



Setting the Record Straight State Employment in Georgia

Executive Summary

In Georgia, state employment reflects appropriations that are generally made to the most demanded services, with high concentrations of employees in a few agencies. Almost 80 percent of state employees are employed by human services, criminal justice, and higher education agencies. Growth in state employment over the past eight years is less than the overall state population growth. Even agencies with the largest employment growth, such as the Department of Adult and Technical Education and the Department of Corrections, have not kept pace with their specific populations' growth.

Although comparing government employment in Georgia to other states raises serious questions as to relevancy and accuracy, such comparisons do show Georgia with relatively fewer state employees and close to the national average of combined state and local employment.

The long-term state employment issue is determining the appropriate number of state employees needed to deliver quality services to Georgia's growing population. In some areas, the problem may not be too many state employees but too few. A program and outcome based budgeting system that identifies individual programs and corresponding personnel services and other expenses, as well as specific programmatic outcome measures, would help policy makers determine the appropriate funding and staffing levels. Ultimately, Georgians must decide the size of government required to perform the needed services for its residents.

Setting the Record Straight State Employment in Georgia

Introduction

As the Governor, state legislators, and the public begin hearings, debates, and negotiations regarding Georgia's FY 2006 appropriations, some will question the size of Georgia's state government. Where is the growth in the number of state employees and how does Georgia compare with other states as to the number of state government employees?

This Budget Analysis explores state employment in Georgia over the past eight years. First, the analysis details the number of Georgia state employees and explains which state agencies have grown. Next, the brief examines how Georgia compares to the 50 states in regards to state (and local) employment and discusses the flaws inherent in such comparisons.

Number of State Employees in Georgia

Our analysis of state employment in Georgia begins with the actual number of state employees by agency for October, 1996 and October, 2004¹ (Table 1). State employees are defined as employees who work more than 9 months per year or more than 30 hours per week, receive benefits, and hold positions included in the official headcount. Note, the Board of Regents employee data is as of December, 1996 and December, 2003.²

The number of state employees (excluding Board of Regents employees) is not keeping pace with the population growth in Georgia. Between 1996 and 2004, the total number of non-Board of Regents state employees increased by 4,258 (6.1 percent), from 69,477 employees on October 1, 1996 to 73,735 employees on October 1, 2004. During a similar period, Georgia's population increased by 17.7 percent.³ That means the number of non-Board of Regents state employees per Georgians decreased from 92.6 per 10,000 Georgians in 1996 to 83.5 per 10,000 Georgians in 2004. In fact, from September 1, 2003 to October 1, 2004, the total number of non-Board of Regents employees shrank by 914 employees.

The number of Board of Regents state employees is not keeping pace with the increase in student enrollment in Georgia public higher education. From December, 1996 to December, 2003, the number of Board of Regents employees increased by 6,059 (19.1 percent). During a similar period⁴, student enrollment in Georgia's university system increased by 25 percent. This disparity is worse in recent years. From 2002 to 2003, the number of Board of Regents employees grew by 380 (1.0 percent) while the student enrollment grew by 12,379 students (6.3 percent).

¹Data for non-Board of Regents employment received from Georgia Merit System on December 2, 2004.

²Data for Board of Regents employment provided from University System of Georgia Information Digests (1995-1997, 1998-1999, 2000-2001, 2002-2003) and from an agency representative.

³According to the United States Census Bureau the population in Georgia increased from 7,501,000 on July 1, 1996 to 8,829,383 on July 1, 2004

⁴Based on Full-Time Student Enrollment in Georgia public higher education from Fall 1996 to Fall 2004.

**Table 1
State Employees by Agency**

State Agency (Non-Regents)	October 1, 1996	October 1, 2004	Gain/Loss
Human Resources	26,183	23,414	-2,769
Corrections	13,652	14,203	551
Transportation	5,858	5,760	-98
Technical and Adult Education	2,915	5,211	2,296
Labor	1,832	4,002	2,170
Juvenile Justice	2,717	3,727	1,010
Natural Resources	2,159	2,370	211
Public Safety	2,019	1,462	-557
Motor Vehicle Safety	NA	1,276	1,276
Judicial Branch	956	1,313	357
Revenue	1,304	1,018	-286
Georgia Bureau of Investigation	727	784	57
Pardons and Parole	807	723	-84
Agriculture	781	697	-84
Technology Authority	NA	645	645
Forestry	713	643	-70
Education	681	693	12
Administrative Services	961	244	-717
Building Authority	780	295	-485
Defense	254	418	164
Community Health	266	460	194
All Other Agencies	3,912	4,377	465
Total	69,477	73,735	4,258
	December, 1996	December, 2003	Gain/Loss
Regents	31,790	37,849	6,059

In Georgia, state employees are concentrated in a few agencies (Table 2). The Board of Regents accounts for almost 34% of total state employees, the Department of Human Resources (DHR) accounts for 21%, and the Department of Corrections accounts for almost 13%.⁵

⁵Board of Regents state employee data as of December, 2003 and non-Board of Regents state employee data as of October, 2004.

