

# **Statewide Financial Management Services**

**SFMS**

**2011–2012  
Business Plan**

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This document presents the background and current year business plan for the Statewide Financial Management Services (SFMS) section. It is the result of staff's efforts to plan the work for the next fiscal year based on the purpose of the section and a commitment to make the best possible use of limited resources.

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## SFMS SYSTEMS AND SERVICES

Statewide Financial Management Services (SFMS) is the unit in the State Controller's Division that is responsible for all the centralized processes of the statewide financial system and centralized payment processing. The unit's duties include operational support, control, training and making improvements to the Statewide Financial Management Application (SFMA).

SFMS serves about 1,500 users from 82 agencies that generate roughly two million financial transactions every month. The unit communicates with state agencies' financial staff on system functionality, and with system programmers on required outcomes. SFMS staff maintain information on about 125,000 vendors, validate tax identification numbers with the IRS, file IRS-required forms, perform the state's General Fund reconciliation, and preserve the appropriate segregation of duties over the processes. About 600,000 payments are made to vendors via SFMA yearly.

Consistent with its philosophy, SFMS recently invited agencies to identify additional functionality in SFMA that doesn't exist today. Agencies recommended 30 projects that would require a change to SFMA, 13 projects that do not require new SFMA functionality and seven additional trainings. The unit then identified the SFMS resources needed to accomplish the tasks and asked agencies to prioritize the projects taking the group's available resources into consideration. Although its resources are slim, the SFMS team is delighted to incorporate agencies' recommendations into its processes.

Below are the responses to our request that agencies provide direction regarding what projects would provide the most value within the resources available.

### 2012 SFMA Functionality Projects

1. Add the SFMA transaction numbers that reconcile each deposit to the 13 Screen (deposit reconciliation). (5 units, 1,060 voting points)
2. Hot link 3A screen to 85 screen and 51 screen. (10 units, 995 voting points)
3. Edit to generate an error message when crossing treasury funds for 13 screen non-reconciled items. (5 units, 655 voting points)
4. R\*Stars ability to move back consistent with the internet back key functionality (data entry screens 504 and 505). (5 units, 500 voting points)
5. Standardize the function keys, especially the F8 and F5 on three screens. (15 units, 465 voting points)
6. Expand the description field on the accounting transactions. Requires re-testing on interfaces. (35 units, 400 voting points) This will be a multi-year project and may only include on-line entry. If all agencies with interfaces are in agreement and are resourced to re-format and re-test all SFMA interfaces, we can include the expanded description field in the interface information also.

### 2012 SFMS Non-Functionality Projects

1. Include the General Ledger account names on the 28A and B screens. (6 units, 1,045 voting points)
2. Review Manuals, add indices, and research search capabilities. (3 units, 800 voting points)
3. Create a new optional single user class for releasing batches. This project will require research before SFMS can make a commitment. (2 units, 570 voting points)
4. Ability to generate cost per transaction data. (2 units, 420 voting points)
5. Provide more descriptive and more consistent "help" details in SFMA (27,000 help screen records). This is a multi-year project. (90 units, 335 voting points)

## **2012 SFMS Additional Trainings**

1. Provide more documentation regarding what SFMA can do. (960 voting points)
2. Provide training on suggested uses for multipurpose codes/fields and additional descriptions for how the fields function. (715 voting points)

Points were applied consistently for SFMA functionality, SFMS non-functionality, and additional requested trainings. Agencies' first priority received 100 points, second priority 90 points, and for each priority thereafter a reduction of ten points was taken. In a few circumstances we received multiple responses for one agency. All responses after the first response were given reduced points.

These projects will be incorporated into the business plans of the SFMS sections.

## **DOCUMENT INTENT**

The intent of this document is to provide information about our work. This document is also a tool by which we can establish our vision, priorities, objectives, and expectations. In addition, we have included our accomplishments for the fiscal year ended June 30, 2011.

We plan our efforts to make a positive difference to our customers. In order to do so, we:

- Value integrity, competence, and professional conduct and avoid conflicts of interest.
- Make contributions that improve our customers' ability to do their job.
- Are creative in finding solutions to problems, open to new ideas and willing to take appropriate risks.
- Are truthful in our communications even when delivering bad news.
- Are respectful of others, keep confidences, and are good listeners.
- Provide encouragement and support to others toward achieving our customers' goals and are not afraid to ask for their support of our goals
- Recognize the interdependence necessary to achieve goals and work as a team to accomplish more than we can as individuals.

## **PURPOSE**

To operate effective and efficient accounting and purchasing systems that meet both central administration and agency needs by:

- Providing quality customer service and agency training.
- Ensuring integrity of statewide financial data and providing system functionality that meets the needs of customers.
- Maintaining control of cash and appropriations as designated by the state legislature.

## **VISION**

SFMS will listen carefully and act responsibly to provide excellent customer service and an effective automated financial system to customers. We will demonstrate self-directed professionalism, teamwork, and accountability as we strive to balance customer needs, system functionality, required controls, and available resources.

## ORGANIZATION

SFMS is part of the State Controller's Division. The SFMS organization is divided into SFMS Operations, SFMS Systems Management and Administration. This segmentation addresses the separate identified needs of the customers and the various functions of operating the system. The entire SFMS section reports to the Administrator of the State Controller's Division (SCD) in the Department of Administrative Services (DAS).

## REALIGNMENT

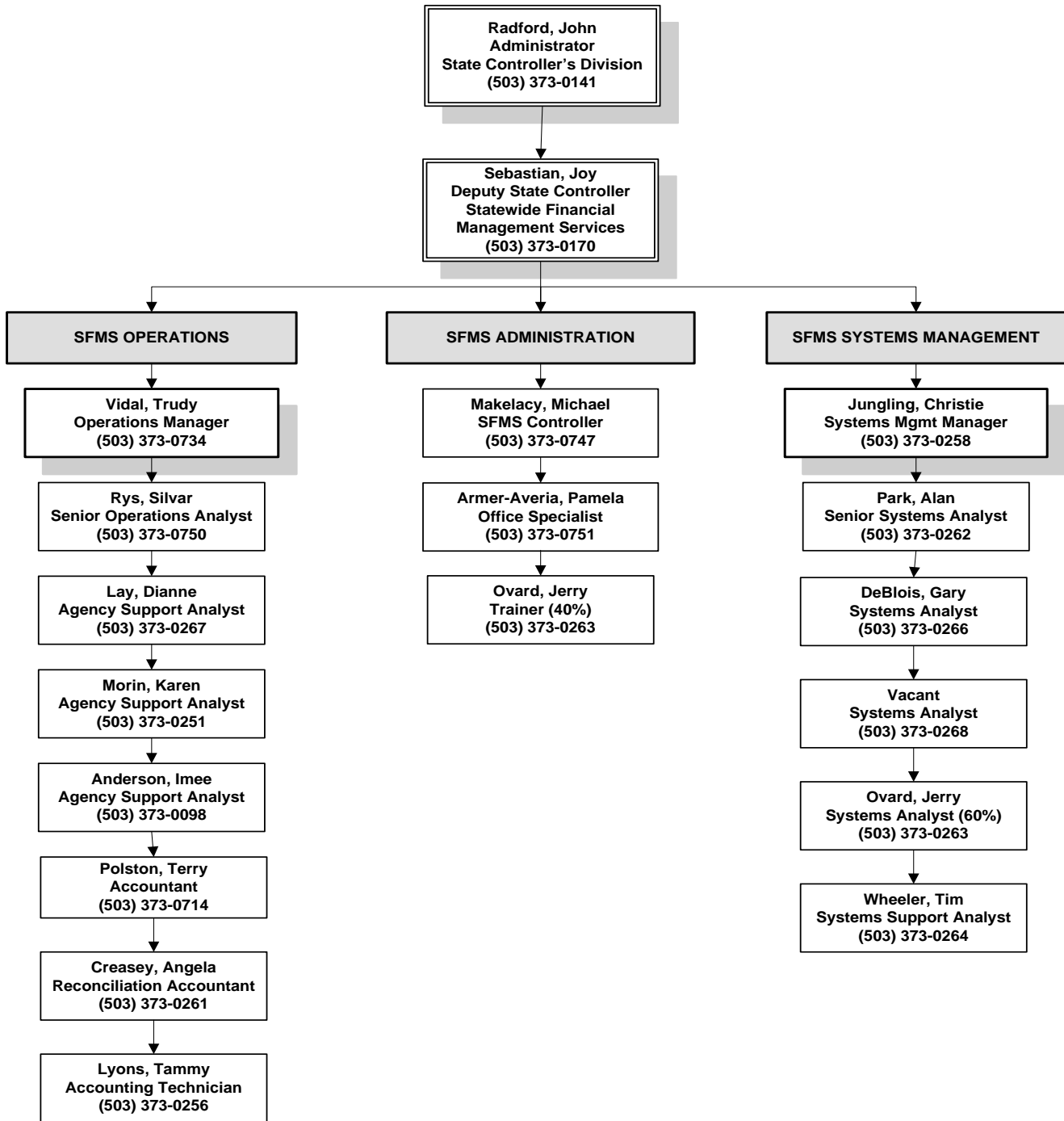
During fiscal year 2011, the SFMS Managers worked on a project to realign the SFMS Operations and SFMS Analysis and Development (A&D) units. The goals for this realignment included the following:

- Even out the workload between the SFMS Operations manager and Accountant 4 and the A&D Manager and Accountant 4, especially regarding critical timing.
- Take greater advantage of each unit's expertise.
- Create efficiencies for duplicating information in the Production, Acceptance and Training regions.
- Work toward a more even manager direct reporting environment.

To work toward accomplishing the goals listed above, SFMS made the following changes effective July 1, 2010.

- To better identify the role of Analysis and Development we changed the unit name from Analysis and Development to Systems Management (SM). This unit is responsible for system changes, interface coordination, controlling SFMS costs through implementing efficiency measures, assisting agencies with data transmission, access challenges, and general fund cash reconciliation.
- The request for a change in the financial system known as a Service Maintenance Request (SMR) can originate either in Operations or SM. The technical document that accompanies the SMR, known as the SRUS, will be created by the SM unit for the system functionality changes and in operations for report revisions. In the event the SMR originated in the Operations unit, there will be logical coordination to assure the programming change goal is reached.
- Two SFMS Operations Accountant 3 staff (Gary DeBlois and Jerry Ovard) now report to the SM Manager. Most, but not all, of their workloads moved with them. The SFMS training function will continue to report to the Deputy State Controller.

# ORGANIZATION CHART



## INTEGRATION WITH MISSION OF DEPARTMENT

The SFMS business plan supports the mission of the Department of Administrative Services, which is:

*“We serve state government to benefit the people of Oregon.”*

### Legal Authority

Our legal authority comes from Chapter 291 and 293 in the Oregon Revised Statutes (ORS). We clarify and provide specifics in the Oregon Accounting Manual (OAM). The following ORS sections provide authority:

- 291.015 Establishes authority to set fiscal direction for the State.
- 291.100 Sets responsibility for financial management.
- 291.405 Assessment of state agencies for mass transit purposes, rates.
- 291.407 Mass Transit Assistance Account, source, distribution, Oregon Department of Transportation (ODOT) assistance, etc.
- 293.346 Authorizes drawing warrants against Treasury.
- 293.348 Authorizes charging agencies for warrants produced.
- 293.590 Sets responsibility to supervise state accounting.
- 293.595 Sets responsibility for supervising acquisition, installation, and use of computers for accounting processes.

## CUSTOMERS AND SERVICES

### Central Control Agencies

Secretary of State, Audits Division, State Treasury, DAS Budget and Management Division, Legislative Fiscal Office, DAS State Data Center, DAS Enterprise Information Strategy and Policy Division, DAS Information Systems & Services and State Controller’s Division.

We promote system functionality, controls and data integrity as follows:

- Cash and appropriation control to meet legislative statutes in partnership with DAS Budget and Management Division and State Treasury.
- Fiscal and appropriation year financial data for statewide Comprehensive Annual Financial Report (CAFR).
- Year-to-date expenditure and revenue data for CAFR and budget documents.
- Statewide data for consistent and standardized treatment of accounting processes.
- Automated deposit reconciliation and treasury processing.
- Manage statewide General Fund.
- Fiscal information for audit review.

### Outside Entities

Citizens, vendors, federal, state, and local government.

We maintain and monitor system functionality to provide the following:

- Payments for services rendered that are timely, accurate, and less cumbersome by providing central contact point for correcting and collecting information, and direct mailing options.

- Statewide availability of 1099-MISC, backup withholding, and withholding regulations and processes.
- Share SFMA processes with other states.
- Direct Deposit functionality.
- Stop Payment functionality.

### **State Agencies**

We provide the following functionality for our users:

- R\*Stars and ADPICS training.
- System modifications to comply with federal and state mandates, ensure functionality and to reduce workload.
- Agency assistance for problem resolution, information exchange, and communications linkage.
- One system for cash and budget control, accounting, and financial statement preparation.
- Wide spectrum of automated accounting and purchasing functionality.
- Small Purchase Order Transaction System (SPOTS) program to provide purchasing card services.
- Centralization of workload for warrant and direct deposit requirements.
- Centralization of workload for 1099-MISC reporting, backup withholding and withholding requirements.
- Interface testing assistance.
- Written procedures, documentation, policies, and manuals for efficient and appropriate SFMA use.
- Automated deposit reconciliation.
- Assistance for agencies implementing or re-implementing R\*Stars and ADPICS.

## **RESOURCES**

Our employees are our most important resource. Employees in SFMS must be educated, skilled, and experienced in governmental accounting, financial reporting and analysis, the Statewide Financial Management Application, and desktop software. On average, it takes more than a year to function effectively in SFMS. The skill sets our positions require combine accounting and system technical knowledge. Staff's successes typically involve sophisticated problem solving and matching system capability with accounting requirements. Some staff find this type of deliverable unrewarding compared to a standard accounting position, others find it exhilarating. Our trained staff are desirable candidates for promotions to other agency positions. We expect retention to challenge our unit.

## **BUDGET CUTS**

### **System Programming Enhancement Reduction for SFMS Effective April, 1, 2009**

As the result of budget cuts effective April 1, 2009, State Controller's Division lost resources that were assigned to perform system enhancements to the statewide systems that we manage. These are ongoing cuts to our budget that will not be added back in the foreseeable future. SFMS lost one Accountant 4 in the Analysis and Development Section and one full-time equivalent (FTE) in the now DAS Operations, Information Systems & Services (IS&S) section.

