



**STATE FINANCIAL  
SERVICES DIVISION**

# **STRATEGIC PLAN**

**COMMITMENT, ACCOUNTABILITY, TEAMWORK  
INTEGRITY/HONESTY/TRUST**

Department of Administration  
State of Montana

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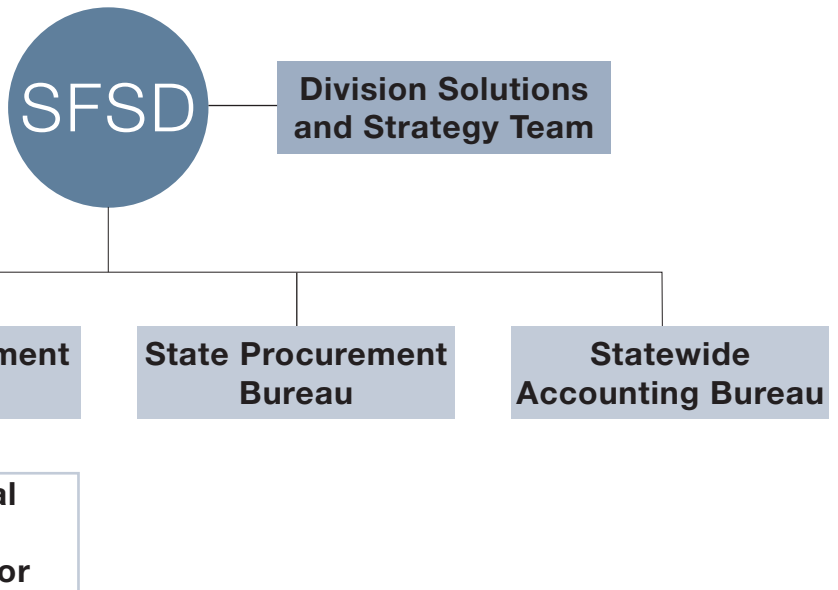
**Updated February 2020**



## STATE FINANCIAL SERVICES DIVISION

The State Financial Services Division (SFSD) is a diverse division of the Department of Administration, which is comprised of four bureaus and responsible for serving as the State Social Security Administrator. SFSD performs many centralized functions and administers state and federal programs to state agencies, local government entities, and Montana citizens and businesses. SFSD continues to be recognized for making Montana's financial information transparent and accessible to the public and for administering effective procurement practices.





## Division Solutions and Strategy Team

The Division Solutions and Strategy Team provides resources at a division level and focuses on operational business strategies and technology solutions to support division-wide initiatives.

## Financial Services Technology Bureau

The Financial Services Technology Bureau (FSTB) provides system analysis, support, configuration, development, and maintenance of the state's enterprise accounting and budgeting systems. The bureau also manages system architecture and provides database administration for the entire Statewide Accounting Budgeting & Human Resources System (SABHRS) application. FSTB partners with the Statewide Accounting Bureau, Governor's Office of Budget and Program Planning, Legislative Fiscal Division, and the State Human Resources Division to gather business requirements and develop application strategies. In addition, FSTB supports the Montana Acquisition and Contracting System (eMACS).

## Local Government Services

Local Government Services (LGS) works with local governments (counties, cities, towns, school districts, and special districts) to support uniform financial accountability. LGS assists local governments in complying with their statutory, financial, and budgetary reporting requirements, including provisions of the Montana Single Audit Act. LGS receives and makes the local government financial, budget, and audit reports available to the public. The State Social Security Administrator, also part of LGS, is responsible for administering Section 218 of the Social Security Act by providing education and outreach, and insuring proper application of Social Security coverage to all state and local government employees.

## State Procurement Bureau

The State Procurement Bureau (SPB) provides professional procurement services to all state agencies for the acquisition of supplies and services. State Procurement advocates for compliance with all state statutes and procurement requirements, establishes statewide contracts for commonly used goods and services, manages the state's fuel and procurement card programs, and offers procurement/contract management training to state agencies. In addition, SPB promotes compliance of the Montana Procurement Act (Title 18, Chapter 4, MCA) and is the business process owner of the Montana Acquisition and Contracting System (eMACS). State Procurement strives for transparent, cost effective contracts that assist the state in receiving the maximum value for taxpayers' dollars.

## Statewide Accounting Bureau

The Statewide Accounting Bureau (SAB) prepares and publishes the state's annual comprehensive financial report (CAFR) and maintains a statewide accounting structure with related policies and procedures to allow all branches of government to meet their individual reporting needs. The Daily Operations Unit includes both the Treasury and Warrant Writer services. The Treasury responsibilities include central banking functions and maintaining accountability of all money and securities belonging to or held in trust by the state. The Warrant Writer services include management of the state payment processes and state vendor file, and issuance of 1099 miscellaneous and 1042 forms. The bureau also serves as the process owner of the SABHRS financial modules and assists state agencies in operating the state's accounting system. The Department of Administration (DOA) and the Board of Investments (BOI) work jointly to effectively manage the State of Montana's cash. The Treasury within DOA reconciles the state's banking activity/movement of cash, manages bank contracts, and provides support to BOI and other agencies.

