

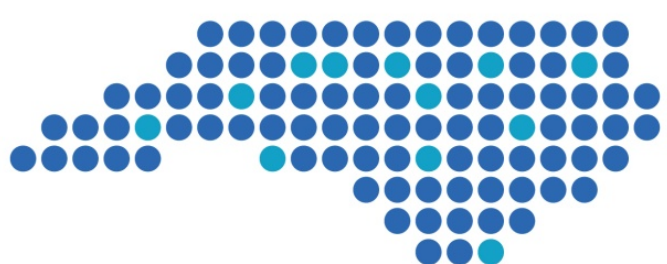
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**NORTH
CAROLINA
DEPARTMENT
OF REVENUE**

Joint Legislative Oversight Committee on General Government

**IT Projects Update
February 6, 2018**

**David Roseberry
Assistant Secretary CIO & CISO**



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Transformational Projects

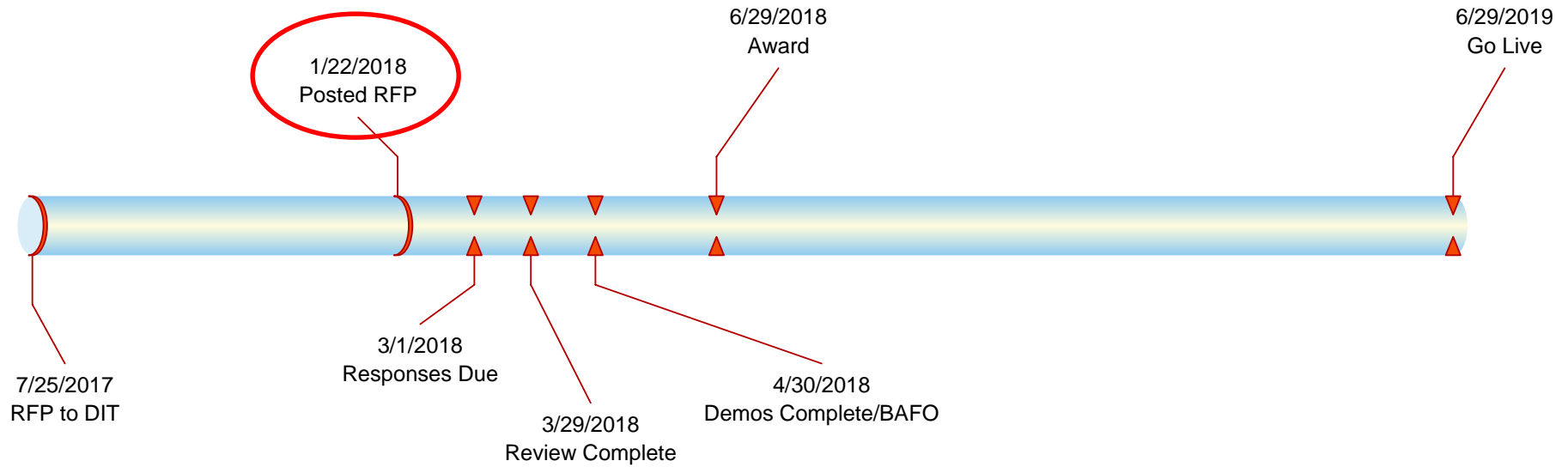
Projects that add, or significantly enhance,
capabilities of the Department of Revenue

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COLLECTIONS CASE MANAGEMENT PROJECT

Current systems are partially proprietary and the original system architects have retired. Malfunction could potentially reduce collections (\$600m annually)

- Implement a new collections case management system
- Retire internal applications used to augment the existing collections processes