SFMS was not in a position during AY11 to make enhancements to the Statewide Financial Management Application (SFMA). Because SFMS was not performing any enhancements, we did not solicit enhancement requests from agencies.

We focused our remaining programming resources on the maintenance of the SFMA. We know that other agencies were experiencing similar challenges and resource reductions so we believe our customers understood our need to focus on core services.

### **Reduction of SFMS staff (one FTE) focused on warrants effective July 1, 2011**

SFMS Operations lost one FTE focused on warrants including warrant distributions, report distributions, warrant re-writes, and undeliverable warrants. To ameliorate operational concerns, unit staff will absorb remaining duties and we are working with ISS programming staff as well as Printing and Distribution staff so that reports and warrants can be disseminated directly from Printing and Distribution. Stop payments will be used in lieu of the current warrant re-write process. We are also working to change the warrant return addresses so that the warrant is returned directly to the generating agency rather than SFMS. The result will be reduced service and some additional Printing and Distribution fees regarding the added services and deliveries.

## SFMS ADMINISTRATION

SFMS Administration is comprised of three staff plus a portion of an Accountant 3 to perform R\*Stars and ADPICS modular training.

### Key Functions

SFMS Administration is responsible for the strategic and long-term management of SFMS functions as summarized in the following general categories.

- Leadership and Direction – Provides SFMS program leadership and direction consistent with required controls as well as the desires and needs of agencies and financial reporting in addition to overall SFMA management, quality assurance (QA), and internal control direction.
- System Security and Internal Controls – Coordinate with the DAS Security Office and the State Data Center in development of statewide security and internal control policies and procedures as they relate to SFMA in accordance with the DAS Information Security Plan, Control Objectives of Information and Related Technology, the International Standards Organization 17799, the Oregon Consumer Identity Theft Protection Act and the Enterprise Information Asset Classification and Transportation policy. Perform Quality Assurance on all programming changes.
- Consulting – Provision for consulting services to statewide agency customers on issues related to R\*Stars and ADPICS. Work with agencies for an integration of customer service criteria with authoritative internal control objectives to help achieve an optimum balance supporting the State Controller's dual role of providing service and control to stakeholders.
- Training – Development, maintenance, implementation, and presentation of hands-on module type R\*Stars and ADPICS training materials and programs for various levels of statewide agency staff expertise. Train on the use of macros in SFMA.
- Small Purchase Order Transaction System (SPOTS) – Statewide coordination, management, and allocation of rebates for the State's VISA purchase card.
- Administrative Services – Support for all SFMS units as well as maintenance of the documentation of about 125,000 vendor W-9s and/or Tax Identification Number IRS match documentation.
- SCD Budget – Develop, monitor, and provide feedback on the SCD Budget in conjunction with the DAS Operations Budget staff.

### 2011/2012 Resources by Key Function

The schedule below shows the key functions of SFMS Administration, the percentage of time devoted to each key function by staff position, and the total FTEs assigned to each key function in 2011/12.

Function	Deputy State Controller Joy	Ops/Analyst 4 Michael	Acct 3/Trainer Jerry	Office Specialist Pamela	Total FTE
Leadership and Direction	25%	5%			0.30
System Security and Internal Controls	10%	35%			0.45
Consulting	15%	35%			0.50
Training	25%	25%	40%		0.90
SPOTS	10%				0.10
Administrative Services				100%	1.00
SCD Budget	15%				0.15
<b>Total</b>	100%	100%	40%	100%	3.40

### 2011-2012 Business Plan Objectives

Each year the SFMS staff identifies the objectives that will support our philosophy and purpose. Our overall objectives are tasks we plan to achieve, recognizing that shifting priorities, shrinking resources, and increasing demands for services may preclude our ability to achieve complete success.

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
Leadership and Direction	1	Meet with SFMS Managers weekly and all SFMS staff monthly.	Provide a forum to share the status of SFMS projects. SFMS Projects updated information is provided in written form to all SFMS Managers weekly.	High	Ongoing	
	2	Initiate customer service discussions during SCD Manager meetings.	Improve SCD's customer service.	High	Ongoing	
	3	At the agencies' requests, visit at least 10 agencies and take the opportunity to discuss challenges, concerns, and successes with SFMS.	Perpetuate excellent customer service.	High	Ongoing	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	4	Continue to administer the Small Purchase Order Transaction System (SPOTS).	Interact with agencies on the most appropriate use of the SPOTS card.	High	Ongoing	
<b>System Security and Internal Controls</b>	5	Continue Quality Assurance (QA) on all SFMA programming changes.	Assure all system changes meet objectives and have appropriate testing.	High	Ongoing	
	6	Continue to refine mainframe user permissions.	Address emerging threats.	High	Ongoing	
	7	Optimize interface machine access.	Address emerging threats.	High	Ongoing	
	8	Create a new optional single user class for releasing batches.	To accommodate agencies' non-functionality request.	High	Sept 2011	Nov 2011
<b>Consulting</b>	9	Work with agencies to learn, "What functionality are agencies looking for in a financial system that they do not have today?"	To continue the process of identifying agencies' objectives for a new accounting system.	High	Feb 2012	June 2012
	10	Manage reports for transparency requirements (HB 2500).	Generate and distribute the required reports for SPOTS transactions and SFMA data for the transparency reporting requirements.	High	Ongoing	
<b>Training</b>	11	Using training modules, train SFMA users via remote and training lab, on the appropriate use of the R*Stars (accounting) and ADPICS (purchasing) systems.	Provide a more effective and efficient use of SFMA. Provide training and direction to users as needed.	High	Ongoing	
	12	Revise ADPICS and R*Stars training modules, as needed.	Provide up-to-date training consistent with system changes.	High	Ongoing	
	13	Review the R*Stars and ADPICS training manuals and add indices.	Provide up-to-date training consistent with system changes and agencies' non-functionality request.	High	Ongoing	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	14	Participate in training and documentation regarding what SFMA can do.	To provide a high level overview of SFMA functionality. This additional training was requested by agencies.	High	Ongoing	
	15	Facilitate a macro training user group to discuss and train agencies on the use of macros to populate SFMA.	Assist agencies in the most efficient use of SFMA.	High	Ongoing	
	16	Continue lecture type training.	To provide an alternative learning methodology for R*Stars.	High	Ongoing	
	17	Create training for agencies on the ability to generate cost per transaction data.	This was part of the agencies' non-functionality request.	High	July 2011	Dec 2011
	18	Provide training for SFMS staff semi-yearly.	Develop a more trained workforce.	High	Ongoing	
<b>SPOTS</b>	19	Provide guidance to agency SPOTS Coordinators regarding the appropriate use of the SPOTS card.	Assist agencies with the interpretation of the Oregon Accounting Manual and how it relates to the SPOTS card use.	High	Ongoing	
	20	Facilitate an annual meeting with SPOTS Coordinators.	Review the SPOTS section of the Oregon Accounting Manual and the logic behind the changes with the SPOTS Coordinators.	High	March 2012	May 2012
	21	Generic SPOTS Cardholder training for SPOTS Coordinators and cardholders.	Provide a training option for agencies adopting the OAM as their SPOTS policy.	High	Ongoing	
<b>Administrative Services</b>	22	File paper W-9s and/or Tax Identification Number – (TIN) IRS match documentation.	Storing and retrieving W-9s or TINs per the IRS requirement to secure and make available these documents in the event inconsistencies arise.	Medium	On-going	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	23	Research and perform search capabilities on the ADPICS and R*Stars training manuals as well as the Desk Manual.	Allow ease of locating needed SFMA information. (Agency non-functionality request)	High	July 2011	June 2012
	24	Remove hard-copy W-9 and TIN match information for vendors purged from SFMA.	To create a more efficient filing and retrieving process.	Medium	July 2011	June 2012
	25	Web content management including training updates, form updates and other web site changes.	Current web information for SFMS and its customers.	High	Ongoing	
	26	Responsible for mail and filing D23 fund data.	Efficient administrative duties.	High	Ongoing	
<b>SCD Budget</b>	27	Work with DAS Operations to finalize the AY 15 budget for SCD.	To reflect an accurate budget for the State Controllers' Division consistent with the direction provided by DAS.	High	July 2011	June 2012
	28	Review all SCD invoices for appropriate documentation and accuracy prior to approving.	Assure only appropriate invoices are approved for payment.	High	On-going	
	29	In conjunction with Systems Management, analyze monthly State Data Center (SDC) costs.	Facilitate an understanding of the State Data Center costs so that SFMS can better anticipate the cost of system changes.	High	On-going	
	30	Track SFMS cost saving measures.	Assure SCD achieves all of its required spending reductions.	High	On-going	

