New York State Office of the State Comptroller
Thomas P. DiNapoli

Division of State Government Accountability

Business Services Center Shared Services

Office of General Services


Report 2016-S-16 December 2016

Executive Summary

Purpose
To determine whether implementation of the Business Services Center has improved the consistency, efficiency, and effectiveness of the administrative transactions that it processes for its State agency customers. The audit covers the period September 27, 2012 to September 12, 2016.

Background
The State's 2012-13 budget, at the suggestion of the Spending and Government Efficiency (SAGE) Commission, established the Business Services Center (Center) within the Office of General Services (OGS) as a centralized office for processing Human Resources (HR) and Finance transactions that are common across State agencies. The SAGE Commission estimated the consolidation of functions under the Center would save the State approximately $63 million annually as a result of more efficient processing of back-office functions. The SAGE Commission also projected that the Center would significantly improve the State's performance on metrics such as timeliness, accuracy, and cost per transaction.

The Center's mission is to provide shared services to standardize HR and Finance transactions; its objectives include streamlining processes for faster, more efficient transactions. Since the Center began operations in September 2012, agencies have migrated to its services in waves; as of March 2016, the Center was processing HR and Finance transactions for 62 agencies. Center Management expects all Executive agencies to be using all its services by the end of calendar year 2017.

The Center is organized into five operational units. Two of these units, HR and Finance, process transactions on behalf of State agencies. The other three, Portfolio Management, Performance Management, and Support Services, each support Center operations. In addition, a Call Center hosted by the Department of Taxation and Finance assists agency customers with Center service problems.

Key Findings
- The Center has improved the consistency and efficiency of certain services it provides to its customers. Procurement card rebates have increased by over $4 million, and interest paid by the State has decreased by $350,000 since Fiscal Year 2013-14. Also, the Center estimates it has reduced staffing costs for administering these services by approximately $34 million annually.
- The Center has made progress in efforts to provide services at agreed-upon performance target levels. However, the Center had not yet met its targets for Accounts Payable processing, missing target time frames by about 10 to 15 percent in recent years. Also, Purchase Order processing time, while steadily improving, still exceeded the Center's time standard by 50 percent or more. Meeting these targets could help reduce interest paid by the State and expedite delivery of needed goods and services to customer agencies.
- The Center has yet to develop specific metrics to measure its performance against Service Level Agreement (SLA) targets for its HR function. As a result, it is unclear whether its service targets are being met.

Key Recommendation

- Further develop performance monitoring processes to better determine the causes of delays in meeting SLA targets including, but not limited to, obtaining necessary data to expand analytical testing and review of transactions.

Other Related Audits/Reports of Interest

Office of Information Technology Services: Effectiveness of the Information Technology Transformation (2015-S-2)

Office of General Services: Passenger Vehicle Fleet Management (2014-S-30)

State of New York
Office of the State Comptroller

Division of State Government Accountability

December 16, 2016

Ms. RoAnn M. Destito
Commissioner
Office of General Services
Corning Tower
Empire State Plaza
Albany, NY 12242

Dear Commissioner Destito:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage government resources efficiently and effectively and, by so doing, providing accountability for tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit of *Business Services Center Shared Services* at the Office of General Services. The audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this report, please feel free to contact us.

Respectfully submitted,

Office of the State Comptroller
Division of State Government Accountability

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Background

The State's 2012-13 budget, at the suggestion of the Spending and Government Efficiency (SAGE) Commission, established the Business Services Center (Center) within the Office of General Services (OGS) as a centralized office for processing Human Resources (HR) and Finance transactions that are common across State agencies. The SAGE Commission stated the consolidation of functions under the Center would save the State approximately $63 million annually as a result of more efficient processing of back-office functions. The SAGE Commission asserted the Center would significantly improve the State's performance on metrics such as timeliness, accuracy, and cost per transaction.

The Center's mission is to provide shared services to standardize HR and Finance transactions; its objectives include streamlining processes for faster, more efficient transactions. Since the Center began operations in September 2012, agencies have migrated to its services in waves; as of March 2016, the Center was processing HR and Finance transactions for 62 agencies. Center management expects all Executive agencies to be using all its services by the end of calendar year 2017.

