest cost per minute. That high cost reflects a very low level of use; in fiscal year 1984, this line was used only three hours during its seven months of operation. Appendices H and I list the total cost and average cost per minute for each line.

The minutes per call also varied significantly. In fiscal year 1984, the longest calls were made to the disability determination number. These calls

averaged just under 8.5 minutes. The shortest calls lasted just over half a minute. They were made to the Employment Security System Institute's computer lines for reporting computer problems. These calls were made to an answering machine, which may explain why they were completed so quickly.

In General, Calls Made on the Leased, Toll-Free WATS Lines Cost Considerably More Than Calls Made on KANS-A-N

The average cost per minute for WATS lines leased by State agencies was \$.34 in fiscal year 1984 and \$.39 during the first half of fiscal year 1985. By contrast, KANS-A-N lines currently cost an average of only \$.29 per minute. In fiscal year 1984, KANS-A-N calls averaged \$.24 per minute. In other words, there is an average \$.10-per-minute difference between KANS-A-N calls and WATS line calls.

Calls made on KANS-A-N are less expensive because of the higher volume of calls. Bureau of Telecommunications officials indicate that WATS lines on the KANS-A-N system average about 1,100 hours of use per year. That

compares with an average of about 300 hours of use per leased toll-free WATS line in fiscal year 1984. Because of the rate tariff structure, the higher level of usage on KANS-A-N results in a lower average per-minute cost.

A Temporary WATS Line in the Department of Human Resources

The Department of Human Resources operates an incoming WATS line for three months each year. This line is used to obtain responses from employers for an annual occupational employment statistics survey. This information is required by and is paid for by the Bureau of Labor Statistics in the U.S. Department of Labor. During the three months it was used in fiscal year 1985, this WATS line received 660 calls. The line was in use for 35.1 hours, at a rate of \$.60 per minute. The cost of operating this temporary WATS line was \$1,257 in fiscal year 1985, and \$460 in fiscal year 1984.

The lowest per-minute rate charge under the tariff structure does not come into effect until the leased line is used a minimum of 40 hours per month, or 480 hours per year. However, for toll-free WATS line calls to be charged at the average \$.29-per-minute cost of KANS-

A-N calls, the auditors determined that each WATS line would need to average about 960 hours of use per year, far more than their current 300-hour average. Only 13 toll-free WATS lines had at least 480 hours of usage in fiscal year 1984, and only two had more than 960 hours of use. In fiscal year 1985, four WATS lines are being used at an annual rate of 480 hours.

Although There May Be Valid Reasons to Use WATS Lines, Some Lines May Not Be Cost-Justified

Toll-free WATS lines are more expensive on a per-minute basis than KANS-A-N lines, but there may be other valid reasons for agencies to continue leasing them. Some toll-free WATS lines are required by State statute. These must be provided regardless of the cost. Some WATS lines are required by contract with the federal government. Still others are hotlines, and it would appear that the purpose of these lines is better met through the use of a toll-free telephone number than by any other method.

WATS lines with very low volume and very high costs may not be justified from an economic standpoint. The following chart breaks down the costs per minute for calls on leased WATS lines in the first half of fiscal year 1985.

<u>Cost Per Minute</u>	<u>Number of Lines</u>
\$.29 or less	1
\$.30 to \$.39	19
\$.40 to \$.49	10
\$.50 to \$.59	6
\$.60 to \$.69	3
\$.70 to \$.99	6
\$1.00 to \$1.50	2
\$1.51 to \$2.50	3

It is clear from the chart that some leased WATS lines are quite costly on a per-minute basis. In fact, five lines' average cost per minute was more than \$1.00. (By comparison, collect calls cost an average of only \$1.05 per minute.) These five lines are as follows:

<u>WATS Line</u>	<u>Cost per Minute</u>	<u>No. of Calls</u>	<u>Hours Used</u>
Fish and Game poaching line	\$ 1.27	546	22.3
ESSIS computer problems (2 lines)	2.46ea.	349ea.	4.0ea.
Medical Center's renal dialysis home patient calls line	1.15	351	20.4
Low-Income Energy Assistance Program line	1.64	412	9.0
Avg. for all WATS lines	\$.39	2,387	127.2

The chart also shows these lines cost so much because of their low volume. In fiscal year 1985, the calls ranged from a low of 349 calls to each of the Employment Security System Institute's computer problems lines to 546 calls to the Fish and Game poaching line. These figures compare with an average for all toll-free WATS lines of about 2,400 calls per line. The hours of use during the first six months of fiscal year 1985 is similarly low, ranging from four hours per line at the computer problems lines to 22.3 hours at the Fish and Game poaching line. These figures compare with an average of about 127 hours of use per line. Possible alternatives for providing these services at less cost are discussed under the final question addressed by this audit.

The cost of outgoing toll-free WATS lines may also be unjustified. Through December 1984, State agencies were leasing seven outgoing WATS lines. One is leased by the National Guard and is used for recruitment purposes. The other six, including five that are operated only during the legislative session, are used by the legislative branch. Two additional outgoing lines were approved in May 1985 for the Governor's Office and mansion.

On a per-minute basis, calls made on these outgoing WATS lines are not significantly higher than the average KANS-A-N rate of \$.29 per minute. Calls

made on the National Guard's outgoing line cost an average of \$.40 per minute in fiscal year 1985. In addition, although this line is State-administered, it is federally funded. For fiscal year 1984, the only time period for which data was collected for the six outgoing legislative lines, the cost per minute was \$.27. This compared to an average KANS-A-N cost that year of \$.24 per minute. Despite their comparatively low cost, these outgoing lines do not serve the general public, and they do not provide State agencies with a service that is not also available through the regular KANS-A-N system. With outgoing WATS lines, there is also no record of the cost, length, or destination of each call.

The auditors estimated the State would save about \$5,000 a year if these seven outgoing WATS lines were eliminated in favor of using the KANS-A-N system. In addition, the use of the KANS-A-N system would improve accountability by ensuring that a record would be kept of each call.

Are There Ways to Combine or Centralize WATS Lines To Provide More Efficient and Economical Services?

In addressing this question, the auditors explored several alternatives, including routing all calls through the central KANS-A-N switchboard, consolidating lines within agencies that have more than one WATS line, allowing agencies to accept collect calls, and expanding the use of foreign exchange or "FX" lines. Each option, and its advantages and disadvantages, is discussed below.

Routing All WATS Line Calls Through KANS-A-N May Be Feasible, But Its Disadvantages Seem to Outweigh Its Advantages

According to officials of the Bureau of Telecommunications, a single toll-free number could be established in the KANS-A-N system. Operators would then route all toll-free calls to their destination. The officials indicated there may be some administrative difficulties in setting up such a procedure. Nonetheless, routing all toll-free calls through the KANS-A-N system would reduce their cost because the overall volume of calls would be considerably greater.

