

# capps

Centralized Accounting and Payroll/Personnel System

## Benefits for Texas Fiscal 2012–21



**Glenn Hegar, Texas Comptroller of Public Accounts**

# CAPPS – Improving State Government Business Functions

In 2007, the 80th Legislature passed HB 3106 that charged the Texas Comptroller’s office with creating the Centralized Accounting and Payroll/ Personnel System or CAPPS to streamline and consolidate state government’s major business functions including accounting, payroll, human resources (HR), procurement and inventory.

With CAPPS, entering information once automatically updates all functions. This reduces error and manual effort, increases efficiency and reduces cost. CAPPS reporting is flexible, accurate and highly automated, providing greater detail and better data for “big-picture” overviews required by agency leaders and legislators.

## Why CAPPS?

Until recently, much of Texas state government relied on outdated financial and HR/payroll systems that could not easily communicate with one another. Updating or replacing these systems on an agency-by-agency basis would be expensive and many of the problems of the old systems would remain.

CAPPS implementation employs a statewide strategy, providing flexible systems for all agencies regardless of complexity and size.

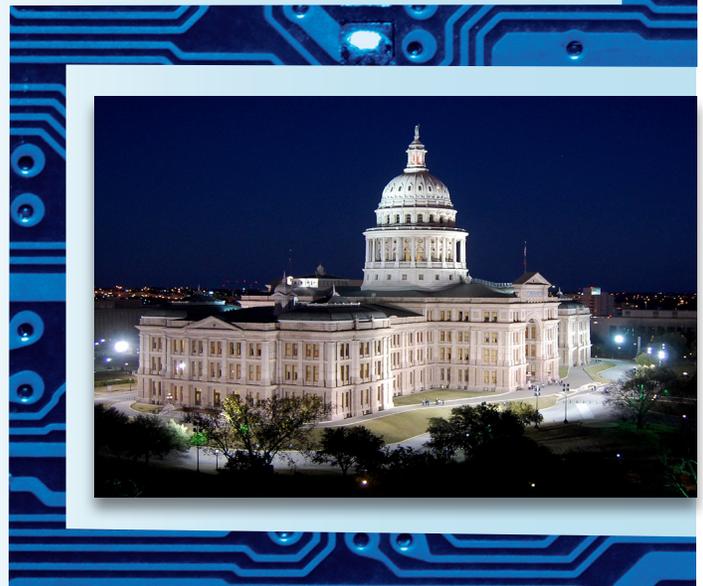
## CAPPS Implementation

By the fall of 2018, **77 state agencies** implemented CAPPS Financials, CAPPS HR/Payroll or both including the three Health and Human Services (HHS) agencies and the Texas Department of Transportation. In fiscal 2019, the Texas Department of Housing and Community Affairs (TDHCA) will implement CAPPS Financials as a Hub agency. **Fourteen more agencies** will adopt **CAPPS HR/Payroll** in fiscal 2019. **Nineteen more agencies** will adopt **CAPPS Financials** by the beginning of fiscal 2020.

Under the current deployment plan for fiscal 2020-21, by the beginning of 2022:

Number of State FTEs through CAPPS	115,594
Total State FTEs*	156,124
% of State FTEs through CAPPS	74%
Amount of State Spend through CAPPS	\$92,869,359,396
Total State Spend*	\$98,661,919,213
% of State Spend through CAPPS	94%

\* Excludes institutions of higher education.



# CAPPS Advantages



CAPPS offers a variety of advantages over existing systems, including:

## Improved Transparency

CAPPS allows for easier reporting across agencies and provides policymakers with a statewide view of budget and spending.

## Greater State Accountability

- CAPPS provides better control of state finances and employee data, ensuring more consistent recording and reporting.
- CAPPS ensures standardized payroll calculations for all state agencies as required by law.
- CAPPS set the precedence for standardized administrative functions and business processes, which are now the rule across agencies, resulting in more consistent recording and financial activities reporting.

## Continuous Improvement of State Operations

- CAPPS has a common interface that provides for consistent contract reporting to the LBB across all agencies eliminating the need to build separate interfaces and results in greater efficiency and lower operating costs.
- CAPPS integrates the HR/Payroll and Financials systems by providing a central repository for employee data and historical information. This ensures consistent data across the system and allows for easier, more accurate report development.
- A new interface to Work in Texas (WIT) enables agencies to post jobs in CAPPS Recruit and those jobs are posted to WIT and vice versa. Applicants only have to fill out one application and agencies can accept WIT applications electronically.



