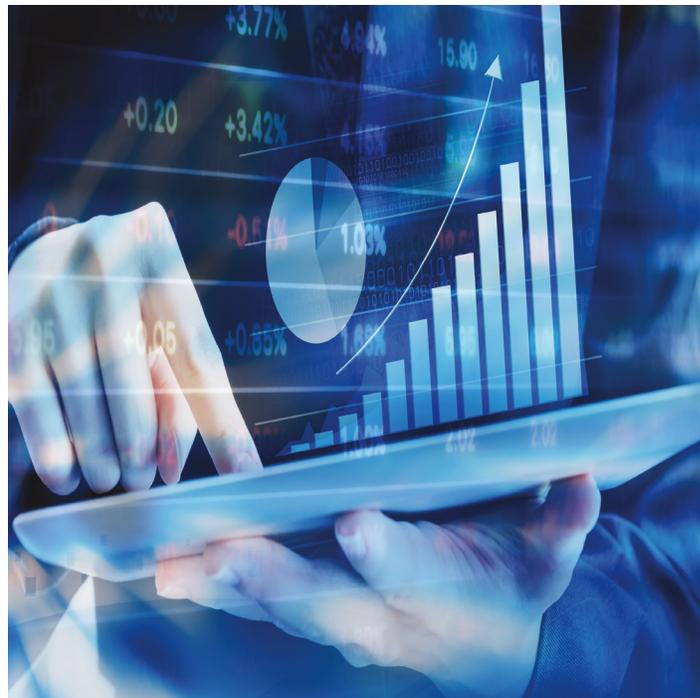
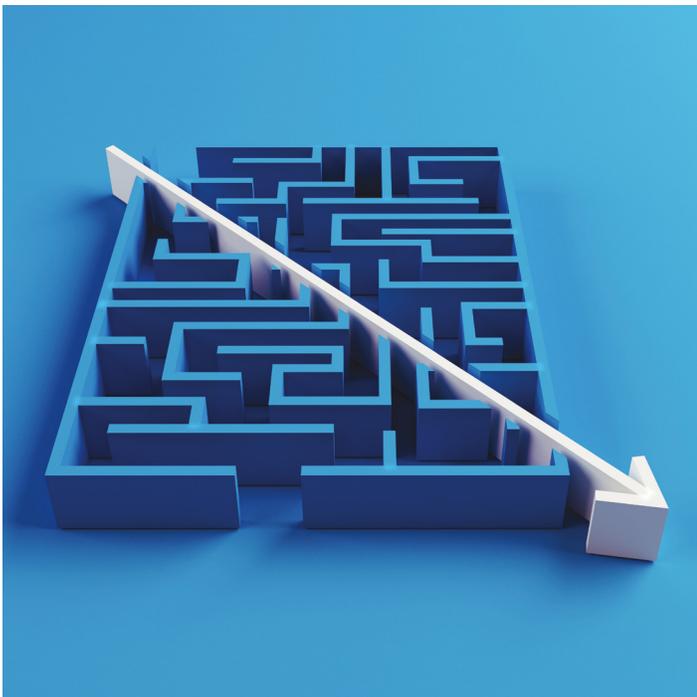




Glenn Hegar Texas Comptroller of Public Accounts

Agency Workforce Plan

2021-2025



Agency Workforce Plan

2021-2025



I. OVERVIEW OF AGENCY SCOPE AND FUNCTIONS

The Texas Comptroller of Public Accounts, created by the Texas provisional government on December 30, 1835, was directed to keep an account of the nation's debts and pay those debts as money became available. The Comptroller's office continued as an appointed position in the Republic of Texas and, after statehood, became an elected position authorized by Article V, Section 23, of the Texas Constitution of 1845.

Today, the Comptroller's office serves virtually every citizen in the state. As chief tax collector, accountant, revenue estimator, treasurer and purchasing manager, the agency is responsible for overseeing the multibillion-dollar enterprise of Texas state government. If Texas were a country, it would have had the ninth largest economy in the world in 2019.

As chief financial officer, the Comptroller's office collects taxes and fees owed the state. Most of the office's duties and powers are enumerated in the Texas Tax Code and in Chapters 403 and 404 of the Texas Government Code. As guardian of the state's fiscal affairs, agencies depend on the Comptroller's office to pay bills and issue paychecks to state employees. Legislators rely on the Comptroller's office to guide the development of the Texas economy, produce annual financial reports and estimate future state revenues. Local officials and businesses look to the agency for economic development guidance and data analysis. Taxpayers rely on the Comptroller's office for assistance and guidance regarding compliance with tax laws. All Texas residents depend on the integrity and efficiency of the Comptroller's office to safeguard public tax dollars and ensure funds are managed wisely.