Table 2
Percentage of State Employees by Agency

State Agency	Percentage of State Employees
Regents	33.9%
Human Resources	21.0%
Corrections	12.7%
Transportation	5.2%
Technical and Adult Education	4.7%
Labor	3.6%
Juvenile Justice	3.3%
Natural Resources	2.1%
Public Safety	1.3%
All Other Agencies	12.2%

Increase in Georgia State Employees by Agency 1996 to 2004

As mentioned above, the total number of non-Board of Regents state employees increased by 4,258 (6.1 percent) between October 1, 1996 and October 1, 2004. To effectively analyze state employment growth by agency, we first consider government restructuring that significantly impacts the employment numbers of some agencies. For example, the transfer of the Division of Rehabilitative Services from the Department of Human Resources (DHR) to the Department of Labor (DOL) is included in the DHR net loss of 2,769 employees and the DOL net gain of 2,170 employees between 1996 and 2004. The data is also skewed by the transfer of state employees from existing agencies to new agencies. For example, state employees from Department of Administrative Services were transferred to the newly created Georgia Technology Authority. In addition, the Departments of Public Safety, Revenue, Transportation, and Public Service Commission transferred positions to the newly formed Department of Motor Vehicle Safety.

The agencies with the largest increase in new state employees (not due to a transfer of employees) are the Board of Regents, the Department of Technical and Adult Education (DTAE), the Department of Juvenile Justice, and the Department of Corrections (Table 3).

- Board of Regents employees increased by 6,059 (19.1 percent) between December, 1996 and December, 2003. During a similar period, student enrollment in Georgia's university system increased by 25 percent. Recently, from 2002 to 2003, the number of Board of Regents employees grew by 380 (1.0 percent) while the student enrollment grew by 12,379 students (6.3 percent).
- The Department of Technical and Adult Education increased the number of employees by 2,296 (79 percent) between 1996 and 2004. During a similar period the annual full and part-time enrollment of DTAE institutions increased by 78,500 (105 percent).⁶

⁶Georgia Department of Technical and Adult Education Statistical Information FY 03 Final Report

- Department of Juvenile Justice increased employees by 1,010 (37.2 percent) between 1996 and 2004. In 1998, Georgia entered into a Memorandum of Agreement (MOA) with the Office of the United States Attorney General that outlined various steps the state would take in order to avoid future legal action by the federal government. Among other things, the MOA called for an increase in staffing.
- Department of Corrections increased the number of employees by 551 (4.0 percent) between 1996 and 2004. During this period, the prison population increased by over 14,000 inmates (41 percent).⁷

**Table 3
Increase in State Employees by Selected Agencies**

State Agency	Increase in Employees
Non-Regents	10/96 to 10/04
Technical and Adult Education	2,296
Juvenile Justice	1,010
Corrections	551
Judicial Branch	357
Natural Resources	211
Defense	164
All Other Agencies	-331
Total	4,258
	12/96 to 12/03
Board of Regents	6,059

50 State Government Employment Comparison⁸

According to the United States Bureau of the Census, Georgia employed 121,255 full time equivalent state employees (including Board of Regents college and university employees) on March 1, 2003. This is an increase of 6,477 (5.6 percent) from October 1, 1995. During a similar period, Georgia's population increased by 18.5 percent.⁹ Thus the number of state employees per Georgians decreased from 156.6 per 10,000 Georgians in 1995 to 139.6 per 10,000 Georgians in 2003. Table 4 shows that Georgia is below both the national and Southern Legislative Conference (SLC) average of per capita full time equivalent state employees. In fact, Georgia ranked 39th among the 50 states and 14th among the 16 states of the SLC.

⁷48,289 adult prisoners in Georgia as of December 14, 2004 per <http://www.dcor.state.ga.us/>

⁸United States Census Bureau State Government Employment and Payroll. The census data does include higher education employees. <http://www.census.gov/govs/www/apesst03.html>. Note, approximately one-half of the state governments provided data from central payroll records for all or most of the agencies/institutions. Data for agencies/institutions for the remaining states governments were obtained by mail canvass questionnaires.

