Objectives and Achievements	In Progress
• 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. • **Objective: Reinstitute strategic planning and performance budgeting processes to provide information for preparation of data-driven budget recommendations and budget decisions**	• In June 2018, SB 263, the Delaware Governmental Accountability Act update bill, was passed by the Senate but not considered on the floor by the full House. • In January 2019, agreement made with legislators to rerun SB 263 in its current form (full implementation moved back to FY 2023). • On May 2, 2019, the bill reintroduced as HB 133 with Rep. Q. Johnson and Sen. McDowell as sponsors and co-sponsors Reps. Baumbach, Brady, Briggs King, Chukwuocha, Osienski, D. Short, Michael Smith, Yearick and Sens. Hansen, Sokola and Wilson. • HB 133 passed the House (41-0-0) on June 20, 2019, voted out of the Senate Elections, Government and Community Affairs Committee on June 27, 2019 and was on the Senate Agenda 1 for June 30, 2019. The bill was not brought up on the floor for a vote.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• HB 133 is not dead, it can be acted on by the Senate when the General Assembly reconvenes in January 2020. • Goal is to have GAA bill passed by General Assembly and signed by Governor during next legislative session (by end of June 2020). • OMB will follow up with GEAR Board members and Financial Services Delivery Team members on the implementation issues they brought up in prior GEAR meetings regarding the GAA bill. • Will continue to work through the initial implementation plan to identify resources, timeline, strategic planning and performance budgeting processes and business process improvement systems.	• Identifying existing, not new, resources and a very short timeframe for implementation. • Addressing political issues that link this bill with budget smoothing initiatives and so create opposition to this measure.

FINANCIAL SERVICES
BANKING ARCHITECTURE REDESIGN

Objectives and Achievements	In Progress
Issue: A comprehensive review of the statewide banking architecture identified significant opportunities for improvement, including operational efficiency, risk reduction, customer service, and cost savings **Objective:** Implement a new, streamlined banking architecture that will leverage best-in-class technology and product offerings to maximize value for state agencies	• Executed banking services contract w/ JPMorgan and initiated requirements gathering and project planning activities (initial focus on DOL lockboxes and OST "concentration accounts") • Partnering with DTI to determine technical solutions needed to establish connectivity between US Bank and the State; solution must be defined prior to finalizing transition timelines for the three active stored value card programs • Initiated local bank contract negotiations following approval by the Cash Management Policy Board
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• Finalize banking contract extensions with current providers to ensure continuity of services throughout the transition • Establish formal project/program management structure and begin drafting comprehensive implementation, testing, change management, training, and communication plans w/JPMorgan (Sep/Oct) • Launch communications plan to help inform and prepare impacted agencies for upcoming changes (Sep/Oct) • Finalize technical solution with DTI and migrate existing stored value card programs to US Bank (Sep/Oct) • Complete OST hiring, including dedicated project management and technical resources (Sep/Oct) • Complete contract negotiations with local bank(s) (Oct/Nov)	• Stored value card transition timelines are dependent on finalizing a technical solution for connectivity and encryption that is acceptable for both US Bank and the State; OST working closely with DTI and agency technical resources to resolve • Complex and long-term statewide implementation requires additional OST resources with significant project management, technical, and/or banking services acumen • Sustained participation of subject matter experts from state organizations is needed throughout the project lifecycle • Improving banking behaviors and product usage may require training, education, and/or policy changes

Objectives and Achievements	In Progress
• Issue: In general, Delaware residents believe our State government is not transparent, as evidenced by the Center for Public Integrity. A lack of transparency inhibits the public's ability to observe and understand how their tax dollars are spent. • **Objective: Transparency in the financial operation of State government improves accountability and efficiency.** Completed: • The Auditor of Accounts issued a private auditing firm's report examining all aspects of the office's past and current operations and functions. Several recommendations have been implemented. • The office has launched an outreach program to raise awareness including a redesigned website, social media channels and community meetings. • The office has been restructured to improve workflow. • Open positions are being filled and the office had requested additional resources from the General Assembly. • Redesigned our report format to provide clear executive summary and one-page "hot sheet."	• A new app is being developed to facilitate easier fraud hotline reporting. • The Auditor of Accounts is catching up on neglected code mandates. Several engagements are in progress covering previously neglected mandates. (07/11) • Data analysis initiatives are underway, including a study to report on key metrics by agency. • The office is conducting performance audit engagements to examine State programs. • The office is creating a model to identify and prioritize risks to be used in developing the annual audit plan.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**

