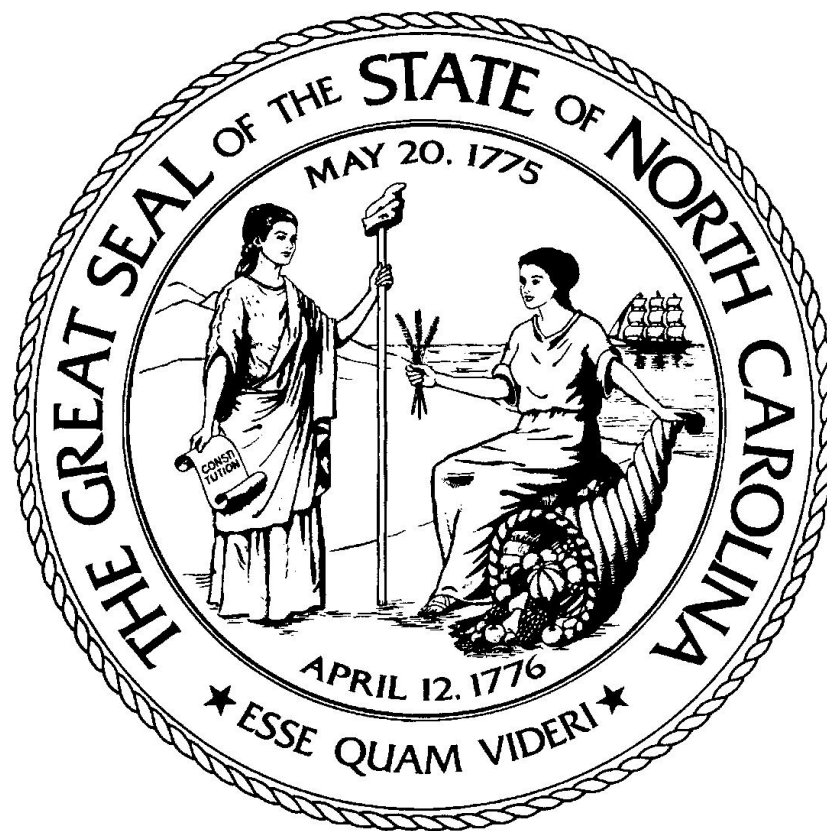


# Office of The State Controller

## Strategic Plan

2023 – 2025



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# 1. Strategic Plan Executive Summary

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*The State Controller is the State's Chief Fiscal Officer and serves as an independent resource to protect the financial integrity of the State and to promote accountability in an objective and efficient manner through its accounting, disbursing, payroll, internal control, data management, eCommerce, and financial reporting systems. We exist as an independent, centralized, enterprise-focused agency whose mission is to provide essential fiscal services to support North Carolina's State Government. We assist State agencies in complying with state and federal fiscal laws, rules, regulations, and generally accepted accounting principles.*

*Enterprise system initiatives managed by the Office of the State Controller (OSC) include the following:*

- ***Statewide Accounting** maintains the North Carolina Accounting System (NCAS) and Decision Support System (DSS) for use by state agencies, ensures use of proper accounting principles, compiles, and issues annual financial statement (ACFR), maintains system of appropriations, allotments, expenditures, and revenues for use by state agencies and manages cash flow*
- ***North Carolina Financial System (NCFS)** – maintains system for use by state agencies*
- ***Integrated HR-Payroll System** - maintains system, pays approximately 80,000+ employees*
- ***Risk Mitigation and Internal Controls** - ensures a proper system of internal controls*
- ***E-Commerce** - manages statewide contracts for merchant card processing and electronic funds transfers*
- ***Tax Compliance Program** - provides training to state entities to ensure compliance; manages the statewide foreign nationals tax compliance contract and maintains the tax compliance software for 29 state agencies*
- ***Overpayments Audit and Recovery Program** - manages the audit and collection of inadvertent overpayments by State agencies*

*All OSC initiatives provide state-wide business solutions that promote operational efficiency, pair business and IT using innovative technology, invest in security and minimize risk as well as enhance service reliability and delivery.*