The Center is organized into five operational units: HR and Finance, which process transactions on behalf of agencies, and Portfolio Management, Performance Management, and Support Services, which support Center operations. In addition, a Call Center, which is hosted by the Department of Taxation and Finance, assists agency customers with Center service problems. For the period June 1, 2013 through August 25, 2016, the Call Center handled approximately 148,000 inquiries.

The Center's Service Level Agreements (SLAs) with its customer agencies establish time performance targets for the various services provided by the HR and Finance units, as shown in Table 1.

Table 1 – SLA Performance Targets

Service Line	Time Performance Target*
Finance Unit	
Accounts Payable	22 calendar days
Purchase Order Processing	3 days
Travel and Expense Reimbursement	5 days
Credit Cards	6 days
Accounts Receivable	4 days
Human Resources Unit	
Personnel Administration	2 days
Benefits Administration	
Process Employee Separation	4 days
Resolve Employee Action	2 days
Time and Attendance	4 hours

*Business days, unless otherwise noted.

The Statewide Financial System (SFS) is the State's accounting and financial management system designed to improve the consistency of transaction processing. Using data from SFS, the Performance Management unit determines whether HR and Finance performance requirements are being met. The Center also has a dashboard available to all its employees that reports the Center's performance and allows employees to view details of the data. Additionally, the Center issues quarterly performance reports, which summarize the data related to targets as a whole and by agency.

Audit Findings and Recommendation

Our examination showed the Center has improved the consistency and efficiency of many of the services it provides to its customer agencies. For example, the Center has standardized HR processes and, in conjunction with SFS, has helped to create consistency in several Finance operations. In addition, since the Center began operations in late 2012, procurement card (P-card) rebates paid to the State have increased by over $4 million per year, and since fiscal year 2013-14, annual interest paid to vendors by the State due to late payments has decreased by $350,000. In some cases, as a result of the Center's efforts, the cost to process certain routine transactions has decreased by over 20 percent – in part because the Center estimates it has reduced staffing costs for these services by about $34 million annually.

While consistency and cost-effectiveness have improved, the Center is still progressing toward its goals for the most efficient provision of services. Specifically, within the Finance unit, time performance targets outlined in its SLAs for Accounts Payable and Purchase Order transactions are not yet being met. Meeting these targets could further reduce interest paid by the State and expedite needed goods and services to customer agencies. Also, the Center has not yet developed specific metrics to measure its HR performance against SLA targets. Therefore, it is uncertain whether these service targets have been adequately met.

Improvement of Consolidated Services

The Center has improved the consistency and efficiency of the services it provides to its customers. It has standardized HR processes, including certain forms and procedures for hiring employees. Further, the Center, in conjunction with SFS, has also helped to create consistency in the Finance operations. Nevertheless, prior to the Center's inception, performance measures such as transaction costs were not measured consistently across State agencies. As a result, specific benchmarks had not been established against which to measure change, and data used to measure costs was not consistent. Therefore, it is difficult to compare current transaction costs with those before the Center was created.

However, since it began operations, the Center has tracked changes in interest payments and P-card rebates, as well as the cost to process employee travel expense reports (Expense Reports) and voucher payment (Vouchers) transactions. As summarized in Table 2, analysis shows interest paid by the State over the past two fiscal years has decreased by 37 percent and P-card rebates have more than tripled. Additionally, over the same period, the Center has decreased the unit transaction cost for certain processes. For example, as Table 2 illustrates, the unit cost to process Expense Reports has decreased from $25 in Fiscal Year (FY) 2013-14 to under $20 in FY 2015-16. The cost of processing Vouchers, however, has remained relatively constant since FY 2013-14.

Table 2 – Cost Savings / Revenue Enhancement Measures

	FY 2013-14	FY 2014-15	FY 2015-16
Interest Charges	$941,013	$871,107	$588,747
P-Card Rebate Revenue	$1,699,977	$4,584,754	$5,966,055
Cost Per Transaction:			
Expense Reports	$25.06	$16.62	$19.48
Vouchers	$44.76	$47.41	$45.87

The Center also tracks the number of full-time equivalent (FTE) staff previously assigned to these functions at customer agencies as compared to its own current staffing. Based on this analysis, the Center estimates that about $34 million is being saved annually by streamlining staffing for these services. We verified FTE levels at various points in time and salary information used to calculate the cost savings and found it to be reasonable.