## Improved Cybersecurity

CAPPS security:

- Is comprehensive, with access control across all applications.
- Is highly customizable to respond to specific needs.
- Provides reportable and auditable security-specific data.

## Legacy System Modernization

- The 83rd Legislature directed DIR to study “the composition of the state’s current technology landscape and determine how best to approach and make decisions about an aging infrastructure.” DIR’s resulting October 2014 report, *Legacy System Study: Assessment and Recommendations*, contains recommendations that reflect primary benefits of the CAPPS system:
  - Leveraging economies of scale
  - Facilitating standardization and collaboration
  - Establishing a statewide application framework
- CAPPS has allowed for the retirement of statewide (ISAS) and several internal agency legacy systems.



# CAPPS Financials

## Core Modules

### Accounts Payable

Maintains transaction and vendor data while invoices are paid in a centralized system, including matching (verification) with purchase orders and receiving. Integrates with the current statewide vendor and accounting systems.

### Asset Management

Provides a fully integrated asset information system, including integration with the Purchasing/eProcurement and Accounts Payable modules. Allows tracking of non-financial asset information like physical movement, location and custodians.

### General Ledger/Commitment Control/Cash Receipts

Provides efficient and flexible processing of financial data with real-time controls to ensure data accurately meets agency reporting requirements. Allows for real-time check of transactions against appropriation, organization, project budgets and management of encumbrances and pre-encumbrances. Allows for comprehensive budget inquiry with drill-down-to-source-transactions capabilities.

### Purchasing/eProcurement

Improves processing efficiency for the purchase of goods and services (including requisitions) with electronic approvals, contracts, purchase orders and receipts. Ensures statewide policy compliance through data validation and integration of documents within the procurement lifecycle.



## Non-Core Modules

### Billing/Accounts Receivable

Manages the billing process in a single, stand-alone system that integrates with other CAPPS modules including General Ledger, Grants, Project Costing and Customer Contracts. Enables timely information to customers through automated invoice, statement and dunning letter generation.

### Customer Contracts

Manages revenue-generating contracts and creates billing actions. Revenue recognition may be managed by Customer Contracts or General Ledger, depending on agency need. Requires integration with Billing and Accounts Receivable for fixed-fee billings. Requires integration with Billing, Accounts Receivable and Project Costing for rate-based contract activities based on cost collection.

### Grants

Efficiently and effectively tracks grant activities from a Grantee perspective (applying for grants) through proposal, receipt, milestone-tracking and disbursement. Requires integration with Customer Contracts, Billing/Accounts Receivable and Project Costing. **Note:** Does not facilitate sub-grantee level activities.

### Inventory

Streamlines inventory processing from receipt to issue in a centralized and integrated system. Provides automated inventory replenishment triggers and integration with purchasing. Uses express and multi-step order fulfillment processing. Integrates Inventory and e-Procurement Requisition ensuring prior authorization before supplies are ordered and budget is checked to commit funds at the time of the request.

### Project Costing

Manages cost collection process with a single end-to-end system; integrated with all core and non-core Financials modules for extensive cost collection and reporting needs.

# CAPPS HR/Payroll

## Core Modules

### Core Human Resources (HR)

Increases effectiveness of agency workforce-related business processes by streamlining administrative tasks from onboarding to compensating employees. Delivers a central repository for employee data and historical records to ensure consistent data across all CAPPS modules.

### Payroll

Provides agencies with a data-driven approach to defining and managing diverse payroll requirements for unique agency business policies, in full compliance with state of Texas statutes and policies. Standardizes payroll calculations for earnings, deductions and taxes to ensure all employees are paid timely and accurately.

Uses data stored in and created by the Core HR and Time and Labor modules to automatically build pay sheets and accurately calculate employee payments that comply with statutory and CPA payroll policy requirements.

### Position Management

Manages appropriation budget allocations for approved agency positions. Facilitates tracking of filled versus vacant positions.

### Time and Labor

Provides agencies with a time management application that efficiently automates time and attendance recordkeeping for the entire workforce.

## Non-Core Modules

### Recruit

Gives job applicants the ability to search and apply for job postings online. Applicants can attend to various aspects of the online recruiting process — completing screening questions; viewing interview schedules and accepting job offers.

### Learn

Gives agencies the capability to manage course content and report on the status of course completion. Provides notifications when specific training is due. Allows agencies to track and report required training.