A WATS Line as "Hotline": An Example

The welfare fraud and abuse hotline operated by the Department of Social and Rehabilitation Services is required by K.S.A. 39-760. This "hotline" gives the public an outlet for reporting suspected fraud or abuse by welfare recipients or medical providers. During the first half of fiscal year 1985, this line received 3,391 calls, or an average of 565 calls per month. The monthly cost for the line averaged \$486 for the same period. The average per-minute cost was \$.53, and the average use was 17.3 hours per month. The cost for the line is shared by the State and the federal government. An agency official reported to the auditors that this line resulted in recoveries of \$123,000 in fiscal year 1984 and \$105,000 during the first half of fiscal year 1985.

If all calls made during the first half of fiscal year 1985 had been made on the KANS-A-N system, the total cost, at \$.29 per minute, would have been \$113,000. This compares to an actual cost for the six-month period of \$151,000. Thus, there is a potential savings of \$38,000, or \$76,000 on an annual basis.

This savings is somewhat overstated because additional operators may have to be hired to accommodate the increased number of calls on KANS-A-N. There could be other

offsetting costs for adding new lines on KANS-A-N to handle the increased volume--an additional 294,000 calls and 16,000 hours of use per year. In addition, each call may take more time to complete because it would have to be routed to a second destination by the KANS-A-N operator.

Another disadvantage to this approach is the loss of convenience. In some cases, that inconvenience may simply mean waiting for the right party to answer, being transferred to the wrong destination, encountering more busy signals, or waiting for the right party to call back. In other cases, such as calls on the poison control hotline or the welfare fraud and abuse hotline, the lack of a direct line may be a more critical factor. Finally, telephone company requirements for such national WATS lines as the computer problems line and the patient referral line stipulate that two separate toll-free lines must be maintained for these services.

Because of the unique nature of many of these WATS lines and because of the attendant costs and potential disadvantages of routing all such calls through a single toll-free number in KANS-A-N, Statewide consolidation of toll-free WATS lines does not appear to be a desirable option.

**Consolidating WATS Lines Within Certain Agencies
Might Prove To Be a More Cost-Effective Alternative**

This option seems especially worthwhile for the universities or for agencies with several phone lines. The following table lists those agencies with more than one WATS line:

<u>Agency</u>	<u>Number of Lines</u>
Social and Rehabilitation Services	10
Kansas University Medical Center	9
Kansas State University	5
University of Kansas	5
Human Resources	4
State Library	3

The auditors examined the 36 WATS lines leased by these agencies to determine whether consolidating lines appeared to be both practical and desirable.

Generally, they found that some of the same problems associated with routing all calls through KANS-A-N would apply in routing all WATS line calls within a single agency as well, although on a smaller scale. Some WATS lines are required by statute or the federal government, the telephone company requires that some types of lines have at least two circuits, hotlines may be better off as distinct lines, and callers may find that calls take longer to get through, the lines are busy more often, and the like.

**Statutorily Required WATS Line:
An Example**

State law requires the Department on Aging to operate an incoming WATS line to assist older Kansans and their relatives in obtaining information about services available to them. During the first six months of fiscal year 1985, the Department received an average of 127 calls a month at a cost of \$209. These calls resulted in an average of 4.6 hours of use at a cost of \$.63 per minute. Expenditures for this line are funded entirely through the federal Older Americans Act.

**Routing WATS Line Calls Through
A Central Switchboard:
An Example**

In early fiscal year 1984, Fort Hays State University operated its WATS line through the general University switchboard. Operators transferred calls to whomever the caller requested. Costs for this WATS line were high. The University has since quit transferring toll-free calls; instead, the operators take messages. The person being called then returns the call on a KANS-A-N line. This method offers several advantages for the University. First, it reduces costs by eliminating the time absorbed in transferring calls to different extensions. Second, by requiring that calls be made on KANS-A-N, the University is better able to allocate its communication expenditures and ensure accountability for the telephone calls. The method may pose problems for callers if their calls are not returned.

For some agencies with multiple lines, the feasibility of consolidating WATS lines would have to be determined on a case-by-case basis. For example, Kansas State University operates five lines--one for athletic ticket sales, one for admissions, and three for continuing education information and conference registration. Each line is used relatively infrequently, ranging from 133 hours to 335 hours in fiscal year 1984. Routing these calls through a central number and having the operator transfer the call to the right party may allow the University to get by with fewer lines. However, even after a call has been transferred to another number, that line stays busy

until both parties hang up. In other words, only one caller could use the line at a time. Adding more circuits to the line would essentially cost the same as having separate lines. Telephone operators at Fort Hays State University, which routes its toll-free WATS line number through its general switchboard, take messages and then notify the appropriate parties so they can return the calls on the KANS-A-N system.

The auditors did find at least four lines for which the possibilities for consolidation seemed obvious. The University of Kansas Medical Center operates two lines with a very low volume of calls. The home dialysis patients line had 65.4 hours of use in fiscal year 1984, or an average of just 5.5 hours a month. The medical library number had 149 hours of use in fiscal year 1984--just 12.4 hours per month. If these lines were consolidated into one number, the total usage would still not exceed 18 hours a month. Eliminating just one line would save at least the \$1,300 basic monthly charge per line per year.

The Department of Social and Rehabilitation Services operates a Low-Income Energy Assistance Program line and a vocational-rehabilitation services line. Combined, these lines had a total of 47.5 hours of usage in fiscal year 1984. Again, consolidating these two lines into one would save at least an additional \$1,300 per year. In addition, there would be additional cost savings because the one line in each case would be used for more hours, resulting in a lower per-minute charge for the higher volume.

These examples represent the most obvious cases where consolidation within an agency would appear to be a simple, practical, and cost-effective step. There may be similar, less obvious possibilities at other agencies with multiple WATS lines. The advantages and cost savings would have to be weighed against the disadvantages or other requirements on a case-by-case basis to determine if consolidation is the right solution.

Allowing Agencies With Low-Usage WATS Lines to Accept Collect Calls Might Be Another Appropriate Cost-Savings Alternative

Earlier in this report, five lines were identified as having very high per-minute costs and relatively low hours of use. For three of these lines--the Fish and Game poaching line, the Medical Center's renal dialysis home patient call line, and the Low-Income Energy Assistance Program line--it appears that another more cost-efficient approach would be to accept collect calls from callers. The two computer problems lines are required by the federal government and are handled by answering machines, which makes them unlikely candidates for this approach.

Station-to-station collect call rates are \$1.05 for the first minute. This charge is less than the per-minute cost currently being paid for these particular WATS lines. If the calls made on these three lines during the first half of fiscal year 1985 had been charged at the collect call rate of \$1.05 per minute, they would have cost at least \$735 less. These charges could be reduced even further if the agency took the caller's name and number and called back on KANS-A-N.

Expanding the Use of Foreign Exchange Lines To Cities Might Reduce the Cost of WATS Lines At Some Agencies

Foreign exchange lines, or FX lines, operate like a local telephone line. With an FX line between Topeka and Kansas City, for example, any call made to Kansas City from Topeka is considered a local telephone call and is not charged as a long-distance call. Oftentimes, these lines are used to transmit data into a computer in another city, but they may also be used for regular telephone transmissions.

