



# State of North Carolina

## Office of the State Controller

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**STATE CONTROLLER**

### **OFFICE OF THE STATE CONTROLLER AND THE DEPARTMENT OF THE STATE TREASURER SAVE STATE \$1 MILLION THROUGH AWARD OF NEW ELECTRONIC PAYMENT CONTRACT**

October 31, 2013 – Contact: Sherri Johnson 919-707-0753

**RALEIGH** – The Office of the State Controller (OSC) and the Department of the State Treasurer (DST) recently rebid the State’s electronic payment contract for a savings of \$1 million over the life of the contract. Using a competitive procurement process, the OSC and DST awarded the five-year contract to North Carolina-based Bank of America.

“The award of this contract is a win-win for our citizens,” said State Controller David McCoy. “This contract not only saves taxpayers \$1 million, it continues to provide them with a more efficient and convenient way to do business with the State through electronic payments.”

OSC and DST rebid the Master Services Agreement (MSA) for electronic funds transfer (EFT) to replace the contract which expired September 30, 2013. The bank fee for processing an electronic disbursement is now less than half a penny.

Electronic funds transfer is used for payments to and from the State, such as for payroll, tax collections and payments to vendors. EFT transactions (inbound and outbound) for FY 2011-12 totaled 13.9 million. The Department of Revenue is the largest user of EFT inbound payments. During FY 2011-12, DOR’s inbound payments totaled \$20.1 billion which represents 76% of gross collections. Direct deposit has been offered by the State’s Central Payroll operation since 1979. With Beacon implementation, more than 99% of 88,000 employees are participating in Direct Deposit.

The MSA leverages the State’s purchasing power and allows all state agencies, universities, community colleges, public schools and local governments to participate in the contract.

*The State Controller is North Carolina’s chief fiscal officer. The Office of the State Controller serves as an independent resource to ensure the financial integrity of the State by providing accounting, disbursing, payroll, internal control, data management, eCommerce and financial reporting systems that serve state agencies, employees and the public and by maximizing financial return through its statewide cash management plan. The OSC issues numerous financial reports including: General Fund Monthly Financial Report, IT Expenditures Report, Statewide Accounts Receivable Report, the State’s Comprehensive Annual Financial Report (CAFR) as well as the short, easy-to-read version of the CAFR known as the “popular” report.*