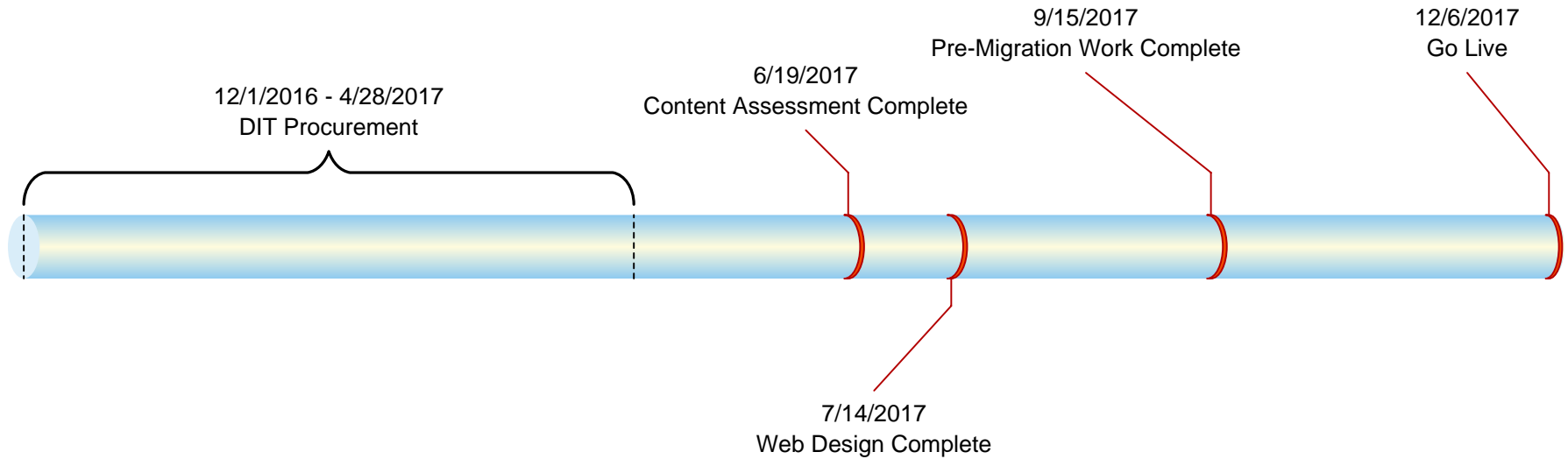
- Final billed only (Notice of Collection)
- If cloud based, must meet IRS regulations
- Budget (\$20m one time, \$5m recurring) will need to carry with the majority of the spend being around June 2019
- Project risks minimized
 - Process engineering work completed
 - Performance metrics already in place
 - Real world example will be provided to vendor for demo (must prove system can perform)
 - Pay for deliverables only
- (Later) Extended to proposed assessments for Exams, USUB and Excise taxes

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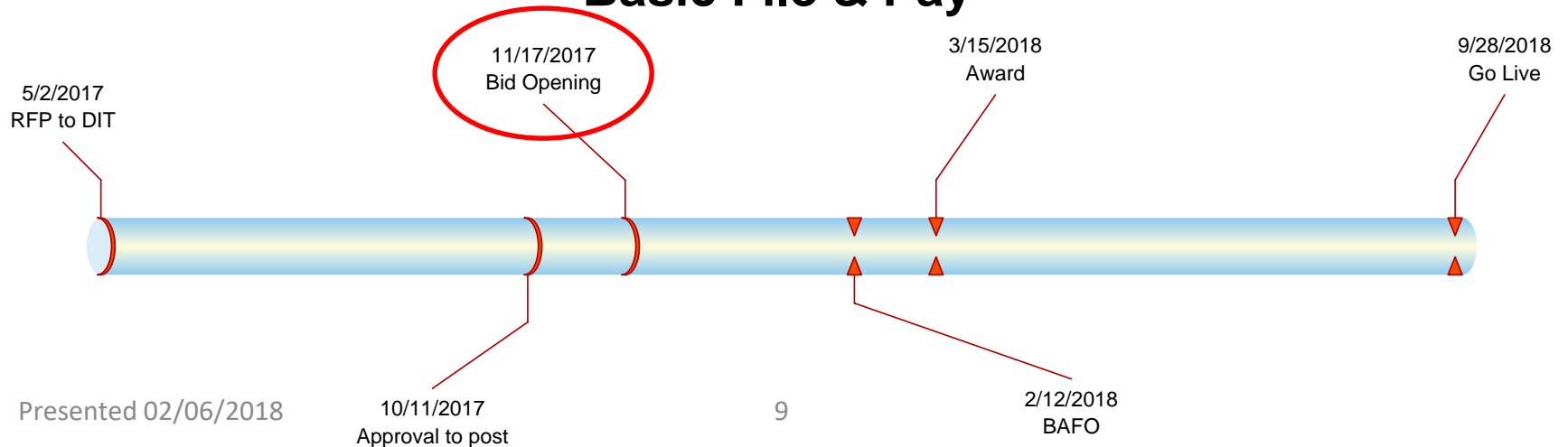
E-SERVICES MODERNIZATION PROJECT