### Performance Management

Provides agencies the ability to roll out performance management plans to their entire workforce and measure employee performance based on key indicators.



# CAPPS Financials Accomplishments

By the beginning of fiscal 2024, CAPPS Financials is projected to be 100% complete with all anticipated agencies deployed and handling \$98,661,919,213 in state spending. See Appendix C for an alphabetical list of agencies and their fiscal year deployment date.

Our deployment plan for the fiscal 2020-21 biennium will result in 94% of the state's spending processed through CAPPS Financials:

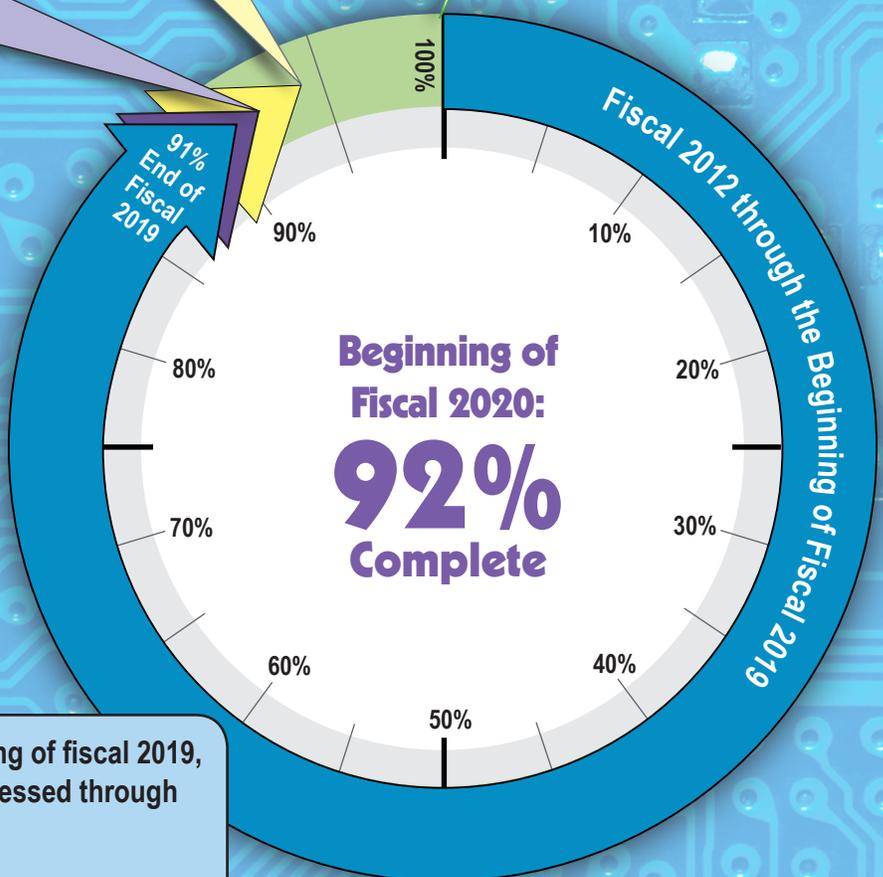
- 21 New Agencies (99 Agencies Total)
- \$92,869,359,396 in State Spending

By the beginning of fiscal 2020, 92% of the state's spending will be processed through CAPPS financials:

- 20 New Agencies (78 Agencies Total)
- \$90,901,248,760 in State Spending

From fiscal 2012 through the beginning of fiscal 2019, 91% of the state's spending was processed through CAPPS Financials:

- 58 Agencies
- \$89,756,415,258 in State Spending





# HR/Payroll Accomplishments

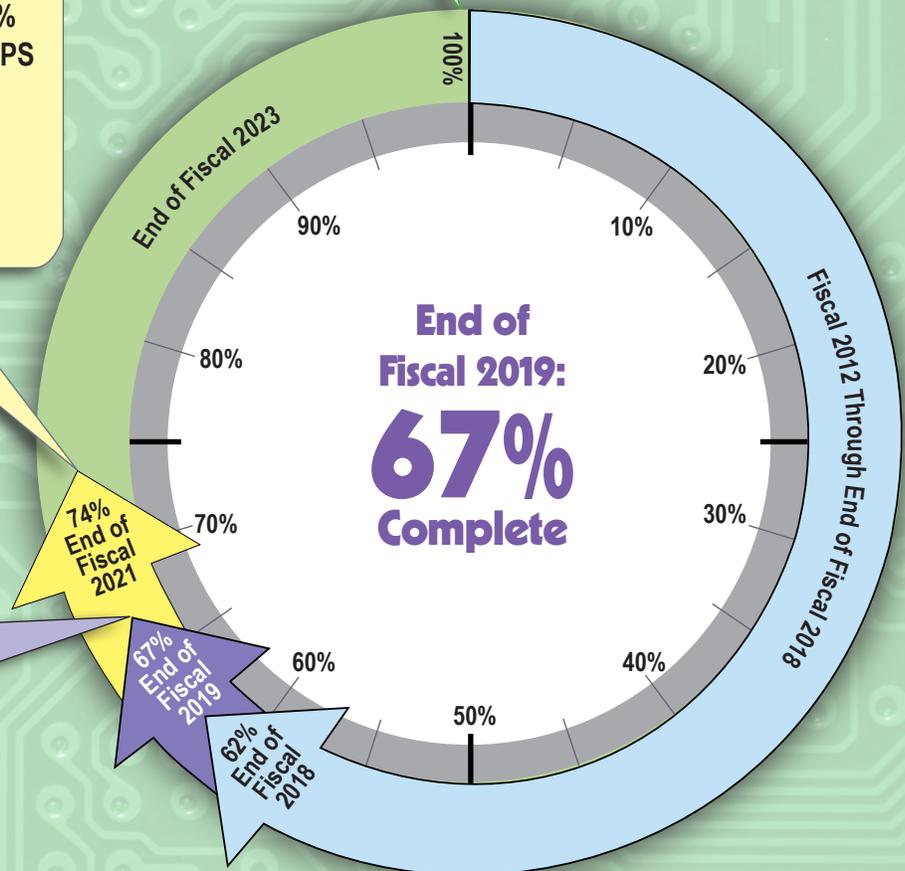
By the end of fiscal 2023, CAPPS HR/Payroll is projected to be 100% complete with all anticipated agencies deployed and handling 156,124 FTEs. See Appendix C for an alphabetical list of agencies and their fiscal year deployment date.

Our deployment plan for the fiscal 2020-21 biennium will result in 74% of the state's FTEs being on CAPPS HR/Payroll:

- 16 New Agencies (93 Agencies Total)
- 115,594 Total FTEs

By the end of fiscal 2019, 67% of the state's FTEs will be on CAPPS HR/Payroll:

- 14 New Agencies (77 Agencies Total)
- 103,086 Total FTEs



From fiscal 2012 through the end of fiscal 2018, 62% of the state's FTEs are on CAPPS HR/Payroll:

- 63 Agencies
- 95,678 Total FTEs

# CAPPS Costs Through Fiscal 2019

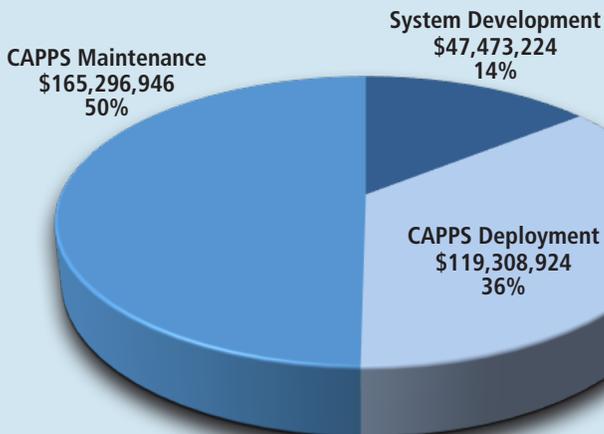
Type of Cost	Fiscal 2010–16	Fiscal 2017	Fiscal 2018	Fiscal 2019	Grand Total
System Development	\$ 47,473,224	\$ 0	\$ 0	\$ 0	\$ 47,473,224
CAPPS Deployment	\$39,000,939	26,696,329	27,035,131	26,576,525	119,308,924
CAPPS Maintenance	\$100,279,871	18,032,908	22,022,503	24,961,664	165,296,946
<b>Total Agency Project</b>	<b>\$ 186,754,034</b>	<b>\$ 44,729,237</b>	<b>\$ 49,057,634</b>	<b>\$ 51,538,189</b>	<b>\$ 332,079,094</b>