• Increased work product from the office with meaningful recommendations.
• Developing a risk-based audit plan to provide the most relevant and actionable information.
• Will partner with GEAR to provide relevant information for efficiency objectives such as:
    o Possible cost savings
    o Process narratives/flow charts
    o Cost driver analysis
	• Funding for staff—the office has 33 percent fewer authorized positions than it did in 2008.
	• Funding for resources—the office is upgrading technology and software to audit more efficiently. The office has increased HR and training needs as a result of filling open positions.
	• Rebranding the office to increase oversight role and become valued resource to GEAR and the State.

Objectives and Achievements	In Progress
• 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. • **Objective: Improve data integration and mapping so that better information is available for decision makers at some cost savings**	• DelDOT has approved a $76,478 contract with UD-IPA under their State Planning Resource Program and they will fund this work. • A kick off meeting with key stakeholder agencies is scheduled for September 11. This will be the Core Group of decision makers. • Additional engagements will be made with GIS users within agencies to further discover needs for GIS coordination. • UD-IPA in the process of researching coordination efforts from surrounding states and the nation.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• Leverage FirstMap geographic information service (GIS). Develop a white paper on the best practices, viable solutions and return on investments based on the findings from a coordinated effort among agencies to determine the path forward.	• This effort will take approximately a year to complete.

Objectives and Achievements	In Progress
• 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. • **Objective: Requiring all State agencies to use Delaware Population Consortium projections for all planning grants, loans, performance metrics, etc.** • 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.	• The Legislation (SB 7) passed on April 18, 2019 • Governor Carney signed the legislation May 14, 2019. • The DPC has a draft of the updated by-laws and will be ready when the law takes effect.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• OMB/OSPC will work closely with the DPC to establish new By-laws to ensure the requirements of SB 7 are met.	• None at this time.

ESTABISH CENTRALIZED LAND INVENTORY DATABASE

Objectives and Achievements	In Progress
Objective: Establish State land inventory **Establish a central State land inventory and require all agencies to use it for the management of the State's real property portfolio.**	• OSPC has a copy of the Draft report from UD-IPA • Information on path forward to be delivered at September GEAR Board meeting • Agencies are agreeable to development of central database.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
OSPC will develop a Business Case with DTI and get cost estimates to create a centralized relational database and geospatial component to maintain accurate and up-to-date data on the assets owned and managed by the State of Delaware. This database is envisioned to permit each agency the autonomy to input and update their land inventory data but store it centrally with all other agencies so it can be queried and provide management the best information for decisions regarding these properties.	The biggest challenge will be funding to create the database and agency interface to permit data input. Requirements gathering will need to be all inclusive and then we'll have to work with DTI and/or a contractor to create the relational database, data input interface, and geospatial components working on the State network. The IPA report also stressed that success will depend upon support of upper management of each agency so that business practices change to include data sharing and use of the new database interface.

Objectives and Achievements	In Progress
• 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. • **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.** • **Objective: Eliminate duplicative internal financial service functions and realize process efficiencies and cost savings.**	• Initially, FSD Team will constitute the roundtable: Secretary of Finance, Director of OMB, Controller General, State Treasurer, Auditor of Accounts, Chief Financial Officer of the Delaware Judiciary, and a representative from school district business managers. • Rick asked Jane Cole (DOF/DOA) to lead the Work Team/Focus Group. • The Financial Advisory Committee (FAC) began meeting in August 2018 and established four priority areas: account coding, grants, onerous processing requirements and travel and purchasing. Subcommittees have been meeting since January 2019 and the FAC is discussing additional areas of focus, including fiscal ethics and other Statewide training efforts.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• The subcommittee for onerous paper processing requirements has assessed the processes that need to be streamlined or eliminated and has focused on the purchase order process. Updated guidance for Open Order POs has been released and updates to the PO threshold and After the Fact POs guidance will be finalized in early FY 2020. • The subcommittee for account coding in conjunction with DOE's requirements for SB172 added new accounts and released guidance on the expenditure accounts. In early FY 2020, the revenue accounts will be reviewed. • The subcommittee for grants will reconvene with new leadership in the first quarter of FY 2020. • The travel subcommittee is addressed in the Travel Per Diem 4 blocker.	• Changing fragmented financial practices that have "worked" for individual State entities. • Potential changes to Delaware Code for the processes.