## **FY11 Accomplishments for SFMS Administration**

### Leadership and Direction

- Met with SFMS Managers weekly and all SFMS staff monthly. A written document was updated and shared with SFMS managers.
- Initiated customer service discussions during SCD Manager Meetings to help improve performance.

- Effected communication between SFMS and IS&S for effective and efficient use of resources.
- At agencies' request participated in 62 agency visits, 26 related to formation of the new Oregon Health Authority.
- Participated in the Statewide Financial Management Application and SPOTS audits.
- Created and disseminated SFMS Quarterly Updates as appropriate.
- Continued to administer the statewide Small Purchase Order Transaction System (SPOTS).
- Worked with agencies to learn, "What functionality are agencies looking for in a financial system that they do not have today?"
- Participated in Wall 2 Wall and Entrepreneurial Management activities.

#### System Security and Internal Controls

- Performed quality assurance on 29 system changes and nine re-occurring items to help ensure objectives were met and testing was appropriate.
- Met every other week with DAS Security Officer to address overall agency security issues.

#### Consulting

- Provided final HB 2500 (transparency) checkbook information to the Enterprise Information Strategy and Policy Division (EISPD) for publishing to the state website.
- Reviewed 10 significant agency structure changes to assure change would produce the agencies' desired outcomes.
- Active participant in Oregon Health Authority meetings and provided requested expertise regarding the creation of this new agency in SFMA.

#### Training

- Provided 1,166 training hours to help R\*Stars and ADPICS users with more effective and efficient use of SFMA.
- Updated 634 pages of training materials to help stay up-to-date with system changes.
- Trained interested agency staff on the use of macros to help with the efficient use of SFMA.
- Provided five SFMS staff trainings.

#### SPOTS

- Facilitated an annual meeting with SPOTS Coordinators to communicate proposed changes to the SPOTS section of the OAM as well as the VISA program and training.
- Provided guidance to agency SPOTS Coordinators regarding the appropriate use of the SPOTS card.
- Updated the Business Continuity Plan for SPOTS Card creation, increased limits and use in the event the need arises.
- Provided generic SPOTS cardholder training in Salem.
- Created new SPOTS PowerPoint training for SPOTS Coordinators.
- Completed SPOTS Oregon Accounting Manual (OAM) rewrite.

#### Administrative Services

- Worked with DAS Operations to discuss and assure the SCD budget to actual information was as expected.

- Worked with DAS Operations to finalize AY13 budget and segment ACH and warrant costs.
- Reviewed all SCD invoices for appropriate documentation and accuracy prior to approving.
- In conjunction with Systems Management, analyzed monthly State Data Center costs to facilitate an understanding and better anticipate the cost of requested changes.
- Removed electronic W-9 and TIN match information for vendors purged from SFMA.

## SFMS OPERATIONS

SFMS Operations is responsible for the daily management of SFMA (Statewide Financial Management Application). SFMS Operations is comprised of eight full time staff.

### Key Functions

The principal responsibilities of SFMS Operations are summarized in the following general categories:

- System Management – Ensures the integrity of R\*Stars and ADPICS used by 82 state agencies and approximately 1,500 users. Coordinates production scheduling, including weekly, month-end, year-end, and subsystem processes. Maintains statewide profiles and tables. Performs system reconciliation using the generated control reports for the SFMA production region. Performs error resolution and research/resolution of accounting and system functionality issues.
- System Policy – Develops and distributes system policies, procedures, and documentation for R\*Stars and ADPICS users.
- Cash Reconciliation – Responsible for monthly statewide reconciliation of joint payroll fund.
- Payment Processing – Provides statewide vendor maintenance for over 125,000 vendors, statewide Automated Clearing House (ACH) processing and training for agency staff. Administers payment processing and related profiles. Performs warrant cancellation, stop payment and requests forgery reimbursement.
- Agency Support – Assigned agency assistance provides wide range of system guidance on-site and via e-mail and telephone. Resolves problems and questions involving requestable and control reports and report distribution.
- Federal Compliance – Administers backup withholding, withholding tax, and 1099-MISC processing and training. This includes all correspondence and appropriate transmission of payments and required forms to IRS.
- R\*Stars General Fund – Performs all accounting services for Agency 999.
- Other Special Projects – Perform system modifications to profiles to meet required accounting pronouncements and federal regulations. Provide system requirements for requested system changes.

### 2011/2012 Resources by Key Function

The schedule below shows the key functions of SFMS Operations, the percentage of time devoted to each key function by staff position, and the total FTEs assigned to each key function in 2011/12.

Function	Manager Trudy	Acct 4 Silvar	Acct 3 Dianne	Acct 3 Imee	Acct 3 Karen	Acct 3 Terry	Acct 2 Angela	Acct Tech 3 Tammy	Total FTE
System Management	15%	25%	20%	20%	20%	45%		5%	1.50
System Policy	20%	10%				5%			0.35
Cash Reconciliations	5%						50%		0.55
Payment Processing	5%		10%	10%	10%	5%	45%	95%	1.80
Agency Support	20%	45%	65%	65%	65%				2.60
Federal Compliance	15%	5%				30%			0.50
R*Stars General Fund	5%					10%			0.15
Other Special Projects	15%	15%	5%	5%	5%	5%	5%		0.55
<b>Total</b>	100%	100%	100%	100%	100%	100%	100%	100%	8.00

SFMS Operations plans to accomplish the following objectives during the fiscal year ending June 30, 2012.