Method of Financing	Fiscal 2010–16	Fiscal 2017	Fiscal 2018	Fiscal 2019	Grand Total
General Revenue	\$ 75,503,777	\$ 32,310,136	\$ 34,343,406	\$ 33,816,990	\$ 175,974,309
Appropriated Receipts	\$20,067,598	10,286,098	12,139,359	15,458,296	57,951,351
Interagency Contract Receipts	\$91,182,659	2,133,003	2,574,869	2,262,903	98,153,434
<b>Total Agency Project</b>	<b>\$ 186,754,034</b>	<b>\$ 44,729,237</b>	<b>\$ 49,057,634</b>	<b>\$ 51,538,189</b>	<b>\$ 332,079,094</b>

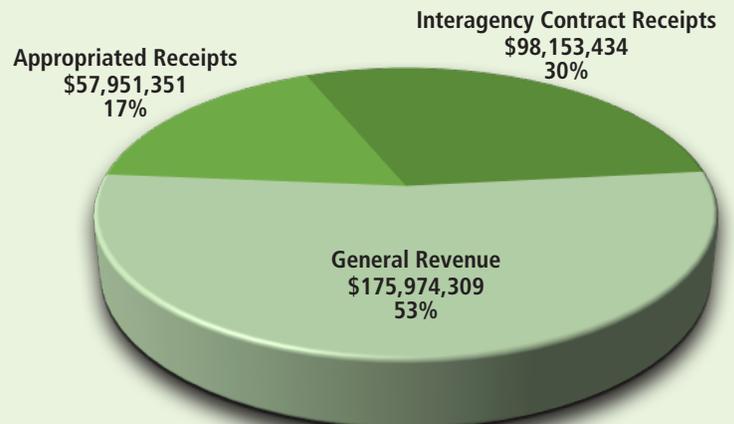
FTEs	Fiscal 2010–16	Fiscal 2017	Fiscal 2018	Fiscal 2019	Grand Total
<b>Accumulative</b> (per fiscal year)	<b>46.8</b>	<b>43.1</b>	<b>43.2</b>	<b>54.0</b>	<b>54.0</b>

**Note:** The figures above reflect Comptroller expenditures for the development, deployment and maintenance of the CAPPS system since inception. Any internal support costs agencies incurred to deploy the system are not included in these totals. Fiscal 2017-19 are open budget years as of Sept. 1, 2018, and represent estimated expenditures.

## CAPPS Costs through Fiscal 2019



## Method of Financing



# Fiscal 2020 Projects

Projects begin Sept. 1, 2019

## CAPPS HR/Payroll

Agy #	Agencies to Deploy CAPPS HR/Payroll in July 2020
101	Texas Senate
102	Texas House of Representatives
104	Legislative Budget Board
116	Sunset Advisory Commission
305	General Land Office and Veterans' Land Board
320	Texas Workforce Commission
356	Texas Ethics Commission
362	Texas Lottery Commission
582	Texas Commission on Environmental Quality
808	Texas Historical Commission

**Note:** This schedule is subject to CPA final approval and legislative funding.

## CAPPS Financials

Agy #	Agencies to Deploy CAPPS Financials in September 2020
300	Trusted Programs Within the Office of the Governor
301	Office of the Governor
307	Secretary of State
333	Office of State Federal Relations
459	Texas Board of Architectural Examiners
771	Texas School for the Blind and Visually Impaired
802	Texas Parks and Wildlife Department

# Fiscal 2021 Projects

Projects begin Sept. 1, 2020

## CAPPS HR/Payroll

Agy #	Agencies to Deploy CAPPS HR/Payroll in July 2021
303	Texas Facilities Commission
327	Employees Retirement System
456	Texas State Board of Plumbing Examiners
476	Texas Racing Commission
507	Texas Board of Nursing
551	Department of Agriculture
580	Texas Water Development Board

## CAPPS Financials

Agy #	Agencies to Deploy CAPPS Financials in September 2021
302	Office of the Attorney General
305	General Land Office and Veterans' Land Board
329	Texas Real Estate Commission
338	State Pension Review Board
362	Texas Lottery Commission
450	Department of Savings and Mortgage Lending
457	Texas State Board of Public Accountancy
460	Texas Board of Professional Engineers
464	Texas Board of Professional Land Surveying
469	Credit Union Department
479	State Office of Risk Management
533	Executive Council of Physical and Occupational Therapy Examiners
535	Texas Low-Level Radioactive Waste Disposal Compact Commission
813	Texas Commission on the Arts

**Note:** This schedule is subject to CPA final approval and legislative funding.

# Alphabetical Listing of Agencies Deployed on CAPPS Financial and/or CAPPS HR/Payroll

The following list represents all agencies deployed on CAPPS Financials and/or CAPPS HR/Payroll, including the fiscal year of deployment (or planned deployment). If no fiscal year is listed, that agency's deployment has not yet been determined.