The Comptroller's office also receives, disburses, counts, safeguards, records, allocates, manages and reports on the state's cash. In addition, the Comptroller chairs the state's

Treasury Safekeeping Trust Company, which invests, manages and oversees more than \$65 billion in assets.

The agency is committed to cultivating a healthy economic environment in Texas by providing a range of services to a variety of stakeholders, including business owners, taxpayers, local officials, Historically Underutilized Businesses and citizens of Texas. In addition to the economy, the Comptroller's office promotes energy efficiency programs that help create a healthy and viable future for generations to come.

Business Owners and Business Taxpayers

The Comptroller's office provides Texas business owners with online resources to help them get ahead, from tax help and economic data to up-to-the-minute information on the impact of proposed legislation. The agency's website, [Comptroller.Texas.Gov](https://www.comptroller.texas.gov), offers business owners and taxpayers:

- online tax payments, sales tax permits, downloadable tax forms and registration as a state vendor;
- general information about state taxes, including relevant statutes, Comptroller rules and preprinted tax-related forms;
- the latest news, trends and analysis on issues affecting the state's economy and business climate, including economic indicators, forecasts and in-depth reports;
- the Transparency Data Center, which gives users access to data and analysis, including customizable research for revenue planning, financial analysis, economic forecasting, site-location decisions and issues affecting trade, industry and growth;
- the Comptroller's State Revenue and Expenditure tool, which can be used to identify opportunities to do business with the state through a review of state agency expenditures and vendors;

- access to the state's Centralized Master Bidders List (CMBL), which offers registered vendors opportunities to do business with the state; and
- up-to-date information on federal actions related to endangered species, as well as air and water issues that could affect Texans and the Texas economy, including interactive maps that display endangered species habitats, pending environmental action alerts and economic impacts.

In addition to its web resources, the Comptroller's office offers telephone assistance for each of the taxes it administers, as well as toll-free telephone filing for certain sales tax reports. Agency field offices throughout Texas can accept tax returns and payments, assist with tax permit applications and returns, answer taxability and collection-related questions and process requests for permits, licenses and decals. The agency also provides taxpayer seminars online and around the state. These seminars provide useful information for buyers, sellers and service providers.

Historically Underutilized Business (HUB) Owners

Texas law requires state agencies and universities to work with businesses that are certified as HUBs. The goal of the Comptroller's statewide HUB Program is to actively involve HUBs in the procurement process and ensure equal and fair treatment and access.

Minority members, woman and service-disabled veteran owned businesses can apply for HUB certification and acquire valuable information regarding state contracts and subcontracting opportunities. HUB-certified companies received almost \$2.7 billion in contracts and nearly \$982 million in subcontracting opportunities in fiscal 2019. During that same year, 768 HUBs were certified to conduct business with the state, bringing the total number of HUBs to 15,687. The Comptroller's office continues to promote these opportunities as part of its long-term goal and provide support and guidance when needed.

Local Officials

The state of Texas offers several local economic development programs for Texas communities. The Data Analysis and Transparency Division provides detailed information about these programs, serving as a turnkey information source for improving government efficiency and achieving economic growth. Subjects include:

- tax programs and incentive support;
- job creation initiatives;
- economic impact analysis;
- financial transparency;
- limited financial exposure; and
- budgeting efficiencies.

The Comptroller's office also provides local governments with vital management assistance to help streamline operations, improve customer service and ensure compliance with state laws. Local governments can obtain up-to-date data for revenue planning and analysis, economic forecasting and site location decisions. Online information is available for local taxing authorities, including current and historical sales and use tax information, tax rate histories for each taxing jurisdiction, answers to frequently asked questions and mixed beverage tax allocation payments. In addition:

- The Texas SmartBuy Membership Program provides cities, counties and school districts with access to goods and services from competitively bid statewide contracts. The program greatly simplifies the purchasing process for hundreds of thousands of common items.
- The TexPool and TexPool Prime programs, with assets totaling more than \$30 billion, offer a convenient and effective option for the investment of local funds. As AAA-rated local investment vehicles, the programs serve participants throughout the state and are vital tools for maintaining safe and stable community revenues.
- The Property Tax Assistance Division provides advisory and monitoring services for Texas' system of local property taxation, including explanations of exemptions and reporting requirements and rights and remedies under Texas law.
- The State Energy Conservation Office (SECO) partners with local governments, county governments, public K-12 schools, public institutions of higher education and state agencies to reduce utility costs and maximize efficiency. Throughout the year, SECO announces various funding opportunities to support efficiency programs, including loans and energy grants. These loans and grants deliver a variety of energy efficiency and renewable energy programs that significantly reduce energy costs and consumption for state and local governments. These programs also provide technical resources to utilize energy efficiency, financial assistance to complete energy retrofits and educational materials to make the public aware of the necessity for an energy efficient society. In 2019 alone, the SECO program

achieved more than \$41.7 million in energy savings by state and local governments for building retrofit projects.

