

**Large Agency  
Chief Financial Officers Meeting Minutes**  
January 26, 2010

**PARTICIPANTS:**

Joe Whitmer, ADA/MSD  
Paul Nicola, DCA  
Todd Bright, DEA  
Karen Johnson, DEA  
Li Li, DJA  
Craig Rudolph, DTA  
Steven Race, EDA  
Mike Clark, EVA  
John Moorman, HCA  
John Lake, HSA  
Nancy Bennett, RTA  
Reed Spangler, RVA  
Chuck LeBlanc, PSA  
Syndia Reeder, WCA  
Mike Smarik, ADA/GAO  
Anita Kleinman, ADA/GAO  
Angela Dillard, ADA/GAO  
Jaimie Soulvie, ADA/GAO  
Joanna Greenaway, ADA/GAO  
Tami Eckloff, ADA/GAO  
Amy Aeppli, ADA/GAO  
Ron Santa Cruz, ADA/GAO  
Greg Vokoun, ADA/GAO

***ITEMS COVERED***

*Mike Smarik – Welcome & Introductions*

**HRIS Upgrade – Mike Smarik**

We had a successful upgrade to HRIS the weekend of January 16<sup>th</sup>. There were not a lot of changes obvious to the user. One change was if the user drills around on payments, the most recent payment is first. Before the upgrade, the user had to page down to the most recent payment at the end of the list. This should make finding current payments easier. There are training materials out on the website if you need them. There was a notice that went out this week that the retro pay jobs needed to be re-established but other than that the upgrade went smoothly.

**Q:** What was the purpose of the upgrade if there weren't any obvious changes?

**A:** It was an upgrade to the latest version of Lawson. If we remained with the old version, it would no longer be supported by Lawson. The upgrade also allows us to do additional things technology wise both now and in the future. The upgrade was done all with internal resources. Previous upgrades and HRIS enhancements were done with the assistance of consultants. This time it was all ADOA staff that accomplished the upgrade. We are pleased that we have gotten to the point where the system is stable enough that we can handle changes internally.

### **2009 W2s – Mike Smarik**

2009 W2s were mailed on January 15, 2010. You should have received your W2 if your address was correct in HRIS. We already have well over 300 returned. We are planning on having the W2s posted electronically on YES by February 1<sup>st</sup>. When they are posted the W2s for 2009, 2008, 2007 and 2006 will all be available. Since the W2s will be available electronically, we will no longer be providing duplicates. If you have employees that contact you saying they did not receive their W2 for 2009 or need a duplicate for one of the prior years available, please direct them to YES. Your terminated employees currently have 18 months from the date of separation to continue to log into YES. We are working on expanding this access to 4 years from the date of termination. Also we would like employees to consent to receiving only an electronic W2 next year. This will save on printing and postage costs. There will be a link in YES to consent to the electronic version only starting in 2010. Employees must consent to receiving their W2 only electronically. Please encourage your employees to do so. It will save the State money and the employee will receive their W2 faster than waiting for the mail.

### **2009 1099s – Angela Dillard**

Just over 16,000 2009 1099s were mailed out on January 22<sup>nd</sup>. If you receive calls from vendors, we are working on corrections. We have until March 31<sup>st</sup> to do corrections but we would like them all done by the end of February so the corrections are included in the file that is sent to the IRS.

### **ARRA Update – Jaimie Soulvie**

431 ARRA reports were successfully submitted this quarter. We did not meet the Federal statute deadline of the 10<sup>th</sup>. We did not have all the information we needed from all the agencies. All reports were submitted by the 15<sup>th</sup>. We are currently receiving comments on the reports back from the Federal government. We will be working with agencies that we receive information directly (like DES, ADOT and Education) and solidifying timelines. We are still working things out due to changes that the Federal government is making.

### **Policies, Procedures & Training – Mike Smarik**

We are looking at our policies; especially the ones that we may need to spend some time training agencies to correctly implement them. If there are any policies that you feel it would be nice to have training for your staff, please let us

know. You can send that information to Mike, Clark or your agency liaison. If there are things in policy that make it truly difficult to implement, especially with shrinking staff and you feel there is no real value added, let us know that too. If there are things other than policy that you would like the GAO to look at providing training for, let us know as well. We'll take a look at all these things. We cannot make any promises. We have limited resources too. If there are things that we can do that might make your job easier, we would like to see what we can do.

### **Budgets & Allotments – Mike Smarik**

We can probably expect additional cuts to FY10 and we don't know what will happen with FY11. We have seen agencies submitting their budget load information and wanting to take all their cuts in the fourth quarter. We will be looking at those and working with OSPB. Typically we will not be taking the entire cut in the fourth quarter. If you are taking some type of action in the fourth quarter that would be within the intent of the cut, that may be acceptable. If you have an explanation of why you need to take the entire cut in the fourth quarter, please submit it.

### **State Transparency Project – Mike Smarik**

We have been working on the transparency project more in between other projects. We will hopefully have a demo ready for you in either the February or March CFO meeting. We are modeling our transparency site after the State of Utah if you want to go and check that out at <http://www.utah.gov/transparency/>. The one thing we do need to be sure of is that things that are not supposed to be on the transparency website due to confidentiality, etc., do not end up on the website. We will be working with each agency on confidential data. We will also be working with the agencies that will be supplying information for the reporting on the web site. We will also be looking at expenditures in comp objects to see if we need to make any revisions.

### **Sale/Leaseback**

We did receive \$735 million today from the Sale/Leaseback. It has gone into the State Treasury. The Treasurer had a positive cash balance today of \$150 million. We have payroll this week and payments to schools due the 1<sup>st</sup> so it won't last long. Bank of America was totally paid off today. They weren't using any Treasurer's Warrant Notes.

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

**Q:** We recently submitted the quarterly debt reporting. An email was received back from the Attorney General's office stating not to send it to that person, but send it to these two people. An email was sent to the two individuals as directed with the question of what is being done with the report. No response has been received. Do you know what is being done with the report?

**A:** We can't speak for the Attorney General's Office. We do not know what they are doing with the report but we are working with them on trying to get a more consistent and systematic approach to debt reporting and NSF's. We are about four months away from a new policy dealing with NSF's.

**Q:** They wouldn't consider suspending the requirement?

**A:** No.

**Q:** Can they consider putting a base on the requirement so we are not creating large reports with small dollar amounts?

**A:** There are conversations being held regarding setting amounts and baselines based on materiality and aging. Researching the aging NSF's has become increasingly difficult when background documentation has been destroyed due to record retention requirements.

**Q:** We have payments owed to us and we are trying to coordinate with the Department of Revenue so we can intercept tax refunds if funds are owed to our agency. We were all set to implement and now the Attorney General's Office is telling us we have to have a judgment against those who owe us money before we can proceed. The Department of Revenue is telling us no, we don't need a judgment. Does anyone have any experience with this? The instructions we have been sent don't say we need a judgment.

**A:** The individual present from the Department of Revenue was not very familiar with the program. He will have someone call the person asking the question.

**Q:** Two things have come up since our last meeting that caught our agency by surprise. My question is if in the future GAO could send out a web story or send an email to CFOs alerting them to the fact that something is happening. The first item was when the revision to the Accounting Manual came out related to cover GASB 51, some object codes were inactivated and renamed and reused and we were not aware of it until we read the policy in detail. It would have been nice to know ahead of time. The second item was AFIS inactivated about 1,000 vendors due to mismatched TIN numbers and we had payments in process that we had to go back and redo.

**A:** Good suggestions.

### **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, February 23, 2010, at 2:00 p.m. in the General Accounting Office.