



Cover Sheet: PA Financial Disclosure On-line Filing Application

Category: Nomination for NASPE's Eugene H. Rooney, Jr. Award -
Innovative State Human Resource Management Program

Program title: Financial Disclosure On-line Filing Application
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Summary: PA Financial Disclosure On-line Filing Application

Each year, there are approximately 20,908 employees that are required to file the Statement of Financial Interest and approximately 19,645 required to file the Governor's Code of Conduct from 38 separate agencies.

This was a very labor intensive process for agency human resource offices as they strived to provide employees with mailings, notifications, reminders, and instructions, as well as filing and tracking both of these forms on paper. The review process was also routed and completed on paper by both the human resource offices and legal offices. Depending on the size of the agency, the process required dedicated resources to manage all the activities for a two-to-three month period on an annually recurring basis.

In March of 2008, the Office of Administration, Commonwealth of Pennsylvania, deployed the Financial Disclosure Application. The new electronic filing process was designed to meet the needs of enterprise human resource offices and legal offices, as well as the needs of current and former employees required to file the Statement of Financial Interest as defined by the State Ethics Commission and the Governor's Code of Conduct.

Original source code and framework for the online Financial Disclosure Application was received from the Administrative Offices of Pennsylvania Courts and expanded to meet enterprise requirements by existing commonwealth staff members and a consultant from Microsoft. In all aspects related to the foundation and ongoing support of new systems and processes, Pennsylvania always strives to maximize available resources and leverage existing technology and investments.

The Office of Administration faced many challenges in creating an enterprise system that would meet the needs of all those involved in this process. Integration with existing employee data was crucial to the development of this new process, and the application continues to evolve to meet a wide range of needs. Additionally, public employees, board members, attorneys, and public officials all complete the same form, but the review process and routing vary. Similar questions are included on both forms that employees are required to answer.

This comprehensive application allows employees to answer questions only once and distributes the information on to the appropriate forms as required. It also routes the forms through the proper channels, notifying offices when they have forms to review. Agencies and management also have the ability to run high-level overview reports, as well as search and obtain detailed information using the audit trail functionality. This has eliminated the need for all manual tracking devices and filing systems.

Narrative: PA Financial Disclosure On-line Filing Application

1. Please provide a brief description of this program. The online Financial Disclosure application is the Commonwealth of Pennsylvania's enterprise solution to annual financial disclosure filing requirements under the PA State Ethics Act and Governor's Code of Conduct. The application provides employees with an automated solution for filing which is pre-populated with employee specific information housed in the Commonwealth's HR/Payroll System, allowing employees the opportunity to verify without having to input all required fields in the forms. The application takes employees through a set of questions and when finished, populates the two individual forms required for filing. The application sends automated notifications to employees who are required to file and reminder notifications prior to the filing deadline. The application also generates delinquent notifications to employees if they do not file by the required May 1st deadline.

The online system also allows agencies to easily track who has completed the required filings and provides standard reports for agency human resource and legal staff to follow-up with delinquent filers. Agency human resource and legal offices can review the forms for completeness and send an automated rejection notification to employees if information is not completed properly.

2. How long has this program been operational (month and year)? The financial disclosure application has been operational since March of 2008. Since that time, we have made improvements and it continues to evolve to meet the needs of commonwealth employees required to complete financial disclosure statements and also to meet the needs of agency human resource offices.

3. Why was this program created? (What problem[s] or issues does it address?) Prior to the March 2008 rollout of the online filing application, Pennsylvania did not utilize an automated system to manage and track employee filings. This was a very time consuming and paper intensive process. This resulted in a tracking and record keeping environment that varied radically across agencies under the Governor's jurisdiction. As a result, numerous problems surfaced as commonwealth agencies attempted to manage the process. Record keeping varied from paper and pencil to database systems that were customized for the needs of individual agencies. Integration with existing human resource systems did not exist and the process of forms did not flow easily throughout the commonwealth. The creation of the online Financial Disclosure application has saved countless hours of manual tracking and has completely eliminated the paper process of returning forms to employees for common errors.

This system is also available to former commonwealth employees who are required to file financial disclosure forms under the PA State Ethics Act.

4. Why is this program a new and creative method? The automated financial disclosure application not only provides agencies with the means to track and report on filings, but it also provides employees with the ability to file electronically and save their information from the previous year. The online filing application has unified record keeping processes; it also solved the problem of tracking delinquent filers, sending reminders, and providing necessary reports to senior management. Agency human resource offices and legal offices have the ability to return incorrect forms to employees electronically with comments so that employees can make the necessary change or clarifications required.

Additionally, rather than completing repetitive questions on both forms, employees are able to answer inquiries only once and the electronic application places the information on the appropriate form based on the specific information provided.

5. What was the program's start up costs? The initial start up costs were approximately \$73,000 which included the software and hardware, as well as developmental costs associated with this project. Funding was provided through a partnership with the commonwealth's largest agency, the Department of Public Welfare. One consultant from Microsoft worked with the Office of Administration on this project; however, as of March 2008, all alterations and enhancements have been made using existing resources and staff. No additional staff was hired to complete this project or to maintain it currently.

6. What are the program's operational costs? There is a yearly maintenance cost associated with back up supplies of \$1,968.84. Every four years when new hardware needs to be purchased, it will cost approximately \$19,909. These are worthwhile investments in the effort to provide efficient services to employees and human resource offices commonwealth-wide.

7. How is this program funded? The cost of the annual maintenance is absorbed by the Office of Administration.

8. Did this program originate in your state? We are not aware of any other states implementing an automated financial disclosure filing solution prior to March 2008.

9. Are you aware of similar programs in other states? If yes, how does this program differ? To the best of our knowledge, no other states have an electronic filing process for financial disclosure forms.

10. How do you measure the success of the program? In 2008, employees were required to disclose their information for the 2007 calendar year. 20,908 employees were required to file the Statement of Financial Interests forms as required by the state Ethics Commission. Of those employees, 19,801 filed

electronically. Similarly, 19,027 employees completed the Governor's Code of Conduct form out of the 19,645 required to file. We have seen a dramatically increased number of employees filing their forms on time or early, and have also undoubtedly seen fewer mistakes on the forms due to the clarity and instructions readily available. Agencies also provided positive feedback that they were very pleased with the new electronic capabilities and easy processing for their human resource and legal offices, as well as for their employees.

The commonwealth estimates a savings of approximately \$400,000 as a result of employees filing the approximately 40,000 forms through the online financial disclosure application in 2008. We anticipate even greater annual savings during the 2009 filing year as approximately 50,000 forms will be required.

11. How has the program grown and/or changed since its inception? New improvements to the application include allowing returning users to have much of their information pre-populate from the information they provided the previous year. This, along with the data that pre-populates from the HR/Payroll system, saves the user a significant amount of time when filling out the forms. Also, agencies now have the ability to upload paper forms for each employee, if needed. This is especially useful in eliminating the need to keep any further paper files, even if employees do not have computer access to complete their filing process electronically. In addition, the application allows for forms to be routed appropriately depending on the necessary review process for each employee.

Other enhancements have included the following: 1) independent agencies can use the automated online process; 2) additional email notifications can be sent to employees; and 3) employees can file amended forms electronically. Lastly, there was no reporting component in the initial release of the application. Since the go-live date, various reports have been created to assist human resource offices and legal offices in producing information for senior level staff and for their own internal needs as they arise.