Everyday Texans

From economic news to in-depth special reports, the Comptroller's office offers leading-edge analysis and data on issues that affect all Texans. By leveraging the power of modern communication tools, including the internet, social media and video, the agency keeps Texans up to date with a changing world.

- The Comptroller's data visualization tools provide detailed information about state spending. This information includes downloadable tax and financial data from a variety of sources in raw, machine-readable, platform-independent datasets. Links to local government transparency efforts and general information about the state budget process are also available. By demystifying state spending and providing easy access to those numbers, the agency ensures greater accountability to the public on how tax dollars are spent.
- Anyone can sign up to receive agency email updates on topics ranging from franchise taxes to economic indicators, or subscribe to *Fiscal Notes*, which provides in-depth articles on issues and events affecting the state.
- The agency offers a searchable online database of unclaimed property to reunite owners or heirs with abandoned or unclaimed properties. Claims can be generated online, with staff available to assist. To-date, more than \$3 billion in unclaimed property has been returned to its rightful owners.

Citizens can report fraud to the agency's Criminal Investigation Division, which works to keep taxes as low as possible by detecting, deterring and publicizing criminal conduct and fraud involving state tax laws.

The Comptroller's office offers a variety of programs to support and develop an educated and trained Texas workforce, including a one-stop center for planning a college career in Texas, with information on Texas colleges and universities, scholarships, savings strategies and more.

The Comptroller's office also administers the Texas Achieving a Better Life Experience (Texas ABLE) Program. Texas ABLE, based on federal and state legislation, provides Texans with disabilities and their families the opportunity to save money for disability-related expenses in a tax-advan-

tagged account without losing their eligibility for certain public benefits.

The Texas Bullion Depository, which opened in June 2018, is the first state-administered precious metals depository in the country. The depository allows all citizens to increase the security and stability of their gold reserves and precious assets without having to store it in facilities outside the state.

AGENCY MISSION

The Office of the Texas Comptroller of Public Accounts will serve the people of Texas by applying tax and fiscal laws fairly and consistently. We will continue to improve our services through innovative management and technology, carrying out all our duties with integrity, openness and at the least cost to the taxpayer.

AGENCY PHILOSOPHY

We will carry out our duties openly, ethically and fairly. We will emphasize transparency and ensure greater accountability by making records freely accessible. We will listen to those we serve and ask them to judge our performance. We will deliver more services at lower costs by continually examining and improving the efficiency of our work. Employees will be rewarded for initiative, good ideas and productivity. While mindful that the human element is the source of creativity, we will seek and use innovative technology that will allow us to do our jobs quickly and more efficiently. We will keep our word and deliver what we promise.

COMPACT WITH TEXANS – WHAT YOU CAN EXPECT

The Comptroller's office serves every citizen in the state in its role as steward of the state's fiscal affairs. Each of the agency's strategic goals supports the desire to provide the public with quality customer service.

Customer Service Principles

- Dynamic Assistance
- Quality Work
- Accessible Staff and Facilities
- Fair and Equitable Treatment
- Innovation and Improvement
- Privacy and Confidentiality
- Fast Response to Problems
- Fraud Prevention

Dynamic Assistance

The Taxpayer Bill of Rights summarizes the agency's commitment to customer service for Texas taxpayers. It is designed to ensure that service received from the Comptroller's office not only meets customer needs but exceeds customer expectations.

Texas taxpayers have the right to:

- fair and equitable treatment
- privacy and confidentiality
- understand the taxes paid
- pay only what is owed
- fair representation
- contest a decision
- request a waiver of penalties
- simpler tax filing
- courteous, accessible assistance
- know how government spends taxpayer dollars

Quality Work

Trained and professional staff aim to get every detail right the first time. If staff does not deliver quality service, the agency's customer service liaison is available at 1-888-334-4112.

Accessible Staff and Facilities

Agency staff can be reached by email, telephone or letter or by visiting any of the offices located across Texas.

Headquarters Address:

111 East 17th Street
Austin, Texas 78774

Mail correspondence, including requests for private letter rulings and general information letters, to:

P.O. Box 13528 Capitol Station
Austin, Texas 78711-3528

Agency switchboard:

1-800-531-5441
(8 a.m.–5 p.m., CST, Mon.–Fri.)

Fair and Equitable Treatment

The Comptroller's office promises tax and fiscal processes that are fair, equitable and timely.

Innovation and Improvement

Customer input is critical to the agency's continuous improvement efforts. Customers are surveyed on a regular basis to obtain input and ideas to improve agency processes.

