

**Small & Medium Agency  
Chief Financial Officers Meeting Minutes  
November 22, 2011**

**PARTICIPANTS:**

Pam Rezek, AGA  
Julie McKnight, AUA  
Jennifer Bunkers, HDA via GoTo Meeting  
Terry Riordan, HLA  
Kevin Guimond, HLA  
Brett Larsen, ICA  
Ken Bell, JCA  
Joan Thompson, LAA  
David Trimble, LDA  
Esther Olivas, MIA  
Sandra Mengelkoch, PRA  
Trudy Kranendonck, RGA  
Angela Cade, SFA  
Melba Davidson, SPA  
Patricia Sandino, TEA  
Megan Duty, VSA  
Liz Atkinson, WMA via GoTo Meeting  
Mike Smarik, ADA/GAO  
Angela Dillard, ADA/GAO  
Anita Kleinman, ADA/GAO  
Jaimie Soulvie, ADA/GAO  
Tami Eckloff, ADA/GAO  
Joanna Greenaway, ADA/GAO  
Stu Wilbur, ADA/GAO  
Amy Aeppli, ADA/GAO

***ITEMS COVERED***

*Mike Smarik – Welcome & Introductions*

**AFIS Replacement – Mike Smarik**

We are making progress. We have completed task order number 1 which was developing the business case for replacing the accounting system. A draft was submitted to the Governor's Office on November 8<sup>th</sup>. We received a favorable response. We are hoping to receive funding for the new system in the next Legislative session. We appreciate all of your efforts to get the business case completed. We will be moving to the next task order soon which will include developing requirements for the RFP and other items.

### **December mail payroll – Stu Wilbur**

We need to make sure employees have constructive receipt of their payroll for the end of the calendar year. Payroll warrants will be mailed out on December 30<sup>th</sup> to the employee's address of record in HRIS. Any changes to addresses can be done through YES. There will be no agency pickup for the December 30<sup>th</sup> payday.

We will also be mailing W2s to the address on HRIS for those employees that have not consented to receiving their W2 electronically. The consent for electronic receipt is ongoing until revoked. Electronic W2s will be posted approximately January 13<sup>th</sup>. Those employees that have consented to electronic receipt can get their W2 early. The mailing for W2s will go out towards the end of January, the required deadline for the IRS. On February 1<sup>st</sup> W2s will be available online to everyone.

**Q:** Are you mailing all of December's payroll or just the last one?

**A:** Just the last payroll in December. Friday December 30<sup>th</sup> the warrants will go in the mail.

The statewide payroll meeting was held on Monday. There was a lot of information concerning end of year deadlines, etc. The material will be posted on the GAO website.

### **Timing on Potential Federal Offsets – Anita Kleinman**

Last August and October some agencies were hit with a federal offset when they went to draw federal dollars because the State of Arizona owed money to the feds. In anticipation of this situation this year, we have received calls asking if there will be offsets this year. Currently we have a budget item before the Legislature to receive funding to pay what the State owes the feds. The feds have given us until March 31 to pay. If there are potential offsets, it probably will not hit until next June if at all. However, there may be offsets with State employees and Medicare or Medicaid issues or timing differences between a State agency and the feds. Usually these are smaller amounts. If you ever have issues receiving your draw or you only receive \$1, please call us so we can start researching the issue.

**Q:** How much do we owe?

**A:** We have only negotiated with the feds for what we owe them for fiscal year 2010. We have submitted a budget item for fiscal years 2011 and 2012 also. It has not been finalized. We do not settle until it comes close to the time for payment and the interest is being calculated until we get to the end.

### **3% Withhold – Mike Smarik**

This is the last time this item will be on the agenda. Yesterday the President signed the bill to repeal the legislation for the 3% Withhold.

## **Any other Questions or Concerns?**

The Department of Administration received a Public Information Request from a newspaper for payments made with the PCard. We provided them with the information. You will probably see a story on this. There may be some items that look embarrassing. Part of the focus of the story will be payments being made and procurement not being followed. People are buying things using the PCard and maybe not using a State contracted vendor, etc. This is just a reminder that regardless of how you are going to pay for something, you still need to follow all the procurement rules. Just because you use the PCard doesn't mean you can go anywhere and buy anything. Make sure what you are buying is appropriate and you are following the procurement rules and regulations.

Part of the requirement for using the PCard is that someone at your agency is reviewing and auditing the statement including looking at purchases and reconciling transactions. If something is purchased that looks questionable, make sure you have something in your files documenting that when the statement came in, it was looked at and questioned and appropriate action was taken.

**Q:** The request was made to look at documents for various departments?

**A:** Yes, statewide back to 2008 all purchases with the PCard. We can get the information and reports from US Bank. We don't know when the news story will come out but probably in the next couple weeks.

If you have items you would like to see on the CFO agenda in the future, let us know.

A couple of agencies have reported having issues with timing with the fingerprinting process with the Department of Public Safety. The group in attendance was asked if they were having any issues. There were no known issues from the group in attendance.

Reminder there are no CFO Meetings held in the month of December. We will see you in January. Have a great holiday season!

### **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 2:20 p.m.

The next meeting is scheduled for Tuesday, January 24, 2011, at 2:00 p.m. in the General Accounting Office.