These lines have a significant cost advantage over WATS lines. The telephone company charges a basic monthly fee, and the Department of Administration charges a small monthly line-rental fee based on the distance in miles between the two cities. Unlike WATS lines, there is currently no hourly usage charge for FX lines. Although the telephone company has been considering the possibility of passing on a nominal usage charge and increasing the monthly charges, the total cost of an FX line could still be less than a toll-free WATS line charge

This method might have particular cost advantages for agencies that receive a lot of calls from one city. For example, Kansas University might receive a substantial number of admissions inquiries from Topeka or Kansas City. In such cases, the agency may be able to reduce its costs for WATS service by expanding the use of FX lines. Again, the feasibility of this option would have to be decided on a case-by-case basis.

Some Lines May Be Able To Be Eliminated Because They Are No Longer Serving Their Original Purpose Or May No Longer Be Needed

The auditors found that some agencies have taken it upon themselves within the past few years to evaluate their WATS line usage. Based on their

reviews, some toll-free numbers have been voluntarily consolidated or discontinued. For example, Kansas State University discontinued its toll-free extension services WATS lines. The arson hotline, which had been operated by the State Fire Marshal's Office, was combined with the KS-CRIME line operated by the Kansas Bureau of Investigation. In addition, one of two lines for the Governor's constituent services was disconnected because all of the calls could be handled on one incoming line. Kansas University also eliminated one line that had been used in conjunction with a grant project. Similarly, the Department of Social and Rehabilitation Services is reviewing its lines and has considered eliminating the Low-Income Energy Assistance Program line because of its low level of use. Given these agencies' findings and actions, it may be possible that other WATS lines have outlived their purposes or are no longer needed and could be eliminated.

Conclusion

It appears that most toll-free WATS lines currently leased by State agencies are serving useful public purposes. However, almost all of these WATS lines cost more to operate than regular KANS-A-N lines. Some agencies have evaluated their WATS line usages, but such a review has not been conducted on a systematic basis.

The Division of Information Systems and Communications and its Bureau of Telecommunications are responsible for reviewing and approving the telecommunications equipment and services of all State agencies. Given the low volume and high cost of some WATS lines now in State agencies, and given the potential for consolidating or eliminating some of those lines, the Division or the Bureau should review the purpose, use, and cost of all existing WATS lines with the agencies involved to determine whether those lines are still needed or whether the services being provided could be handled in a more cost-effective way.

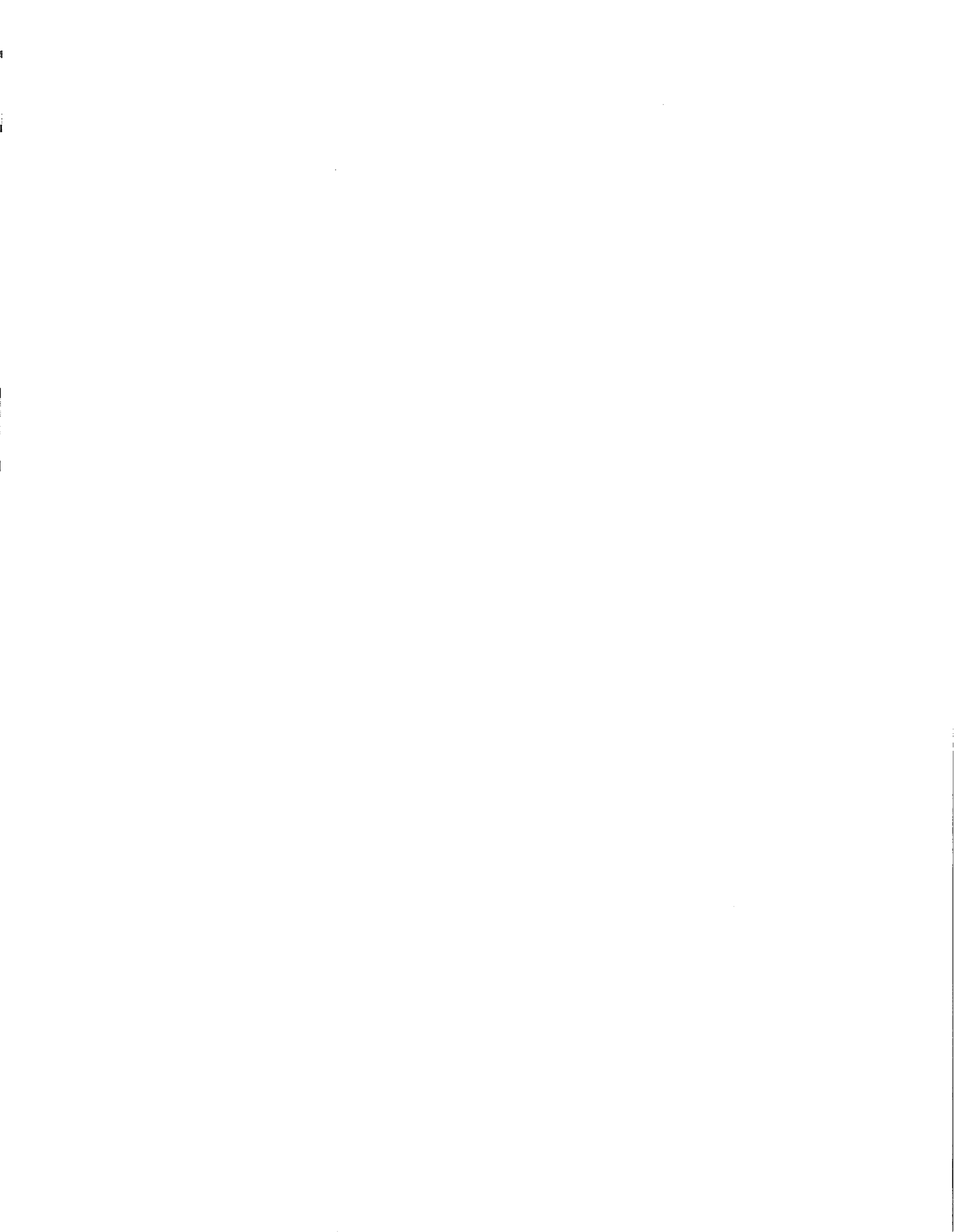
Recommendations

1. The Bureau of Telecommunications should review the configuration of WATS lines in State agencies with the overall objective of ensuring that needed services are provided in the most cost-effective approach. On a case-by-case basis, the Bureau should do the following:
 - a. Work with agencies that have more than one WATS line to determine the cost savings from consolidating WATS lines within that agency.
 - b. For agencies with high per-minute costs, review the feasibility and potential cost savings of allowing the

agencies to accept collect calls rather than lease a WATS line.

- c. Work with agencies that have a large volume of calls, especially from one city, to explore the possibility and cost-effectiveness of expanding the use of foreign exchange lines, or FX lines, at those agencies.
- d. Review agencies' use of outgoing WATS lines and determine whether it is more cost-effective for those agencies to use regular KANS-A-N lines.

- 2. In all instances where the Bureau determines there are more cost-effective options for providing WATS line services, it should work with the agencies involved to make any appropriate changes.



