

Helpful Hints for Preparing an Economic Feasibility Study (EFS)

Do not wait until you have a “final” EFS to contact the Office of Financial Management (OFM) or the Office of the State Treasurer (OST). Contact the OFM E-Government Consultant, your assigned OFM Statewide Accounting Consultant, and OST Cash Management early and often in the process. Send them drafts of your required EFS forms for review.

Below are some helpful hints to consider when preparing a quality EFS:

1. Think about the goal of the proposed project. What is the intended result? What are the benefits and to whom?
2. Review *State Administrative and Accounting Manual* (SAAM) Chapters [40](#) and [65](#) and the [OFM E-Commerce Resources webpage](#).
3. Talk with others in your agency and other agencies who have been through the process and review their studies.
4. Use your Business Case form to tell a story. Explain what your project is and what service it will provide. Be clear on your assumptions and be ready to answer questions on them. Review [SAAM 40.40.30](#).
5. Use your Cost Benefit Analysis form to provide amounts for all the increased and decreased revenues and costs associated with your project. Review [SAAM 40.40.40](#).
6. Try to quantify some customer savings even if they seem small. Remember to consider postage savings, time saved, miles saved and avoided NSF check costs.
7. Carefully follow the process from beginning to end to ensure that you have captured all the elements of the new or revised business practice.
8. Provide enough explanation and detail on the assumptions, costs, savings, benefits, etc. on your Business Case form so that someone could recreate your Cost Benefit Analysis worksheets from the information provided.
9. Review the Business Case form and the Cost Benefit Analysis form to ensure that they are consistent with one another. Make sure that the assumptions and numerical information on the Business Case form agrees with the same items in the Cost Benefit Analysis worksheets.