Privacy and Confidentiality

The Comptroller's office will follow the letter of the law when it comes to privacy and confidentiality.

Fast Response to Problems

Despite the agency's best efforts, problems may arise. All complaints are handled with a sense of urgency and respect. When filing a complaint, expect a response within 10 working days. Contact the agency's customer service liaison at 1-888-334-4112, via the web <https://comptroller.texas.gov/web-forms/support/> or by letter to Customer Service Liaison, P.O. Box 13528, Austin, Texas 78711.

Fraud Prevention

The State Auditor's Office is authorized to investigate allegations of fraud and illegal activity affecting state resources. Anyone with information about the misuse or misappropriation of state resources can report this information, by phone, to 1-800-TX-AUDIT or use the State Auditor's fraud website.

Our Customer Service Standards

Agency staff will treat all customers with care and attention whether filing a tax return, undergoing an audit or simply seeking information.

- Telephone messages left with the Customer Service Liaison will be returned within 24 hours.
- Complaint letters sent to the Customer Service Liaison will receive responses within 10 working days.

The Comptroller's office regularly assesses customer satisfaction levels through several surveys and report cards. Because of the complexity and range of duties performed by the agency, service areas individually survey their customers. The agency also monitors its progress through performance measures designed to evaluate the level of customer satisfaction with major areas of the agency.

OUR GOALS, OBJECTIVES AND STRATEGIES

GOAL I.

Improve voluntary compliance with the tax laws.

Texas Tax Code, Titles 2 and 3.

As state government's chief tax collector, the Comptroller administers the state's tax laws through auditing, enforcement and the dissemination of tax policy information. Voluntary compliance is viewed as the cornerstone of tax administration. The state's ability to fund its many programs depends in large part on taxpayers meeting their tax responsibilities willingly.

Our Objectives:

- Increase the accuracy of audits and improve assessments from audits
- Achieve average account closure rates, ratios and turn-around times
- Improve taxpayer ratings of accuracy and speed of information disseminated
- Issue timely position letters, motions to dismiss or case resolution agreements

Our Strategies:

- Maintain an ongoing program of audit and verification activities
- Improve compliance with tax laws through contact and collection programs
- Provide information to taxpayers, government officials and the public
- Provide tax hearings, represent the agency and provide legal counsel

GOAL II.

Efficiently manage the state's fiscal affairs.

Texas Constitution, Art. III, Sections 49a, 49g, 49k; Texas Local Gov't Code, Sections 112.003, 154.008; Texas Gov't Code, Chapters 41, 401, 403, 404, 604, 608, 659-662, 666, 815, 825, 830, 840, 1201, 2101, 2103, 2155-2157, 2252, 2254; Texas Election Code, Chapter 19; Texas Property Code, Chapter 74.

As Texas' chief financial officer, the Comptroller manages most of the state's fiscal affairs. The Comptroller is state government's primary accountant, responsible for writing the state's checks and monitoring all spending by state agencies. The Comptroller is also the state's official revenue

estimator, providing the Legislature with anticipated state revenue information.

Texas' constitution mandates that the Legislature may only pass a budget that is within the amount of anticipated revenue collected and precludes the occurrence of a deficit. Therefore, the job of accurately estimating future revenue is an important function in order to ensure stable funding is maintained for state government.

Our Objectives:

- Maintain the state's accounting system
- Achieve a variance of +/-3.5 percent or less between estimated and actual total state tax revenue collections
- Certify the General Appropriations Act
- Obtain a customer satisfaction rating of good or excellent
- Increase the use of direct deposits
- Ensure the accuracy of the property value study
- Maximize state revenue by processing monies electronically
- Ensure the receipt of quality, cost-effective goods and services

Our Strategies:

- Project, account, audit and report receipts and disbursements for the state
- Issue payments
- Provide assistance and training to state agencies
- Maintain an integrated and uniform financial management system
- Conduct a property value study and provide assistance to appraisal districts
- Ensure that the state's assets and cash receipts are properly secured
- Provide statewide procurement and support services to state agencies and cooperative entities

GOAL III.

Expediently manage the receipt and disbursement of state tax revenue.

Texas Gov't Code, Chapter 403; Texas Tax Code, Titles 2 and 3; Texas Property Code, Chapters 72-77.

As the state's chief tax collector, the Comptroller is responsible for collecting more than 60 separate taxes, fees and assessments, including local sales taxes on behalf of more than 1,600 local jurisdictions. This responsibility includes

maintaining taxpayer accounts and processing tax payment exceptions and adjustments.

Our Objectives:

- Generate taxpayer refunds
- Return tax allocations
- Maintain document processing times

Our Strategy:

- Improve tax and voucher data processing, tax collection and disbursements

GOAL IV.