INTRODUCTION TO THE APPENDICES

The following appendices summarize the data collected for this audit. The appendices generally reflect complete data. In three instances, however, the KS-CRIME line, the outgoing legislative lines, and one of Kansas University's incoming lines for continuing education, some element of data was missing for one or more months. In these cases, estimates of the missing data were made based on the available data.

Considerably more information is available on WATS lines in State agencies, including monthly call, cost, and usage data for each phone line. This information will be provided upon request.

APPENDIX A
TOLL-FREE WATS LINES IN STATE AGENCIES

AGENCY	PHONE NUMBER	PURPOSE OF LINE	LINES
INCOMING WATS:			
ADJUTANT GENERAL	432-2447	NATIONAL GUARD-RECRUITMENT	1
AGING	432-3535	ELDERLY SERVICES	1
ATTORNEY GENERAL	432-2310	CONSUMER PROTECTION	1
EDUCATION	332-6262	SPECIAL ED/HANDICAPPED	1
FISH & GAME	228-4263	POACHING HOTLINE	1
FORT HAYS STATE	432-0248	ADMISSIONS	1
GOVERNOR	432-2487	CONSTITUENT SERVICES	1
HIGHWAY PATROL	332-7334	REPORT DRUNK DRIVERS	1
HUMAN RESOURCES	332-0353	WORKERS COMPENSATION	1
HUMAN RESOURCES	432-2325 **	EMPLOYMENT SURVEY	1
HUMAN RESOURCES	255-2457	ESSI COMPUTER	2
INSURANCE	432-2484	INSURANCE INFORMATION	1
KANSAS STATE	432-8270	ADMISSIONS	1
KANSAS STATE	432-2793	ATHLETICS-TICKETS	1
KANSAS STATE	255-2757	CONTINUING EDUCATION	2
KANSAS STATE	432-8222	CONTINUING EDUCATION	1
KANSAS UNIVERSITY	532-6772	CONTINUING EDUCATION	1
KANSAS UNIVERSITY	332-6332	ADMISSIONS	1
KANSAS UNIVERSITY	255-6322	ADMISSIONS	2
KANSAS UNIVERSITY	332-0105 *	FAMILY DEVELOPMENT INSTITUTE	1
KANSAS UNIVERSITY	332-6462	ATHLETICS-TICKETS	1
KBI	572-7463	KS-CRIME, ARSON	1
LIBRARY	362-0699	BLIND SERVICES	1
LIBRARY	432-3919	LIBRARY INFORMATION	1
LIBRARY	432-3924 **	LEGISLATIVE HOTLINE	1
MEDICAL CENTER	332-6048	PHYSICIAN REFERRALS	2
MEDICAL CENTER	332-6633	POISON HOTLINE	1
MEDICAL CENTER	332-4199	PHYSICIAN REFERRALS	1
MEDICAL CENTER	332-4355	HOME PATIENT DIALYSIS CALLS	1
MEDICAL CENTER	332-6912	PATIENT ADMISSIONS	1
MEDICAL CENTER	255-6151	PHYSICIAN REFERRALS	2
MEDICAL CENTER	332-4193	MEDICAL LIBRARY	1
PARSONS STATE	362-0390	CRISIS/INFORMATION	1
SRS	432-0698	HEARING IMPAIRED (TTY)	1
SRS	432-3913	WELFARE FRAUD	1
SRS	432-2326	VOCATIONAL-REHABILITATION	1
SRS	432-3594	DISABILITY APPEALS	2
SRS	432-0043	ENERGY ASSISTANCE	1
SRS	432-2428	DISABILITY DETERMINATION	4
TREASURER	432-0386	UNCLAIMED PROPERTY	1
WICHITA STATE	362-2594	ADMISSIONS	1

OUTGOING WATS:

ADJUTANT GENERAL	120-7138	NATIONAL GUARD	1
LEGISLATIVE SERVICES	120-7488	LEGISLATORS USE	1
LEGISLATIVE SERVICES	120-7145	LEGISLATORS USE	5

* DISCONTINUED WATS SERVICE

** SEASONAL LINES

APPENDIX B
FUNDING FOR STATE OPERATED WATS LINES
FISCAL YEAR 1984

AGENCY	PHONE NUMBER	FUNDING SOURCE	TOTAL CHARGES	STATE GENERAL FUND
ADJUTANT GENERAL	432-2447	FEDERAL	\$6,129.66	\$0.00
ADJUTANT GENERAL	120-7138	FEDERAL	\$4,550.31	\$0.00
AGING	432-3535	FEDERAL	\$2,504.20	\$0.00
HIGHWAY PATROL	332-7334	FEDERAL	\$1,743.26	\$0.00
HUMAN RESOURCES	432-2325	FEDERAL	\$459.79	\$0.00
KANSAS UNIVERSITY	332-0105	FEDERAL	\$2,980.40	\$0.00
SRS	432-3594	FEDERAL	\$14,066.33	\$0.00
SRS	432-0043	FEDERAL	\$1,056.44	\$0.00
SRS	432-2428	FEDERAL	\$37,348.00	\$0.00
TOTAL			\$70,838.39	\$0.00
HUMAN RESOURCES	332-0353	FEE FUND	\$6,252.48	\$0.00
HUMAN RESOURCES	255-2457	FEE FUND	\$2,767.62	\$0.00
KANSAS STATE	432-8222	FEE FUND	\$6,914.79	\$0.00
KANSAS STATE	255-2757	FEE FUND	\$6,142.42	\$0.00
KANSAS STATE	432-2793	FEE FUND	\$4,688.10	\$0.00
KANSAS UNIVERSITY	332-6332	FEE FUND	\$13,396.23	\$0.00
KANSAS UNIVERSITY	255-6322	FEE FUND	\$18,031.22	\$0.00
KANSAS UNIVERSITY	332-6462	FEE FUND	\$5,704.22	\$0.00
MEDICAL CENTER	332-4355	FEE FUND	\$2,408.81	\$0.00
MEDICAL CENTER	332-4193	FEE FUND	\$4,125.06	\$0.00
MEDICAL CENTER	332-4199	FEE FUND	\$19,815.78	\$0.00
MEDICAL CENTER	532-6912	FEE FUND	\$4,945.50	\$0.00
MEDICAL CENTER	332-6048	FEE FUND	\$8,242.04	\$0.00
MEDICAL CENTER	255-6151	FEE FUND	\$1,575.42	\$0.00
MEDICAL CENTER	332-6633	FEE FUND	\$4,897.96	\$0.00
PARSONS STATE	362-0390	FEE FUND	\$3,540.45	\$0.00
TOTAL			\$113,448.10	\$0.00
ATTORNEY GENERAL	432-2310	STATE GENERAL	\$4,389.08	\$4,389.08
FORT HAYS STATE	432-0248	STATE GENERAL	\$22,096.36	\$22,096.36
GOVERNOR	432-2487	STATE GENERAL	\$7,888.42	\$7,888.42
INSURANCE	432-2484	STATE GENERAL	\$8,919.76	\$8,919.76
KANSAS STATE	432-8270	STATE GENERAL	\$7,128.39	\$7,128.39
KANSAS UNIVERSITY	532-6772	STATE GENERAL	\$8,391.99	\$8,391.99
KBI	572-7463	STATE GENERAL	\$2,029.17	\$2,029.17
LEGISLATIVE SERVICES	120-7488	STATE GENERAL	\$15,018.36	\$15,018.36
LEGISLATIVE SERVICES	120-7145	STATE GENERAL	\$38,456.68	\$38,456.68
LIBRARY	362-0699	STATE GENERAL	\$4,148.89	\$4,148.89
LIBRARY	432-3924	STATE GENERAL	\$5,007.56	\$5,007.56
TREASURER	432-0386	STATE GENERAL	\$3,851.71	\$3,851.71
WICHITA STATE	362-2594	STATE GENERAL	\$4,351.49	\$4,351.49
TOTAL			\$131,677.86	\$131,677.86

