

## FINANCIAL SERVICES

### REINTRODUCE STRATEGIC PLANNING AND PERFORMANCE BUDGETING PROCESSES

Objectives and Achievements	In Progress
<ul style="list-style-type: none"><li>• Issue: The State does not routinely perform agency or statewide strategic planning or performance budgeting processes, thereby depriving decision makers of data that would better inform the budget decisions affecting the allocation of scarce State resources.</li><li>• <b>Objective: Reinstigate strategic planning and performance budgeting processes to provide information for preparation of data-driven budget recommendations and budget decisions</b></li><li>• Ongoing authorization for OMB to sweep special fund balances into the General Fund provided in HS1 for HB 275, FY 2018 Appropriation Act, Section 96.</li></ul>	<ul style="list-style-type: none"><li>• Amend Governmental Accountability Act (GAA) to include strategic planning and performance budgeting</li><li>• Conduct research on Delaware's past strategic planning practices and current strategic planning and performance budgeting practices in other states.</li></ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"><li>• Text</li></ul>	<ul style="list-style-type: none"><li>• Text</li></ul>

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### CONDUCT A COMPREHENSIVE REVIEW OF STATE'S BANKING STRUCTURE

Objectives and Achievements	In Progress
<ul style="list-style-type: none"> <li>● Issue: A comprehensive assessment of all State agency banking needs has not been conducted in more than 25 years. As a result, it is unknown whether the State's needs are being met or whether it is receiving the best value for the services currently utilized.</li> <li>● <b>Objective: Conduct a comprehensive review of the State's banking structure to get better banking services for better value.</b></li> </ul>	<ul style="list-style-type: none"> <li>● Last April, the Cash Management Policy Board engaged PFM Asset Management LLC., to 1) undertake a structural review of and make recommendations regarding the State's banking architecture, 2) assist with procurement processes for banking services, 3) review and offer suggestions for vendor management based on industry best practices, and 4) provide transition support as needed to give effect to the engagement of new vendors and/or banking services.</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>● Simplify internal and external strategic and operational banking structures</li> <li>● Review all policies and procedures related to banking governance</li> <li>● Assess current and future technological capabilities needed</li> <li>● Identify accountability gaps in both the delivery and utilization of banking services</li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>

**FINANCIAL SERVICES**  
**ELIMINATE DUPLICATIVE INTERNAL FINANCIAL SERVICE FUNCTIONS**

Objectives and Achievements	In Progress
<ul style="list-style-type: none"> <li>● Issue: State agencies have traditionally operated with significant autonomy. As a result, many administrative and financial service functions are duplicated statewide, resulting in unnecessary expenditures for employee and contractor time, software licenses, and computing service costs.</li> <li>● <b>Objective: Eliminate duplicative internal financial service functions and realize process efficiencies and cost savings</b></li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>● Adopt enterprise financial services delivery model for selected financial functions common to multiple agencies</li> <li>● Encourage all agencies to participate in the discovery, prioritization, and migration/consolidation of redundant financial services and systems into FSF</li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>

## FINANCIAL SERVICES

### ENSURE EFFECTIVE INTERNAL CONTROL SYSTEMS ARE DEVELOPED AND MAINTAINED

Objectives and Achievements	In Progress
<ul style="list-style-type: none"> <li>• Issue: State agencies have traditionally operated with significant autonomy. As a result, many administrative and financial service functions are duplicated statewide, resulting in unnecessary expenditures for employee and contractor time, software licenses, and computing service costs.</li> <li>• <b>Objective: Ensure effective internal control systems are developed and maintained</b></li> </ul>	<ul style="list-style-type: none"> <li>• The Auditor of Accounts is conducting an inspection to determine if internal control weaknesses exist in the State’s PCard program. The report will focus on key controls of authorization and independent receipt. The report will provide recommendations and share best practices. It will be issued in early 2018.</li> <li>• The Auditor of Accounts is conducting an inspection of school district expenses relative to unit counts for the last fiscal year. The three districts tested had errors in state funding. The report will be issued in early 2018 .</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>• Develop action plan to manage and improve the quality of data fundamental to the operation of FSF</li> <li>• Increase PCARD usage (estimated savings and increased revenue \$1.6 million)</li> <li>• Make improvements to the tracking of school district positions relative to unit counts (estimated cost avoidance of \$800,000)</li> <li>• Reduce travel per diem complexity that leads to inefficiencies in use and enforcement compliance and auditing (estimated savings \$800,000)</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of guidance related to the usage and monitoring responsibility over Division I funding.</li> </ul>

**FINANCIAL SERVICES**  
**IMPROVE DATA INTEGRATION AND MAPPING**

Objectives and Achievements	In Progress
<ul style="list-style-type: none"> <li>● Issue: The use of multiple data sources for State decision making leads to duplication of efforts, conflicting and competing analyses, and higher costs for both analyses and decisions made. The Office of State Planning and Coordination (OSPC) seeks to improve data integration and mapping through the following recommendations:</li> <li>● <b>Objective: Improve data integration and mapping so that better information is available for decision makers at some cost savings</b></li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>● Require all agencies to use Delaware population Consortium projections for all planning, grants, loans, performance metrics, etc.</li> <li>● Require that school district enrollment projections be centrally produced and managed on a regular schedule</li> <li>● Leverage FirstMap geographic information service (GIS). Build a management team to ensure FirstMap program viability. Cease purchases of GIS data from outside sources to avoid unnecessary expenditures and data quality variation.</li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>

**FINANCIAL SERVICES**  
**CREATE A FINANCIAL SERVICES ROUNDTABLE**

Objectives and Achievements	In Progress
<ul style="list-style-type: none"> <li>● Issue: Currently, there is no centralized entity identifying continuous improvement opportunities or potential issues and risks affecting the State’s financial management functions. Such responsibility falls to individual agencies performing these functions and the response and solutions are often fragmented and ineffective.</li> <li>● <b>Objective: Create a financial services roundtable to comprehensively address issues with the State’s financial management functions</b></li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>● Task the State’s senior financial officers from all agencies (primarily OMB, DOF, OCG, AOA, OST) to address issues and risks in the State’s financial practices and to identify, prioritize and implement continuous improvement opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>● Text</li> </ul>