



# Office of Management Services

## Customer-Centric Report

July 1, 2007 - June 30, 2008

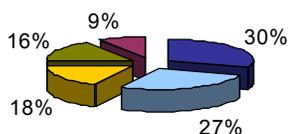
### What's featured

- Overview and priorities
- Our accomplishments
- OMS financial
- Future challenges

### OMS employee demographics

OMS employees have earned a wide range of degrees and certifications and are members of numerous professional organizations. With the combined years of service, degrees, and certifications, OMS employees are valued for their knowledge and experience.

### Years of State Service



- Less than 5 years
- 5 - 10 years
- 11 - 20 years
- 21 - 30 years
- Over 31 years

### Overview

The Office of Management Services (OMS) provides administration and support services to the divisions of the Comptroller's Office in areas of accounting, budgeting, human resources, information technology, printing and procurement oversight. The office assists the Comptroller in policy and contract matters and provides staff support to boards and commissions, such as the Board of Standards, Emergency Communications Board, Information Systems Council, Metro District Energy System and State Building Commission. The office coordinates recruitment of professional staff, develops the Affirmative Action Plan and prepares the Comptroller's Office Information Systems Three-Year Plan.

### Strategic priorities

OMS' strategic plan for FY 08 consists of 15 objectives, out of which, 7 have been selected as strategic priorities as reported in the performance-based budget: (1) provide a secure, reliable and efficient information technology (IT) infrastructure, (2) develop and maintain IT solutions by applying the Comptroller's IT project methodology, (3) provide high quality customer services by meeting customers' needs, (4) provide for the continuous, timely, and accurate processing of disbursements, travel claims and purchase requests, (5) offer recommendations to the procurement or contract process which may result in potential savings to the state, (6) provide on a centralized basis administrative services and assistance in the areas of payroll and personnel transactions and affirmative action and (7) provide prompt, efficient and superior services and products to all customers.

### Degrees

2008

Bachelor degree	23
Master degree	5
Associate degree	2
Law degree	1
<b>Total</b>	<b>31</b>

### Certifications

2008

Certified Government Financial Manager (CGFM)	6
Certified Professional Secretary (CPS)	8
Certified Public Accountant (CPA)	3
Certified Fraud Examiner (CFE)	1
Certified Information Systems Auditor (CISA)	1
Certified Software Quality Engineer (CSQE)	1
<b>Total</b>	<b>20</b>

### Mission statement

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

### History of OMS

OMS was created in 1980 as the result of a recommendation made by the Comptroller's reorganization study group formed by then Comptroller William R. Snodgrass to analyze the Comptroller's Office organization. This reorganization would allow the newly created division -- named Office of Management Services-- to handle the administrative and management responsibilities while allowing the program divisions to focus on their statutory duties.

Charles Harrison, who was a manager in performance audit, was appointed as director of the new division. In addition, the following management staff was appointed: Charles Bilbrey, Assistant Director of Management Services; Tony Turner, Fiscal Manager; Charlie Shaub, Personnel Manager; Jim Jarrell, Electronic Data Processing (EDP) Manager and Charlie Hicks, Capitol Print Shop (CPS) Manager. The remainder of the division was staffed with employees already working in the Comptroller's Office in Administration, Property Assessments and Audit.

The services transferred to OMS when established were as follows:

- ◆ Accounting/Budgeting
- ◆ Contract review and approval
- ◆ Electronic data processing
- ◆ Payroll/Personnel
- ◆ Printing
- ◆ Technical and analytical assistance and support

OMS presently has 64 employees serving over 560 Comptroller employees statewide.

# Our accomplishments



Ollie Mannino, organizational consultant, speaks on *Work Styles in the Workplace* at the November 2007 OMS training event. Picture taken by Kelsey Casson.

## Accomplishments

OMS' role is that of administration and management, and its performance measures are established in accordance with the goals set forth for this area. OMS has a total of 43 performance measures of which 93% were either met or exceeded during this fiscal year. Some of the accomplishments were: 100% availability of information technology (IT) network during production hours, 95% of patches and updates implemented within established standards, 100% of closed IT projects successfully met project goals, resolved 99.8% of help desk requests within 24 hours, 99.8% of payroll processed accurately and timely, \$49.6 million in savings were realized through negotiation and recommendations and processed 98.7% invoices, 94.9% travel claims and 97.2% purchases accurately and timely.