Performance Targets

We reviewed the data for the last quarter of each year of our audit period to determine whether the Center had effectively met its targets for each of the five service lines in the Finance unit. As Table 3 shows, the Center has effectively met its SLA time performance targets for Accounts Receivable services, processing each transaction in less than a single day. Also, although influxes of new customers temporarily spiked the workload in the Credit Card issuance and Travel and Expense areas during the period, the Center has generally met these SLA targets as well. Transaction processing times for these services are generally five days or less and, where delays in processing do occur, they generally do not result in additional costs.

Table 3 – Finance Unit's Time Targets and Reported Transaction Performance

Service Area	SLA Target (Days)	Fiscal Year 2013-14 Q4	Fiscal Year 2014-15 Q4	Fiscal Year 2015-16 Q4
Accounts Payable	**22**	24.0	26.0	25.6
Purchase Orders	**3**	9.0	5.3	4.7
Travel and Expense	**5**	3.5	8.3	5.0
Credit Cards	**6**	3.6	6.8	4.5
Accounts Receivable	**4**	0	0.5	0.6

In contrast, the Center has not yet met its targets for Accounts Payable processing, consistently missing its target time frames by about 10 to 15 percent. Delays in this area can contribute to increased interest charges incurred by the State. Similarly, Purchase Order processing time, while steadily improving, still misses the Center's target by 50 percent or more.

We performed additional analyses on data about transactions processed for nine customer agencies, and found that a majority of the Accounts Payable and Purchase Order transactions did not meet SLA targets. For Accounts Payable, 51 percent of the transactions took between 31 and 60 days to process – up to 38 days past the SLA target. Similarly, half of the Purchase Order transactions were processed between 8 and 14 days – up to 11 days past the targeted time. This suggests there are still processing issues in these areas that need to be resolved.

We also analyzed the SFS data that the Performance Management unit uses to assess performance, and found it provides little insight into precisely why targets are not being met. Specifically, the data does not contain detailed processing time information (e.g., the number of days it takes to perform each task involved in a given transaction type) in order to identify when a transaction is sent back to the agency by the Center and how long before it is returned. If such additional information was obtained from SFS, it could be used to help pinpoint where delays are occurring. Officials indicated that other in-house systems (e.g., a File Net system that contains information on currently past due items) contain additional real-time data that provides information which is used to determine the cause of individual processing delays. However, Center officials have yet to determine any specific systemic causes for the overall processing delays.

The Center monitors the target results through regular daily team meetings, bi-weekly management meetings, and quarterly performance reviews. Also, the Center issues quarterly performance reports to customer agencies. The quarterly reports are personalized for each customer agency and are used to monitor performance for the Finance unit and the Call Center.

The Center also works with its customers to improve issues with performance. While Center management could not identify exact reasons why targets were not met, it indicated it is working to improve data recording methods to assist staff in identifying the cause of the delays. Reducing Accounts Payable delays could further reduce the State's annual interest payments (which totaled $588,747 for the 2015-16 fiscal year), and improving Purchase Order targets would allow agencies to obtain necessary goods and services more timely.

The primary focus of the Center's efforts has been in the Finance areas, since these have the most direct fiscal impact on the State and its relationships with outside vendors. Although the HR unit is still in the development and process refinement stage, the Center added HR measurements to the quarterly reports in October 2015. These reports include total volume and average processing times. However, the HR performance indicators monitored by the Center do not match the indicators outlined in the SLAs. For instance, SLA indicators include time frames to enter new employee information into all necessary systems, but the Center does not track this specific task as part of its performance indicators. Therefore, it is uncertain whether the SLA targets are being met. The Performance Management team is working on developing metrics that use this data to measure HR performance and that align with the SLAs.

Recommendation

1. Further develop performance monitoring processes to better determine the causes of delays in meeting SLA targets including, but not limited to, obtaining necessary data to expand analytical testing and review of transactions.