- Provide a modern web portal
- Provide a modern platform to enable Agency businesses to take responsibility for content management.
- Position the Agency to expand upon existing services
- Create opportunities for future constituent services
- Update all eServices applications in successive waves

✓ Static Web Content



Basic File & Pay



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Submit NC3 and Withholding Statements

NC law requires all employers to file electronically. Use the eNC3 application to file original and amended NC-3s and withholding statements.

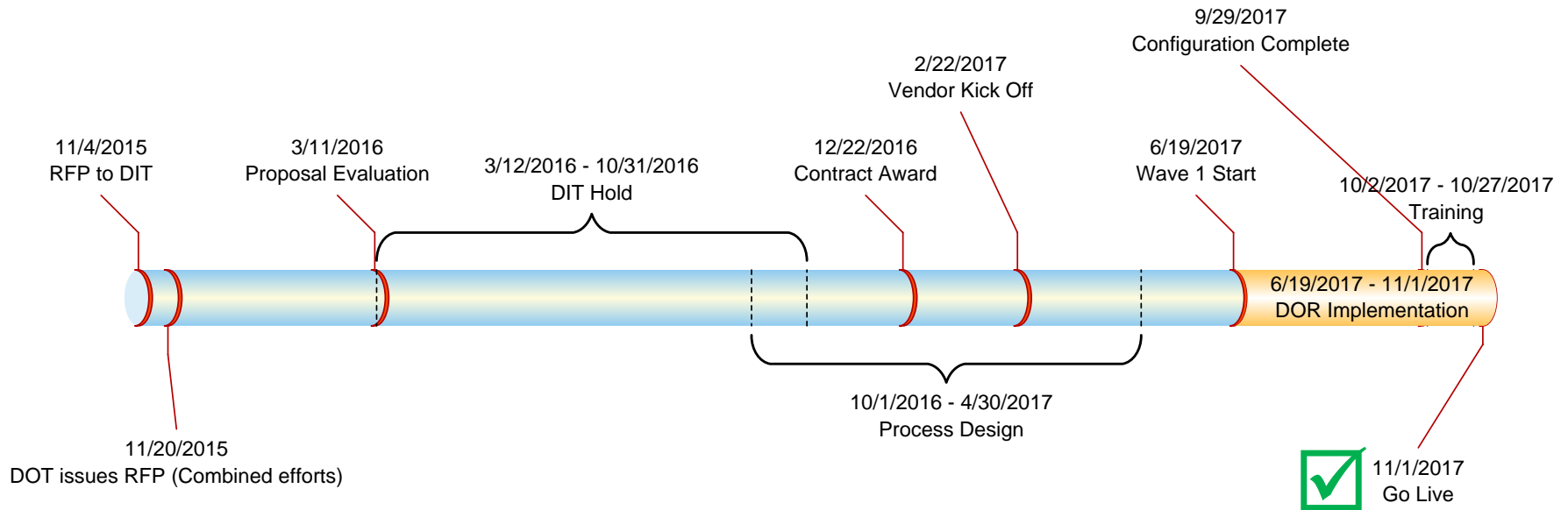
[eNC3 Information](#) →

- Award contract to vendor for non-validated file & pay applications
- Determine how much additional work DOR staff can do without assistance
- Prepare for eBusiness center work (significant)

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SERVICE NOW PROJECT

- Implement a workflow capability for the agency that supports cross divisional processes, automates work when possible and reduce paper
- Wave 1: IT, HR and Facilities first
- Implement in successive waves



How can we help?



