

California State Controller's Office

2024-2026 Strategic Plan

Controller Malia M. Cohen

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Strengthening Our Impact: 2024-2026 Strategic Plan


As the 33rd Controller for the State of California, the fifth largest economy in the world, I am proud to share the California State Controller's Office (SCO) 2024-2026 Strategic Plan that charts our course for a "[Re]Imagined SCO." Our aspiration is to create a more equitable, transparent, and sustainable SCO.

With a rich history dating back to 1849, the SCO has evolved from a small team of three individuals into a talented organization powered by over 1,500 employees dedicated to upholding the highest standards of fiscal oversight.

The SCO holds primary responsibility for the state's financial accounting, reporting, disbursement, and auditing of financial resources. The SCO produces the state's Annual Comprehensive Financial Report (ACFR), manages the state's financial infrastructure, provides fiscal oversight for local public entities receiving state and federal funds, audits all claims against the state prior to payment, disburses payments for state obligations and payroll services, and works to safeguard and distribute lost and forgotten unclaimed property. Additionally, as the state of California's Chief Fiscal Officer, I sit on numerous boards and commissions, including two of the largest pension funds in the world, California Public Employees' Retirement System (CalPERS) and California State Teachers Retirement System (CalSTRS).



The state's credit rating, access to capital, and ability of our various government jurisdictions to issue bonds is reliant on our work. The SCO impacts every community, family, individual, and business across the state. The table below highlights the SCO's activities and impact for the constituents we serve.

SCO Impact: At a Glance		
<p>\$14 Billion</p> <p>Administered through the unclaimed property program, returning approximately \$1.5 million daily to those who file claims</p>	<p>\$679 Billion</p> <p>Disbursed through the administration of 64 million annual disbursement payments</p>	<p>\$27.4 Billion</p> <p>Administered annually through 658,000 monthly payroll payments</p>
<p>\$8.1 Billion</p> <p>Identified in fraud, waste, abuse, and fiscal mismanagement over the last 10 years</p>	 <p>Issues California's ACFR, Budgetary Legal Basis Annual Report, and the Monthly General Fund Cash Report</p>	<p>70 Boards & Commissions</p> <p>The Controller sits on Boards and Commissions, ranging from affordable housing to land management, including the two largest pension funds in the world</p>
<p>61.1 Million Claims</p> <p>Audited for payment annually totaling balances of \$948.9 billion</p>	<p>58 Counties</p> <p>Follow uniform accounting, budgeting, and financial reporting procedures established by the SCO</p>	<p>482 Cities</p> <p>4,947 Special Districts</p> <p>Follow financial transactions reporting instructions provided by the SCO</p>

I have taken a more inclusive approach to develop our 2024-2026 Strategic Plan and ensure that all voices are heard. Upon taking office, my first year was focused on listening and learning from our employees, stakeholders, and constituents to understand the proud heritage of the SCO and collectively identify what needs to change to transform our organization for the future. Together, we developed and launched this strategic plan as a culmination of those conversations to realize a [Re]Imagined SCO.



Strengthening Our Impact: 2024-2026 Strategic Plan

The SCO is on a transformation journey to better serve the people of California. Our 2024-2026 Strategic Plan is the first step on this journey focused on intentionally investing in our people, our processes, our technology, and our infrastructure.

Across the state, our constituents expect clear and understandable interactions with the SCO. They expect efficient and effective processes. They expect timely, accurate, accessible, and transparent work products. This is not too much to ask, and these expectations are grounded in our strategy and purpose.

Our new purpose statement is at the heart of our [Re]Imagined SCO journey. We will transform our organization and culture to focus on the impact we create in achieving our mission. This strategic plan is our roadmap to integrating our purpose into the SCO culture and every facet of our operations.

Our Purpose

Moving California forward through fiscal oversight and transparency. We are transforming communities, empowering families and individuals, and strengthening businesses so that everyone thrives.

Our purpose clarifies that fiscal oversight and transparency is not only a function of governance but also essential to a prosperous California. As we continue this [Re]Imagined SCO journey, we do so with a clear understanding that the time for change is now. Across the organization, we are committed to fulfilling our purpose so that communities, families, individuals, and businesses thrive.

To realize our purpose, we recognize the need to adopt new ways of working across the SCO. Our new ways of working are anchored in our **T.R.U.S.T.E.D.** values. These values reflect our culture and our beliefs. Collectively, our actions and environment will evolve as we model our values in daily activities and interactions. We will do this by living our **T.R.U.S.T.E.D.** values as defined below.