⁹According to the United States Census Bureau the population of Georgia was 7,328,413 on July 1, 1995 to 8,684,715 on July 1, 2003.

Table 4
2003 Employment Among the Southern Legislative Conference States

Southern Legislative Conference States	Full-Time Equivalent State Employees Per 10,000 Population
West Virginia	205.6
Louisiana	200.6
Arkansas	198.4
Mississippi	195.3
Kentucky	191.4
Alabama	190.0
Oklahoma	186.6
South Carolina	186.3
Maryland	166.6
Missouri	159.4
Virginia	156.8
North Carolina	156.1
Tennessee	142.9
Georgia	139.6
Texas	120.1
Florida	109.8
SLC Average	149.9
United States Average	144.1

It can be very misleading to compare Georgia’s per capita number of state employees to other states as a barometer of whether Georgia has too many state employees, for several reasons:

- Census data is not an accurate count of state employees because it counts full time equivalent employees not actual employees.
- Each state may define and classify state employees differently within the census data.
- States vary on their use of “contract” employees that are not counted as official state employees.
- Division of responsibilities between state and local governments differ across states, which affects state government employment.

Moreover, an accurate count of state employees would not necessarily indicate that one state is over-staffed and another is under-staffed. Each state prioritizes the public demand for government services differently and the levels of state employment required to deliver those services. As pointed out in a report by Lawrence Hepburn entitled *Public Employees in Georgia: How Many is Too Many?*:

“The national average employment to population ratio is not a criterion for determining if a government employs too many or too few personnel to produce services. To use it as such is to ignore the fact that the amount of services produced is not constant from one state to the next. One state’s population does not mirror the U.S. average population with respect to the social and economic characteristics that under-gird demand for government services.”¹⁰

An example of the difficulty in comparing states in regards to state employment is making the comparison between Georgia and Florida. An initial comparison would show that in 2003, Georgia has 139.6 state employees per 10,000 Georgians whereas Florida has 109.8 state employees per 10,000 Floridians, a difference of almost 30 employees per 10,000 population, or almost 26,000 total state employees. It is important to look below the surface to better understand why Georgia appears to have a greater number of state employees than Florida.

The major differences between Georgia and Florida state employment are within higher education and corrections.

- Higher Education – In 2003, Georgia had 21 more higher education employees per 10,000 residents than Florida. Georgia had a full-time equivalent count of 242 students per 10,000 Georgians in 34 institutions. Florida had a full-time equivalent count of 100 students per 10,000 Floridians in 11 institutions. With more students per capita and a greater number of institutions, Georgia appropriately has a greater number of higher education employees per capita than Florida.
- Corrections – In 2003, Georgia had 7 more corrections employees per 10,000 residents than Florida. Georgia had 56 inmates per 10,000 Georgians, while Florida had 47 inmates per 10,000 Floridians. With more inmates per capita than Florida, Georgia likely requires more corrections employees per capita than Florida.

For Georgia to have an equivalent number of employees to Florida, Georgia would have to make significant cuts to the Board of Regents and the Department of Corrections. Specifically, for Georgia to match Florida’s per capita number of full time equivalent state employees:

- The number of college and university employees would need to be reduced by 18,800 (40 percent).
- The number of corrections employees would need to be reduced by 5,900 (30 percent).

¹⁰Hepburn, Lawrence. 1994. “Public Employees in Georgia: How Many is Too Many?” Carl Vinson Institute of Government. The University of Georgia.

Table 5
State Employment - Georgia versus Florida

	Florida	Georgia	Cuts for Georgia to Match Florida
Total Employees March, 2003	186,861	121,255	25,900
Total State Population July, 2003	17,019,068	8,684,715	
State Employees per 10,000 Population	109.8	139.6	
Higher Education			
Employees	54,196	46,416	18,760
Employees per 10,000 Population	31.8	53.4	
Corrections			
Employees	26,585	19,494	5,928
Employees per 10,000 Population	15.6	22.4	

Are Georgians willing to close state colleges and prisons in order to be more like Florida? To do so Georgia would need to dramatically reduce higher education opportunities and change sentencing laws. For this reason we must be careful when we compare states. Ultimately, Georgians must decide the size of government required to perform the desired services for its residents.

50 State and Local Government Employment Comparison¹¹

Since the division of responsibilities between state and local governments differ across states, combining state and local employment may provide for a more accurate comparison between states.