Agency	Agency Number	Deployed on Financials	Deployed on HR/Payroll
1st–14th Courts of Appeals Districts	221–234	Fiscal 2018	Fiscal 2016
Cancer Prevention and Research Institute of Texas	542	Fiscal 2018	Fiscal 2013 (H)
Commission on Jail Standards	409	Fiscal 2020	
Commission on State Emergency Communications	477	Fiscal 2020	
Commission on Uniform State Laws	107		N/A
Comptroller of Public Accounts	304	Fiscal 2012	Fiscal 2016
Comptroller — Prepaid Higher Education Tuition Board	315	Fiscal 2012	N/A
Comptroller — State Energy Conservation Office	907	Fiscal 2012	Fiscal 2016
Comptroller — State Fiscal	902	Fiscal 2012	N/A
Comptroller — Treasury	311		N/A
Court of Criminal Appeals	211	Fiscal 2018	Fiscal 2016
Credit Union Department	469	Fiscal 2022	Fiscal 2018
Department of Agriculture	551	Fiscal 2020	Fiscal 2021
Department of Family and Protective Services*	530	Fiscal 2018 (H)	Fiscal 2013 (H)
Department of Information Resources	313	Fiscal 2012	Fiscal 2015
Department of Savings and Mortgage Lending	450	Fiscal 2022	
Department of State Health Services*	537	Fiscal 2018 (H)	Fiscal 2013 (H)
District Courts — Comptroller's Judiciary Section	241	Fiscal 2017	Fiscal 2016
Employees Retirement System	327		Fiscal 2021
Executive Council of Physical and Occupational Therapy Examiners	533	Fiscal 2022	Fiscal 2019
General Land Office and Veterans' Land Board	305	Fiscal 2022	Fiscal 2020
Health and Human Services Commission*	529	Fiscal 2018 (H)	Fiscal 2013 (H)
Health Professions Council	364	Fiscal 2020	
Legislative Budget Board	104		Fiscal 2020
Legislative Reference Library	105		Fiscal 2018
Office of Capital and Forensic Writs	215	Fiscal 2018	Fiscal 2016
Office of Consumer Credit Commissioner	466		
Office of Court Administration	212	Fiscal 2017	Fiscal 2015
Office of Injured Employee Counsel	448	Fiscal 2012	Fiscal 2017
Office of Public Insurance Counsel	359	Fiscal 2020	
Office of Public Utility Counsel	475	Fiscal 2020	
Office of State Federal Relations	333	Fiscal 2021	
Office of State Prosecuting Attorney	213	Fiscal 2017	Fiscal 2015
Office of the Attorney General	302	Fiscal 2022	Fiscal 2019
Office of the Governor	301	Fiscal 2021	Fiscal 2018
Public Utility Commission of Texas	473	Fiscal 2015	Fiscal 2019
Railroad Commission of Texas	455	Fiscal 2015	Fiscal 2017
Secretary of State	307	Fiscal 2021	Fiscal 2018
State Auditor's Office	308	Fiscal 2017	
State Board of Dental Examiners	504	Fiscal 2020	
State Board of Veterinary Medical Examiners	578	Fiscal 2020	
State Commission on Judicial Conduct	242	Fiscal 2018	Fiscal 2016
State Law Library	243	Fiscal 2018	Fiscal 2016
State Office of Administrative Hearings	360	Fiscal 2017	Fiscal 2017
State Office of Risk Management	479	Fiscal 2022	Fiscal 2019
State Pension Review Board	338	Fiscal 2022	Fiscal 2019
State Preservation Board	809	Fiscal 2019	
State Securities Board	312	Fiscal 2020	
State Soil and Water Conservation Board	592	Fiscal 2019	
Sunset Advisory Commission	116		Fiscal 2020
Supreme Court of Texas	201	Fiscal 2018	Fiscal 2016
Teacher Retirement System	323	Fiscal 2019	Fiscal 2019
Texas Alcoholic Beverage Commission	458	Fiscal 2017	Fiscal 2019
Texas Animal Health Commission	554	Fiscal 2017	Fiscal 2017
Texas Board of Architectural Examiners	459	Fiscal 2021	Fiscal 2018

