

STATE OF WASHINGTON

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DIRECTIVE BY THE GOVERNOR 09-25

December 2, 2009

TO: Small Agency Cabinet

FROM: Christine O. Gregoire, Governor

SUBJECT: Small Agency Client Services

In these extraordinarily difficult budget times, it is more important than ever that government finds ways to perform services more efficiently and effectively. This includes more than just those services we provide directly to the public. We also have to be diligent in how we provide internal services within and between state agencies.

In February, I directed five cabinet agencies to begin developing and implementing a shared services model for how we operate. The expectation was that the shared services approach would capture economies of scale and create a more efficient government. I also noted that as we move forward, there will be additional functions identified where the model could produce enhanced customer service and efficiencies.

While our initial efforts focused on large issues that will impact all state agencies, there are also smaller initiatives that can provide significant benefits to state government. No efficiency is too small to be pursued.

By this directive, I am requiring that all small agencies as identified by the director of the Office of Financial Management use Small Agency Client Services (SACS) to provide their accounting, payroll and budgeting services. The director of the Office of Financial Management shall also define the transition process and specific agency requirements.

Centralizing these services allows small agencies to focus their scarce resources on their core missions, strategic plans, and customer needs. It provides standardization and consistency of processes and reporting across all small agencies. Internal controls will be strengthened by moving fiscal functions into a larger organization where segregation of duties and back-up plans can be better utilized.

This initiative is only one of many opportunities we as a state can pursue to provide better, more efficient government. I appreciate your continued efforts to review our back-office functions and to identify shared service efficiencies - wherever they may be found.