LIBRARY	432-3919	STATE/FEDERAL	\$1,231.20	\$615.60
SRS	432-2326	STATE/FEDERAL	\$2,070.27	\$414.05
SRS	432-3913	STATE/FEDERAL	\$6,491.36	\$3,466.39
TOTAL			\$9,792.83	\$4,496.04
TOTAL ALL WATS LINES			\$325,757.18	\$136,173.90

APPENDIX C
FUNDING FOR STATE OPERATED WATS LINES JULY 1 THROUGH DECEMBER 31, 1984

AGENCY	PHONE NUMBER	FUNDING SOURCE	TOTAL CHARGES	STATE GENERAL FUND
ADJUTANT GENERAL	432-2447	FEDERAL	\$4,701.91	\$0.00
ADJUTANT GENERAL	120-7138	FEDERAL	\$3,367.07	\$0.00
AGING	432-3535	FEDERAL	\$1,260.29	\$0.00
EDUCATION	332-6262	FEDERAL	\$1,442.88	\$0.00
HIGHWAY PATROL	332-7334	FEDERAL	\$1,128.55	\$0.00
HUMAN RESOURCES	432-2325	FEDERAL	\$1,256.92	\$0.00
KANSAS UNIVERSITY	332-0105	FEDERAL	\$647.95	\$0.00
SRS	432-3594	FEDERAL	\$7,351.58	\$0.00
SRS	432-0043	FEDERAL	\$887.00	\$0.00
SRS	432-2428	FEDERAL	\$19,744.64	\$0.00
TOTAL			\$41,788.79	\$0.00
FISH & GAME	228-4263	FEE FUND	\$1,696.81	\$0.00
HUMAN RESOURCES	332-0353	FEE FUND	\$5,140.27	\$0.00
HUMAN RESOURCES	255-2457	FEE FUND	\$1,180.66	\$0.00
KANSAS STATE	432-2793	FEE FUND	\$2,740.01	\$0.00
KANSAS STATE	255-2757	FEE FUND	\$3,151.02	\$0.00
KANSAS STATE	432-8222	FEE FUND	\$3,325.04	\$0.00
KANSAS UNIVERSITY	332-6332	FEE FUND	\$6,502.52	\$0.00
KANSAS UNIVERSITY	255-6322	FEE FUND	\$7,917.57	\$0.00
KANSAS UNIVERSITY	332-6462	FEE FUND	\$2,786.82	\$0.00
MEDICAL CENTER	332-6048	FEE FUND	\$5,388.42	\$0.00
MEDICAL CENTER	332-6633	FEE FUND	\$3,234.27	\$0.00
MEDICAL CENTER	332-4199	FEE FUND	\$11,513.57	\$0.00
MEDICAL CENTER	332-4355	FEE FUND	\$1,409.28	\$0.00
MEDICAL CENTER	332-6912	FEE FUND	\$2,762.45	\$0.00
MEDICAL CENTER	255-6151	FEE FUND	\$856.98	\$0.00
MEDICAL CENTER	332-4193	FEE FUND	\$2,734.19	\$0.00
PARSONS STATE	362-0390	FEE FUND	\$1,926.45	\$0.00
TOTAL			\$64,266.33	\$0.00
ATTORNEY GENERAL	432-2310	STATE GENERAL	\$2,403.61	\$2,403.61
FORT HAYS STATE	432-0248	STATE GENERAL	\$6,055.28	\$6,055.28
GOVERNOR	432-2487	STATE GENERAL	\$3,728.37	\$3,728.37
INSURANCE	432-2484	STATE GENERAL	\$5,051.11	\$5,051.11
KANSAS STATE	432-8270	STATE GENERAL	\$3,300.60	\$3,300.60
KANSAS UNIVERSITY	532-6772	STATE GENERAL	\$3,135.48	\$3,135.48
KBI	572-7463	STATE GENERAL	\$1,101.46	\$1,101.46
LEGISLATIVE SERVICES	120-7488	STATE GENERAL	\$7,826.44	\$7,826.44
LIBRARY	362-0699	STATE GENERAL	\$2,128.38	\$2,128.38
SRS	432-0698	STATE GENERAL	\$1,111.68	\$1,111.68
TREASURER	432-0386	STATE GENERAL	\$2,056.52	\$2,056.52
WICHITA STATE	362-2594	STATE GENERAL	\$1,910.38	\$1,910.38
TOTAL			\$39,809.31	\$39,809.31

LIBRARY	432-3919	STATE/FEDERAL	\$707.40	\$353.70
SRS	432-2326	STATE/FEDERAL	\$1,253.75	\$250.75
SRS	432-3913	STATE/FEDERAL	\$2,918.82	\$2,000.85
TOTAL			\$4,879.97	\$2,605.30
TOTAL ALL LINES			\$150,744.40	\$42,414.61

