

## 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: Reinstitute 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>• Rewrote Delaware Governmental Accountability Act (GAA) from specifying elements to be included in the GRB documents to supporting a performance management budget system dedicated to continuous process improvement and making government more efficient.</li> <li>• Presented rewritten GAA to Financial Services Delivery Team and GEAR Board and obtained comments and suggestions from their members to update the GAA. Updated GAA approved by Financial Services Delivery Team at May 4, 2018 meeting.</li> <li>• Developed initial implementation plan to identify resources, timeline, strategic planning and performance budgeting processes and business process improvement systems.</li> <li>•</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>• Present updated GAA to GEAR Board for vote of support at May 15, 2018 board meeting.</li> <li>• Submit rewritten GAA and implementation plan to legislators (primarily co-chairs of JFC) for sponsorship and placement on General Assembly agenda. Goal is to have bill passed by General Assembly and signed by Governor during this legislative session (by end of June 2018).</li> </ul>	<ul style="list-style-type: none"> <li>• Identifying existing, not new, resources and a very short timeframe for implementation.</li> </ul>

**FINANCIAL SERVICES**  
**Banking Architecture Redesign**

Objectives and Achievements	In Progress
<ul style="list-style-type: none"> <li>● <b>Issue:</b> A comprehensive assessment and re-engineering of banking needs has not been conducted in more than 25 years.</li> <li>● <b>Objective:</b> Implement a new statewide banking architecture to drive greater value to state agencies from banking partners.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Complete agency questionnaires and PFM follow-ups</li> <li>✓ Finalize scope of services to be included in RFP</li> <li>✓ Review high-level RFP timeline with key agencies</li> <li>✓ PFM to integrate follow-ups into updated RFP draft</li> <li>✓</li> <li>● Complete OST review of initial RFP draft</li> <li>● Distribute final draft and integrate agency feedback</li> <li>● Complete IT Business Case</li> <li>● GSS drafting Critical Need memo for P-Card extension</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>● Work with GSS to raise awareness</li> <li>● Organize Selection Committee(s)</li> <li>● Finalize/Issue Comprehensive RFP</li> <li>● Evaluate Technical/Cost Proposals</li> <li>● Select Partners &amp; Negotiate Contracts</li> <li>● Create Implementation Plan</li> </ul>	<ul style="list-style-type: none"> <li>● <u>Sustained</u> participation of <u>subject matter experts</u> from state organizations is needed throughout the project life-cycle.</li> <li>● Multi-year/agency implementation requires <u>quality project management.</u></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>• Make improvements to the tracking of school district positions relative to unit counts (estimated cost avoidance of \$800,000). [Currently this item on hold.]</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.</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>● The Delaware Geographic Data Committee (DGDC) has convened a subcommittee to determine the path forward to ensuring the efficient and effective management of Geospatial Data and Infrastructure for the State of Delaware. Representatives of the following agencies are members of this subcommittee: OSPC, DTI, DelDOT, DNREC, DHSS, DSHS, DDA, DSHA, DEMA, DOE, New Castle County, Kent County, and Sussex County.</li> <li>● Two meetings have been held and it has been decided that a new Strategic Plan should be developed to determine and outline the most efficient and effective management of Geospatial Data and Infrastructure for Delaware.</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>● Leverage FirstMap geographic information service (GIS). Develop and implement a viable Strategic Plan to ensure the efficient and effective management of the geospatial data and infrastructure into the future.</li> <li>● <i>Please note that the verbiage of the above has been changed from the original document to reflect the goal of creating a strategic plan that would encompass oversight of all things geospatial, not just the existing management of FirstMap infrastructure being handled by DTI at the current time. There needs to be broader oversight to have a comprehensive approach to all geospatial needs in Delaware to ensure coordination of data acquisition and policies as well as management of technological infrastructure.</i></li> </ul>	<ul style="list-style-type: none"> <li>● The committee is investigating funding sources to complete this Strategic Plan. The scope of this plan, while it will involve input from all stakeholders, is too extensive to be accomplished in-house by the OSPC staff assigned to the DGDC subcommittee.</li> </ul>

## FINANCIAL SERVICES

### REQUIRE ALL STATE AGENCIES TO USE DELAWARE POPULATION CONSORTIUM PROJECTIONS

<b>Objectives and Achievements</b>	<b>In Progress</b>
<ul style="list-style-type: none"> <li>Issue: The Counties are required to use the Delaware Population Consortium projections for planning, grants, loans, etc., State agencies, school districts and other levels of government are not.</li> <li><b>Objective: Requiring all State agencies to use Delaware Population Consortium projections for all planning grants, loans, performance metrics, etc.</b></li> <li>By using shared statewide data and population projections all entities will be able to agree on their accuracy as well as see the “big Picture” statewide.</li> </ul>	<ul style="list-style-type: none"> <li>Draft Legislation has been presented to Wilmapco and Dover Kent MPO director for comments. Also the draft has been distributed to all the County Executives for review and comment.</li> <li>A presentation to the League of Local Governments took place on March 22 at the meeting. Staff has presented the draft to Secretary Bunting of the Department of Education, Department of Transportation and are currently in the process of contacting the correct staff member with DNREC to discuss.</li> <li>Bill has sponsors—Senator Hanson and Representative Carson—waiting for date of introduction (and bill number).</li> </ul>
<b>Next Steps (Future Activities)</b>	<b>Challenges (Issues and Risks effecting your effort)</b>
<ul style="list-style-type: none"> <li>Create a list of suggested amendments, of which we have a few. We will incorporate suggestions into draft and hopefully in late March select sponsor for the bill and proceed with approval (initial sponsors have been identified).</li> <li>Amendments to the bill have been incorporated as of April 23, 2018.</li> </ul>	<ul style="list-style-type: none"> <li>Any problems would come from misinformation which is why the OSPC is circulating the bill for review and input. Currently staff has received positive comments. The funding is already in place, this legislation just codifies procedures most people are doing but eliminates spending unnecessarily on contracts being done for data the state already pays for and is available.</li> <li>As of April 23, 2018 no negative comments have been received.</li> </ul>