*Management of each of these systems as well as the overall strategic success of the Office of the State Controller team is achieved through a professional atmosphere that provides a personal touch with a high level of expertise achieved through recruitment, retention and promotion of motivated, innovative skilled professionals supporting and managing effective, up-to-date secure equipment and systems.*

*The primary strategic initiative throughout the 2023-2025 biennium will be the implementation of the third and final phase of the State's new enterprise financial backbone system, the North Carolina Financial System (NCFS). The third phase includes core financials encompassing the chart of accounts and journal entries as well as business operational areas such as Assets, Inventory, Budget, and Procurement.*

*This new enterprise financial initiative occurs in parallel with normal operations, support and maintenance of the existing enterprise system initiatives listed above using existing OSC resources*

*combined with select temporary time limited subject matter experts and contract vendor implementation and deployment resources.*

*Additional planned initiatives, improving upon existing operations, are in line with OSC's visons of delivering cost effective quality services that achieve efficiencies and promote collaboration as well as building and maintaining core enterprise business systems. Examples of these include:*

- *OSC Customer Contact Center Ivanti Cloud Call Logging solution*
- *AWS (Amazon Web Services) for HR-Payroll System cloud-based hosting*
- *HR-Payroll file transfer protocol to GoAnywhere*
- *Fiori enhancements for SAP HR-Payroll*
- *Future SAP HR-Payroll updates, enhancements, operational environment*
- *Tax Compliance software update from on premises solution to cloud based solution*

*OSC's primary mission and vision are outlined in Section 2 of this document. The goals and objectives of the agency are in Section 3. In congruence with these, all OSC-managed enterprise systems and planned initiatives support agencies statewide to become more effective and accountable. They also help sustain government entities supporting accounting and cash business operations, payroll and benefits, internal controls, tax compliance, and e-commerce operations. This positively impacts each agency's ability to achieve their own missions and goals while contributing toward achieving the Governor's initiatives of creating new jobs and fostering economic growth and recovery; strengthening our education and workforce development; promoting healthier, cleaner, and safer communities; advancing equity and diversity and ensuring an effective, accountable, well-run state government.*

## 2. Mission, Vision, and Values

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### Agency Mission Statement

*OSC's mission is to protect the financial integrity of the State and promote accountability in an objective and efficient manner.*

### Agency Vision Statement

*The Vision of the Office of the State Controller is continual commitment to excellent customer service.*

*The continual commitment is maintained by:*

- *Ensuring maximum funds are available for Treasury investment*
- *Delivering cost effective quality services that achieve efficiencies and promote collaboration*
- *Building and maintaining core enterprise business systems*

### Agency Values

*OSC's five core values are:*

- *Professional atmosphere*
- *Personal touch*
- *High level of expertise*
- *Teamwork*
- *Measure to ensure success*

*Our Agency Values are further defined in the **OSC Customer Service Code of Conduct** which supports our Mission as reflected in the infographics on the following two pages.*

## OSC Customer Service Code of Conduct

### 1. We create a professional atmosphere.

- a. We acknowledge that everyone we serve is a customer, with our ultimate customer being the citizens of the State of North Carolina.
- b. We treat others with respect and empathy.
- c. Our speech should never sound scripted. We use genuine, friendly, courteous phrases when we communicate.
- d. We maintain a neat, professional appearance.
- e. We never complain or mention operational or personal issues in the presence of customers.

### 2. We provide the personal touch.

- a. We empower and expect the first touchpoint to take ownership of the customer's inquiry and to provide complete service within their level of responsibility.
- b. We acknowledge that a single good or bad experience can form a customer's impression of our overall performance.
- c. We operate with a sense of urgency with requests and always follow through with what we begin.
- d. We do not send customers in circles or "pass the buck" when responding to customers' requests.
- e. We strive to exceed expectations and provide remarkable customer experiences.