# GOALS AND OBJECTIVES

## ENHANCE CUSTOMER EXPERIENCE

Enhance our customers' experience by fostering relationships and pursuing innovations that add value

Always remaining a loyal proponent of our stakeholders, we will continue our work in strengthening relationships with them by engaging in purposeful communication methods. This proactive approach will provide knowledge on user needs, allowing us to develop strategies toward improving and enriching customer experiences while upholding state and federal requirements.

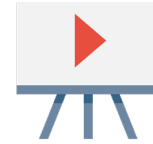
### Objectives

- Ensure improvement initiatives are driven by the needs of customers and stakeholders
- Better connect customers with information and resources by diversifying our methods of outreach
- Foster collaborative relationships with partner organizations to best serve the interests of our shared customers and stakeholders
- Serve as an advocate for our customers and stakeholders while supporting state and federal reporting, programs, and initiatives
- Deliver a division-wide communication plan that promotes awareness and encompasses the informational needs of customers and stakeholders

### Priorities

- Implement small government financial reporting framework
- Improve online training opportunities
- Leverage help desk software to better meet customer needs
- Solicit feedback from stakeholders and customers and strengthen outreach
- Implement new system functionality

## RECENT SUCCESSES



Provided over 20 technical training sessions for state and local government staff



Launched help desk software to improve access to resources for stakeholders and issue resolution response



Fostered stakeholder outreach through meet and greets, roundtables, and holding an annual vendor fair and procurement symposium



## PROMOTE TRANSPARENCY & ACCOUNTABILITY

Promote the transparent and responsible management of public funds by sharing accurate and timely financial and administering relevant resources.

Transparency continues to be an integral component of demonstrating governmental accountability to Montana citizens. As advocates, we will pursue new and innovative techniques that will provide easily accessible, relevant, and up-to-date information. In addition, ensuring data integrity by delivering guidance on executing industry standards is a top priority.

### Objectives

- Maintain internal controls to support accurate, timely, and reliable state financial reporting
- Equip our customers and stakeholders with the information they need by implementing improvements that make data more accessible and promote data integrity
- Serve our customers as industry experts by providing beneficial guidance, assisting with compliance, and communicating industry best practices
- Encourage the responsible management of public funds by pursuing cost-saving improvements and initiatives

### Priorities

- Work with agencies to implement eMACS Total Contract Manager (TCM)
- Produce timely and accurate CAFR, PAFR, and SWCAP
- Increase and improve transparency website data
- Provide methods for improved contract management, reporting, and transparency
- Enhance the local government audit review process

## RECENT SUCCESSES



Developed new corrective action plan policy to improve accountability regarding the financial management of local governments



Implemented online training for contract management



Continued success in calendar year end and fiscal year end close, 1099 reporting, and SWCAP plan approval



Enhanced transparency website. Data added includes—

- Local government annual financial report data
- CAFR data and charts
- Checkbook summary accounts
- Dark money

## ACHIEVE OPERATIONAL SUCCESS

Cultivate effective operations by improving efficiency, utilizing available resources, and maintaining a healthy and competent workforce.

Increasing efficiency and effectiveness are essential areas we will continue to seek excellence in. By fostering collaboration, competency, and professional growth amongst our employees, we aspire to constantly to improve business processes. By means of analysis and cultivation of proficient, modernized operations, we will work towards dynamic operational enhancements.

### Objectives

- Retain valuable employees by encouraging growth and development, promoting engagement, and pursuing competitive pay strategies
- Build cohesive and productive teams by recruiting qualified individuals, incorporating team-building activities, and actively managing our succession plan
- Continually analyze and refine our internal controls and business processes to improve the effectiveness of the organization and gain efficiency of operations
- Execute an IT strategic direction and initiatives to provide secure, cost-effective, innovative IT services that conform to industry best practices

### Priorities

- Improve reporting templates for local governments
- Develop state procurement certification program
- Enhance systems through collaboration with stakeholders
- Seek out best practices by leveraging knowledge and experience of professional association and other state counterparts
- Engage industry experts to pursue best practices

## RECENT SUCCESSES



Completed system enhancements and upgrades to CRM, eMACS, and SABHRS



Integrated TCM and SABHRS to display budget and current spend data to improve contract management and oversight



Implemented process automation to achieve operational efficiencies for all SABHRS users



## SAFEGUARD SHAREHOLDERS' INTERESTS

Safeguard our shareholders' interests by progressively managing internal controls and fortifying our preparedness planning.

Safeguarding stakeholders' interests is of utmost importance as we strive to comply with policies and regulations, and protect information. We will continue to emphasize and strengthen internal controls and processes, implement strategies that enable continuity of operations, as well as research and identify industry standards. Minimizing risk is vital to the reliability of our system, and by actively engaging in preparedness planning, we can assure our stakeholders that maximum effort is being put forth to protect and defend their information.

### Objectives

- Proactively manage our internal control plan by assessing the control environment, conducting risk assessments, integrating control activities, and monitoring our internal control system
- Support the continuity of operations by maintaining our Business Continuity and Disaster Recovery Plan and employing reliable system backup and disaster recovery strategies

### Priorities

- Reinforce effective financial management in local government
- Generate system security plans for all division systems
- Strengthen internal controls
- Continue to improve system security posture
- Implement solution for GASB 87—lease accounting

## RECENT SUCCESSES



Consolidated and centralized agency bank accounts to improve oversight and account management



Implemented a procurement compliance review program to strengthen oversight of agency delegated procurement authority



Updated and improved audit contracts for local governments



Completed SABHRS system security plan