APPENDIX D
NUMBER OF CALLS ON STATE OPERATED WATS LINES
FISCAL YEAR 1984

AGENCY	PURPOSE OF LINE	TOTAL CALLS	AVG. CALLS PER MONTH
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	4564	456.4
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	3455	345.5
AGING	ELDERLY SERVICES	1609	134.1
ATTORNEY GENERAL	CONSUMER PROTECTION	8047	670.6
FORT HAYS STATE	ADMISSIONS	23494	1957.8
GOVERNOR	CONSTITUENT SERVICES	9807	817.3
HIGHWAY PATROL	REPORT DRUNK DRIVERS	1292	107.7
HUMAN RESOURCES	WORKERS COMPENSATION	4443	444.3
HUMAN RESOURCES	ESSI COMPUTER	1559	129.9
HUMAN RESOURCES	EMPLOYMENT SURVEY	208	69.3
INSURANCE	INSURANCE INFORMATION	22669	1889.1
KANSAS STATE	ADMISSIONS	11450	954.2
KANSAS STATE	CONTINUING EDUCATION	5205	433.8
KANSAS STATE	CONTINUING EDUCATION	2912	242.7
KANSAS STATE	ATHLETICS-TICKETS	5806	483.8
KANSAS UNIVERSITY	CONTINUING EDUCATION	6005	500.4
KANSAS UNIVERSITY	ADMISSIONS	13557	1129.8
KANSAS UNIVERSITY	ADMISSIONS	14534	1211.2
KANSAS UNIVERSITY	FAMILY DEVELOPMENT INSTITUTE	963	80.3
KANSAS UNIVERSITY	ATHLETICS-TICKETS	5551	462.6
KBI	KS-CRIME/ARSON	1192	98.7
LEGISLATIVE SERVICES	LEGISLATORS USE	9888	824.0
LEGISLATIVE SERVICES	LEGISLATORS USE	32374	8093.5
LIBRARY	BLIND SERVICES	3482	290.2
LIBRARY	LIBRARY INFORMATION	*	*
LIBRARY	LEGISLATIVE HOTLINE	7407	1234.5
MEDICAL CENTER	HOME-PATIENT DIALYSIS SERVICES	1035	86.3
MEDICAL CENTER	MEDICAL LIBRARY	2268	189.0
MEDICAL CENTER	PHYSICIAN REFERRALS	18825	1568.8
MEDICAL CENTER	PATIENT ADMISSIONS	4565	380.4
MEDICAL CENTER	PHYSICIAN REFERRALS	4107	342.3
MEDICAL CENTER	PHYSICIAN REFERRALS	407	33.9
MEDICAL CENTER	POISON HOTLINE	5320	443.3
PARSONS STATE	CRISIS/INFORMATION	2190	182.5
SRS	DISABILITY APPEALS	5440	453.3
SRS	VOCATIONAL-REHABILITATION	493	41.1
SRS	WELFARE FRAUD	7489	624.1
SRS	ENERGY ASSISTANCE	117	16.7
SRS	DISABILITY DETERMINATION	33285	2773.8
TREASURER	UNCLAIMED PROPERTY	3663	457.9
WICHITA STATE	ADMISSIONS	3496	291.3

APPENDIX E
NUMBER OF CALLS ON STATE OPERATED WATS LINES
FISCAL YEAR 1985
JULY THROUGH DECEMBER ONLY

AGENCY	PURPOSE OF LINE	TOTAL CALLS	AVG. CALLS PER MONTH
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	3596	599.3
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	2280	380.0
AGING	ELDERLY SERVICES	764	127.3
ATTORNEY GENERAL	CONSUMER PROTECTION	3879	646.5
EDUCATION	SPECIAL ED/HANDICAPPED	484	80.7
FISH & GAME	POACHING HOTLINE	546	91.0
FORT HAYS STATE	ADMISSIONS	6661	1110.2
GOVERNOR	CONSTITUENT SERVICES	3951	658.5
HIGHWAY PATROL	REPORT DRUNK DRIVERS	515	85.8
HUMAN RESOURCES	WORKERS COMPENSATION	4211	701.8
HUMAN RESOURCES	EMPLOYMENT SURVEY	660	165.0
HUMAN RESOURCES	ESSI COMPUTER	697	116.2
INSURANCE	INSURANCE INFORMATION	10749	1791.5
KANSAS STATE	ADMISSIONS	4407	734.5
KANSAS STATE	ATHLETICS-TICKETS	3548	591.3
KANSAS STATE	CONTINUING EDUCATION	1643	273.8
KANSAS STATE	CONTINUING EDUCATION	1960	326.7
KANSAS UNIVERSITY	CONTINUING EDUCATION	2179	363.2
KANSAS UNIVERSITY	ADMISSIONS	6215	1035.8
KANSAS UNIVERSITY	ADMISSIONS	6951	1158.5
KANSAS UNIVERSITY	FAMILY DEVELOPMENT INSTITUTE	204	102.0
KANSAS UNIVERSITY	ATHLETICS-TICKETS	3339	556.5
KBI	KS-CRIME, ARSON	573	95.5
LEGISLATIVE SERVICES	LEGISLATORS USE	4762	793.7
LIBRARY	BLIND SERVICES	1483	247.2
LIBRARY	LIBRARY INFORMATION	*	*
MEDICAL CENTER	PHYSICIAN REFERRALS	2753	458.8
MEDICAL CENTER	POISON HOTLINE	3143	523.8
MEDICAL CENTER	PHYSICIAN REFERRALS	9924	1654.0
MEDICAL CENTER	HOME-PATIENT DIALYSIS CALLS	351	58.5
MEDICAL CENTER	PATIENT ADMISSIONS	2151	358.5
MEDICAL CENTER	PHYSICIAN REFERRALS	253	42.2
MEDICAL CENTER	MEDICAL LIBRARY	1417	236.2
PARSONS STATE	CRISIS/INFORMATION	1062	177.0
SRS	HEARING IMPAIRED (TTY)	163	40.8
SRS	WELFARE FRAUD	3391	565.2
SRS	VOCATIONAL-REHABILITATION	332	55.3
SRS	DISABILITY APPEALS	2278	379.7
SRS	ENERGY ASSISTANCE	412	68.7
SRS	DISABILITY DETERMINATION	15604	2600.7
TREASURER	UNCLAIMED PROPERTY	945	157.5
WICHITA STATE	ADMISSIONS	1299	216.5

APPENDIX F
HOURS USE OF STATE OPERATED WATS LINES
FISCAL YEAR 1984

AGENCY	PURPOSE OF LINE	TOTAL HOURS	AVG. HOURS PER MONTH
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	283.4	28.3
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	193.1	19.3
AGING	ELDERLY SERVICES	65.8	5.5
ATTORNEY GENERAL	CONSUMER PROTECTION	170.6	14.2
FORT HAYS STATE	ADMISSIONS	1376.4	114.7
GOVERNOR	CONSTITUENT SERVICES	378.4	31.5
HIGHWAY PATROL	REPORT DRUNK DRIVERS	38.9	3.2
HUMAN RESOURCES	WORKERS COMPENSATION	284.1	28.4
HUMAN RESOURCES	ESSI COMPUTER	17.8	1.5
HUMAN RESOURCES	EMPLOYMENT SURVEY	11.8	3.9
INSURANCE	INSURANCE INFORMATION	437.8	36.5
KANSAS STATE	ADMISSIONS	334.9	27.9
KANSAS STATE	CONTINUING EDUCATION	300.3	25.0
KANSAS STATE	CONTINUING EDUCATION	265.4	22.1
KANSAS STATE	ATHLETICS-TICKETS	203.2	16.9
KANSAS UNIVERSITY	CONTINUING EDUCATION	301.6	25.1
KANSAS UNIVERSITY	ADMISSIONS	736.5	61.4
KANSAS UNIVERSITY	ADMISSIONS	923.9	77.0
KANSAS UNIVERSITY	FAMILY DEVELOPMENT INSTITUTE	96	8.0
KANSAS UNIVERSITY	ATHLETICS-TICKETS	259	21.6
KBI	KS-CRIME/ARSON	45.1	3.8
LEGISLATIVE SERVICES	LEGISLATORS USE	887.7	74.0
LEGISLATIVE SERVICES	LEGISLATORS USE	2385.6	596.4
LIBRARY	BLIND SERVICES	158.5	13.2
LIBRARY	LIBRARY INFORMATION	*	*
LIBRARY	LEGISLATIVE HOTLINE	243.4	40.6
MEDICAL CENTER	HOME-PATIENT DIALYSIS CALLS	65.4	5.5
MEDICAL CENTER	MEDICAL LIBRARY	149.2	12.4
MEDICAL CENTER	PHYSICIAN REFERRALS	1252.6	104.4
MEDICAL CENTER	PATIENT ADMISSIONS	262.2	21.9
MEDICAL CENTER	PHYSICIAN REFERRALS	319.6	26.6
MEDICAL CENTER	PHYSICIAN REFERRALS	36.1	3.0
MEDICAL CENTER	POISON HOTLINE	272	22.7
PARSONS STATE	CRISIS/INFORMATION	125.8	10.5
SRS	DISABILITY APPEALS	765.7	63.8
SRS	VOCATIONAL-REHABILITATION	44.4	3.7
SRS	WELFARE FRAUD	208.1	17.3
SRS	ENERGY ASSISTANCE	3.1	0.4
SRS	DISABILITY DETERMINATION	1943.6	162.0
TREASURER	UNCLAIMED PROPERTY	151.7	19.0
WICHITA STATE	ADMISSIONS	170.1	14.2