Audit Scope and Methodology

Our performance audit determined whether implementation of the Business Services Center has improved the consistency, efficiency, and effectiveness of the administrative transactions that it processes for its State agency customers. The audit covered the period September 27, 2012 to September 12, 2016.

To accomplish our objective, we reviewed relevant laws, Department policies, contract documents, Service Level Agreements, and performance reports for the period September 27, 2012 to September 12, 2016. We held several meetings with Center personnel to better understand their roles and the services provided to customers. We became familiar with, and assessed the adequacy of, the Center's internal controls as they related to its performance and our audit objective.

We also reviewed Accounts Payable and Travel and Expense transactional data from the SFS for one quarter, and data generated by the Center for its Call Center, Accounts Payable, Travel and Expense, and Purchase Order services for three quarters during the period September 27, 2012 through March 31, 2016. We judgmentally selected 10 of 62 agencies to review based on transaction volume. We selected the last quarter of every fiscal year to ensure consistency in review as volume varied greatly during different times of the year. We also performed tests to verify staffing levels at various points in time, and average salary information, to validate cost savings estimates calculated by the Center.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions, and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating threats to organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

Authority

The audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

Reporting Requirements

We provided a draft copy of this report to OGS officials for their review and formal comment. We considered officials' comments in preparing this final report and attached those comments to the report in their entirety. In their response OGS officials asserted that they have already implemented new business processes to reduce or eliminate delays and meet Center performance targets. Also, our rejoinders to certain OGS comments are included in the report's State Comptroller's Comments.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Office of General Services shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendation contained herein, and if not implemented, the reasons why.

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Vision

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To improve government operations by conducting independent audits, reviews and evaluations of New York State and New York City taxpayer financed programs.

Agency Comments

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ANDREW M. CUOMO
Governor

ROANN M. DESTITO
Commissioner

December 5, 2016

Mr. John Buyce, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236-0001

Dear Mr. Buyce:

In accordance with Section 170 of the Executive Law, the New York State Office of General Services (OGS) is providing this response to draft report 2016-S-16, regarding the audit by the Office of the State Comptroller (OSC) of the Business Services Center (BSC) Shared Services. OSC's stated purpose of the audit was "to determine whether implementation of the Business Services Center has improved the consistency, efficiency, and effectiveness of the administrative transactions that it processes for its State agency customers" and covers the period September 27, 2012 to September 12, 2016.

As noted in the draft report, the BSC was launched in September 2012 as the result of State fiscal year 2012-13 budgetary action following a recommendation of the Spending and Government Efficiency (SAGE) Commission. Since that time, the BSC has successfully achieved significant cost savings for its customer agencies by providing shared services that centralize and standardize human resources (HR) and finance transactions that are common across New York State agencies. These efforts have increased efficiencies, lowered costs, and supported executive agencies as they focus on their core mission activities. To date, and as noted in the draft report, the BSC has achieved over $4 million in increased procurement card rebates and has reduced interest payments by approximately $1.1 million through its efforts to streamline and improve finance operations. Additionally, the BSC has reduced executive agencies' workforce costs by approximately $34 million annually.

Background

The BSC currently provides HR services to 45 customer agencies representing approximately 26,000 New York State employees, and finance services to 62 customer agencies. Activities are ongoing to complete the transition of HR and finance services to the BSC so that all executive agencies will be receiving services from the BSC portfolio by the end of calendar year 2017.

The Department of Taxation and Finance's consolidated call center (TCC) hosts the BSC's level 1 customer support, meaning that all calls placed to the main BSC phone line are handled in the first instance by the TCC. Since 2012, the TCC has created 148,000 tickets. Notably, each ticket represents a BSC's customer question or inquiry, not necessarily an issue or problem. Any issues that may arise between the BSC and a customer agency are handled by the BSC Customer Care team in coordination with the appropriate BSC service or support line subject matter experts and management.

The Service Level Agreement (SLA) governing the relationship between the BSC and its customer agencies and detailing the key performance indicators (KPIs) used to measure the timeliness and quality of service delivery was developed when the BSC launched in 2012. At that time, the BSC used the Statewide Financial System (SFS) as the common

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platform for providing finance services, and the information technology company CMA's Human Resources Information System (HRIS) and Leave Accrual Tracking System (LATS) to provide HR services to its customers.