### 3. We maintain a high level of expertise.

- a. We are prepared to respond cheerfully and with humility to all questions:
  - i. Immediately when we know the answers.
  - ii. As quickly as possible when we need to seek additional information.
- b. We know who to ask with routine questions that are beyond our expertise.
- c. We embrace and practice the art of proper communication.
- d. We always seek to improve ourselves.

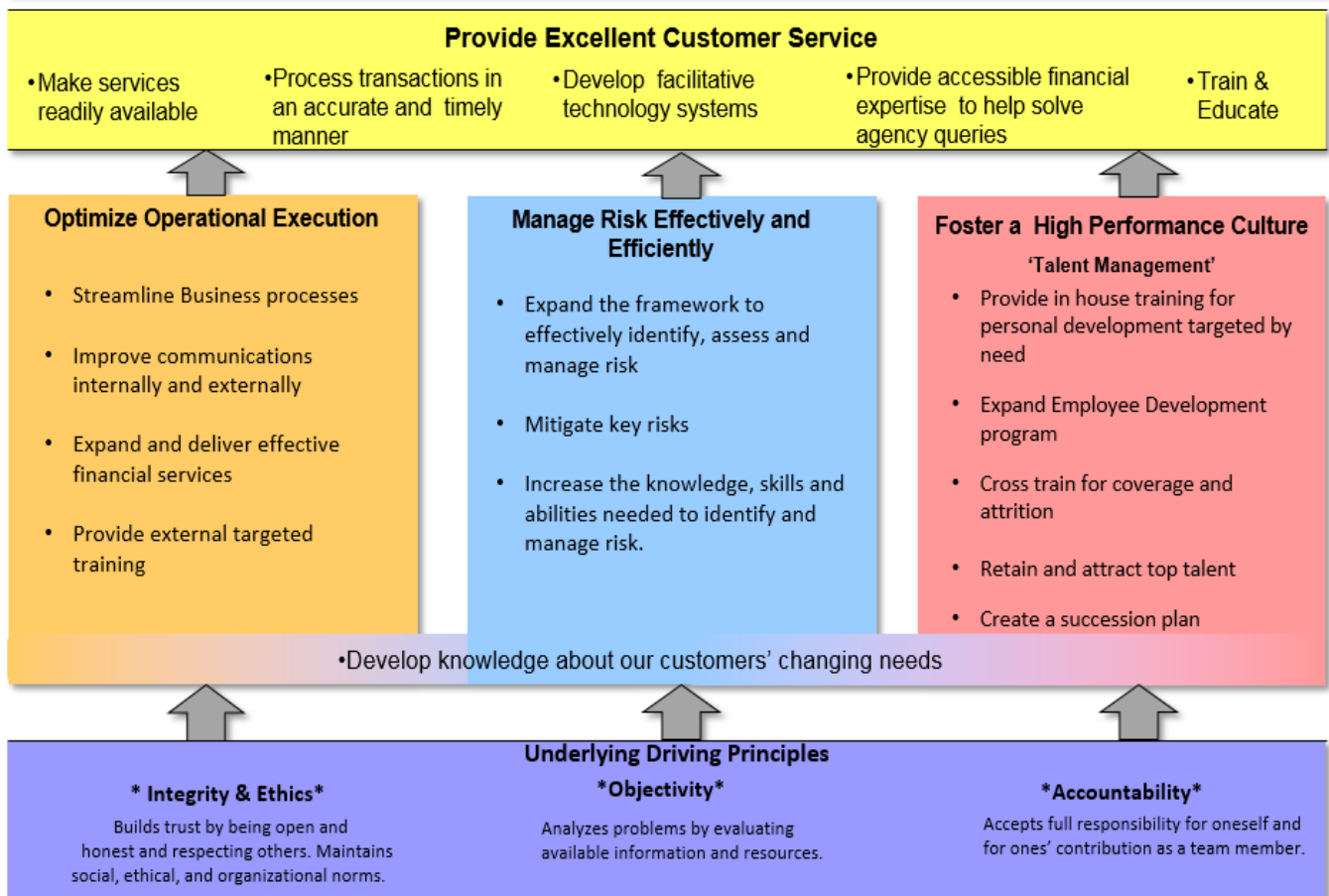
### 4. We are a team.

