The mission of the Comptroller’s Office is to improve the quality of life for all Tennesseans by making government work better.

Overview
The Office of Management Services (OMS) provides administrative support to the Comptroller’s Office (COT) in the following areas:

- human capital management;
- financial and budgetary management and control;
- information technology support and development services and procurement oversight services.

FY 09 The perfect storm
If you have seen the movie, The Perfect Storm, you will recall several unexpected and rare meteorological events came together at once to create a storm of substantial magnitude that no one caught in the midst of its wrath could overcome. FY 09 for OMS can be compared to this event. However, we are proud to report that the events that could have made us fall, made us stronger and better prepared for the future. Notable events that created the perfect storm:

- substantial budget reductions;
- implementation of a new statewide human capital management system;
- implementation of a new financial management system;
- a new Comptroller;
- retirement of two top leaders and changes in contract oversight process relative to stimulus funds from the federal government.

Strategic priorities
OMS’ strategic plan for FY 09 consists of 17 objectives, of which, 7 were selected as strategic priorities for reporting in the performance-based as:

- provide a secure, reliable and efficient information technology (IT) infrastructure.
- develop and maintain IT solutions by applying project methodology.
- provide high quality customer services by meeting customers’ needs.
- provide for the continuous, timely and accurate processing of payments and claims.
- offer recommendations to the procurement process to ensure compliance and integrity of the process that may result in potential savings to the state.
- provide technical oversight in Edison for human resources management activities.
- provide prompt, efficient and superior services and products to all customers.
## OMS statistics

<table>
<thead>
<tr>
<th></th>
<th>FY 08</th>
<th>FY 09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fiscal Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel claim trans.</td>
<td>8,987</td>
<td>6,202</td>
</tr>
<tr>
<td>Purchase order reqs.</td>
<td>1,090</td>
<td>857</td>
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<tr>
<td>Vendor invoices paid</td>
<td>3,045</td>
<td>4,096</td>
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<tr>
<td>Revenue trans.</td>
<td>1,648</td>
<td>1,479</td>
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<tr>
<td><strong>Human Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees paid monthly</td>
<td>566</td>
<td>538</td>
</tr>
<tr>
<td>Employees hired</td>
<td>27</td>
<td>13</td>
</tr>
<tr>
<td>Employee orientation classes</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td><strong>Administration &amp; Procurement Oversight</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracts/RFPs reviewed</td>
<td>4,357</td>
<td>3,602</td>
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<tr>
<td><strong>Information Technology</strong></td>
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<td></td>
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<tr>
<td>Applications supported</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Completed IT projects</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Help desk calls resolved</td>
<td>1,653</td>
<td>1,491</td>
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<tr>
<td>Web updates</td>
<td>241</td>
<td>900</td>
</tr>
<tr>
<td>Operations and print jobs</td>
<td>1,114</td>
<td>4,111</td>
</tr>
<tr>
<td><strong>Capitol Print Shop</strong></td>
<td></td>
<td></td>
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<tr>
<td>Print jobs processed</td>
<td>2,195</td>
<td>1,588</td>
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<tr>
<td>Mail items processed (thousands)</td>
<td>232</td>
<td>175</td>
</tr>
<tr>
<td>Impressions printed (millions)</td>
<td>10</td>
<td>6.6</td>
</tr>
</tbody>
</table>

### New technologies

- Edison Human Capital Management module implementation in October 2008 and Edison Financial Management module implementation in January 2009 moved the COT forward into a more electronic intensive environment to manage resources and finances.

- A web-based Filenet Barcode Application was developed to provide users the ability to create Filenet indices in barcode. Barcodes allow users to easily add metadata for indexing purposes and specify the location within the Electronic Content Management (ECM) module where documents are to be electronically stored, saving time and resources to file and scan documents.

- The Integrated Multi-Processing of Administrative and CAMA Technology (IMPACT) System (replacing multiple legacy systems and databases and individual spreadsheets and charts) has taken a major step forward in the State’s green initiative by requiring an option for all individual and batch reports to be viewed online, greatly reducing the potential consumption of print resources. IMPACT updates information in real-time; therefore, the users can be confident that each report contains the most current information at the time of the inquiry or request.

- A new website -- BuyTNbonds.gov -- was created to provide information supporting the State bonds sales.

### Managing change

OMS’ performance measures are established in accordance with the goals of the COT in the strategic plan. OMS has met or exceeded 85% of the 54 performance measures established during this fiscal year.

Our accomplishments this year have not been as much about meeting strategic objectives as it has been about surviving the changes within the office and within State government as a whole. In this respect, our office has overcome great hurdles and achieved great heights in spite of the adversities.

First, OMS experienced a change in leadership in 2009. Comptroller Justin P. Wilson was elected as one of the three new Constitutional Officers which created a change in focus and outlook for the department, as a whole, for the first time in over 54 years.