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
<b>System Management</b>	1	Review daily control reports for proper batch cycle processing and balancing system.	Ensure the integrity of R*Stars and ADPICS used by 82 state agencies and 1,500 users.	High	Ongoing	
	2	Daily maintenance of statewide profiles.	Ensure compliance with budget, accounting and federal requirements.	High	Ongoing	
	3	Expire stale dated warrants.	Comply with state law.	High	Oct 2011	Nov 2011
	4	Produce the yearly processing calendars for scheduling daily, weekly, monthly and yearly processes and programs.	Facilitate efficient coordination of jobs, closings and processes with other enterprise systems in an effort to meet all interested parties objectives.	High	Sept 2011	Nov 2011
	5	Research and resolve accounting and system related functionality issues.	Ensure the integrity of R*Stars and ADPICS used by 82 state agencies and 1,500 users.	High	Ongoing	
<b>System Policy</b>	6	Develop and distribute policies, procedures, and system documentation.	Provide up-to-date system information and internal procedures.	Medium	Ongoing	
<b>Cash Reconciliation</b>	7	Perform monthly statewide payroll reconciliation.	Ensure the integrity of transactions on SFMA and cash balances reconcile with Treasury and the payroll system.	High	Ongoing	
<b>Payment Processing</b>	8	Provide vendor maintenance for about 125,000 vendors, as well as ACH processing and training to agency staff.	Ensure accuracy in vendor setups for federal reporting requirements. Ensure secured environment for electronic payments.	High	Ongoing	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	9	Cancel and stop pay warrants and request forgery reimbursements.	Ensure appropriate processing of warrants that do not follow normal processing through the bank.	Medium	Ongoing	
	10	Re-sort warrants and add agency sheet to return to agency warrants.	Facilitate distributing return to agency warrants directly from Publishing and Distribution due to position loss.	High	July 2011	July 2011
	11	Print issuing agency address on warrants and use double window envelopes.	Allow Post Office to return undeliverable warrants directly to issuing agency.	High	July 2011	Aug 2011
	12	Research appropriate edits on type "R" batches.	Streamline redemption process when transactions edit against profiles.	Medium	Sept 2011	Dec 2011
	13	Test ACH Incident Response Plan	Ensure proper response if ACH information is compromised.	Medium	July 2011	Dec 2011
<b>Agency Support</b>	14	Provide system guidance through specified agency assignments.	Ensure proper use of SFMA and provide guidance on system error correction.	High	Ongoing	
	15	Resolve problems and provide guidance with report requests.	Provide information for use of SFMA reports.	Medium	Ongoing	
	16	Participate in five agency visits per quarter.	Provide central staff with the opportunity to learn and understand more about each agencies' environment.	Medium	Ongoing	
	17	Provide one formal training per quarter for agencies.	Continue to train agencies on the use of SFMA.	Medium	Ongoing	
	18	Provide document on existing functionality in SFMA.	Address suggestions from the "Functionality" workgroup that already exist in SFMA.	High	July 2011	Aug 2011
	19	Provide SM with a list of topics for indexes on reference manuals.	Assist users with searching for reference material by topic.	High	Oct 2011	Dec 2011

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	20	Create overview training of SFMA functionality from inquiry perspective.	Provide agencies with more documentation regarding what SFMA can do.	High	Jan 2012	May 2012
	21	Create training on multipurpose code field.	Provide training on possible uses of the multipurpose code field.	Medium	April 2012	June 2012
<b>Federal Compliance</b>	22	Administer backup withholding tax and 1099-MISC processing and training.	Comply with federal withholding and reporting requirements to avoid penalties.	High	Ongoing	
	23	Administer foreign vendor tax withholding and reporting.	Comply with federal withholding and reporting requirements to avoid penalties.	High	Ongoing	
	24	Identify system requirements and modify system profiles to withhold Federally mandated 3% from appropriate vendor payments.	Comply with January 1, 2013 federal withholding and reporting requirements as part of the Tax Increase Prevention and Reconciliation Act of 2005.	High	July 2011	Dec 2012
	25	Identify system requirements to add the vendor number in the account number field on the printed 1099-MISC.	Ensure central staff can accurately and efficiently look up vendor information from the 1099-MISC once the algorithm replaces the SSN as the vendor number.	High	July 2011	Sept 2011
<b>R*Stars General Fund</b>	26	Perform all accounting services for Agency 999 including CAFR disclosures.	Properly record centralized general fund activity and comply with GAAP.	Medium	Ongoing	
<b>Other Special Projects</b>	27	Provide one training per quarter for SFMS staff.	Ensure SFMS staff understands unit processes.	Medium	Ongoing	
	28	Clean up SFMS Operations folder on LAN.	Reduce duplicate copies of files and reduce storage costs.	Medium	Ongoing	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	29	Include General Ledger (g/l) account names on the 28B Transaction Code Description Profile.	Provide users with g/l account information to assist with selecting appropriate transaction codes.	High	July 2011	Dec 2011
	30	Provide SFMS Administration with information to generate cost per transaction data.	Provide agencies with cost data for financial purposes.	High	July 2011	Dec 2011
	31	Review and update 90 Help Profile descriptions.	Provide accurate and detailed descriptions on the SFMA help screens.	Medium	Jan 2012	June 2012 (multi-year project)

## FY11 Accomplishments for SFMS Operations

### System Management

- Reviewed daily control reports for proper batch cycle processing and balancing system.
- Maintained statewide profiles.
- Ran and verified annual program to expire stale dated warrants.
- Produced the yearly production and testing calendar for scheduling daily, weekly, monthly and yearly processes and programs.
- Researched and resolved accounting and system functionality issues.
- Evaluated all control reports and suppressed the printing of over 50%. This reduces paper usage, printing charges and review time.

### System Policy

- Developed and distributed policies, procedures and system documentation.
- Updated report explanations on Report Guide.

### Cash Reconciliations

- Performed monthly statewide payroll reconciliation.
- Modified the DAFR740-1 Reconciling Items Report to only include valid outstanding items.

### Payment Processing

- Provided vendor maintenance for about 125,000 vendors, and ACH processing and training to agency staff.
- Distributed warrants to agencies and administered payment processing.
- Replaced, canceled, and placed stop payment on warrants and performed fraud and forgery control.

- Modified the W-9 process to only send forms to vendors whose coding could not be determined by vendor staff.
- Updated the ACH Website to clarify the instructions.
- Worked with agency to separate ACH subsystem vendors from the SFMA ACH vendors.
- Modified ACH form to reduce return rate for incomplete forms.
- Analyzed and modified vendor coding for HB2500 transparency.
- Tin matched all appropriate vendors to ensure accurate SSN/FEIN designation for the algorithm project.
- E-mailed over 4,000 ACH vendors to comply with NACHA International bank account notification.
- Modified vendor maintenance screen to include additional fields to speed up daily vendor review process.

#### Agency Support

- Provided system guidance through specified agency assignments.
- Resolved problems and provided guidance with report requests.
- Participated in 55 agency visits.
- Provided nine formal trainings for agencies including developing a new training on transaction codes.
- Developed expenditure comptroller object descriptions to provide agencies with guidance on selecting appropriate expenditure coding.
- Participated on the committee to implement the new Oregon Health Authority agency.

#### Federal Compliance

- Administered backup withholding tax and 1099-MISC processing and training.
- Administered foreign vendor tax withholding and reporting.
- Identified system requirements to withhold Federally mandated 3% from appropriate vendor payments.
- Co-chaired the national committee for the Federally mandated 3% withholding requirement.
- TIN matched all 1099-MISC reportable vendors to avoid IRS penalties.
- Modified IRS 1099-MISC file to facilitate electronic reporting of other states' 1099's.

#### R\*Stars General Fund

- Performed all accounting services for Agency 999 including CAFR disclosures.