### Other significant accomplishments include:

- The Human Resources section participated in Edison parallel testing and other Edison training in addition to providing personnel services to over 560 employees statewide.
- The Comptroller Procurement Oversight section reviewed 4,357 contracts and Requests for Proposals (RFPs) in addition to providing technical assistance and support to several board and commissions.
- The Fiscal section is playing a major role to ensure that Edison is successfully implemented for all Comptroller divisions. Staff has attended Edison accounting training, and all members have passed the required tests to receive Edison User IDs.
- The IT section successfully eliminated the Comptroller's Office dependence on an AS/400 prior to the Systems Network Architecture (SNA) sunset in December 2007 and replaced it by developing and implementing new data entry applications and print processes.
- The IMPACT project completed the RFP process and entered into a contract to provide software, project development and maintenance services in November 2007. The project team is finalizing the fit/gap analysis and working on several deliverables as planned in the project.
- The Debt Management System project completed the RFP process for the Bond Finance section in June 2008 and entered into a contract in July 2008.
- The Citrix Access Gateway was purchased and placed into production to enhance connectivity and security for our customers.

OMS statistics	FY 07	FY 08
<b>Fiscal Services</b>		
Travel claim transactions	8,565	8,987
Purchase order requests	919	1,090
Vendor invoices paid	2,762	3,045
Revenue transactions	1,421	1,648
<b>Human Resources</b>		
Employees paid monthly	584	566
Employees hired	72	27
Employee orientation classes	13	10
<b>Administration &amp; Procurement Oversight</b>		
Savings resulting from negotiations (millions)	\$21	\$49
Contracts/RFPs reviewed	4,192	4,357
<b>Information Technology</b>		
Applications supported	29	40
Completed IT projects	10	8
Help desk calls resolved	935	1,653
Web updates	179	241
Operations and print jobs	2,541	1,114
<b>Capitol Print Shop</b>		
Print jobs processed	1,495	2,195
Mail items processed (thousands)	240	232
Impressions printed (millions)	18	10

## Millions in savings

As one of OMS' strategies, the Comptroller's Procurement Oversight section provides legislative oversight through reviewing contracts and other legal documents for compliance with State laws, rules and regulations. This section strives to offer recommendations to the procurement or contract process which may result in potential savings to the State. This year has been a record year in savings of \$49.6 million.

OMS has saved the State \$137.2 million since it began documenting these transactions in 2002. While it may not be possible to achieve this level of savings every year, this is one of OMS' contributions to making government work better.



The James K. Polk Building is seen through the trees from the grounds at the State Capitol. Picture taken by Paula Bingham.

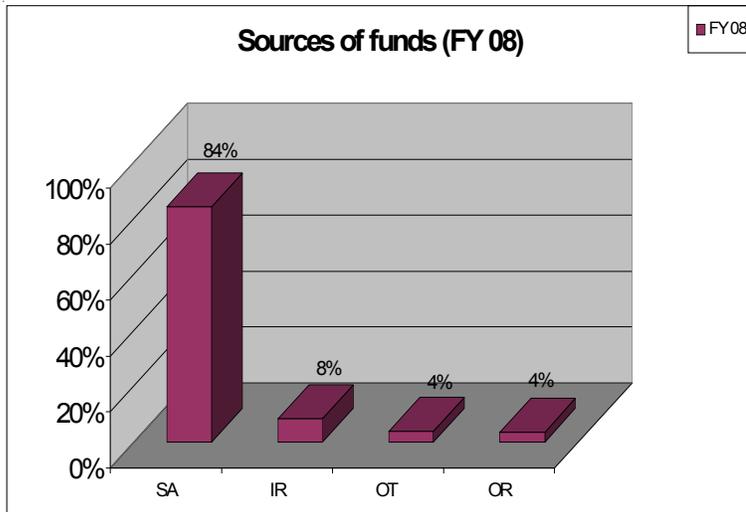
## Performance measure highlights

	FY 07		FY 08	
	Goal	Actual	Goal	Actual
Contracts reviewed with an average, three-day turnaround	95.0%	100.0%	95.0%	100.0%
Print jobs completed that met customer requests	95.0%	100.0%	95.0%	100.0%
Network availability provided during production hours	98.0%	99.9%	98.0%	100.0%
Payroll completed accurately and timely	99.0%	99.8%	99.0%	99.8%
Disbursements, travel claims and purchases processed accurately and timely	97.0%	96.7%	96.0%	96.9%