Develop and maintain a skilled workforce, committed to quality performance.

(No specific statutory authorization.)

The Comptroller’s complex and varied duties require experienced, highly trained employees. The Comptroller’s pledge is to provide useful training and educational opportunities for all staff. Extensive efforts have been made to make high-quality training available and accessible to those who need it, when they need it. Respectful, honest and timely communication with the public and government officials is key to the agency. Keeping employees and customers well informed about policies, issues and other concerns is important to helping them make sound and well-informed decisions.

Our Objective:

- Ensure that each year the Comptroller’s workforce will be able to attend classes that will enable them to become more productive and knowledgeable employees.

Our Strategy:

- Make high-quality training available and accessible to those who need it, when they need it.

GOAL V.

Maximize customer satisfaction by improving services while minimizing administrative burdens on those we serve.

(No specific statutory authorization.)

The Comptroller’s office serves two types of customers. The agency’s external customers are the taxpayers, vendors, state agencies and government officials for whom it provides various services. The nature of the agency’s relationship to its external customers is different from those in the private

sector, in that most of the agency’s customers are required by law to do business with the Comptroller’s office. Success in improving voluntary compliance with tax laws depends in large part on the level of satisfaction external customers feel toward the agency’s services.

Within the Comptroller’s office, divisions support each other, thus creating internal customers. The level of service provided internally is a crucial factor in efforts to achieve the agency’s goals externally.

Our Objective:

- Attain highest ratings possible from those we serve as evidenced by feedback provided through surveys, cards or any other measuring device used by the agency.

Our Strategy:

- Improve services delivered to our internal and external clients in support of the Comptroller of Public Accounts’ mission to serve the people of Texas.

GOAL VI.

Establish and carry out policies governing purchasing and contracting that foster meaningful and substantive inclusion of Historically Underutilized Businesses (HUBs).

Texas Gov’t Code, Chapter 2161.

The Comptroller’s HUB Program is committed to promoting equal opportunities in the contract awards process for HUBs statewide and to serving as an exemplary model for other state agencies in meeting the HUB mandate.

Our Objective:

- Include HUBs in at least 32.9 percent of all agency dollars spent for special trade construction; 26 percent of all agency dollars spent for other services; and 21.1 percent of all dollars spent for commodities.

Our Strategy:

- Maintain ongoing program of activities to ensure HUB vendor participation in the procurement process.

II. CURRENT WORKFORCE PROFILE (SUPPLY ANALYSIS)

CORE FUNCTIONS AND CRITICAL WORKFORCE SKILLS

Core Functions

- Collect state taxes and fees
- Enforce tax laws
- Provide tax assistance
- Oversee the state's fiscal affairs
- Estimate state revenue
- Monitor state expenditures
- Process and deposit state revenue
- Manage statewide purchasing and contracts

Critical Workforce Skills

Workforce skills are critical to the agency's ability to operate. The Comptroller's office could not effectively accomplish basic business functions without skills in:

- Customer service
- Analysis and research
- Problem solving
- Communication (verbal and written)
- Computer proficiency (skills requirements range from entry-level end-user to highly skilled information technology specialist)
- Information security analysis
- Project management
- Investigation
- Auditing and accounting
- Financial analysis
- Management

Workforce Demographics

As of April 2020, the Comptroller's office had a total headcount of 2,760 employees. The following tables profile the agency's workforce, including both full-time and part-time employees.

The Comptroller's workforce is 42.2 percent male and 57.8 percent female. Almost 39 percent of the agency's workforce is 50 years or older.

Approximately 65 percent of the workforce has 10 years or less of experience working in the Comptroller's office with proficiency levels ranging from minimal knowledge to working knowledge of processes. Almost 21 percent of the Comptroller's workforce has 11 to 20 years of tenure, with

expertise ranging from working knowledge to the mastery level. Employees with 21 years or more of experience with the Comptroller's office, with expertise levels ranging from mastery to acknowledged subject-matter expertise, comprise 14 percent of the workforce. These employees are also keepers of institutional business knowledge.

To prevent a decline in knowledge and experience levels within the next five years, strategies have been implemented to address the transfer of institutional business knowledge and professional expertise.

