

**Small & Medium Agency  
Chief Financial Officers Meeting Minutes**  
March 20, 2007

**PARTICIPANTS:**

Biju Kamaleswaran, AGA  
Debb Pearson, APA  
Gloria Gonzales, AGA  
Julie McKnight, AUA  
Dena Dotson, EPA  
Robert Savage, GFA  
Tracy Schmidt, HDA  
Glen Hurd, ICA  
Sharon Gulden, LDA  
Graham Bennett, LOA  
Richard Bichanich, PRA  
Julie Ruff, TEA  
Marcia West, TOA  
David Medina, TXA  
Cheryl Fraulob, UOA  
Deb Ludington, VSA  
Mohammad Khaksari, DOA/GAO  
Jan Sharon-Strieby, DOA/GAO  
Angela Dillard, DOA/GAO  
Joanna Greenaway, ADOA/GAO  
Shannon Landis, DOA/GAO  
Donna Cornella, DOA/GAO  
Diane Pingleton, DOA/GAO

***ITEMS COVERED***

*Mohammad Khaksari – Welcome & Introductions*

**IRS Audit**

The State has made the payment for the IRS settlement agreement. The only change remaining is the same day meal reimbursement which will be in affect beginning January 1, 2008 in conjunction with the implementation of the Travel Management Subsystem (TMS). The IRS audit will remain on the agenda to remind the agencies from time to time of the issues that were related to the audit.

**Fiscal Year-End**

\*\*The GAO AFIS Group is preparing the 2007 Fiscal Year-End Memo. The draft should be finished this week. The memo will be similar to what was distributed in the past. July 17, 2007 will be the transaction cut off date in AFIS and the close date will be July 28, 2007. If an agency needs more guidance concerning the

memo, they can contact their AFIS liaison or Donna Cornella.

\*\*The AFIS Profile Roll is scheduled for April 6, 2007. The profile roll is usually the first scheduled activity for the year-end. Existing profiles can be inactivated if they are not required for the new fiscal year.

### **Travel Policy**

The travel policy is being revamped in coordination with the release of the TMS. The plan is to have a draft of the travel policy prepared by the end of May so that the agencies can provide feedback before it becomes final. The final policy should be available for online distribution by the end of July or the beginning of August before the piloting of the TMS begins.

### **Travel Management Subsystem (TMS)**

Approximately 20 additional functionalities have been added to the TMS which will delay the piloting of the new system. The piloting should begin around the end of September or the first of October and the "go live" should be by the first of December. TMS has to be ready before January 1, 2008 in order to coincide with the IRS settlement agreement for same day meal reimbursement. A demo of the TMS travel request will be available by mid June for the agencies to view.

### **Internal Controls**

An internal control survey received from the State of Massachusetts was emailed to the attendees of the GAO/NASACT training session on Managing Internal Controls with Compliance Technology held on January 31, 2007. Mohammad requested that the survey be sent to all of the CFOs for informational purposes only. Jan will e-mail the information to everyone on the CFO sign-in sheet. The GAO is working on a similar questionnaire/survey to be distributed in the future for agency feedback. Internal controls will be left on the agenda as a reminder.

### **Direct Deposit Advice**

The GAO is looking for a good way to eliminate the printing of the payroll direct deposit advice for all State employees. The last two payrolls, we experienced problems with printing the advice. Along with the latest issues, time and expense can be reduced with eliminating the direct deposit advice. There are two options available and both would require the employee to go into the Your Employee Services (Y.E.S) website to make a selection for either an inclusive choice or an exclusive choice. The inclusive choice would allow the employee to continue receiving the advice and the exclusive choice would stop the employing from receiving the hard copy advice. Agencies will need to ensure that their employees have access to a computer at work or provide a kiosk at the agency's site for the employee to view or print their pay stub. Agencies will receive plenty of notice to inform their employees of the change. No end date for the direct deposit advice has been determined at this time. Paychecks can be viewed on the Y.E.S. website on Wednesday morning of the pay week. A question was asked on how an agency would know if an employee has asked to not receive the advice. Mohammad answered that a report can be generated to indicate

which employees have elected to not receive a hard copy of their direct deposit advice.

### **GAO Website Update**

Changes have been made to the GAO website in order to help agencies locate information easier. Additional changes are scheduled to be made. A few agencies commented that the changes in the State of Arizona Accounting Manual have been very good and the added search functions have helped with locating information. The Technical Bulletin webpage has also been revamped. If anyone has any suggestions or issues with the website changes, please contact Diane Gorham.

### **Traffic Citations**

Traffic citations were discussed during last month's Large CFO Meeting. An agency asked if an employee is on travel status and they receive any type of traffic citations (parking, speeding, etc) if the State is responsible to pay for the ticket. The response was "no" unless it is a ticket for mechanical failure. The State is not liable for traffic citations; the employee is responsible to pay all traffic violations they may receive while on travel status. Per the Administrative Rule, an employee has 90 days to settle their traffic violations and if they do not, they are not allowed to utilize a State fleet vehicle until the citation is resolved. An agency asked what they should do if employees receive Capitol Police parking tickets in their personal vehicles. Some employees have acquired numerous parking tickets and they are not paying them. The agency is receiving letters from Capitol Police. It is the employee's sole responsibility to pay for the parking tickets.

### **Allotment and Budget Issues**

If an agency is having problems with their allotment or budget, they need to contact their OSPB analyst and also notify their AFIS liaison. Some agencies are having problems meeting their payroll requirements.

### **Issues, Concerns, Questions**

\*\*The AFIS Group is working on a new website for vendors to be able to look up their payment information by inputting their tax ID number. The website will have a more detailed record available for ACH payments and should be ready in about a month to demo. A letter will be distributed to vendors to remind them to register in the SPIRIT system. AFIS is also working on automating the MBE/WBE vendor information from SPIRIT into AFIS to help with reporting. Reports will be able to be run quarterly instead of yearly.

\*\*The Department of Revenue presented a Use Tax seminar yesterday and they are planning on doing one at least once a year.

The following questions (Q) and answers (A) were discussed:

\*\*Q: If an employee is using a rental car, what do they show the rental car

agency for proof on insurance.

**\*\*A:** Risk Management provides coverage for employees in travel status. A coverage card can be obtained from Risk Management.

**\*\*Q:** Are any agencies using online timesheets?

**\*\*A:** No other agency is using online timesheets.

**\*\*Q:** Is there a timeframe of when the HRIS will have the functionality of accepting timesheets online?

**\*\*A:** Soon all of the system enhancements for the HRIS will be on hold as they will be working on upgrading the HRIS to the next version. All other enhancements or changes to the HRIS will be delayed until January of 2008. The earliest would be FY09 before the employees can enter their own time.

**\*\*Q:** Tracy Schmidt from the Department of Housing did an agency presentation last fall. Mohammad questioned if anyone would like to do an agency presentation.

**\*\*A:** No one volunteered for the next CFO meeting.

### **Future Agenda Items**

#### **Payroll Card**

#### **Emphasis on Electronic Payments (Direct Deposit & ACH)**

Encourage new employees and vendors to sign up for direct deposit or ACH payments.

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

Meeting adjourned at 2:30 p.m.

The next meeting is scheduled for Tuesday, April 17, 2007 at 2:00 p.m. in the General Accounting Office.