OMS was the first division within a department or agency to submit a Citizen-Centric Report as was designed and encouraged by the Association of Government Accountants for providing the citizens of Tennessee a more user-friendly annual report.

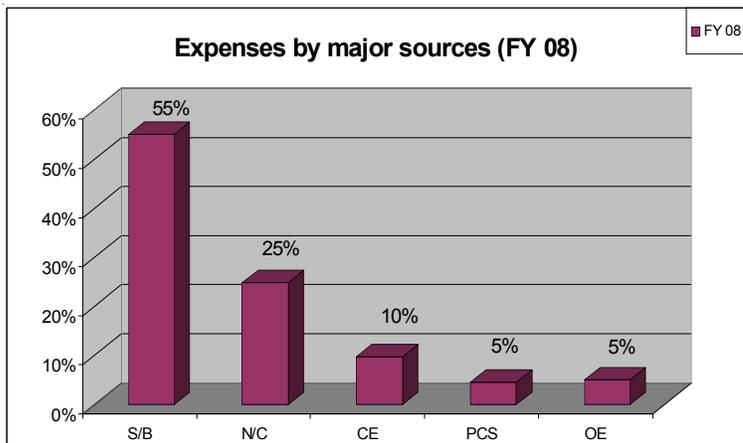
# OMS financial

## Sources of funds



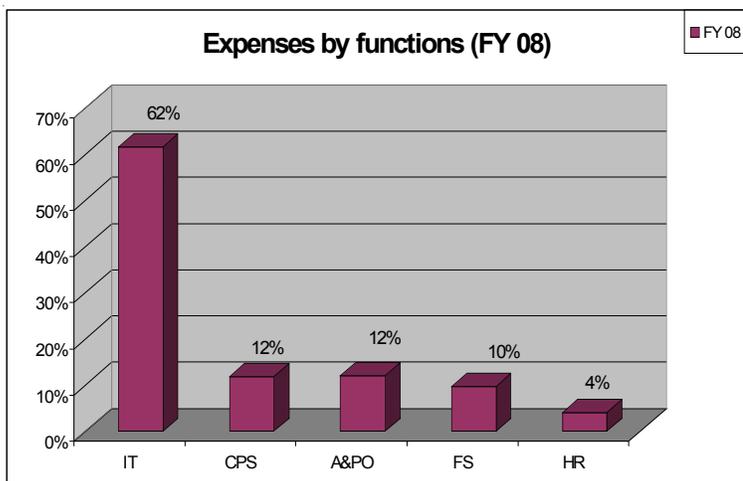
Sources of funds (thousands)	FY 07	FY 08
State appropriations (SA)	\$5,742.6	\$6,290.6
Interdepartmental revenue (IR)	749.1	632.0
Operating transfers (OT)	200.0	260.0
Other revenue (OR)	250.4	277.3
<b>Total sources</b>	<b>\$6,942.1</b>	<b>\$7,459.9</b>

## Expenses by major sources and functions



Expenses by major sources (thousands)	FY 07	FY 08
Salaries and benefits (S/B)	\$3,977.3	\$4,096.2
Network/communication* (N/C)	1,377.3	1,852.9
Computer equipment/supplies (CE)	479.7	721.7
Printing/communication/shipping (PCS)	336.5	339.6
Other expenses (OE)	747.9	443.2
<b>Total expenses</b>	<b>\$6,918.7</b>	<b>\$7,453.6</b>