- a. We maintain a friendly, informal atmosphere.
- b. We do not allow the mechanics of our operation to interfere with our service.
- c. We communicate freely and openly with each other and our customers.
- d. We take time to celebrate our customer service successes.
- e. We demonstrate respect for the priorities and responsibilities of others.

### 5. We will measure to ensure success.

- a. Our measurements for customer service will examine both outcomes and outputs.
- b. We will continuously evaluate to ensure we are asking the right questions and the right people.
- c. We will constantly examine and evaluate all touchpoints to provide the best possible customer experience.
- d. We will rapidly and honestly communicate with each other to deal with multi-touchpoint challenges.
- e. We will strive to have no backlog where customers are waiting for OSC to respond.

**The Controller's office *MISSION* is to protect the financial integrity of the State and promote accountability in an objective and efficient manner.**





### 3. Goals, Objectives, and Performance Measures

<p><b>Goal 1</b></p> <p><i>Enterprise backbone financial system implementation.</i></p>	
<p><b>Objective 1.1</b></p> <p><i>Implementation on time.</i></p> <p><i>Careful coordination and project management oversight through Project Coordinator, Business Lead, Program Finance and Project Managers (OSC and vendor) via regular status meetings and monitoring project plan, schedule, milestone deliverables and budget.</i></p>	<p><b>Performance Measure or Milestone 1.1</b></p> <p><i>Deliverables on time as per the pre-approved project plan.</i></p>
<p><b>Objective 1.2</b></p> <p><i>Implementation deliverables within budget.</i></p> <p><i>Careful coordination and project management oversight through Project Coordinator, Business Lead, Program Finance and Project Managers (OSC and vendor) via regular status meetings and monitoring project plan, schedule, milestone deliverables and budget.</i></p>	<p><b>Performance Measure or Milestone 1.2</b></p> <p><i>Deliverables within budget as per the pre-approved project plan.</i></p>
<p><b>Objective 1.3</b></p> <p><i>Implement a solution that meets the State’s financial requirements.</i></p> <p><i>Careful coordination and project management oversight through Project Coordinator, Business Lead, Program Finance and Project Managers (OSC and vendor) via regular status meetings and monitoring project plan, schedule, milestone deliverables and budget.</i></p>	<p><b>Performance Measure or Milestone 1.3</b></p> <p><i>Deliverables meet the State’s financial requirements for the accounting system.</i></p>

<b>Goal 2</b> <i>Maintain and support the State’s Bond ratings</i>	
<b>Objective 2.1</b> <i>Publish the Annual Comprehensive Financial Report (ACFR) and all other legislative reports on a timely basis.</i> <i>ACFR conforms to generally accepted accounting principles (GAAP) and contains no material misstatements.</i>	<b>Performance Measure or Milestone 2.1</b> <i>Obtain an unqualified audit opinion.</i>
<b>Objective 2.2</b> <i>GFOA Certification.</i> <i>Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for transparency, full disclosure and going beyond the minimum requirements of generally accepted accounting principles.</i>	<b>Performance Measure or Milestone 2.2</b> <i>Receive the GFOA certification.</i>

<b>Goal 3</b>	
<i>Continuous optimization and enhanced expansion of OSC Shared Services Center.</i>	
<p><b>Objective 3.1</b></p> <p><i>System up-time HR-Payroll reporting metric.</i></p> <p><i>Maintain 99.5% or greater up time operational availability during normal operating hours.</i></p>	<p><b>Performance Measure or Milestone 3.1</b></p> <p><i>Percentage of time system operationally available.</i></p>
<p><b>Objective 3.2</b></p> <p><i>Payroll processing accuracy HR-Payroll reporting metric.</i></p> <p><i>Payrolls processed off cycle or outside normal biweekly and monthly payroll schedules 0.05% or less.</i></p>	<p><b>Performance Measure or Milestone 3.2</b></p> <p><i>Payroll processing accurate and timely.</i></p>