According to the United States Bureau of the Census, Georgia employed 484,515 full time equivalent state and local government employees on March 1, 2003. This is an increase of 36,423 (8.1 percent) increase from October 1, 1995. During a similar period, Georgia's population increased by 18.5 percent.¹² Thus the number of state and local government employees per Georgian decreased from 611.4 per 10,000 Georgians in 1995 to 557.9 per 10,000 Georgians in 2003. For per capita number of full time equivalent state and local government employees, Georgia ranked 27th among the 50 states and 9th among the 16 states of the SLC (Table 6).

¹¹United States Census Bureau State Government Employment and Payroll. The census data does include higher education employees. <http://www.census.gov/govs/www/apesloc03.html>.

¹²According to the United States Census Bureau the population of Georgia was 7,328,413 on July 1, 1995 to 8,684,715 on July 1, 2003.

Table 6
2003 State and Local Government Employment
Southern Legislative Conference States

Southern Legislative Conference States	Full-Time Equivalent State Employees Per 10,000 Population
Mississippi	646.0
Louisiana	620.7
Alabama	599.2
South Carolina	584.1
Oklahoma	574.2
Texas	566.5
Arkansas	562.7
North Carolina	559.0
Georgia	557.9
Virginia	556.6
Kentucky	553.5
Missouri	546.9
Tennessee	533.4
Maryland	521.9
West Virginia	515.8
Florida	474.0
SLC Average	550.2
United States Average	542.0

What do the numbers tell us about how Georgia compares to the national average? As mentioned earlier, a comparison of per capita number of state employees can be misleading. Comparing the per capita number of state and local employees is misleading for many of the same reasons.

Therefore, we should take care when comparing the number of Georgia state and local employees to other states or the national average. An initial comparison would show that Georgia has 557.9 state employees per 10,000 Georgians whereas the national average is 542.0 state employees per 10,000 Americans. The major differences between Georgia and the national average in regards to state and local government employees entails the number employed within K-12 education and corrections. For Georgia to match the national average of per capita number of full time equivalent state and local government employees:

- Elementary and secondary school employees would need to be reduced by over 26,000 (12 percent).
- Corrections employees would need to be reduced by over 6,000 (23 percent).

Table 7
State and Local Government Employment - Georgia versus National Average

	U.S. Average	Georgia	Cuts for Georgia to Match U.S. average
Total			
Total Employees March, 2003	15,760,451	484,515	13,500
Total State Population July, 2003	290,809,777	8,684,715	
State Employees per 10,000 Population	542.0	557.9	
Education (K-12)			
Total Employees	6,447,430	218,891	26,346
Employees per 10,000 Population	221.7	252.0	
Corrections			
Total Employees	699,963	27,278	6,374
Employees per 10,000 Population	24.1	31.4	

Conclusion

In Georgia, state employment is not randomly assigned across agencies. On the contrary, state employment reflects appropriations that are made to the most demanded services. The employment growth is due primarily to specific service demands, such as the increased demand for adult technical education or for adult and juvenile correctional services. While agencies have grown to meet these increased demands, the growth in state employment remains lower than overall population growth. In fact, many of those agencies with the largest growth have not kept pace with the growth in the specific populations they serve. In addition, Georgia has relatively fewer government employees in comparison to other states, although such comparisons do raise questions as to relevancy and accuracy.

How can policy makers assure that Georgia state government is staffed in the most efficient manner possible? It is virtually impossible with the current budget documents to determine the number of employees attached to individual programs, and whether such programs are successful. Fortunately, there are several state budget reforms that would help policy makers determine whether or not our state government is appropriately staffed. For example, a program and outcome based budgeting system that identifies individual programs and corresponding personnel services and other expenses, as well as specific programmatic outcome measures, would help policy makers determine the appropriate funding and staffing levels needed to achieve the desired outcomes.

The long-term issue regarding state employment should not be about an absolute number or a comparison to other states. The issue is determining the appropriate number of state employees needed to deliver quality services to Georgia's growing population. In some areas the problem may be too many employees; but in others, the problem may be too few. For example, there is some evidence that Georgia may be understaffed in areas like child protective services and criminal justice. Ultimately, Georgians must decide the size of government required to perform the needed services for its residents.

The Georgia Budget and Policy Institute (GBPI) is an independent, nonprofit, non-partisan organization engaged in research and education on the fiscal and economic health of the state of Georgia. The GBPI provides reliable, accessible and timely analyses to promote greater state government fiscal accountability as a way to improve services to Georgians in need and to promote quality of life for all Georgians.