In the ensuing four years, the BSC has implemented IBM's FileNet system to complement SFS for document capture, workflow and retention in the Accounts Payable and Credit Card service lines, and is actively implementing FileNet for Purchasing and Accounts Receivable service lines. In support of BSC Strategic Plan goals, BSC staff are also evaluating FileNet as a workflow management solution for HR documents.

In March 2015, the BSC launched Oracle's Human Capital Management (HCM) and CMA's LATS-NY platforms as the common systems for providing HR transactional services to its customers, migrating both current customers and additional waves of agencies to these platforms. The introduction of these systems has had a positive impact on the BSC's ability to continue gathering and analyzing performance data to better understand the factors that affect the timeliness and quality of transactions, and to report these findings to its customers.

OGS Response to the Audit Findings

1. **The BSC consistently meets Service Level Agreements transaction performance targets upon receipt of complete and timely agency and vendor information.**

OSC's draft report correctly notes that BSC's efforts have resulted in increased consistency and cost-effectiveness. While OGS acknowledges that the BSC has not met the performance targets in the SLA for Accounts Payable and Purchasing transactions for the last quarter of each year of the audit period, the draft report fails to acknowledge that the BSC's ability to meet the transaction timelines outlined in the SLA depends primarily on the extent to which customer agencies and vendors provide complete and timely information. In this instance, the BSC Accounts Payable and Purchasing service lines are on track to achieve the KPI targets by the end of November 2016.

The BSC prides itself on being data driven. Management and finance staff use information from SFS, FileNet and BSC databases on a daily basis to inform decisions around staffing and capacity management. In particular, staff uses a BSC-developed capacity management tool to ensure that finance transactional processing units have appropriate resource levels to meet incoming demand and any staffing shortages are addressed in daily morning huddles with unit staff. Moreover, the BSC management team meets on a monthly basis to review performance trends, identify any systemic issues or problems affecting performance, and generate solutions. These efforts include engaging the BSC Project and Performance Management Office in developing Lean projects to resolve issues, and engaging the BSC Lean Promoters to implement streamlined processes to improve performance and the quality of work. Additionally, BSC teams meet regularly to solve problems raised at all levels of the organization and identified through the transactional and performance data that are reviewed on a regular basis.

2. **The BSC management team effectively monitors performance target levels.**

Given its heavy reliance on data to continuously improve service, BSC management disagrees with OSC's statement that "management could not identify exact reasons why targets were not met." BSC management has taken a number of steps to identify, evaluate, and remedy performance-related concerns. It is precisely this work that has made it possible for Credit Cards, Accounts Receivable and Travel service lines to consistently meet performance targets, and for the

* Comment 1

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*See State Comptroller's Comments, page 17

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Accounts Payable and Purchasing service lines to improve performance with a goal of meeting the performance targets by the end of November 2016.

Notably, OSC failed to recognize there were number of initial challenges in Accounts Payable that have affected the BSC's ability to meet its targets, including: (i) system constraints that impair customer agencies' ability to successfully and consistently use the FileNet system to approve invoices for payment, which is required for BSC to process vouchers in SFS; (ii) workflow re-engineering with customer agencies to reduce the time it takes to obtain invoice approval to pay from the appropriate individual or group; and (iii) requiring the receipt of goods in the SFS to reduce cycle time to pay invoices. These challenges have all been addressed by BSC staff.

Specifically, in Purchasing, a significant number of the transactions submitted to the BSC by agencies require additional research, verification or documentation, which delays the process. Given the volume of information required, the three-day target to process purchase orders may not always be met. However, using the database that tracks purchase order information, the BSC purchasing staff and management are able to identify which agencies are experiencing the greatest difficulty in submitting complete packages and subsequently work with management at the customer agencies to identify actions to improve the procurements.

Additionally, the BSC Accounts Payable team uses data from the FileNet system to identify which agencies have the most-aged invoices in their review queues. The team contacts agency management to identify opportunities to more quickly approve these invoices for payment. This work reduces overall invoice payment cycle time, which in turn reduces interest payments.