#### Other Special Projects

- Provided four SFMS staff trainings.
- Modified several R\*Stars reports to include new G/L 3503 Reduction of Expenditure – Accrued and BT35 Reduction of Expense - Accrued.
- Participated in Wall-2-Wall meetings and training.
- Sorted month end Treasury reports by agency to facilitate faster delivery to agencies.
- Created, tested and implemented dozens of profiles for GASB 54.

- Updated over 2,400 agency D23 fund profiles with GASB 54 coding.
- Created, tested and implemented nine new agency requested transaction codes.

### **Beyond 2012**

- Research and resolve the duplicate “F91 Document Level Error” notification on balanced transfer batches.
- Research and resolve the BT17 mismatch when an agency changes a transaction on an interfaced batch that has the warning “Change Not Allowed to Approved Document”.

## SFMS Systems Management

Statewide Financial Management Services Systems Management is comprised of five full-time positions and one shared (60%) position with SFMS Administration.

### Key Functions

The principal responsibilities of the Systems Management (SM) unit are summarized in the following general categories:

- System Maintenance - Provide analysis and maintenance functions to ensure that data integrity, program functionality, and system efficiencies are maintained in the Statewide Financial Management Application (SFMA). Manage and test mainframe DB2 version and application upgrades for the SFMA and related tools. Manage and update the technical user documentation for SFMA. Control SFMS costs through implementing efficiency measures. Coordinate user security, subsystem processes, testing and job scheduling for training, test, and production regions.
- System Functionality and Development - Develop and implement system changes in response to state, federal, and other accounting and reporting requirements. Develop and implement additional system functionality based on agency requests. Analyze, document, and resolve reported system functionality problems. Ensure continued integrity of data, system functionality, interfaces, and technical user documentation throughout these processes.
- Data Management - Perform system error resolution for identified accounting data issues. Analyze, document, and resolve reported data discrepancies to ensure data integrity is maintained. Coordinate data refreshes. Enhance SFMA functionality and efficiency by controlling costs and reducing system processing time through scheduled production data purges and archives. Analyze and test the process for each archive to ensure consistent programming logic. Ensure compliance with the Secretary of State's data archive schedule and appropriate handling of accounting activities related to long-term capital construction projects during the archive processes.
- Reconciliations - Reconcile the General fund and the Lottery fund to their corresponding records at the Oregon State Treasury. Assist agencies with other fund reconciliations and complex three-way reconciliations between subsystems, SFMA, and Treasury. Perform system reconciliation using the generated control reports for the SFMA training and test regions. Review and monitor statewide use of the Small Purchase Order Transaction System (SPOTS) card for over 3,400 cardholders with approximately 14,000 monthly transactions.
- Interface Coordination and Security - Coordinate testing, validation, and migration to Production for new and existing incoming SFMA interfaces and outgoing data extracts. Analyze and implement process and programming changes necessary for the secure transfer of accounting data to and from SFMA. Assist agencies in resolution of production interface data transmission issues to prevent and/or correct erroneous interface information from being added to the financial information in SFMA. Prepare and provide data extracts at the request of agencies.
- Central and Agency Support - Provide customer service and professional assistance on system programs and services to state agencies and central SFMA users. Work with agencies to resolve data transmission and access issues and provide technical guidance on accounting subsystem interfaces to or from SFMA.
- Performance Management / Other - Collect and maintain performance statistics to provide to state management along with recommended action for improved efficiencies. Perform special projects as assigned.

### 2011/2012 Resources by Key Function

The schedule below shows the key functions of SFMS Systems Management, the percentage of time devoted to each key function by staff position, and the total FTEs assigned to each key function.

Function	Manager Christie	Acct 4 Alan	Acct 3 Gary	Acct 3 Vacant	Acct 3 Jerry	Acct 2 Tim	Total FTE
System Maintenance *	10%	10%	5%	5%	5%	5%	.40
System Functionality/Development *	55%	45%	35%	35%	30%	70%	2.70
Data Management *	10%	20%	10%	10%	15%	10%	.75
Reconciliations *	5%		40%	5%			.50
Interface Coordination and Security		10%	5%	40%		5%	.60
Central / Agency Support	10%	10%			5%	5%	.30
Performance Management / Other	10%	5%	5%	5%	5%	5%	.35
<b>Total</b>	100%	100%	100%	100%	60%	100%	5.60

\* Duties related to ACH/Warrant processing are included in these categories.

We plan to accomplish the following objectives during the fiscal year ending June 30, 2012.

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
<b>System Maintenance</b>	1	Test and validate mainframe hardware and application upgrades and changes.	Maintain an effective and efficient accounting system.	High	Ongoing	
	2	Research, test, and resolve identified system functionality issues.	Ensure functional integrity for R*Stars and ADPICS.	High	Ongoing	
	3	Maintain and update Technical Manual job specifications to reflect current processing.	Provide accurate documentation for testing and analysis.	High	Ongoing	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
<b>System Functionality / Development</b>	4	Change the year end closing programs to incorporate the new GASB54 coding elements.	Ensure the integrity and compliance of financial data in R*STARS.	High	Jul 2011	Aug 2011
	5	Add the SFMA transaction numbers that reconcile each deposit to the 13 Screen (deposit reconciliation).	Simplify research required by agency users to resolve deposit reconciliation issues. This accommodates one of the agency functionality requests.	High	Jul 2011	Sep 2011
	6	Hot link 3A screen to 85 screen and 51 screen.	Enhance accuracy and speed of research by decreasing data entry required of users. This accommodates one of the agency functionality requests.	High	Jul 2011	Sep 2011
	7	Facilitate programming changes to complete implementation of new algorithm-generated vendor numbers.	Ensure integrity and security of social security numbers for SFMA vendors.	High	Aug 2011	Oct 2011
	8	Expand transaction code field area on D66 User Class Profile.	Improve internal controls and allow for more precise definition of User Classes.	Medium	Aug 2011	Nov 2011
	9	Complete implementation of electronic report delivery web utility for view/download of SFMA reports by agency users.	Reduce print costs and improve agency access to accounting activity reports.	Medium	Aug 2011	Feb 2012
	10	Facilitate programming changes to modify SFMA to withhold 3% from appropriate vendor payments.	Comply with federal withholding and reporting requirements to avoid penalties.	High	Jul 2011	Jun 2012

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	11	Edit to generate an error message when crossing treasury funds for 13 screen non-reconciled items.	Decrease agency user workload by preventing fund entry errors on deposit reconciliation transactions. This accommodates one of the agency functionality requests.	High	Oct 2011	Dec 2011
	12	R*Stars ability to move back consistent with the internet back key functionality (data entry screens 504 and 505).	Decrease agency user workload by eliminating steps required to return to prior transactions. This accommodates one of the agency functionality requests.	High	Oct 2011	Dec 2011
	13	Standardize the F5 and F8 function keys on three specific R*STARS screens.	Improve user experience through standardization of functions. This accommodates one of the agency functionality requests.	High	Jan 2012	Jun 2012
	14	Expand the description field on accounting transactions.	Increase room available to agencies for specific description field use. This accommodates one of the agency functionality requests.	High	Apr 2012	Dec 2012
<b>Data Management</b>	15	Test, run and verify the year end rollover program.	Prepare SFMA for the next fiscal year.	High	Jun 2011	Jul 2011
	16	Refresh and verify the data in the test environment with current production agency data.	Maintain a viable test region with current and applicable agency data and processes.	High	Jul 2011	Aug 2011
	17	Test, run and verify the Receipt Table archive program.	Improve processing efficiency and manage system costs.	Medium	Jul 2011	Aug 2011
	18	Test, run and verify the year end close program.	Finalize accounting information for the fiscal year.	High	Jul 2011	Sep 2011
	19	Test, run and verify the Cumulative Payment data purge.	Improve processing efficiency and manage system costs.	Medium	Nov 2011	Dec 2011