Knowledge Base

Browse and search for articles, rate or submit feedback



Get Help

Contact support to report a problem (incident) for IT



Facilities Service Catalog

Browse the catalog for Facilities Services i.e. Maintenance, Printing and Graphics, Office Supplies, Cleaning, Workstation Reconfigures etc.



IT Service Catalog

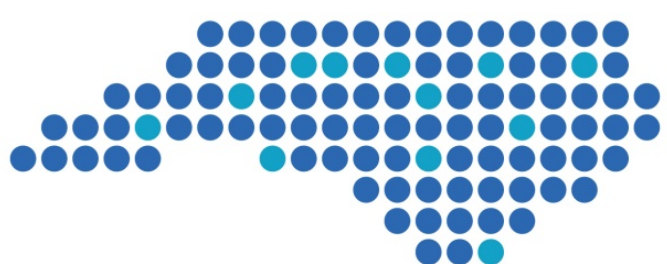
Browse the catalog for IT Services/Items i.e. PC Desktop/Laptops, Software, Telephones, Access, etc.



Human Resources Portal

Browse the HR Portal for HR Services such as Employee/Position Changes, New Hires, Safety, Employee Relations, & Learning & Organization Development

- Wave 2 (start March 1, 2018)
 - Taxpayer Assistance
 - Office of Taxpayer Advocacy
 - Request for Review
 - Asset Management
 - Contracts
 - IT Change Management
 - Extend reporting capabilities



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Operational Projects

Significant upgrades or overhauls of existing capabilities

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DATA WAREHOUSE UPGRADE

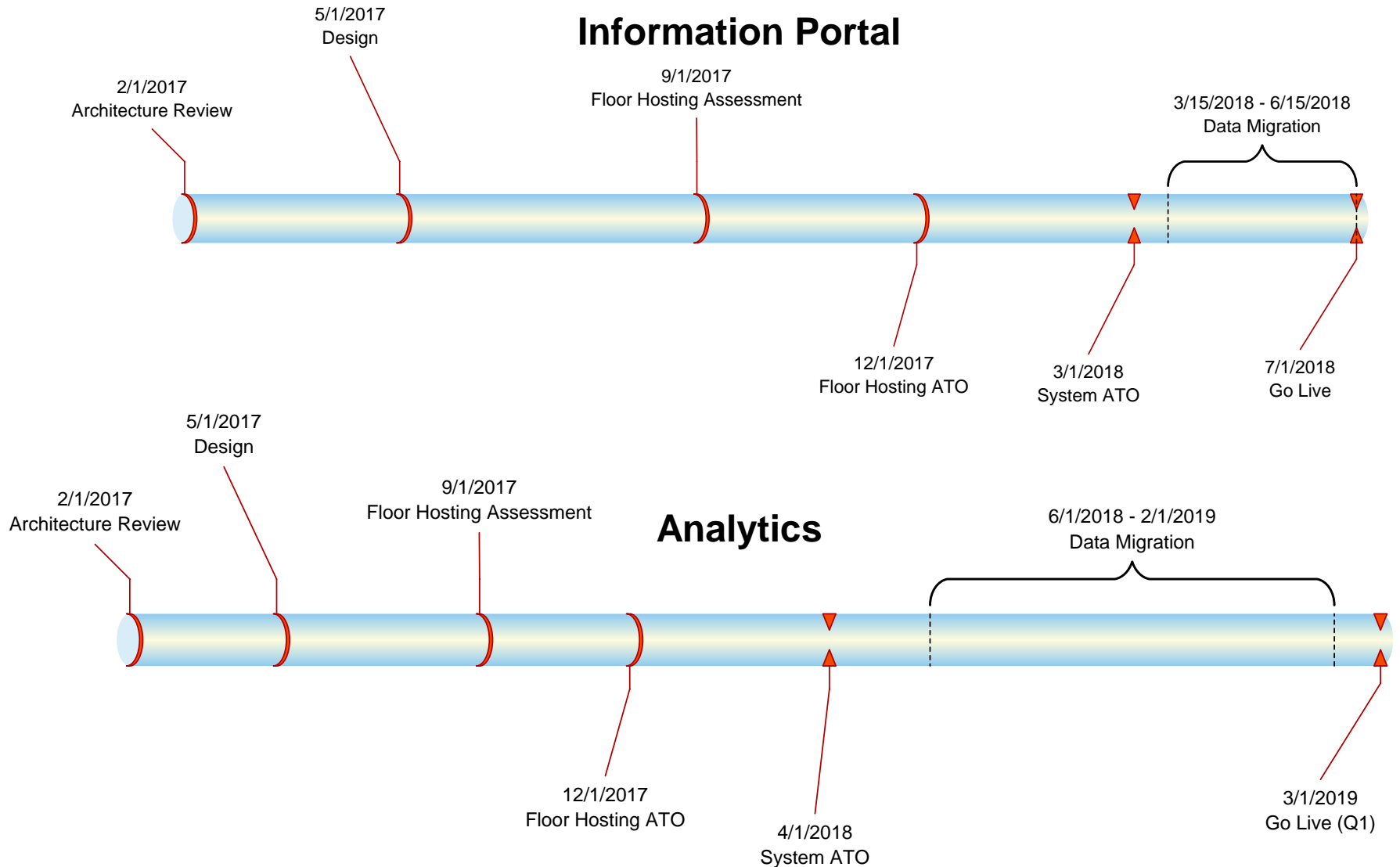
- Take responsibility for annual work to reduce dependency on vendor; transfer savings into additional capacity and capabilities
- Update systems to current standards; add capacity, features, increase power and security
- Utilize cloud services to lower maintenance and receive expert support

