

**Small & Medium Agency
Chief Financial Officers Meeting Minutes**
November 17, 2009

PARTICIPANTS:

Megan Darian, ADA/SBO
Julie McKnight, AUA
John Nelson, BRA
Lori Boncoskey, GHA
Kim Bittrich (by phone), HIA
Yolanda South (by phone), HIA
Kim McCreary, HUA
Glenn Hurd, ICA
Brett Larsen, LAA
Sharon Gulden, LDA
Esther Olivas, MIA
Cynthia Velar, PRA
Al Sawyer, SFA
Supreme Court, SPA
Cheryl Fraulob, UOA
Angelica Romero, WFA
Clark Partridge, ADA/GAO
Mike Smarik, ADA/GAO
Joanna Greenaway, ADA/GAO
Anita Kleinman, ADA/GAO
Tami Eckloff, ADA/GAO
Jaimie Soulvie, ADA/GAO
Amy Aeppli, ADA/GAO

ITEMS COVERED

Clark Partridge – Welcome & Introductions

The agenda items were moved around to accommodate Clark having to leave for another meeting.

State Transparency Website Project – Joanna Greenaway

A GAO core group for the Transparency Website Project is being formed. The PIJ (Project Investment Justification) has been submitted to GITA and has been pre-approved but it will be a “living document” and will be updated as the project progresses. The project team will be meeting with the large agencies to understand what types of issues they may face with this project. The group will also meet with small and medium agencies to understand challenges they may be facing with confidential data.

Potentially the Arizona website will be modeled after the State of Utah's website. There will be a lot of similar functionalities we will try to accomplish. If you would like to go out and look at Utah's website (<http://www.utah.gov/transparency/>), it will give you an indication of what Arizona's website will be like. There will be some differences however. Arizona does not have a statewide accounting system or an ERP (Enterprise Resource Planning) system like Utah. Arizona also does not have a data warehouse.

The project group will be talking with large agencies about how we are going to obtain detailed information from their sub-systems for this project. For most agencies we can pull the information directly from AFIS. All agencies will need to identify any confidential information that should not be shared. For example, tax payer information from the Department of Revenue, payments to individuals, and payments to welfare recipients from DES are not to be posted on the site. Payments for goods and services rendered to the State, contracts, etc. will all be posted. If you believe something is confidential, we will discuss it and look at the statute.

ARRA Update – Jaimie Soulvie

438 reports were sent to the Federal government by October 10th. We have received comments back. They were not too substantive. It doesn't look like the Federal government plans on making any substantial changes to ARRA reporting requirements.

Reminder when you apply for an ARRA grant, you are supposed to notify the Governor's Office of Economic Recovery (GOER) and the GAO and stay in communication with both offices. We need to ensure the grant is setup properly. We are relying on AFIS to pull the reporting information for ARRA.

We have issued a couple of Technical Bulletins and a couple of memos to get through the first reporting quarter of ARRA. Another Technical Bulletin should be coming out soon that should tie everything together and replace the previous documents.

Due to the reporting deadline for the next quarter, we will be closing AFIS earlier than originally planned. We will be closing the month of December in AFIS on January 5th. We will be doing a preliminary extract of information from AFIS for agencies receiving ARRA monies to check the quality of the data.

The amendment we did to the 2009 SWCAP for the .5% was approved by the Federal government. Those of you receiving ARRA monies should be prepared to pay the bill for the .5%. It is actually just under .5%. This is to pay for the ARRA administration. It may not cover all the State's cost but it will provide enough to eliminate some of the barriers to success that were out there.

Federal Supervisor – Anita Kleinman

Celine Baker has moved to the Financial Accounting Group to assist in the preparation of the CAFR. The Federal group has a new supervisor, Suzanne Allen. Suzanne was an AFIS liaison at one time. Also Amanda Bennett will be assisting the GAO Central Payroll Group part time. We ask for your patience while Suzanne is trying to get up to speed and while we are sharing resources.