Objectives and Achievements	In Progress
• 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. • **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).** • **Total Travel spend FY 2017 $3.7 M (all funds, no HiEd or SDs).** • **Leadership: OMB (Sullivan) and DOF (Cole).**	• Review of Travel Policy being examined by DOF/DOA's Financial Advisory Committee (FAC). • PCard still preferred method of payment so addressed access, retention of receipts, and travel insurance eligibility/assignment. No cash advances. • Revised travel policy which raises the threshold for: OMB/DOF review of missing receipt affidavits to $100; OMB/DOF review to 200% of GSA rate for lodging; and adjusts per diem requirements. • Travel committee viewed presentation by Corporate Travel Management (CTM) representative highlighting the benefits of utilizing their services to book travel arrangements for transportation and lodging. CTM has National Association of State Purchasing Officers (NASPO) contract and provides online and agent bookings for travel along with numerous reporting features.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• Revising the State's travel policy in the Budget and Accounting Policy Manual so it conforms to any additional policy changes and use of a travel management company. • DOF/DOA and OMB/GSS will meet with the representative from CTM to discuss adapting the NASPO contract to meet the needs of the State.	• Engaging a travel management company is dependent upon negotiating a contract that meets the State's requirements. • Not creating uniform travel policy across all State entities. State travel policy sets minimum standards, State entities will still develop their own policies and practices. • Enforcement still an issue—how to ensure per diem not exceeded or if not exceeded to keep travelers from keeping amounts not spent.

Objectives and Achievements	In Progress
• 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. • **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)** • **Current PCard spend 2017 $130.1 M** • **Leadership: DOF (Cole) and OST (Berkow).**	• Budget and Accounting Manual Policy Chapter 12 – PCard updated and approved. Need to incorporate changes from Chapter 11 – Travel prior to finalizing Chapter 12. • New contract in place and DOA team working to recruit additional suppliers to join the SUA program (for first quarter of calendar 2019, SUA was 55% of the spend volume).
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• Together with travel continue explorations of travel management services which through connection to the PCard will result in increased usage. • 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. • DOA will conduct a joint recruitment campaign with JPMC for suppliers to join the SUA program in the fall of 2019.	• Capacity reserved for Quarters 3 and 4 to implement additional new banking products/services. • Developing policies and procedures, communicating and obtaining Statewide buy-in to change the pay cycle for supplier payments.

FINANCIAL SERVICES
DEPARTMENT OF FINANCE INTEGRATED REVENUE ADMIN SYSTEM (IRAS)

Objectives and Achievements	In Progress
Integrated Revenue Admin System (IRAS) **Objective:** The Division of Revenue (DOR) is undertaking a major transformation to replace its legacy infrastructure and 100+ systems into a holistic and modernized system, allowing for better security and providing an improved single view of the taxpayer. The team has developed and issued a comprehensive RFP, and the solution will be implemented in 3 major releases over 4 years. Underlying the Integrated Revenue Administration System (IRAS) project are approximately 1500 business and technical requirements that will be implemented within a program of clearly defined governance and project management processes, and a complete software testing program.	• The IRAS project is currently in Release 0 (zero) – Project Planning and Initiation • Developing 29 core deliverables that will be used to set the standards for the project • Clarifying and validating the 1500 project requirements • Implementing Organizational Change Management to prepare the IRAS stakeholders for the new system. • Preparing for data conversion activities • Reviewing DOR business processes and practices with RSI • Building all project work stream plans • Fully implementing the Project Management Office and Governance processes

Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)