WORKFORCE BREAKDOWN

Gender

	Number of Employees	Percent of Employees
Male	1,166	42.2%
Female	1,594	57.8%

Source: Centralized Accounting and Payroll/Personnel System

Agency Age

	Number of Employees	Percent of Employees
20–29 years	261	9.4%
30–39 years	709	25.7%
40–49 years	715	25.9%
50–59 years	686	24.9%
60–69 years	351	12.7%
70 and older	38	1.4%

Source: Centralized Accounting and Payroll/Personnel System

Agency Tenure

	Number of Employees	Percent of Employees
0–5 years	1,263	45.8%
6–10 years	532	19.3%
11–15 years	342	12.4%
16–20 years	237	8.6%
21–25 years	131	4.6%
26–30 years	92	3.3%
31–35 years	77	2.8%
36–40 years	45	1.7%
Over 40 years	41	1.5%

Source: Centralized Accounting and Payroll/Personnel System

COMPTROLLER WORKFORCE VERSUS STATEWIDE CIVILIAN WORKFORCE

The following table compares the percentage of African American, Hispanic and female Comptroller employees (as of April 2020) to the statewide civilian workforce as reported by the Texas Workforce Commission’s Civil Rights Division. For most job categories, the agency’s workforce is well represented in proportion to their availability in the statewide civilian workforce.

Statewide Employment Statistics

Job Category	African American Comptroller	African American State	Hispanic American Comptroller	Hispanic American State	Female Comptroller	Female State
Officials/Administrators	11.9%	8.1%	21.8%	22.4%	54.5%	38.8%
Administrative Support	24.6%	14.3%	39.7%	36.4%	69.5%	71.6%
Professional	14.9%	10.9%	27.2%	20.3%	54.2%	54.5%
Protective Services	13.8%	20.8%	34.5%	30.9%	17.2%	23.0%
Technical	14.3%	14.4%	17.1%	29.2%	45.7%	55.2%

Source: Centralized Accounting and Payroll/Personnel System and Texas Workforce Commission (TWC); statistics extracted from TWC’s Equal Employment Opportunity and Minority Hiring Practices Report Fiscal Years 2017-2018

Employee Turnover

While the state’s turnover rate has hovered around 18.8 percent during the past five years, the agency’s turnover rate has averaged about 7.7 percentage points lower, at 11.1 percent. During the past two years, the average gap between the agency and state turnover rates — 8.4 percent — has been even larger than the gap seen during the economic downturn in 2009, when the agency’s turnover rate was 7.3 percentage points lower than the state average.

Overall Turnover

Fiscal Year	Comptroller	State
2019	11.3%	20.3%
2018	11.6%	19.3%
2017	10.0%	18.6%
2016	11.6%	17.6%
2015	10.8%	18.0%
2014	10.1%	17.5%
2013	12.7%	17.6%
2012	12.0%	17.3%
2011	11.4%	16.8%
2010	9.3%	14.6%
2009	7.1%	14.4%

Source: State Auditor’s Office (SAO); SAO statistics derived from An Annual Report on Full-Time Classified State Employees Turnover (for respective fiscal years)

As indicated by the following table, however, 47.2 percent of the employees lost in fiscal 2019 were in job classifications critical to the agency’s tax and revenue administration functions.

Turnover by Job Classification

Classification Job Series	Total Terminations
Tax Auditor	71
Tax Compliance Officer	33
Accounts Examiner	38
Program Specialist	3
Tax Analyst	5

Source: Centralized Accounting and Payroll/Personnel System (Fiscal 2019 data)

Despite its relatively low staff turnover, 3,362 employees left the agency during the past 11 years. Approximately 48.9 percent of the employees lost were within the first five years of employment, as indicated in the following table. Only 24.8 percent of the employees with more than 20 years of experience left the agency.

Turnover by Length of Service

Fiscal Year	# Terms	0-5 Years	6-10 Years	11-15 Years	16-20 Years	21-25 Years	26-30 Years	31+ Years
2019	318	160	42	25	16	17	23	35
2018	327	149	40	20	32	16	41	29
2017	281	149	23	27	13	23	26	20
2016	324	158	49	42	17	22	20	16
2015	307	153	49	23	15	20	28	19
2014	286	143	35	20	14	27	19	28
2013	350	158	43	37	18	29	25	40
2012	338	169	27	37	27	20	19	39
2011	339	184	39	23	15	23	28	27
2010	286	125	31	14	20	24	35	37
2009	206	88	25	15	19	17	28	14

Source: Centralized Accounting and Payroll/Personnel System

When looking at turnover by age, the number of employees under 50 who have left over the past 11 years is roughly equivalent to those who are over 50, as indicated by the following table. Both age groups are hovering around 50 percent.