- ✓ Complete documentation of existing support processes (runbooks)
- Procure Oracle cloud services (PaaS)
- IRS 45 day notice
- 3rd party vendor certify software
- Needs to be live by June 2018 to be ready for TY18 tax season

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SAS SOLUTION ON DEMAND

- Move Information Reporting Portal to SAS Solution On Demand to increase capability, improve performance, take advantage of SAS expertise
- Move Advanced Analytics system to SAS Solution On Demand to increase capability, improve performance, take advantage of SAS expertise

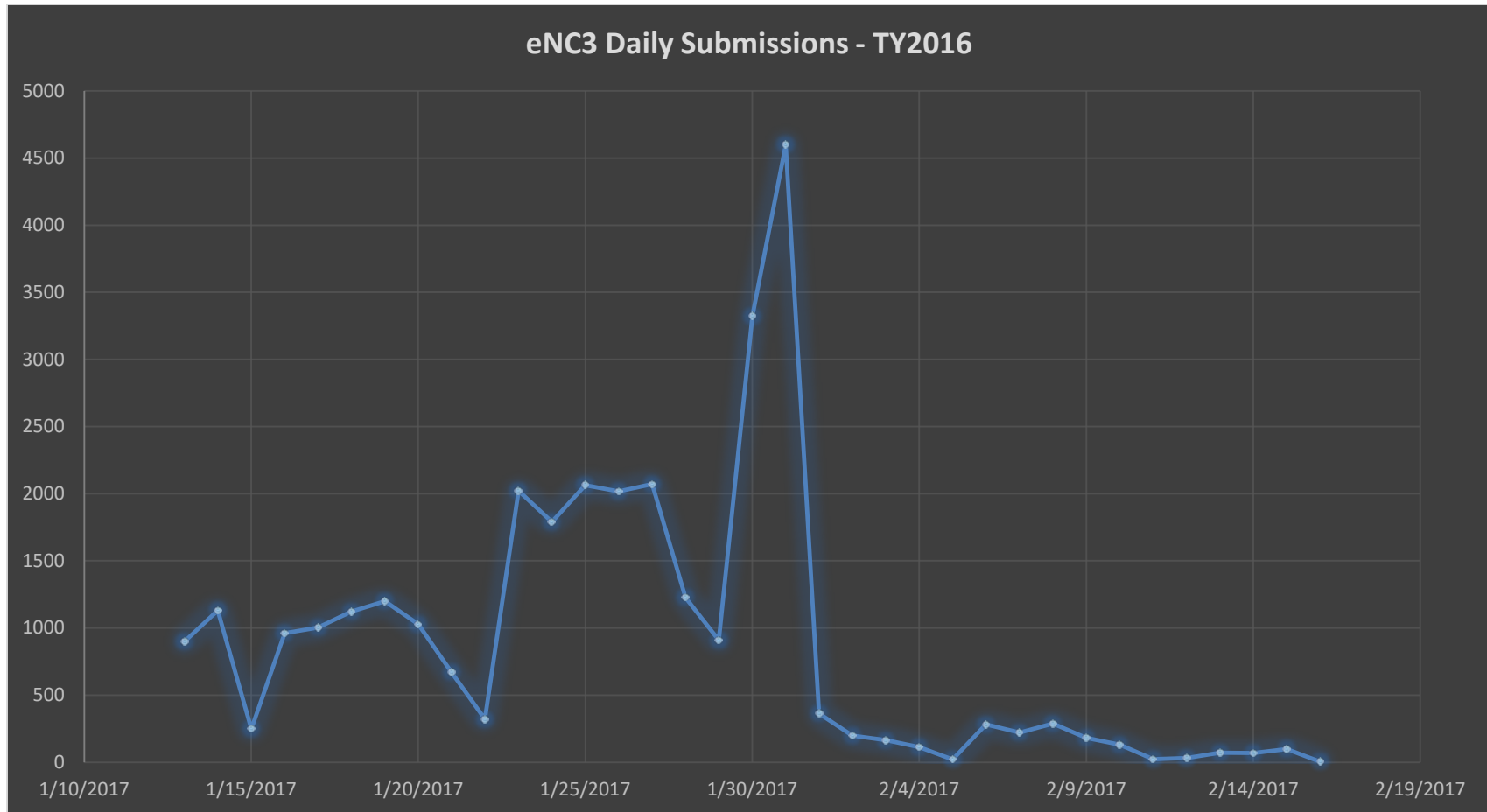


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INFORMATION REPORTING UPDATE

- Information reporting portal
 - NC-3 – G.S. 106-163.7
 - Alcohol vendor – G.S. 105-251.2
 - 1099K – G. S. 105-251.2
- Support refund fraud
- Generates assessments (i.e. Period 7/1/2017 – 10/31/2017)
 - Alcohol Vendor Data
 - 23 Cases
 - \$1.2m in assessments
 - 1099K data (Pilot Audit Program)
 - 34 Cases
 - \$1.6m in assessments

Project to update interface to improve compliance and reduce paper and CD submissions



- Submission can contain many items such as w2 and 1099 forms
- Total TY16 w2 submissions via portal – 1,139,346
- Total TY16 1099 submissions via portal – 268,278

- ✓ Project completed & Filing season closed
1/31/2018
- Enhance ABC compliance for TY18

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FUEL TRACKING SYSTEM UPGRADE

Purpose

System is utilized by taxpayers to file motor fuel tax returns or claims for refund electronically. Vendor proprietary application is out of support. Upgrade to the vendor's latest version of the application (cloud based).

- Bring application up to date with the vendor's application releases
- Add credit card payment capability
- Application will have self-service functionality that should reduce end-user support currently provided by Excise Tax staff.
- Application will require less IT support/maintenance needs

- ✓ SOW completed
- Sign MOU with DOT (funding and project)
- Start implementation 3/1/2017
- Target completion 3/1/2018