Our Values

Transform with Intentionality
Remedy Constituent Needs
Uphold Honesty and Integrity
Strengthen Accountability
Team Over Self
Embrace Equity and Inclusion
Deliver Excellence

We are purpose-driven, embrace change, think big, and challenge the status quo.
We prioritize the needs of communities, families, individuals, and businesses we serve.
We hold ourselves to high ethical standards and do the right thing.
We own and follow through on our commitments.
We prioritize collaboration and support each other for more impactful results.
We cultivate diverse perspectives, challenge biases, and celebrate differences.
We achieve our best while exceeding expectations for Californians.

Every day, the SCO aims to reinforce trust in the financial integrity of California. Our **T.R.U.S.T.E.D.** values define the SCO culture we enjoy and aspire to realize. These values will guide our day-to-day interactions, inform our decisions, and drive our strategy to achieve our purpose.



Strengthening Our Impact: 2024-2026 Strategic Plan

The SCO purpose and values align with our mission and vision for the future. While our mission clearly defines what we do as an organization, our vision describes where we are going as an organization.

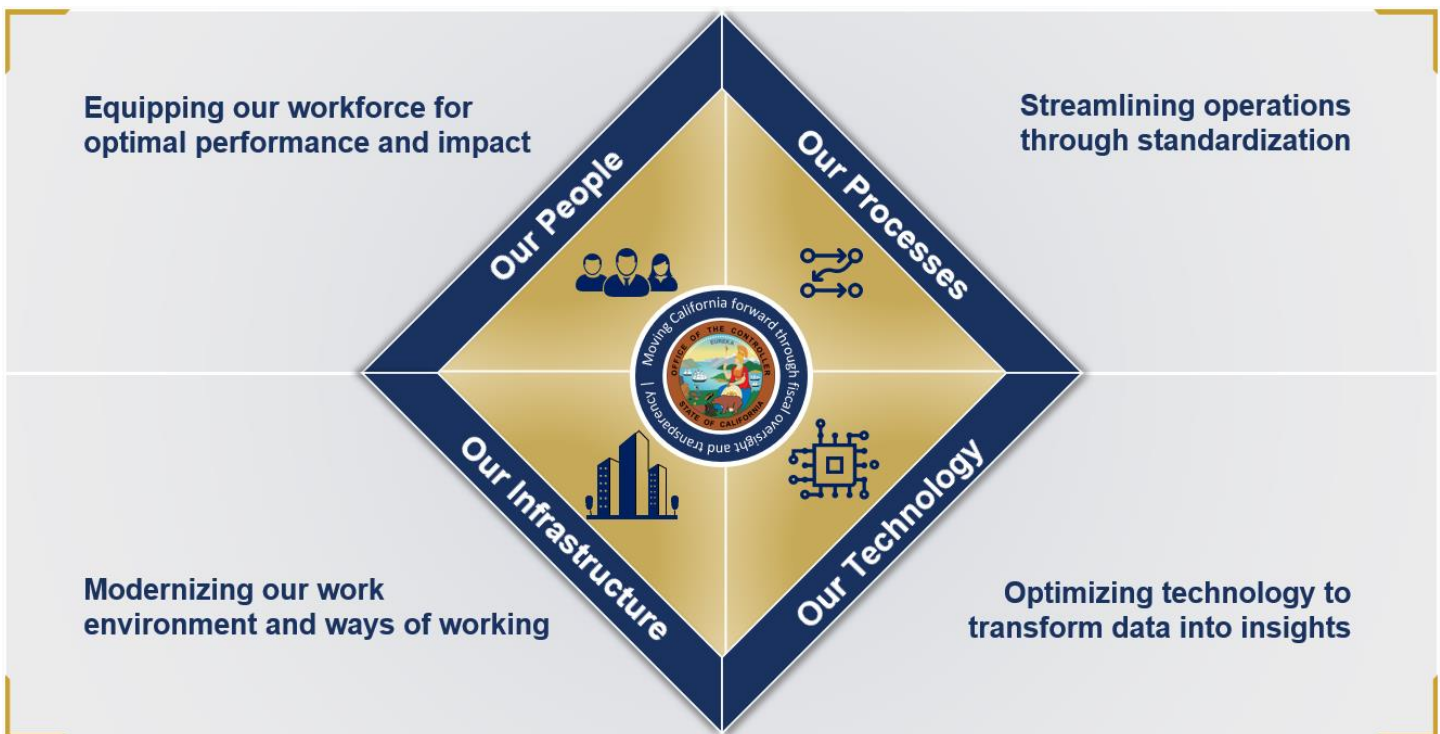
Our Mission

Independently oversee and manage California's financial resources with integrity and transparency to build trust