Turnover by Age

Fiscal Year	# Terms	<20	20-29 Years	30-39 Years	40-49 Years	50-59 Years	60-69 Years	70-79 Years
2019	318	0	36	73	47	70	85	7
2018	327	1	32	68	55	85	78	8
2017	281	2	46	60	51	71	48	3
2016	324	1	44	62	58	92	61	6
2015	307	0	44	62	48	80	66	7
2014	286	1	51	50	50	75	55	4
2013	350	1	66	64	38	98	82	1
2012	338	0	49	75	47	105	59	3
2011	339	0	49	68	65	100	51	6
2010	286	0	42	44	36	119	44	1
2009	206	0	24	33	31	82	35	1

Source: Centralized Accounting and Payroll/Personnel System

Some level of turnover will always occur, of course, with both positive and negative outcomes. There can be a financial gain as experienced employees are replaced with entry-level staff. Losing experienced employees, however, can negatively affect the agency due to the loss of knowledge and skill.

Retirement Eligibility

From 2010 to 2019, an average of 106 employees, approximately 3.6 percent of the agency’s workforce, retired each year. Data from the Centralized Accounting and Payroll/Personnel System shows that approximately 8.5 percent of the agency’s staff will become eligible to retire within the next four fiscal years. A total of 341 employees have already passed the eligibility requirement as of April 2020, with another 48 eligible by August 31. Together, almost 22 percent of the agency’s workforce will be eligible during the next few years.

The loss of institutional business knowledge and expertise in key management and senior-level professional positions, coupled with normal attrition, makes it important to minimize the loss of technical knowledge and organizational experience.

Employees Eligible to Retire

Fiscal Year	Eligible Employees	Percent of Total Agency FTE Cap
2021	77	2.6%
2022	65	2.2%
2023	57	1.9%
2024	52	1.8%
Total Eligible Employees	251	8.5%

Source: Centralized Accounting and Payroll/Personnel System

III. FUTURE WORKFORCE PROFILE (DEMAND ANALYSIS)

Critical Functions

- Possible expansion or changes to existing taxes or the enactment of new taxes.
- Legislative mandates affecting the administration and delivery of agency services.

Expected Workforce Changes

- Increased demand for web-related services.
- Increased need for information security.
- Continued use of technology to revise and streamline work processes.
- Expanded contract management skills.
- Increased need for telework capabilities.

Anticipated Increase/Decrease in Number of Employees Needed

- Current staff can maintain existing service levels, but attrition creates overload and leads to backlogs and decreased customer service. Additionally, about 8.5 percent of agency employees will be eligible to retire over the next four years, potentially creating a loss of institutional knowledge, specifically in management and subject matter expert-level positions.
- The effects of the COVID-19 pandemic on the Texas and U.S. economy may impact the agency’s budget, which could lead to a decrease in staffing levels if vacancies remain unfilled for an extended period. A decrease in staffing levels will require more efficient processes and procedures to accomplish agency goals.
- Planning must be used effectively to prevent knowledge and skills gaps.
- The likelihood of new or additional programs being added to the agency is high, as each legislative session results in revisions to the Texas tax codes, which affects the number of employees needed to complete the work.

Future Workforce Skills Needed

As the agency increasingly employs technology to streamline processes, meet the demands of customers and provide more efficient services, additional skills may be required for the future workforce, including advanced systems design and analysis, complex web design and information security analytics. In addition to analytical skills, other requirements with increased focus include contract management, problem solving and the ability to work inde-

pendently in a teleworking environment. The need for staff with strong communication skills, both verbal and written, also continues to rise. Current staff will continue to interact with taxpayers, legislators and others. More than minimal communications proficiency is required to perform these duties effectively.

To serve its constituency, the agency also requires a workforce able to communicate in multiple languages. The agency may need to establish minimal proficiency standards for some of its employees and provide training in common conversational phrases, expanding into tax specific-phrases and complex dialogue.

IV. GAP ANALYSIS

Anticipated Surplus or Shortage of Workers or Skills

Overall, the agency workforce currently has the skills needed to do the required work. A loss of knowledge, however, is occurring with newer employees – those employed five years or less. In fiscal year 2019, 50.3 percent of the agency’s turnover came from this group. New employees require extensive time and effort to train before being able to function independently. A high turnover of new employees places a strain on business operations.

- A potential skill “gap” in terms of institutional business knowledge and technical expertise exists between tenured/skilled employees (those with 15+ years of service) and employees with less tenure (10 years or less).
- New technologies are continually introduced as current and legacy systems are replaced.
- The agency will continue its efforts to identify critical positions for succession planning.

The following skills continue to be priorities for the agency:

- Accounting
- Advanced financial analysis
- Advanced information technology analysis
- Analytics
- Auditing
- Budgeting
- Collections
- Communication
- Compliance (federal/state agency)
- Computer proficiency (basic/end user)

- Contract management
- Contract negotiations
- Customer service
- Information security analysis/cybersecurity
- Investigation
- Management
- Privacy/confidentiality
- Problem solving
- Project management
- Property appraisal
- Procurement
- Recruitment
- Research and analysis
- Software development (Oracle, CAPPs, NetSuite, QlikSense, etc.)
- Training
- Web administration/graphics/social media

With the potential for decreased staffing levels in the foreseeable future, the agency’s immediate focus will be to retain high-potential and high-performing employees and to identify future needs and develop strategies to either train existing staff to fill potential gaps or to develop recruiting strategies to select and hire employees with skills in gap areas.

