

**Large Agency  
Chief Financial Officers' Meeting Minutes**  
October 25, 2011

**PARTICIPANTS:**

Karen Hansen, ADA/ASET  
Cheryl Toone, ADA/Risk Management  
Shana Schaller, DEA  
Jasmine Kuylen, DEA  
Keith Fallstrom, DTA  
Mike Clark, EVA  
Bob Savage, GFA (via GoTo Meeting)  
John Lake, HSA  
Jim Humble, HSA  
Evangeline Webster, MEA (via GoTo Meeting)  
Joan Jones, RVA  
Patricia Sandino, TEA  
Syndia Reeder, WCA  
Clark Partridge, ADA/GAO  
Mike Smarik, ADA/GAO  
Anita Kleinman, ADA/GAO  
Joanna Greenaway, ADA/GAO  
Stu Wilbur, ADA/GAO  
Tami Eckloff, ADA/GAO  
Amy Aeppli, ADA/GAO  
Greg Vokoun, ADA/GAO

**ITEMS COVERED**

*Clark Partridge – Welcome & Introductions*

**AFIS Replacement – Clark Partridge**

Clark gave a slide deck presentation that was presented to the Steering Committee last week.

**Q:** The resources that are being utilized to document current processes, is all that being sent to the contractor?

**A:** No. It is recommend that 50% or more be State resources on the project. You have to have a significant amount of State resources for knowledge transfer. We are pushing for 2/3 of the project to be State resources; especially in areas that other states wish they had done a better job for example change management, training, etc. The State resources are not as expensive as the contractor resources. We do not have an abundance of resources. We need to coordinate and work smart with the resources we do have. We did not receive additional resources to create the transparency website

Deleted: resources,

but we succeeded in this project as well as many others across the State of Arizona. We do plan on hiring extensively for the project and committing resources to the project.

**Q:** Resources is one of our concerns. When the consultants visited our agency, the question was asked how many staff and what resources would be needed from our agency? The answer was 30 – 50 people to be committed to the project from our agency. We do not have the resources we need to accomplish the things we should be doing now. We are wondering where the additional resources are going to come from?

**A:** We have had the discussions with the consultants that like other states, our budget has been squeezed. Over 1/3 of the State's budget was unfunded. Not many other states can say that. We do not have an abundance of resources. We need to start the development process. We may need to staff up quicker than other states. The project will need to pay for what the project is doing. If someone is keeping their own system and not replacing it with the new system, the agency will need to be responsible for the interface into the new statewide system.

**Q:** The concern is that the next part of going through all the requirements will be very time consuming. We will need resources available sooner rather than later.

**A:** The strategies we have talked about are not mutually exclusive. If we need to hire staff and get them through the learning curve, what better way than to have them help with the requirements gathering phase? We need to get a group of people new to the State of Arizona up to date on the "as is" and "to be". We just can't start hiring until we have the money.

#### **Mandatory Direct Deposit – Stu Wilbur**

Things are going well. Employees are converting over to either direct deposit or the pay card. In October we hit 98.3% participation. That is the highest in history. The Legislative change was obviously helpful. Of the remaining percentage, about .7% is new hires; another .7% is account changes, people going through the pre-note process, etc. About .3% or about 100 people are being signed up for the cash pay card. The remaining percentage will equate to about 500 to 600 warrants per pay period. We were printing 4,000 warrants every payday a few years ago. That dropped to about 2,500 for some time. We are starting to see productivity savings from this effort. Other states that have had mandatory direct deposit do not have as high of a percentage as we do. Agencies have really cooperated with this effort, thank you.

#### **ARRA Quarterly – Joanna Greenaway**

The second week of October we finished the quarterly ARRA reporting. 437 reports were submitted to the federal government. Only 31 of the reports were final. The monies for many of the grants had to be committed by September 30<sup>th</sup>. We would anticipate the number of active grants to start decreasing. Many of the grants are ADOT grants. Some of those projects will take longer to finish. We have heard the transportation program may receive more of the unspent ARRA dollars.

### **Fund Transfer Questionnaire – Anita Kleinman**

We are looking for a fund transfer questionnaire form for every fund that was swept in fiscal year 2012. The questionnaire consists of 3 questions. The first is asking your timeline. We already have that information so we do not need it again. The other two questions are asking if there are any restrictions or are there any federal funds associated with the fund being swept. When the web story went out, we only indicated the section of the bill that is the main section for the fund sweeps. There are other parts of the bill that had sweeps. We need a form for all funds that were swept.

### **Wireless Device Draft Technical Bulletin – Greg Vokoun**

Greg passed out a draft of the Technical Bulletin (TB) that has been written regarding policies for usage of wireless devices. We are trying to publish the TB by October 31<sup>st</sup>. If there are any comments, please email the policy email address, [gaopolicy@azdoa.gov](mailto:gaopolicy@azdoa.gov) by noon on Friday, October 28, 2011. The policy is designed to give you options.

### **3% Withhold – Clark Partridge**

There was a flurry of action regarding the 3% Withhold last week. We were within 3 votes of getting a repeal.

**Q:** What is the effective date?

**A:** A year from January 1.

We only have 12 months to implement something of this size scale. We will need a lot of time. Some states have already done their programming and added staff for this effort. We have not started yet because we do not want to go through the pain and suffering if we do not have to. It still looks optimistic for a repeal.

### **Future Agenda Items**

**AFIS Training**

**NSF & Favorable/ Unfavorable Deposits Cleanup Project**

If you have any questions or concerns, please contact the GAO.

Meeting adjourned at 3:09 p.m.

The next meeting is scheduled for Tuesday, November 29, 2011, at 2:00 p.m. in the General Accounting Office.