The BSC also supplies to all of its customers quarterly reports on the KPIs and supplemental information that includes denial rates for transactions, trainings completed by customer agencies, and other information that assists in identifying process improvement opportunities within both the BSC and its customer agencies. For example, the BSC Time and Attendance unit uses timesheet denial information to develop targeted job aides for agencies that incur the greatest numbers of timesheet submission denials for transactions, such as the recording of time worked on a State holiday.

3. **Since its launch in September 2012, the BSC has been actively transitioning customer agencies for finance and HR services.**

Finally, the BSC disagrees with OSC's assertion that the HR unit is still in its infancy. The BSC has been providing HR services to its customer agencies and employees since its inception, and HR metrics have been used and regularly monitored by BSC management and staff since that time. Notably, these metrics have evolved because of the migration from the HRIS and LATS platforms to HCM and LATS-NY, which necessarily changed the way transactions are processed and measured. In spite of these changes, the Performance Management and HR teams have still been relying on the performance data that is available even though they do not yet have a complete set of performance metrics and KPIs for these new systems.

*
Comment
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The BSC Strategic Plan calls for an update to the SLA that will include a set of HR KPIs that will be more informative to BSC and its HR customers and will provide more transparency into processes performed at the BSC. The BSC has been reevaluating the SLA prior to the start of this audit and expects to issue an updated SLA in fiscal year 2016-17.

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In the meantime and to meet customer and BSC HR data and information needs, BSC HR service lines are currently analyzing data on transaction volumes and processing times to drive decision making. Quarterly KPI reports distributed to customer agencies include metrics for transaction volumes (templates submitted to HCM by agencies and committed by the BSC), processing times (e.g., average days from when an HCM template is received, to when it is committed), customer inquiries, and BSC and agency timeliness metrics. This information is also used to identify where processing delays or quality issues may be occurring so that resources can be dedicated to improving the process.

OGS Response to OSC's Recommendation

Recommendation

> *Further develop performance monitoring processes to better determine the causes of delays in meeting SLA targets including, but not limited to, obtaining necessary data to expand analytical testing and review of transactions.*

BSC management and staff have already identified the underlying root causes of delays in meeting the performance targets and have already implemented new business processes to reduce or eliminate those delays. The BSC will continue to develop the performance monitoring processes and metrics that have been implemented since the BSC's inception and that are captured in the projects supporting the BSC's Strategic Plan.

Conclusion

OGS agrees with OSC's determination that the BSC has made consistency and efficiency gains in many of its services to its customer agencies, OGS and New York State since its launch. The BSC will continue to provide services that allow its customers to focus on core mission activities while improving finance and HR service delivery for New York State.

If you have additional questions or comment please contact Theresa Bonneau at theresa.bonneau@ogs.ny.gov or (518) 402-5846.

Sincerely,

RoAnn M. Destito

RoAnn M. Destito

cc: K. Tyler
M. Greenberg
T. Bonneau

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State Comptroller's Comments

1. We acknowledge that the Business Services Center has taken steps to identify some of the processing delays that impact its ability to meet performance targets. Specifically, our report references the bi-weekly meetings, group huddles, and performance reviews, as well as the effect of workload spikes on the Center's ability to meet its targets. However, the Center maintained little documentation of these efforts, and so it was unclear what specific problems officials identified or the solutions they developed to address them. At the time we concluded audit fieldwork, Center officials had yet to identify the specific cause(s) for processing delays. Further, in their response to the draft audit report, officials provided no detail of the exact reasons why targets were not met. Consequently, we maintain that the issue, as presented in the report, is accurate.
2. We agree that the Center has taken steps to implement HR metrics, and recognize the challenges of migrating multiple agencies from varying platforms. However, as compared to its Finance area and that area's associated metrics, the Center's HR performance assessment function was still in the stage of development and refinement at the time of our audit. In fact, the HR unit was significantly behind Finance in terms of measuring performance against established SLA targets. Further, the unfinished nature of HR assessment efforts is evidenced by statements in OGS's response regarding: the absence of a complete set of performance metrics and Key Performance Indicators (KPIs); and plans for an update to the pertinent SLA that will include a new, more informative set of HR KPIs. Also, based on officials' comments, we revised certain language in the report to help clarify our presentation of the matter.