V. STRATEGY DEVELOPMENT

One of the agency’s six primary goals is to:

Develop and maintain a skilled workforce, committed to quality performance

To address any deficits between the Comptroller’s current staff and future demands, several strategic goals have been incorporated into the agency’s workforce plan. These objectives were developed based on factors identified through an agency workforce analysis. The Comptroller’s future workforce requirements can be met through the accomplishment of two key objectives:

Objective: Develop a Competent, Well-Trained Workforce

Rationale In 2019, more than 50 percent of the agency's staff separated with less than five years of service. One of the most critical issues facing the agency is the potential skills gap that could occur due to this turnover. New employees are leaving just as they reach an intermediate to an advanced level of performance without transferring that knowledge to other new employees. The training and development of current employees is critical to the success of the agency. The agency must continually assess existing staff to determine which employees demonstrate the potential or interest to develop new competencies and assume new or modified positions.

- Action Steps*
- With input from divisions, annually reassess the critical skills and competencies needed to stay “ahead of the curve” of anticipated need.
 - Monitor the level of risk facing the agency regarding the potential loss of knowledge, particularly in areas where loss is likely due to the imminent retirement of employees in key positions and identify potentially critical knowledge losses.
 - Develop recruiting strategies to attract and select for the potential knowledge loss. Through this process, the agency can create a pipeline of qualified candidates prior to the knowledge loss.
 - Develop knowledge-transfer strategies to ensure that institutional business knowledge and technical expertise are transferred to less-experienced employees. Promote these strategies, including cross-training, as an agency priority and include accountability measures.
 - Enhance and expand training for management that is relevant to today's challenging work environment, including general human resources topics, general leave issues, employee engagement and managing staff in a remote work environment.
 - Enhance the existing internship program to create a pipeline of potential employees with appropriate knowledge and skills.
 - Encourage employees to pursue professional certification(s) in their areas of employment when feasible and available.
 - Expand virtual training and just-in-time training opportunities to enable employees to complete training as needed, remotely if necessary.

Objective: Attract and Retain the Right Employees for the Job

Rationale Recruitment is the cornerstone of any effort to build a quality workforce. Retaining employees in a competitive market remains a continuing challenge. Retention of state employees requires a partnership between state leadership and state agencies. State leaders must continue to offer competitive salaries and benefits packages. State agencies should take responsibility to recruit quality workers, recognize excellent performance and provide development opportunities. The Comptroller's office will focus on identifying strategies to retain employees and increase overall applicant interest in positions with the agency.

- Action Steps*
- Maintain current recruiting efforts to portray the Comptroller's office as an employer of choice.
 - Improve the Comptroller's social media presence to target not just active, but passive, job seekers to build a robust pipeline of highly qualified candidates.
 - Create and implement exit and stay interview programs to identify the best way to retain high-potential and high-performing employees.
 - Create programs that allow employees seeking new challenges to work on special projects, rotations and/or developmental or "stretch" assignments.
 - Assess the impact of flexible work schedules such as telecommuting and alternative work schedules to determine their impact on overall employee satisfaction and retention. Maintain or enhance such programs when applicable and consistent with the agency's overall business objectives.
 - Develop employee engagement strategies that help monitor and retain key positions and employees.
 - Develop a recruiting plan/strategy to minimize possible knowledge gaps with a strong pipeline of new employees.

VI. SUCCESSION PLANNING PROGRESS

The Comptroller's office has implemented and will continue to put into practice the action steps outlined above. Various divisions have implemented strategies that create opportunities for employees to work on special projects, development projects or "stretch assignments"; cross-train with subject-matter experts; receive structured on-the-job training; and be recognized for outstanding performance.

The agency's Leadership Academy further develops the skills and enhances the growth of high-potential managers, including team leads and supervisors. As part of this program, members are assigned to action-learning project teams to address current agency challenges. These projects culminate in presentations, recommendations and potential

solutions such as mentoring opportunities and non-monetary rewards. These items have been identified in the action steps listed above to attract, retain and develop employees. The agency is pursuing creative collaborations such as these to promote innovative approaches to employee engagement and knowledge transfer.

In conjunction with the agency's business continuity team, divisions promote effective planning throughout the agency. The agency's objective is to develop a sustainable business continuity program that includes communication planning, with testing, training and exercises, and continuous monitoring and improvement. With these initiatives, the Comptroller's office is taking a proactive approach to ensure business continuity.



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