APPENDIX G
HOURS USE OF STATE OPERATED WATS LINES
FISCAL YEAR 1985
JULY THROUGH DECEMBER ONLY

AGENCY	PURPOSE OF LINE	TOTAL HOURS	AVG. HOURS PER MONTH
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	215.5	35.9
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	139.9	23.3
AGING	ELDERLY SERVICES	27.7	4.6
ATTORNEY GENERAL	CONSUMER PROTECTION	85.2	14.2
EDUCATION	SPECIAL ED/HANDICAPPED	37.0	6.2
FISH & GAME	POACHING HOTLINE	22.3	3.7
FORT HAYS STATE	ADMISSIONS	309.6	51.6
GOVERNOR	CONSTITUENT SERVICES	157.4	26.2
HIGHWAY PATROL	REPORT DRUNK DRIVERS	30.5	5.1
HUMAN RESOURCES	WORKERS COMPENSATION	235.6	39.3
HUMAN RESOURCES	EMPLOYMENT SURVEY	35.1	8.8
HUMAN RESOURCES	ESSI COMPUTER	8.0	1.3
INSURANCE	INSURANCE INFORMATION	231.6	38.6
KANSAS STATE	ADMISSIONS	135.5	22.6
KANSAS STATE	ATHLETICS-TICKETS	105.4	17.6
KANSAS STATE	CONTINUING EDUCATION	142.2	23.7
KANSAS STATE	CONTINUING EDUCATION	128.3	21.4
KANSAS UNIVERSITY	CONTINUING EDUCATION	125.6	20.9
KANSAS UNIVERSITY	ADMISSIONS	321.0	53.5
KANSAS UNIVERSITY	ADMISSIONS	420.6	70.1
KANSAS UNIVERSITY	FAMILY DEVELOPMENT INSTITUTE	20.8	10.4
KANSAS UNIVERSITY	ATHLETICS-TICKETS	107.4	17.9
KBI	KS-CRIME, ARSON	18.5	3.1
LEGISLATIVE SERVICES	LEGISLATORS USE	412.0	68.7
LIBRARY	BLIND SERVICES	71.0	11.8
LIBRARY	LIBRARY INFORMATION	*	*
MEDICAL CENTER	PHYSICIAN REFERRALS	207.6	34.6
MEDICAL CENTER	POISON HOTLINE	181.2	30.2
MEDICAL CENTER	PHYSICIAN REFERRALS	686.5	114.4
MEDICAL CENTER	HOME-PATIENT DIALYSIS CALLS	20.4	3.4
MEDICAL CENTER	PATIENT ADMISSIONS	133.7	22.3
MEDICAL CENTER	PHYSICIAN REFERRALS	19.5	3.3
MEDICAL CENTER	MEDICAL LIBRARY	102.2	17.0
PARSONS STATE	CRISIS/INFORMATION	62.5	10.4
SRS	HEARING IMPAIRED (TTY)	24.9	6.2
SRS	WELFARE FRAUD	91.4	15.2
SRS	VOCATIONAL-REHABILITATION	26.9	4.5
SRS	DISABILITY APPEALS	345.2	57.5
SRS	ENERGY ASSISTANCE	9.0	1.5
SRS	DISABILITY DETERMINATION	900.9	150.2
TREASURER	UNCLAIMED PROPERTY	68.8	11.5
WICHITA STATE	ADMISSIONS	60.3	10.1

APPENDIX H
 COST OF CALLS ON STATE OPERATED WATS LINES
 FISCAL YEAR 1984

AGENCY	PURPOSE OF LINE	TOTAL CHARGES	AVG. COST PER MONTH	AVG. COST PER MINUTE
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	\$6129.66	\$612.97	\$0.36
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	\$4550.31	\$455.03	\$0.39
AGING	ELDERLY SERVICES	\$2504.20	\$208.68	\$0.63
ATTORNEY GENERAL	CONSUMER PROTECTION	\$4389.08	\$365.76	\$0.43
FORT HAYS STATE	ADMISSIONS	\$22096.36	\$1841.36	\$0.27
GOVERNOR	CONSTITUENT SERVICES	\$7888.42	\$657.37	\$0.35
HIGHWAY PATROL	REPORT DRUNK DRIVERS	\$1743.26	\$145.27	\$0.75
HUMAN RESOURCES	WORKERS COMPENSATION	\$6252.48	\$625.25	\$0.37
HUMAN RESOURCES	ESSI COMPUTER	\$2767.62	\$230.64	\$2.59
HUMAN RESOURCES	EMPLOYMENT SURVEY	\$459.79	\$153.26	\$0.65
INSURANCE	INSURANCE INFORMATION	\$8919.76	\$743.31	\$0.34
KANSAS STATE	ADMISSIONS	\$7128.39	\$594.03	\$0.35
KANSAS STATE	CONTINUING EDUCATION	\$6914.79	\$576.23	\$0.38
KANSAS STATE	CONTINUING EDUCATION	\$6142.42	\$511.87	\$0.39
KANSAS STATE	ATHLETICS-TICKETS	\$4688.10	\$390.68	\$0.38
KANSAS UNIVERSITY	CONTINUING EDUCATION	\$8391.99	\$699.33	\$0.46
KANSAS UNIVERSITY	ADMISSIONS	\$13396.23	\$1116.35	\$0.30
KANSAS UNIVERSITY	ADMISSIONS	\$18031.22	\$1502.60	\$0.33
KANSAS UNIVERSITY	FAMILY DEVELOPMENT INSTITUTE	\$2980.40	\$248.37	\$0.52
KANSAS UNIVERSITY	ATHLETICS-TICKETS	\$5704.22	\$475.35	\$0.37
KBI	KS-CRIME/ARSON	\$2029.17	\$169.10	\$0.75
LEGISLATIVE SERVICES	LEGISLATORS USE	\$15018.36	\$1251.53	\$0.28
LEGISLATIVE SERVICES	LEGISLATORS USE	\$38456.68	\$9614.17	\$0.27
LIBRARY	BLIND SERVICES	\$4148.89	\$345.74	\$0.44
LIBRARY	LIBRARY INFORMATION	\$1231.20	\$102.60	*
LIBRARY	LEGISLATIVE HOTLINE	\$5007.56	\$834.59	\$0.34
MEDICAL CENTER	HOME-PATIENT DIALYSIS SERVICES	\$2408.81	\$200.73	\$0.61
MEDICAL CENTER	MEDICAL LIBRARY	\$4125.06	\$343.76	\$0.46
MEDICAL CENTER	PHYSICIAN REFERRALS	\$19815.78	\$1651.32	\$0.26
MEDICAL CENTER	PATIENT ADMISSIONS	\$4945.50	\$412.13	\$0.31
MEDICAL CENTER	PHYSICIAN REFERRALS	\$8242.04	\$686.84	\$0.43
MEDICAL CENTER	PHYSICIAN REFERRALS	\$1575.42	\$131.29	\$0.73
MEDICAL CENTER	POISON HOTLINE	\$4897.96	\$408.16	\$0.30
PARSONS STATE	CRISIS/INFORMATION	\$3540.45	\$295.04	\$0.47
SRS	DISABILITY APPEALS	\$14066.33	\$1172.19	\$0.31
SRS	VOCATIONAL-REHABILITATION	\$2070.27	\$172.52	\$0.78
SRS	WELFARE FRAUD	\$6491.36	\$540.95	\$0.52
SRS	ENERGY ASSISTANCE	\$1056.44	\$150.92	\$5.68
SRS	DISABILITY DETERMINATION	\$37348.00	\$3112.33	\$0.32
TREASURER	UNCLAIMED PROPERTY	\$3851.71	\$481.46	\$0.42
WICHITA STATE	ADMISSIONS	\$4351.49	\$362.62	\$0.43