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

<b>Objectives and Achievements</b>	<b>In Progress</b>
<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: Objective is to create a financial services roundtable composed of senior financial officers to comprehensively address issues with the State’s financial management functions.</b></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>• Organizing roundtable logistics and overseeing initial implementation of Financial Services Delivery (FSD) Team GEAR projects.</li> <li>• Initially, FSD Team will constitute the roundtable:               <ul style="list-style-type: none"> <li>○ Secretary of Finance</li> <li>○ Director of OMB</li> <li>○ Controller General</li> <li>○ State Treasurer</li> <li>○ Auditor of Accounts</li> </ul> </li> <li>• Rounding out the participants:               <ul style="list-style-type: none"> <li>○ Chief Financial Officer of the Delaware Judiciary</li> <li>○ Representative from school district business managers</li> </ul> </li> </ul>
<b>Next Steps (Future Activities)</b>	<b>Challenges (Issues and Risks effecting your effort)</b>
<ul style="list-style-type: none"> <li>• Identifying additional financial services processes and practices that can be improved.</li> <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>• Changing fragmented financial practices that have “worked” for individual State entities.</li> <li>•</li> </ul>

## FINANCIAL SERVICES

### ENSURE EFFECTIVE INTERNAL CONTROL SYSTEMS ARE DEVELOPED AND MAINTAINED: TRAVEL PER DIEM

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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: Reduce travel per diem complexity that leads to inefficiencies in use and enforcement compliance and auditing (estimated savings \$800,000).</b></li> <li><b>Total Travel spend FY 2017 \$3.7 M (all funds, no HiEd or SDs).</b></li> <li><b>Leadership: OMB (Sullivan) and DOF (Cole).</b></li> </ul>	<ul style="list-style-type: none"> <li>DOF working with OST to issue joint PCard RFP so that PCard spending, rebates, cost savings and banking fees addressed comprehensively. Requires extending current JPMC contract so have time to prepare joint RFP.</li> <li>DOF identifying travel management services companies who may be interested in managing the State’s travel and impose consistency regarding booking conveyance and lodging and use of per diem.</li> <li>OMB reviewing Federal General Services Administration (GSA) travel policy and per diem standards. This is a 300+ page document.</li> <li>GEAR Board approval given for joint DOF/OST PCard RFP.</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>Review and issue the comprehensive RFP.</li> <li>Continuing explorations of travel management services and Federal GSA travel policy and per diems.</li> <li>Looking into adjusting current travel approval processes to see if efficiencies can be gained (e.g., raise the threshold for OMB/DOF review of missing receipt affidavits from \$20.00 to \$100.00).</li> <li>Revising the State’s travel policy in the Budget and Accounting Policy Manual so it conforms to any new policy changes, approval practices and so on.</li> </ul>	<ul style="list-style-type: none"> <li>Engaging a travel management company is dependent upon both the revision of the travel policy and awarding of the new PCard contract including issuance of new cards.</li> </ul>

## FINANCIAL SERVICES

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

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: Increase PCARD usage (each additional \$250M in spend will increase rebates \$300K and lower costs for processing checks)</b></li> <li><b>Current PCard spend 2017 \$130.1 M</b></li> <li><b>Leadership: DOF (Cole) and OST (Gonzalez).</b></li> </ul>	<ul style="list-style-type: none"> <li>DOF working with OST to issue joint PCard RFP so that PCard spending, rebates, cost savings and banking fees addressed comprehensively.</li> <li>GSS drafting Critical Need memo to extend current PCard contract.</li> <li>GEAR Board approval given for joint DOF/OST PCard RFP.</li> </ul>
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
<ul style="list-style-type: none"> <li>Review and issue the comprehensive RFP.</li> <li>Meet with DTI to develop an implementation plan for integration of products with FSF.</li> <li>Together with travel continue explorations of travel management services which through connection to the PCard will result in increased usage.</li> <li>Reduce the current pay cycle for checks and ACH transactions from daily to weekly or biweekly to drive more payments to the Single Use Account (SUA) within the PCard program.</li> </ul>	<ul style="list-style-type: none"> <li>Current capacity of the ERP team to handle additional workload required to implement new banking products/services.</li> </ul>



*Withdrawn: Objectives of this project to be incorporated within the Financial Service Roundtable project*

## 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>● Formed the Senior Financial Officer Roundtable: Objective is to comprehensively address issues with the State’s financial management functions.</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>