Our Vision

Shaping California's future through best-in-class financial management to foster equity and economic growth

The SCO provides independent oversight of California's financial resources. Through this critical role, the SCO is shaping California's future and fostering equity and economic growth. Our mission and our vision require targeted investment to achieve best-in-class financial management capabilities in our four strategic priorities: Our People, Our Processes, Our Technology, and Our Infrastructure.



We have depicted these four strategic priorities as a shield to represent the SCO's role in protecting the State of California's financial integrity and transparency. At the core of this shield is our purpose. Our four strategic priorities, and the 15 strategic initiatives outlined in the remainder of this document, reinforce the message that every aspect of the SCO and work we do is in the service of our constituents.

Through this 2024-2026 Strategic Plan, we invite you to join us on this purpose-led transformation journey to build a [Re]Imagined SCO.





Our People

Equipping our workforce for optimal performance and impact

Our people are the lifeblood of the SCO organization – equipping our workforce for optimal performance and impact is an integral component of realizing our purpose. To transform the SCO organization, it will take the commitment of every employee. No one of us could do this alone. The SCO is committed to investing in our people across the employee lifecycle -- from hiring to retiring-- we are committed to building capabilities and investing in our people.

The primary goal of focusing on **Our People** is to evolve our team and capabilities for the future. To achieve this goal, we will pursue the four strategic initiatives summarized below.

Our People Initiatives (Pe)

Design and implement employee incentive and retention program **Pe1**

Pe2 Invest in our workforce through leadership development and skills-based training

Refresh career planning and performance management **Pe3**

Pe4 Refine and diversify recruiting and talent sourcing strategy



Strategic Initiatives: Our People

Pe1: Design and implement employee incentive and retention program

The SCO will build community and strengthen its culture by redesigning the employee incentive and retention program. We will celebrate and recognize our employees – at all levels of the organization, by all levels of the organization – from the moment they join us to the point they retire. This program will acknowledge employees for modeling our values and achieving our purpose through both financial and non-financial incentives, as allowable and authorized by State policy.

What is the opportunity?

Enhancing employee engagement and culture by celebrating exceptional performance.

What is the desired outcome?

To elevate the SCO community and culture as one of the best places to work in state government.

Pe2: Invest in our workforce through leadership development and skills-based training

The SCO will develop transformational leadership capabilities at all levels of the organization through a structured program that includes professional development, mentorship, and skills-based training. By aligning its leadership development and skills-based training with regulatory requirements and leading practices, the SCO will foster a culture of continuous learning and professional growth.

What is the opportunity?

Empowering employees with the skills and knowledge necessary to excel in their roles.

What is the desired outcome?

To enhance our current workforce's skills and leadership capabilities to better serve Californians.

Pe3: Refresh career planning and performance management

The SCO will modernize and enhance career planning and performance management systems, aligning them with strategic business objectives and leading practices. By implementing technology and data analytics, the initiative will provide a more dynamic, transparent, and efficient approach to managing employee career planning and performance.

What is the opportunity?

Elevating employees by providing clear career pathways and focused performance feedback.

What is the desired outcome?

To foster a culture of continuous improvement and professional growth for all SCO employees.

Pe4: Refine and diversify recruiting and talent sourcing strategy

The SCO will refine and refocus its recruiting and talent sourcing strategy to better reflect the diversity of its constituents across the State of California. We will explore alternative recruiting channels and sources of top talent, build a more diverse talent pipeline, and explore other recruiting strategies such as internships and referral programs.

What is the opportunity?

Expanding representation and improving innovation through a more diversified workforce.

What is the desired outcome?

To better meet the needs of SCO constituents across the state by building a diverse and innovative workforce.