APPENDIX I
 COST OF CALLS ON STATE OPERATED WATS LINES
 FISCAL YEAR 1985
 JULY THROUGH DECEMBER ONLY

AGENCY	PURPOSE OF LINE	TOTAL CHARGES	AVG. COST PER MONTH	AVG. COST PER MINUTE
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	\$4701.91	\$783.65	\$0.36
ADJUTANT GENERAL	NATIONAL GUARD-RECRUITMENT	\$3367.07	\$561.18	\$0.40
AGING	ELDERLY SERVICES	\$1260.29	\$210.05	\$0.76
ATTORNEY GENERAL	CONSUMER PROTECTION	\$2403.61	\$400.60	\$0.47
EDUCATION	SPECIAL ED/HANDICAPPED	\$1442.88	\$240.48	\$0.65
FISH & GAME	POACHING HOTLINE	\$1696.81	\$282.80	\$1.27
FORT HAYS STATE	ADMISSIONS	\$6055.28	\$1009.21	\$0.33
GOVERNOR	CONSTITUENT SERVICES	\$3728.37	\$621.40	\$0.39
HIGHWAY PATROL	REPORT DRUNK DRIVERS	\$1128.55	\$188.09	\$0.62
HUMAN RESOURCES	WORKERS COMPENSATION	\$5140.27	\$856.71	\$0.36
HUMAN RESOURCES	EMPLOYMENT SURVEY	\$1256.92	\$314.23	\$0.60
HUMAN RESOURCES	ESSI COMPUTER	\$1180.66	\$196.78	\$2.46
INSURANCE	INSURANCE INFORMATION	\$5051.11	\$841.85	\$0.36
KANSAS STATE	ADMISSIONS	\$3300.60	\$550.10	\$0.41
KANSAS STATE	ATHLETICS-TICKETS	\$2740.01	\$456.67	\$0.43
KANSAS STATE	CONTINUING EDUCATION	\$3151.02	\$525.17	\$0.37
KANSAS STATE	CONTINUING EDUCATION	\$3325.04	\$554.17	\$0.43
KANSAS UNIVERSITY	CONTINUING EDUCATION	\$3135.48	\$522.58	\$0.42
KANSAS UNIVERSITY	ADMISSIONS	\$6502.52	\$1083.75	\$0.34
KANSAS UNIVERSITY	ADMISSIONS	\$7917.57	\$1319.60	\$0.31
KANSAS UNIVERSITY	FAMILY DEVELOPMENT INSTITUTE	\$647.95	\$323.98	\$0.52
KANSAS UNIVERSITY	ATHLETICS-TICKETS	\$2786.82	\$464.47	\$0.43
KBI	KS-CRIME, ARSON	\$1101.46	\$183.58	\$0.99
LEGISLATIVE SERVICES	LEGISLATORS USE	\$7826.44	\$1304.41	\$0.32
LIBRARY	BLIND SERVICES	\$2128.38	\$354.73	\$0.50
LIBRARY	LIBRARY INFORMATION	\$707.40	\$117.90	*
MEDICAL CENTER	PHYSICIAN REFERRALS	\$5388.42	\$898.07	\$0.43
MEDICAL CENTER	POISON HOTLINE	\$3234.27	\$539.05	\$0.30
MEDICAL CENTER	PHYSICIAN REFERRALS	\$11513.57	\$1918.93	\$0.28
MEDICAL CENTER	HOME-PATIENT DIALYSIS CALLS	\$1409.28	\$234.88	\$1.15
MEDICAL CENTER	PATIENT ADMISSIONS	\$2762.45	\$460.41	\$0.34
MEDICAL CENTER	PHYSICIAN REFERRALS	\$856.98	\$142.83	\$0.73
MEDICAL CENTER	MEDICAL LIBRARY	\$2734.19	\$455.70	\$0.45
PARSONS STATE	CRISIS/INFORMATION	\$1926.45	\$321.08	\$0.51
SRS	HEARING IMPAIRED (TTY)	\$1111.68	\$277.92	\$0.74
SRS	WELFARE FRAUD	\$2918.82	\$486.47	\$0.53
SRS	VOCATIONAL-REHABILITATION	\$1253.75	\$208.96	\$0.78
SRS	DISABILITY APPEALS	\$7351.58	\$1225.26	\$0.35
SRS	ENERGY ASSISTANCE	\$887.00	\$147.83	\$1.64
SRS	DISABILITY DETERMINATION	\$19744.64	\$3290.77	\$0.37
TREASURER	UNCLAIMED PROPERTY	\$2056.52	\$342.75	\$0.50
WICHITA STATE	ADMISSIONS	\$1910.38	\$318.40	\$0.53



APPENDIX J

Agency Response

STATE OF KANSAS



DEPARTMENT OF ADMINISTRATION
Office of the Secretary

JOHN CARLIN,
Governor
MARVIN A. HARDER,
Secretary of Administration

June 25, 1985

Room 263-E
State Capitol Building
Topeka, Kansas 66612
(913) 296-3011

Meredith Williams
Legislative Post Auditor
Legislative Division of
Post Audit
109 West 9th, Suite 301
Mills Building
BUILDING MAIL



Dear Mr. Williams:

We have reviewed the draft of your audit, WATS Lines in State Agencies, and agree with your findings. The Division of Information Systems and Communications will take appropriate steps to implement your recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Marvin A. Harder".

Marvin A. Harder
Secretary of Administration

MAH:mkr

cc: Dr. Russell Getter
Director, DISC

Jerald Jennings
Deputy Director
Bureau of Telecommunications