<b>Goal 4</b>	
<i>IT operational enhancements and improvements.</i>	
<p><b>Objective 4.1</b></p> <p><i>Replace OSC Shared Service Center Call Logging solution.</i></p> <p><i>The current Call Logging solution is reaching end of life. The new solution, Ivanti Cloud, will modernize the help desk call solution.</i></p>	<p><b>Performance Measure or Milestone .1</b></p> <p><i>Successful implementation of the new Call Logging Solution.</i></p>
<p><b>Objective 4.2</b></p> <p><i>Migrate SAP HR-Payroll to Amazon Web Services (AWS) platform.</i></p>	<p><b>Performance Measure or Milestone 4.2</b></p> <p><i>Successful implementation of AWS and the decommission of the current Oracle SuperClusters.</i></p>
<p><b>Objective 4.3</b></p> <p><i>Move HR-Payroll file transfer from SAP PI to GoAnywhere.</i></p>	<p><b>Performance Measure or Milestone 4.3</b></p> <p><i>Successful implementation of the migration of the HR-Payroll file transfers to GoAnywhere.</i></p>

## 4. Highlights, Collaborative Opportunities, and Priority Questions

### Agency Highlights

*A significant initiative OSC has undertaken over the past year is our hybrid work model. The pandemic necessitated changes to working schedules and some business processes that we were able to expand and make permanent in our hybrid work model.*

*Fully implemented, our hybrid model depending upon work responsibilities allows for staff to work remote, in the office, or split time between office and remote schedules. Only staff working on-site 100 percent 40 hours per week have assigned workstations, all others share and reserve drop-in flex areas as needed when in the office. Business functions requiring staff to be on site are split or rotated between staff to assure a resource is always on site as needed. Some of the benefits realized with the hybrid work model include:*

- Reduced office space square footage from 49,134 square feet to 21,065 square feet since all staff are typically not in the office at the same time.*
- Funding previously used for lease, utilities and insurance is now available for systems, updates, enhancements, and initiatives that provide more direct tangible benefits to overall achievement of the agency mission and goals.*
- Employee morale is improved with productivity maintained or even increasing.*
- Time and cost savings to employees due to no commute or travel time to/from work.*
- Enhanced employee work-life balance.*
- Improved recruitment and increased talent pool options with the flexibility to work remotely.*
- More competitive with market sector entities that offer hybrid or work from home benefits.*

*Additional possible benefits or areas of improvement such as loyalty, retention, absenteeism/sickness, and diversity to be determined once sufficient data is available for comparison.*

### Collaborative Opportunities

#### ***North Carolina Financial System Expansion Opportunities***

*Build and expand upon the NCFS new financial architecture for additional business functions beyond the initial scope of the North Carolina Accounting System (NCAS) and Cash Management Control System (CMCS). As DIT's EP MO reviews agency projects, they should consider any projects that could benefit from expanding on the new NCFS solution, such as inventory systems, rather than allowing agencies to purchase unrelated systems that would not be consistent with the state's new ERP NCFS solution.*

## Priority Questions

- 1. Upon completion of the implementation the Oracle Cloud infrastructure based NCFSS, what other Oracle Cloud subscriptions services would prove beneficial for the state to consider implementing to gain further efficiencies? Possible focus includes functions and systems that are end of life, no longer vendor supported, lack current security protocols, require excessive manual activities, lack integration and/or consolidation with other agencies and state enterprise systems, lack real time updates which require overnight/multiple day delays before activity posts, or lack/need improved reporting/dashboard capabilities.*
- 2. Are there additional statewide enterprise services to include in the OSC Shared Service Center that would yield increased efficiencies, improved consistencies, faster delivery of services and/or enhanced customer service experiences?*
- 3. Are there benefits to W-2, Wage and Tax Statement and/or Form 1095, Health Insurance and Marketplace Statement printing and/or folding/sealing by an OSC external entity?*