Our Processes

Streamlining operations through standardization

Effective and efficient processes will enable our people to better serve our constituents while also maintaining compliance to the evolving policies and regulatory requirements of the state. We recognize the opportunity to reimagine our critical processes and streamline SCO operations through standardization. The SCO is committed to taking a structured, systematic approach to assessing, prioritizing, and redesigning our critical processes to improve internal workflows, external service levels and responsiveness, and interagency collaboration and cooperation for the communities, families, individuals, and businesses we serve.

The primary goal of investing in **Our Processes** is to create a more efficient experience for our employees and constituents. To achieve this goal, we will pursue the three strategic initiatives summarized below.

Our Processes Initiatives (Pr)

Evaluate, redesign, document, and automate critical processes (e.g., ACFR) **Pr1**

Pr2 Centralize customer service operations

Enable efficient workflow and document management with state agencies **Pr3**

Strategic Initiatives: Our Processes

Pr1: Evaluate, redesign, document, and automate critical processes (e.g., ACFR)

The SCO will improve operating efficiencies and better enable employees to address constituent needs by evaluating, redesigning, documenting, and automating critical processes, starting with the processes for developing the state's Annual Comprehensive Financial Report (ACFR). We will take a systematic and stepwise approach to identifying and prioritizing process improvements and automation opportunities to improve the SCO experience for our employees, and our constituents.

What is the opportunity?

Increasing process efficiency and improving consistency by eliminating manual tasks.

What is the desired outcome?

To improve the SCO experience for employees and constituents by accelerating high-quality services.

Pr2: Centralize customer service operations

The SCO will deliver best-in-class customer service experiences for our constituents. To do so, we will centralize customer service operations across multiple SCO communication channels and access points (e.g., phone, chat, online, mobile, social, email, self-service) across the organization. We will identify, evaluate, and implement improvements to our customer service request-to-resolution process.

What is the opportunity?

Improving the customer experience across the SCO.

What is the desired outcome?

To provide a seamless, consistent, and efficient SCO experience for our constituents.

Pr3: Enable efficient workflow and document management with state agencies

The SCO will identify, evaluate, and implement a workflow and document management system to enable more timely, efficient, and transparent interactions with other state agencies. Given the high volume of documents and communications the SCO exchanges with California's various state agencies, the SCO will implement a workflow technology solution to improve the speed, reliability, compliance, and accountability of document management.

What is the opportunity?

Enabling interagency document management between the SCO and other state agencies.

What is the desired outcome?

To accelerate SCO service delivery by enabling interagency collaboration and accountability.





Our Technology

Optimizing technology to transform data to insights

Our technology will enable, accelerate, and enhance SCO services for our constituents across the state. We recognize the need to modernize and optimize technology to transform data into insights. We will evaluate and implement technology and data strategies to shape the future of our business. Our ongoing investments in FI\$Cal and the California State Payroll System (CSPS) demonstrate the SCO's commitment to transforming its business through technology. We will continue to expand our focus on technology and data strategies to improve the efficiency, transparency, and impact of the SCO.

The primary goal of focusing on **Our Technology** is to expand access to high quality, insightful data. To achieve this goal, we have prioritized five strategic initiatives summarized below.

Our Technology Initiatives (T)

Book of record functionality migration go-live within FI\$Cal

T1

T2

Modernize California State Payroll System (CSPS)

Transform the SCO website

T3

T4

Develop and refine data strategy, architecture, and governance

Evaluate and rollout customer relationship management (CRM) software

T5



Strategic Initiatives: Our Technology

T1: Book of record functionality migration go-live within FI\$Cal

The SCO will transition the state’s accounting book of record to FI\$Cal for transaction processing, statewide reconciliation, and year-end close processes in an ongoing commitment enabling fiscal oversight and transparency across California. FI\$Cal is a centralized financial management system that stores the integrated financial information for the state.

FI\$Cal is modernizing how the State accounts for its finances. It is one of the largest and most dynamic IT and business transformation undertakings in California’s history. FI\$Cal eliminates the need for hundreds of independent legacy systems by combining the state’s accounting, budgeting, cash management, and procurement operations into a single financial management system.

Please refer to the [FI\\$Cal website](#) for additional information.

What is the opportunity?

Streamlining the accounting and compilation of financial data by state departments, while elevating the security of the book of record.

What is the desired outcome?

To increase efficiency, timeliness, and transparency of reporting the state’s financial statements.