Second, OMS lost a great deal of institutional knowledge and staffing. Two of our highest management level, career employees retired this year, thus taking a combined 79 years of knowledge with them. Both Mr. Harrison and Mr. Bilbrey had a working knowledge of all aspects of the office, and their retirement added to an already understaffed section working to meet the increased demands of reviewing and approving contracts.

In addition, OMS worked through the implementation of two Edison modules, Human Capital Management (HCM) and Financial Sourcing Contract Management (FSCM), as well as the Electronic Content Management (ECM) system. This implementation has taken place while dealing with the challenges each has brought about. Changes in processes, queries and reports have created a learning curve for employees requiring a great deal of training and process re-engineering.

Finally, overcoming the budget issues has been a challenge. Due to diminishing revenues and the uncertainty of future revenue projections, we identified up to 11% in potential budget cuts for the COT. We were fortunate that our final budget cuts were 7% of our base budget for FY 2010-2011.

### IMPACT - Cost Redirection

The implementation of IMPACT replaces today’s maintenance and operations of 18 separate systems and tracking databases or tools. Additionally, the system will standardize all forms and reports eliminating the need for custom-sized pre-printed forms, thus allowing counties to print their own forms or view them online.

Removing services, support and maintenance on the individual systems is expected to realize a cost redirection of approximately $900,000 per year. Additional cost savings are anticipated due to the system’s improved data integration and information access.

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**Special Honor**

OMS was honored in January 2009 by the Association of Government Accountants (AGA) in January 2009 with a Certificate of Achievement in Citizen-Centric Reporting for its 2007 report. AGA awards this to governments and other entities to "recognize the publication of a report that communicates financial and community information in a visually appealing and understandable four-page document that demonstrates accountability and transparency to its citizens."

OMS was the first division within a department or agency to submit a Citizen-Centric Report as was designed and encouraged by AGA for providing a more user-friendly report.
The Comptroller’s Office does not issue separate financial statements; however, the Comptroller’s Office financials are included in the State’s Comprehensive Annual Financial Report (CAFR). The State received a clean audit opinion on the financial statements for the year ended June 30, 2008. The FY 09 financials are to be finalized and will be included in the FY 09 CAFR and audit report. Complete financial information is available at the State’s website, www.tennessee.gov/finance/act/caf.html.

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Future challenges

Budget
The State’s economic condition continues to affect all state agencies, and our office will be affected by the budget reductions. OMS has responsibility for identifying COT budget plans and reductions. The COT experienced loss through the elimination of vacant positions and not filling other vacant positions as employees retire or transfer for potential future reductions. OMS has been challenged with fewer resources, forcing us to look for efficiencies and the depth or extent to which services can be performed.

Technology changes
As more applications become web-centric, our office must keep up with the technologies in order to provide our customers the best possible web presence 24x7x365. Our internal customers and Tennessee citizens expect government websites to be available at any time. To do this, we:
• Predict problems before they occur and resolve them quickly as well as maintain equipment for a longer term as compared to previous years.
• Create web pages with databases and interactivity to provide users with more real-time information.
• Ensure connectivity to the Internet and other services provided by the Office for Information Resources and keep the network safe from hackers, viruses and malware for state employees.

Systems development
OMS implemented the ECM system which allows users to create, retrieve, manage/archive electronic/paper documents, email, audio, video and computer reports. Scanning documents will be time consuming in the beginning years, but the benefits will be registration, self service and tracking of data.

OMS has been working with the Division of Property Assessments to develop and implement IMPACT by 2011. The IMPACT project team must have the following in place before moving to production:
• A secure, stable technology environment.
• A robust product suite.
• Data conversions that correctly move data into the new system.
• Interfaces that share financial/business data between IMPACT and other systems.
• A business and technical training program, presented “Just-in-Time.”
• A single-point end user support service.
• Extended communication before and after implementation events.

Procurement oversight
OMS provides support to the Comptroller relative to the legislative roles indentified in the procurement process through staff roles to procurement related boards, committees and commissions. OMS through statute participates in an administrative oversight role in the review and approval of contracts. Through this role, OMS serves other state agencies through this process.

OMS processed 3,602 contracts, amendments and requests for proposal in FY 09. This is 85% of all service contracts processed through the State with a maximum liability over the term that exceeds $5 billion. New challenges with the passage of the American Recovery and Reinvestment Act (ARRA) in February 2009 provided opportunities to participate in establishing language in compliance with federal guidelines to ensure accountability and transparency in contracts funded by ARRA.

The Edison financial module which includes the supplier or contract process was implemented in five stages with state agencies implementing during each stage. OMS was challenged in operating under two different processes until the final phase was implemented October 2009. Challenges ahead include changing and streamlining our contract processing to ensure we turn around contracts in a timely manner.

While these challenges seem great, the benefits will eventually exceed the effort.