The North Carolina Office of the State Controller

Joint Appropriations Subcommittee for General Government

March 18th, 2015
Outline

• Agency Duties/Responsibilities

• Budget History and Overview

• Requested Information

• Authorizing laws and agency mission

• Division Descriptions
Agency Duties

• Provide accounting, disbursing, payroll, internal control, data management, eCommerce and financial reporting services to state agencies, employees and the public.

• Maintaining systems, standards, and business processes to ensure that spending is within approved levels

• Produce numerous financial reports including the Comprehensive Annual Financial Report (CAFR)
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<tbody>
<tr>
<td>Total Requirements</td>
<td>$32,598,254</td>
<td>$29,491,163</td>
<td>$30,740,736</td>
<td>$28,140,942</td>
<td>$23,784,947</td>
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<td>Total Receipts</td>
<td>$2,579,482</td>
<td>$968,002</td>
<td>$1,031,280</td>
<td>$1,068,805</td>
<td>$1,422,939</td>
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<td>Appropriation</td>
<td>$30,018,772</td>
<td>$28,523,161</td>
<td>$29,709,456</td>
<td>$27,072,137</td>
<td>$22,362,008</td>
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<td>FTEs</td>
<td>195.75</td>
<td>179.75</td>
<td>178.75</td>
<td>173.75</td>
<td>169</td>
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</table>
Breakdown of Expenditures

- Personal Services, $15,611,198 (66%)
- Purchased Services, $8,039,682 (34%)
- Other, $134,067 (<1%)

2014-15 Authorized Budget

- Personal Services, $15,611,198 (66%)
- Other, $134,067 (<1%)
- Purchased Services, $8,039,682 (34%)

March 18, 2015
Information Requested from OSC

• FICA Fund
  – Source of funds
  – Purpose

• BEACON Funding
  – Hardware refresh and warranty
  – Budget request

• Overpayments Audit
  – S.L. 2013-360
Questions

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Fiscal Research Division

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Authorizing Laws

- GS 134B-426.36-37: Creation of the office and the position of State Controller
  - Appointed to a 7 year term by the Governor
- GS 143B-426.39: Powers and duties of the State Controller
- GS 143 3.1: Transfer of duties from the Office of State Budget and Management and the Office of the State Auditor to the State Controller
Mission Statement

OSC’s mission is to serve as the public’s financial guardian by promoting accountability and protecting the financial integrity of the State.
Administration Division

- Executive management
- Human Resource functions
- Communications
- Business Services
  - Fiscal Management
  - Purchasing
  - Budget and Analysis
Statewide Accounting Division

- Ensures that state agencies use Generally Accepted Accounting Principles (GAAP)
- Publishes the State’s Comprehensive Annual Financial Report (CAFR)
- Manages the Statewide Accounts Receivable Program
- Tax refund management
- Provides accounting support for the North Carolina Accounting System (NCAS)
Statewide Accounting Division
Cash Management and Disbursement

- Develops and implements the statewide cash management plan
- Manages the exchange of funds between federal government and North Carolina
- Administers the state disbursing system by authorizing agency spending
- Cash Management Control System (CMCS) is the record of appropriation, allotments, expenditures, and revenues
Information Technology Division

• Implements and maintains information technology systems except for BEACON
  – North Carolina Accounting System (NCAS)
  – Cash Management Control System (CMCS)
  – NCAS Decision Support System (DSS)
  – Enhancing Accountability in Government Through Leadership Application (EAGLE)

• Maintains public web presence
HR/Payroll Division

• Building Enterprise Access for North Carolina’s Core Operation Needs (BEACON)
• BEACON is the centralized Human Resources and Payroll system for 100,000 state employees
• Coordinates with the Office of State Personnel’s human resource and pay policies
• BEST (BEACON Enterprise Support Team) is the support team for payroll and Human Resources
• Public school system, University system, and General Assembly do not use BEACON
Risk Mitigation Division

• Statewide internal control compliance program run through the EAGLE program
  – Enhancing Accountability in Government through Leadership and Education
• Foreign national tax compliance program
• Credit card industry security compliance
• Overpayment audit and recovery program
  – Contracted out to a third party
Other Programs within OSC

• Tax Compliance
  – Assists state agencies by monitoring tax legislation and responding to IRS notices

• Statewide Indirect Cost Allocation Plan
  – Determines the cost of central service agencies in order to charge agencies that administer federal grants

• eCommerce
  – Electronic payment oversight
  – Electronic signature

• NC Flex SSI Employer Savings