• Complete and approve all Release 0 deliverable documents
• Complete the clarification and validation of all project requirements with RSI
• Finalize the integrated project plan for all project work streams
• Establish the detailed schedule for Release 1 – Business Licenses and Gross Receipts
• Provide training of DOR technical and business staff related to project execution processes
• Finalize the Organizational Change Management Plan
• Complete the stakeholder analysis
	• Team Capacity
	  Balancing modernization project readiness work with regular operational responsibilities and work load
	• Contract/SOW
	  Ensuring that the contract protects the interests of the State
	• Project Plan
	  Ensuring scope, timelines can be met with the resources allocated to the project
	• Governance and Project Management
	  Ensuring a strong Governance and Project Management Office is properly implemented and actively measures and communicates project status and disposition in real time.

FINANCIAL SERVICES
OMB (DFM) CONTACTUAL REAL ESTATE SUPPORT TO ADDRESS OFFICE SPACE LEASES

Objectives and Achievements	In Progress
- Issue: OMB/DFM's current leased real estate portfolio is 117 properties (1,561,084 sf) with current value of $27.0 million. Of the 117 leased properties, 78 leases expiring within the next 5 years. Currently, real estate-related tasks decentralized across numerous State agencies; leads to duplication of effort and expenditure. **Objective: Engaging a real estate Vendor to enhance staff resources managing the State's real estate portfolio by implementing industry best practices and partnering with the State in lease negotiations and administration, portfolio and facility management and other services.** - Coupling constituent needs as well as individual agency's needs by location along with geographically-oriented State-needs to help identify best target locations for leases. - Reorganize lease negotiation approach toward longer term benefits where: - Constituent needs are fine-tuned and closely considered. - Agencies are located where complimentary State/County and Local government resources co-reside or are located immediately nearby. - Overall lease-term costs are most efficient.	- Renegotiated leases for DOL, DSCYF, DNREC, OMB, DOS, Elections, DOF, OST, JP Courts and DSHS. Renegotiated leases range in term from 10 to 20 years –13 years on average. - Current accomplishments: - Hard dollar savings include $17.3M, an average annual savings of $1.3M. - Soft dollar rent savings estimated at $2.5M including improvements like paint, carpet, parking lot striping, access control systems, etc. for an annual average soft improvement upgrade of $204K. - Coming accomplishments: - Hard dollar rent savings are expected to include $23.9M, an average annual savings of $521K. - Soft dollar rent savings estimated at $956.0 K for improvements as noted above, for an annual average soft improvement upgrade of $72K.
Next Steps (Future Activities)	Challenges (Issues and Risks effecting your effort)
- Identify next leases for renegotiation or upgrade. - Solidify validity of database for new leases going forward. - Assist in training of new hire. - Address GASB Statement 87 reporting requirements with DOF/DOA. These requirements mandate capitalization of leases and breakout of lease component costs. - Development of lease or buy calculation and policy. - Leverage contractor resources toward renewing leases or relocating leased properties for State operations where they are most efficiently accessible by constituents as well as most economically efficient for lease costs and buildout.	- Interest rates set by the Federal Reserve as borrowed by lessors. - Recognizing partnerships in real estate and the leverage that this knowledge could create. - Fluctuations in local real estate availability by county and the sensitivity to State needs of locations to the community they serve. - The erratic flow of staffing requirements necessary to manage all flow of work including and beyond negotiation of leases. - Individual agencies acting on their own without OMB/DFM knowledge. - The process flow currently in place requiring multiple agencies to act on lease opportunities.

FINANCIAL SERVICES
ELIMINATE DUPLICATIVE INTERNAL FINANCIAL SERVICE FUNCTIONS

Objectives and Achievements	In Progress
• 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. • **Objective: Eliminate duplicative internal financial service functions and realize process efficiencies and cost savings.**	• Formed the Senior Financial Officer Roundtable: Objective is to comprehensively address issues with the State's financial management functions.
Next Steps (Future Activities)	**Challenges (Issues and Risks effecting your effort)**
• Adopt enterprise financial services delivery model for selected financial functions common to multiple agencies. • Encourage all agencies to participate in the discovery, prioritization, and migration/consolidation of redundant financial services and systems into FSF.	