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	20	Test, run and verify the Encumbrance/Pre-encumbrance Liquidation programs.	Remove old biennium balances from R*STARS in preparation for biennium close.	High	Nov 2011	Jan 2012
	21	Test, run and verify the Biennium close program.	Finalize accounting information for the biennium.	High	Nov 2011	Jan 2012
	22	Analyze and—if there is a cost benefit—test, run and verify the Payment Control/ Cancel tables archive.	Improve processing efficiency and manage system costs.	Medium	Feb 2012	Mar 2012
	23	Test, run and verify the Financial Tables archive.	Improve processing efficiency and manage system costs.	High	Feb 2012	May 2012
	24	Test, run and verify the Profile Tables archive.	Improve processing efficiency and manage system costs.	Medium	Apr 2012	Jun 2012
	25	Test, run and verify the Document Header and Tracking tables archive.	Improve processing efficiency and manage system costs.	Medium	May 2012	Jun 2012
	26	Run and verify the Vendor Purge program.	Remove unused vendor profiles from R*STARS and ADPICs.	Medium	Apr 2012	Jun 2012
	27	Conduct accounting data clean ups (System Data Integrity Events) as needed.	Accurate financial information for agency decision makers as well as the CAFR.	High	Ongoing	
<b>Reconciliations</b>	28	Analyze system control reports for proper batch cycle processing and data balancing.	Maintain sound and viable test and training environments.	High	Ongoing	
	29	Perform monthly statewide General Fund and Lottery reconciliations.	Ensure the integrity of cash transactions and that cash balances reconcile with Treasury.	High	Ongoing	

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	30	Review and monitor statewide use of the Small Purchase Order Transaction System (SPOTS) card.	Help detect SPOTS card fraud by providing customer assistance and notifying agencies of improper use of SPOTS cards, dormant cards and cardholders changing positions.	High	Ongoing	
	31	Assist agencies with bank reconciliations, often three way matches between Treasury, an agency subsystem and SFMA.	Ensure the integrity of transactions and that cash balances reconcile with Treasury.	Medium	Ongoing	
<b>Interface Coordination and Security</b>	32	Coordinate security, testing, and production migrations for new and existing agency interfaces.	Ensure appropriate processing of interfaced accounting transactions.	High	Ongoing	
	33	Implement process and program changes for secure data transfers.	Ensure integrity and security of the data interfaced to SFMA.	High	Ongoing	
	34	Provide direction and training on SPOTS interface test processes and coordinate testing and production implementation.	Ensure appropriate processing of interfaced accounting transactions.	High	Ongoing	
<b>Central and Agency Support</b>	35	Create overview training of SFMA functionality from inquiry perspective.	Provide agencies with more documentation regarding what SFMA can do. This accommodates one of the agency requests for additional training.	High	Sep 2011	May 2012
	36	Provide technical support to agencies to crosswalk the vendor numbers generated in R*Stars to their subsystems.	Ensure integrity and security of social security numbers for SFMA vendors.	High	Oct 2011	Jan 2012

Function		2011/12 Business Plan Objectives	Goal	Priority	Target Start Date	Target End Date
	37	Maintain availability of test region for agency interface testing related to removal of vendor-related SSN information.	Ensure successful processing of interface activity under new vendor identification logic.	High	July 2011	Jan 2012
	38	Review, add indices to, and research search capabilities for the SFMS Desk Manual.	Update and cross-reference documentation for agency users. This accommodates one of the agency non-functionality requests.	High	Nov 2011	Jun 2012
	39	Provide information and training to customers about data archives and purges.	Continue to update and provide information to agencies on annual data reduction processes.	Medium	Ongoing	
	40	Provide semi-annual training to SFMS staff on specific SFMA job processes and system logic.	Familiarize SFMS staff with R*Stars and ADPICS capabilities and data processing jobs.	High	Ongoing	
	41	Assist agencies in the resolution of production data transmission and processing issues.	Provide for the most efficient use of SFMA and ensure the integrity of its data.	High	Ongoing	
<b>Performance Mgmt / Other</b>	42	Coordinate and track System Management Request activity.	Improve process and resource efficiency for unit performance measures.	Medium	Ongoing	
	43	Perform analysis of system processes to develop and implement cost/resource saving measures.	Improve processing efficiency and manage system costs.	High	Ongoing	
	44	Analyze and track State Data Center charges for mainframe processing and storage to identify potential cost saving improvements.	Improve processing efficiency and manage system costs.	Medium	Ongoing	

## **FY11 Accomplishments for Key Functions**

### System Functionality/Development

- Completed 23 System Data Integrity Event data clean ups in R\*Stars/ADPICS.
- Tested and verified EZRetrieve 11.5 mainframe software application upgrade.
- Prepared the annual calendar for scheduling of the batch cycles and other special jobs in the non-production regions.
- Added, updated, and/or deleted more than 1,300 profiles in the non-production regions to mirror existing production profiles and maintain viable test and training environments.
- Developed program logic for cost-saving measure to move central control reports from microfiche processing to CD storage.
- Accommodated an agency's request for electronic report delivery via FTP pickup.
- Completed initial design and testing of electronic report delivery web utility for view/download of SFMA reports by agencies.
- Changed and tested transaction edit programs to allow correct processing with the new algorithm-generated vendor numbers.
- Partnered with SARS to facilitate the modification of two R\*Stars screens and six programs and test the GASB54 required data processing logic.
- Changed the year end roll, profile roll, and year end closing programs to incorporate the new GASB54 coding elements.
- Refreshed and verified the data in the test environment with current production agency data.

### Data Management

- Ran and verified the year-end data roll and closing processes in the production and non-production regions.
- Ran and verified the Document Header and Tracking tables archive, Payment Control/Cancel tables archive, and Cumulative Payment table archive, removing more than 29 million records.
- Test, ran, and verified the Profile tables roll to prepare R\*Stars agency profiles for the next biennium.
- Maintained and updated Technical Manual job specifications to reflect current processing.

### Reconciliations

- Analyzed system control reports for proper batch cycle processing and data balancing to ensure sound and viable production, test and training environments.
- Performed monthly statewide General Fund and Lottery Fund reconciliations to ensure the integrity of transactions and reconciliation of cash balances between SFMA and Treasury.
- Reviewed and monitored statewide use of the Small Purchase Order Transaction System (SPOTS) card to help detect and prevent fraud and improper use.
- Assisted agencies with bank reconciliations.

### Interface Coordination and Security

- Provided test and production migration services to agencies for new and/or revised financial data interfaces in R\*Stars, including changes to accommodate the creation of the Oregon Health Authority (OHA) and enable transmission of accounting data for both DHS and OHA in one shared interface file.
- Provided subsystem and accounting data analysis to identify and correct agency production interface anomalies.

#### Central and Agency Support

- Partnered with agencies and the SFMS Controller to identify and make available appropriate production data access through query tools such as Hyperion and Access.
- Reviewed, added or deleted more than 1,000 security profiles for agency and central user testing in the SFMA test region.
- Provided three SFMS staff trainings on system processes.
- Provided information and training to agency customers via the SFMS User Group meetings and SFMS-News e-mails on three Fiscal Year 2011 scheduled data purges and archives.
- Participated in 19 agency visits.