T2: Modernize California State Payroll System (CSPS)

The SCO will continue to invest in modernizing the California State Payroll System (CSPS), a technology platform that impacts the lives and livelihood of the approximately 300,000 state employees. CSPS is a multiyear initiative aimed at modernizing the state’s human resources (HR) and payroll systems from the legacy system known as the Uniform Payroll System (UPS) built in the late 1970s.

The CSPS vision is to update the California’s administrative systems to improve the accuracy, timeliness, and efficiency of customer service in personnel and payroll management. Through the CSPS initiative, the SCO seeks to make payroll and personnel processes more efficient by streamlining procedures, enabling automation of manual tasks, enhancing transaction validation and reporting, and improving the overall flow of information.

The CSPS initiative is focused on six priority areas, which integrate end-to-end processes that occur from hire to retire: Position Control, Personnel Administration, Benefits Administration, Time Management, Travel Advance and Expense Management, and Payroll.

Please refer to the [California State Payroll System \(CSPS\) Project webpage](#) for additional information.

What is the opportunity?

Modernizing SCO’s HR and payroll systems to support evolving and dynamic workforce needs.

What is the desired outcome?

Providing secure online access, updates, validation, and reporting of payroll and employment data for all Californians.



Strategic Initiatives: Our Technology

T3: Transform the SCO website

The SCO will transform our public-facing website to create an enhanced user experience for the communities, families, individuals, and businesses we serve. We recognize our website is an essential communication tool to improve transparency and share information with our constituents and stakeholders. We will improve the SCO website design “look and feel” with an intuitive, user-friendly interface and explore opportunities to improve accessibility, enable self-service functionality, and increase transparency.

What is the opportunity?

Improving website functionality and usability while maintaining website performance and security.

What is the desired outcome?

To improve constituent experience, functionality, and timely access to SCO information and services for all Californians.

T4: Develop and refine data strategy, architecture, and governance

The SCO will define and implement an enterprise-wide data strategy, governance, and architecture to enhance decision-making, improve operations, and strengthen data security. Across our divisions, the SCO has opportunities to integrate and analyze data for insights and trends that would inform future policy and decision-making. We will unlock the potential of our data assets and explore applications of emerging technologies (e.g., artificial intelligence (AI), blockchain, etc.) to better serve the SCO constituents.

What is the opportunity?

Enhancing SCO data quality, aggregation, governance, analytics, and decision-making.

What is the desired outcome?

To improve SCO financial oversight and transparency by giving constituents access to real-time data through emerging technologies.

T5: Evaluate and rollout customer relationship management (CRM) software

The SCO will design and implement an enterprise customer relationship management (CRM) software solution to capture and track constituent interactions across the SCO’s various divisions. By implementing a CRM solution, the SCO will more efficiently deliver a seamless, integrated service experience to the constituents and stakeholders we serve.

What is the opportunity?

Prioritizing and exceeding customer needs across the SCO.

What is the desired outcome?

To improve the SCO experience for constituents through coordinated, personalized, and timely services.





Our Infrastructure

Modernizing our work environment and ways of working

Our infrastructure investments, including our operating model, work environment, and communications, are essential to establishing ways of working that enable our people to deliver on the SCO purpose and model our **T.R.U.S.T.E.D.** values. In this way, our infrastructure connects our people, our processes, and our technology to transform the SCO into a more collaborative, resilient, and adaptive organization able to navigate change and meet the evolving needs of our constituents across the state.

The primary goal of investing in **Our Infrastructure** is to modernize our work environment and ways of working. To achieve this goal, we have prioritized three strategic initiatives summarized below.

Our Infrastructure Initiatives (I)

Simplify operating model, including governance, organization structure, roles, and responsibilities

I1

I2

Refine flexible work policies and invest in mobility requirements

Launch an external branding, awareness, and communications campaign

I3

Strategic Initiatives: Our Infrastructure

I1: Simplify operating model, including governance, organization structure, roles, and responsibilities

The SCO will simplify our operating model to enhance collaboration, improve operations, and minimize overlapping functional activities across divisions. We will re-evaluate SCO leadership roles, including governance and decision-making, and assess our organization’s roles and responsibilities to reduce complexity.

What is the opportunity?

Aligning our operating model to increase cross-departmental collaboration and efficiency.

What is the desired outcome?

To improve speed and quality of service delivery to Californians by enabling collaboration and accountability.