Relief Bill – Anita Kleinman

We will be sending out a web story next week to remind everyone that if you have any Relief Bill items, claims that are from fiscal year 2008, 2007 or 2006, they will be due to GAO in December. The information will be submitted in bill format to the Legislature the first week they are in regular session. We have a tight turn around so as soon as you can get your information together, please send it in.

Payroll – Stu Wilbur

The annual calendar year end memo for payroll items is being put together. It should be coming out soon.

We sent out the webstory for our calendar year end payroll meeting on Monday November 23rd. We are inviting all payroll managers, supervisors and interested parties to attend to hear what needs to be done for the calendar year end. It will be held in Conference Room 300. There are two identical sessions, 9:30 a.m. and 1:30 p.m. they will last about an hour and a half. We will also have a representative from the HRIS team talk about what is happening with the upgrade.

We sent out a webstory regarding 27 paydays in calendar 2009. We want to make sure employees understand there will be no SECC deduction and employees may have more pay on their W2's than they were planning due to the 27 paydays. With the final pay happening on December 31, we want to make sure everyone receives their pay on that day and that it is not sitting on a supervisor's desk. Our plan is to mail the warrants to the employee's address on record in HRIS. We still have approximately 2,500 employees still receiving a payroll warrant. These warrants will be mailed from GAO. **There will be no payroll distribution to the agencies on December 31st, 2009.**

We will prepare a notification (which will be printed on the warrants going out this payroll and the following two payrolls) that warrants will be mailed and reminding employees to update their address if necessary.

We are considering mailing warrants directly from GAO in the future, not just the December 31st payroll. We are also discussing having handwrites available at the GAO front desk for a certain amount of time and then when they are not picked, mailing them via U.S. Mail. An agency would have the flexibility to pick handwrites up in the morning or to leave them for GAO to mail directly to the

employee. This would potentially be specifically for terminations where we need to make sure we adhere to the 72 hour rule.

Please communicate to employees that they need to make sure the address of record in HRIS/Yes is correct. W2's are right around the corner. The W2's will again be mailed from a third party vendor. Our goal is to have the W2's on line so if an employee needs a duplicate, they can just log in to YES to obtain it. We are also discussing a future option of the employee waiving the option of having a W2 mailed at all and they would only receive an electronic copy.

We would like to remind you that the official payday is Friday, even though we pay people on Thursday. The payroll of Friday, July 1, 2011 is coming up. It will create an issue of 27 paydays in the fiscal year if we continue to pay on Thursday. Options of how to handle the 27th payday are being discussed with one possibility of actually paying people on Friday.

The GAO-60 is the certification for personal services provided. With direct deposit advices no longer being distributed and warrants being mailed, agencies no longer have to come to GAO to pick up their payroll and drop off their GAO-60. We are discussed ways to comply with the statute without the handling of the GAO-60.

Q: Does it seem reasonable that we will be able to view our W2's from YES?

A: We have been working on this project for over a year. We now have the MHC software in place. You may have noticed a little bit different look to the printed warrants as a result of this software change. We are hoping to utilize this software for an online copy of the W2's.

Q: I thought they were going to go away from the paper warrant and for those who don't have direct deposit, they use a payroll card?

A: The payroll card is an option.

Q: I thought you were going to completely do away with the payroll warrant?

A: The statute requires us to pay employees by warrant if they so choose. We cannot mandate direct deposit or the payroll card. There will always be some warrants as people begin employment, change bank accounts or terminations. We cannot completely eliminate warrants but we are trying to reduce the amount printed.

Q: So the payroll card can now be requested by employees?

A: Not yet. We are waiting for final approval.

Reminder we will not be meeting in December. Happy Holidays! See you in January.

Issues, Concerns, Questions?

Future Agenda Items

Emphasis on Electronic ACH Payments

Travel & Expense Management Sub-System

Payroll Card

NSF & Favorable/ Unfavorable Deposits Cleanup Project

Federal Funding Accountability and Transparency Act (FFATA)

State Transparency Project

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

Meeting adjourned at 2:35 p.m.

The next meeting is scheduled for Tuesday, January 19, 2010, at 2:00 p.m. in the General Accounting Office.