## COST SAVINGS ACCOMPLISHMENTS

SFMS has been working on a number of cost saving measures.

Requestable Reports The most notable hard dollar cost savings measure is the changes we made to requestable reports. We identified this process because requestable reports are SFMS' most expensive computing costs. We realize reports vary from month-to-month depending on the number of month ends and other events during fiscal year 2009. The requestable report costs for the quarter ended September 2009 averaged \$30,444 per month compared to the requestable report costs for the quarter ended September 2010 which averaged \$20,587. This \$10,000 per month decrease in computing costs includes about a 15% reduction in State Data Center cpu rate. In January 2011 additional programming efficiencies were put in place for requestable reports. We are thrilled to report that the SFMA requestable report costs for January 2011 were approximately \$11,000 per month.

Re-sort Treasury Reconciling Reports During the past year we have re-sorted the following reports to streamline the distribution to agency process: DAFR3140 Outstanding Warrants Report for Treasury Fund, DAFR7373 Treasury Activity Report, and the DAFR7401 Treasury Reconciling Items Report. These reports were originally sorted first in fund number and then agency number. This meant that for each report specific agency information was distributed throughout the report. We changed the sort order to first sort by agency number then the fund number. This sort change has reduced the distribution to agencies process from 7-8 hours a month to 2-3 hours per month. Agencies receive these reports sooner. The new process will facilitate distributing the reports from the print plant to the agencies in the future.

CDs as a lean process Moving control reports from microfiche to CD. The savings associated with shifting central control reports to CD was a \$1,800 reduction in the monthly Bicom microfiche charges. In addition to the Bicom charges SFMS will no longer take the time to file microfiche and pay for microfiche storage. The CDs will be maintained consistent with retention requirements of six years. It only takes one CD for all of the weekly control reports. Agencies have been invited to participate in this process as long as they put the required mitigating controls in place. Agencies' mitigating controls include receiving hard copy reports for four identified control reports as follows:

- DAFR 2151 R\*Stars Error Report
- DAFR 3252 Agency Payment Cancellation Daily Activity Report
- DAFR 3321 Deposit Reconciliation Control Report
- The confidential DAFR 3651 Warrant Register by Agency Report

In addition the appropriate control report reviewer needs to be identified to SFMS. Nineteen agencies are participating in this process.

Performing a clean-up to correct financial data elements When notable incorrect financial data elements are identified in SFMA the data must be corrected. In the past this was accomplished by SFMS staff going into the affected tables and making the needed adjustments. In order to make these changes, SFMA was not available for agencies' transactional use. The old process required the coordination between SFMS, the IS&S Analysts and the SDC. The new improved process allows SFMA to be available during data corrections and uses fewer resources. The SDC does not get involved with the new process and therefore the process does not include all of the security and lead time around making changes to system availability. We successfully piloted the new process December 2010. We have estimated a savings of 20-25 hours of staff time per clean up.

Statewide Financial Management Application Data Archives We archived 29 million rows of old data from SFMA. This is part of our continuing process to manage resources, including storage costs as well as computing time associated with sorting, searching and processing current data.

SFMS is committed to lean processes and to a cost effective and efficient Statewide Financial Management Application.

## PERFORMANCE MEASURES

We believe accomplishing the objectives listed below contributes to the achievement of the Statewide Financial Management Services goals to:

- Ensure accurate and efficient payments for state services.
- Ensure the system performs to specifications of its users.
- Ensure state agencies and their employees receive the information and guidance they need to perform their duties.

**Primary Objective 1 for Operations:** Outstanding General Fund Bank Reconciliation Items Over 60 Days from Last Reconciliation. The performance goal is five per quarter.

Primary Objective Indicator and Related Performance Measure	Quarterly Performance Goal
PM 1-1 Number of warrants issued	135,000
PM 1-2 Number of payments made via direct deposit	15,000
PM 1-3 Dollar amount of warrants issued	450,000,000
PM 1-4 Dollar amount of payments made via direct deposit	750,000,000
PM 1-5 Number of direct deposit forms received	400
PM 1-6 Number of vendors signed up for direct deposit (net gain)	200
PM 1-7 Number of vendors activated	5,000
PM 1-8 Number of vendor changes processed	3,000
PM 1-9 Number of forged warrants unresolved during reporting period	2
PM 1-10 Number of warrant stop payments processed	60
PM 1-11 Number of batches remaining unresolved at end of month close	40
PM 1-12 Number of agencies with unresolved batches at end of month close	15
PM 1-13 Number of agency support analyst contacts	2,000
PM 1-14 Percentage of warrants expired vs. issued (annual)	.50%

**Primary Objective 2 for SM:** Service Maintenance Requests (SMRs) Completed During Reporting Period. The performance goal is 30 per quarter.

Primary Objective Indicator and Related Performance Measure	Quarterly Performance Goal
PM 2-1 Total number of hours for SFMS to finalize SMRs completed during reporting period	300
PM 2-2 Total number of outstanding SMRs	15

PM 2-3 Total number of SMRs received during reporting period	N/A
PM 2-4 Percent of quality assurances on system changes performed by negotiated time	100%
PM 2-5 Percent of quality assurances on system changes not missing meaningful defects which subsequently show up in Production	100%

**Primary Objective 3 for Administration:** Number of Training Hours Provided to Agency Accountants. The quarterly performance goal is 300 hours.

Primary Objective Indicator and Related Performance Measure	Quarterly Performance Goal
PM 3-1 Number of pages of formal documents published for agency use	80
PM 3-2 Number of training events offered by SFMS	7

**Primary Objective 4 for Operations:** Percentage of 1099-Misc Forms Issued vs. Notice 972CG Errors (% of 1099's that are not a match with the IRS). The performance goal is zero.

Primary Objective Indicator and Related Performance Measure	Quarterly Performance Goal
PM 4-1 Number of 1099-MISC issued	7,000
PM 4-2 Percentage of W-9s sent to vendors vs. W-9s received back	95%

**Primary Objective 5 for SM:** Number of SFMA Inbound Interfaces in Production (SFMA System testing required due to new activity from agencies). The performance goal is 90.

Primary Objective Indicator and Related Performance Measure	Quarterly Performance Goal
PM 5-1 Number of new production interfaces migrated in reporting period	1
PM 5-2 Total count of interfaces in Acceptance test status at end of reporting period	2
PM 5-3 Number of existing interfaces removed and/or replaced by new production interface (# 5-1)	1
PM 5-4 Number of interface-related emails for testing and production-related assistance	250

**Primary Objective 6 for SM:** Percentage of SPOTS card transactions reviewed vs. count fraudulent activities identified. The performance goal is 0.001%.

Primary Objective Indicator and Related Performance Measure	Quarterly Performance Goal
PM 61 Number of SPOTS transactions reviewed	45,000
PM 6-2 Number of fraudulent transactions identified and reported	<10

## ACKNOWLEDGEMENTS

The SFMS staff and customers have played an important part in building this business plan. With the team's thoughtful contributions our business plan for 2011–2012 is both comprehensive and realistic. SFMS staff invested many hours in planned as well as emergent projects throughout the year. The SFMS staff is deeply appreciated.