I2: Refine flexible work policies and invest in mobility requirements

The SCO will refine its flexible work policies to reflect the realities of hybrid work. We will assess SCO investments in physical, virtual, and hybrid collaboration and communication technologies to better enable employee effectiveness and productivity in multiple work environments. Further, the SCO will assess evolving employee work patterns and facilities footprint to guide real estate decisions and define future mobility investments (e.g., remote collaboration and communication tools).

What is the opportunity?

Supporting SCO employees with a flexible work policy that establishes clear guidelines and expectations.

What is the desired outcome?

To invest in collaboration technologies to better enable employee productivity and flexibility in hybrid work environments.

I3: Launch an external branding, awareness, and communications campaign

The SCO will launch a comprehensive branding, awareness, and communications campaign to educate Californians on the overall purpose, functions, and potential access points for SCO services and support. The campaign will utilize a “Digital First” strategy with focused messaging, social media placements and outreach to communities, families, individuals, and businesses. We will ensure broad and inclusive constituent engagement and align division-specific messaging and marketing communications.

What is the opportunity?

Improving constituent awareness, communication, and engagement.

What is the desired outcome?

To improve constituent understanding of SCO services and communicate our role in moving California forward.



Strategic Initiatives Roadmap

Collectively, the SCO's purpose, mission, vision, values, priorities, and strategic initiatives comprise our 2024-2026 Strategic Plan. Through this purpose-led strategic roadmap, our [Re]Imagined SCO journey is well-underway and will likely continue to evolve as we move forward. We have organized our strategic initiatives in three time horizons:

- **Now** – initiatives expected to be accomplished within the coming year.
- **Next** – initiatives we anticipate will be completed within the next two years.
- **Beyond** – longer-term initiatives requiring more than three years to fully realize.



Our People	Our Processes	Our Technology	Our Infrastructure
<p>Pe1: Design and implement employee incentive and retention program</p> <p>Pe2: Invest in our workforce through leadership development and skills-based training</p> <p>Pe3: Refresh career planning and performance management</p> <p>Pe4: Refine and diversify recruiting and talent sourcing strategy</p>	<p>Pr1: Evaluate, redesign, document, and automate critical processes (e.g., ACFR)</p> <p>Pr2: Centralize customer service operations</p> <p>Pr3: Enable efficient workflow and document management with state agencies</p>	<p>T1: Book of record functionality migration go-live within FISCAL</p> <p>T2: Modernize California State Payroll System (CSPS)</p> <p>T3: Refresh SCO website</p> <p>T4: Develop and refine data strategy, architecture, and governance</p> <p>T5: Evaluate and rollout customer relationship management (CRM) software</p>	<p>I1: Simplify operating model, including governance, organization structure, roles, and responsibilities</p> <p>I2: Refine flexible work policies and invest in mobility requirements</p> <p>I3: Launch an external branding, awareness, and communications campaign</p>



Our Path Forward

The [Re]Imagined SCO “Strategy on a Page” below summarizes the foundational elements of our transformation journey. Our success on this journey is enhanced by our collective resolve as a team, our collaboration with state agencies, the investment and partnership in our work by the Governor and the Legislature, and the unwavering trust of the Californians we serve.

While embracing our purpose and modeling our **T.R.U.S.T.E.D.** values in our interactions internally and externally, we will achieve our strategic initiatives significantly impacting our people, our processes, our technology, our infrastructure, and ultimately California.

Our [Re]Imagined SCO priorities and initiatives summarized in this Strategic Plan will foster a State Controller’s Office where the State of California, as the fifth largest economy in the world, leads the nation and the world in fiscal oversight and transparency.

- Our decision-makers will have real-time access to financial data and investment results to make policy and business decisions that takes our return on investment (ROI) to next-level impact.
- Our communities, families, individuals, children, and other governmental entities across this great state experience exceptional customer service when interfacing with the SCO and are empowered to realize their full potential.
- Our businesses and not-for-profit organizations are positioned for unprecedented growth, opportunity, and continued investment in California.
- Our employees are engaged and delivering first-in-class services, customer experiences, and impact resulting from the intentional investment in our workforce, streamlined processes, optimized technologies, and modernized infrastructure.

As a result, the SCO will truly become an employer of choice, the standard of first class, an innovative and modern business, and a value creator for California communities.

The [Re]Imagined SCO journey inspires unprecedented teamwork, dedication, and commitment. We invite our employees, communities, families, individuals, businesses, stakeholders, and government partners to join us on this journey to move California forward ... so that **EVERYONE THRIVES**.