\* Services received from other State agencies



Expenses by functions (thousands)	FY 07	FY 08
Information Technology (IT)	\$4,195.1	\$4,591.8
Capitol Print Shop (CPS)	925.6	886.5
Admin & Procurement Oversight (A&PO)	779.1	935.7
Fiscal Services (FS)	719.2	727.7
Human Resources (HR)	299.7	311.9
<b>Total expenses</b>	<b>\$6,918.7</b>	<b>\$7,453.6</b>

## Independent audit

The Comptroller's Office does not issue separate financial statements; however, the sources of funds of the Comptroller's Office 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, 2007. The FY 08 sources of funds are to be finalized and will be included in the FY 08 CAFR and audit report that are expected to be released on the State's website in December 2008. Complete financial information is available at the State's website, [www.tennessee.gov/finance/act/cafr.html](http://www.tennessee.gov/finance/act/cafr.html).

# Future challenges



Charles Harrison, CPA, CGFM  
Assistant to the Comptroller  
for Management Services

## Budget challenges

The State's economic condition affects all agencies and departments, and the Comptroller's Office of Management Services is no exception. While we do not anticipate a reduction in force, our office will certainly be affected by the budget reduction. Having fewer resources, there may be an impact on efficiencies and the depth or extent to which services can be performed. As the State continues to experience a tax structural deficit, at some point, OMS will be forced to cut programs and services provided to its citizens. While OMS has strived for years to do more with less with the use of technology, it has been challenged to work smarter using fewer resources.

## Succession planning

One of the greatest challenges facing state government over the next few years is the loss of human capital. As more baby boomers begin to retire, the loss of institutional knowledge will be greatly felt statewide. While budget cuts prevent increased recruiting and staffing efforts, OMS has focused on implementing succession plans and training existing employees to fill the positions and roles left behind as well as optimizing the use of technology and business-process best practices to prepare for the anticipated turnover.



Melinda Parton, CGFM  
Director of Management Services

## OMS customers

OMS provides administrative and managerial services to a wide range of customers identified as follows:

### External

- General public
- Colleges & universities
- County assessors
- County trustees
- County commissions
- City collecting officials
- Business clients
- Metro Nashville District Energy System (DES)
- Local Government Corporation (LGDCP)
- Vendors
- Suppliers

### Internal

- Legislature
- Comptroller divisions
- Comptroller employees
- Constitutional officers

### State Agencies

- Finance and Administration
- General Services
- Human Resources
- Attorney General's Office

## Technology changes and challenges

The State's new Enterprise Resource Planning project (Edison) will change the way the State conducts financial, human resource and procurement transactions. Originally scheduled to roll out in January 2008, Edison's Human Capital Management (HCM) module is now scheduled to begin in October 2008. The financial and procurement modules are scheduled to roll out for the Comptroller's Office December 2008. While the new system will improve procurement, payroll and budget processes and offer many self-service opportunities for State employees, it will require, in some cases, major business process changes. OMS staff will be challenged to implement system interfaces to ensure that the required data from the current systems (approximately 30) being replaced by Edison will still be available. Over time, Edison will save the State time and money by reducing duplication of effort, providing centrally-stored and retrievable data and transaction processing efficiency.

In addition to the financial, human resource and procurement modules, OMS has elected to use the Enterprise Learning Module (ELM). ELM allows agencies to manage their training information in a centralized location. Registration, self service and tracking of data will be the major benefits of the ELM. Another module owned by the Department of Finance and Administration's Office for Information Resources that OMS has begun implementing is the Enterprise Content Management (ECM). ECM allows users to create, retrieve, manage and archive all of their electronic and paper documents, email, audio, video and computer reports. Time and resources to train employees and enter real data in these modules will be the most difficult challenges to overcome; but eventually, the benefits will exceed the effort.

*"We are not in a position in which we have nothing to work with. We already have capacities, talents, direction, missions and callings." — Author Abraham Maslow*



TENNESSEE  
COMPTROLLER  
OF THE TREASURY

For more information about the Comptroller's Office of Management Services, visit our website at:  
[www.comptroller.state.tn.us/managementervices.htm](http://www.comptroller.state.tn.us/managementervices.htm)

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