Agency	Agency Number	Deployed on Financials	Deployed on HR/Payroll
Texas Board of Chiropractic Examiners	508		Fiscal 2018
Texas Board of Nursing	507	Fiscal 2019	Fiscal 2021
Texas Board of Professional Engineers	460	Fiscal 2022	Fiscal 2018
Texas Board of Professional Geoscientists	481	Fiscal 2020	Fiscal 2018
Texas Board of Professional Land Surveying	464	Fiscal 2022	Fiscal 2019
Texas Bond Review Board	352	Fiscal 2020	Fiscal 2018
Texas Bullion Depository	908		
Texas Commission on Environmental Quality	582		Fiscal 2020
Texas Commission on Fire Protection	411	Fiscal 2020	
Texas Commission on Law Enforcement	407	Fiscal 2017	Fiscal 2017
Texas Commission on the Arts	813	Fiscal 2022	Fiscal 2019
Texas Department of Banking	451		
Texas Department of Criminal Justice	696		
Texas Department of Housing and Community Affairs	332	Fiscal 2019 (H)	Fiscal 2017
Texas Department of Insurance	454	Fiscal 2012	Fiscal 2017
Texas Department of Licensing and Regulation	452	Fiscal 2017	Fiscal 2019
Texas Department of Motor Vehicles	608	Fiscal 2015	Fiscal 2015
Texas Department of Public Safety	405	Fiscal 2019	Fiscal 2016
Texas Department of Transportation	601	Fiscal 2015 (H)	Fiscal 2015 (H)
Texas Education Agency	701	Fiscal 2015 (H)	Fiscal 2017
Texas Emergency Services Retirement System	326	Fiscal 2020	Fiscal 2018
Texas Ethics Commission	356	Fiscal 2020	Fiscal 2020
Texas Facilities Commission	303		Fiscal 2021
Texas Funeral Service Commission	513		Fiscal 2017
Texas Higher Education Coordinating Board	781		Fiscal 2016
Texas Historical Commission	808	Fiscal 2019	Fiscal 2020
Texas House of Representatives	102		Fiscal 2020
Texas Juvenile Justice Department	644	Fiscal 2015	Fiscal 2018
Texas Legislative Council	103		Fiscal 2018
Texas Lottery Commission	362	Fiscal 2022	Fiscal 2020
Texas Low-Level Radioactive Waste Disposal Compact Commission	535	Fiscal 2022	N/A
Texas Medical Board	503	Fiscal 2020	Fiscal 2017
Texas Military Department	401	Fiscal 2017	Fiscal 2017
Texas Optometry Board	514	Fiscal 2020	
Texas Parks and Wildlife Department	802	Fiscal 2021	Fiscal 2018
Texas Public Finance Authority	347	Fiscal 2020	
Texas Racing Commission	476	Fiscal 2019	Fiscal 2021
Texas Real Estate Commission	329	Fiscal 2022	Fiscal 2019
Texas School for the Blind and Visually Impaired	771	Fiscal 2021	Fiscal 2019
Texas School for the Deaf	772	Fiscal 2019	Fiscal 2019
Texas Senate	101		Fiscal 2020
Texas State Board of Examiners of Psychologists	520		Fiscal 2017
Texas State Board of Pharmacy	515	Fiscal 2019	Fiscal 2017
Texas State Board of Plumbing Examiners	456	Fiscal 2020	Fiscal 2021
Texas State Board of Public Accountancy	457	Fiscal 2022	Fiscal 2019
Texas State Library and Archives Commission	306	Fiscal 2018	Fiscal 2016
Texas Treasury Safekeeping Trust Company	930	Fiscal 2020	Fiscal 2016
Texas Veterans Commission	403	Fiscal 2017	Fiscal 2018
Texas Water Development Board	580		Fiscal 2021
Texas Workforce Commission	320	Fiscal 2016 (H)	Fiscal 2020 (H)
Trusted Programs Within the Office of the Governor	300	Fiscal 2021	Fiscal 2018

\* Per SB 200, 84th Legislature, the Health and Human Services agencies transitioned down to three agencies. These agencies are counted as five agencies prior to 2017 and three agencies in later years.

(H) indicates agencies that are a CAPPs Hub agency within that specific tower. All agencies without the (H) indicator are CAPPs Central agencies.



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