



State of Arizona Accounting Manual

Topic 45 Expenditures, Expenses and Disbursements Issued 09/09/19
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INTRODUCTION

Information technology (IT) projects and their related expenditures constitute significant, strategic financial investments. Because of their importance, as well as the nature and extent of statutorily required oversight, proper accounting for these expenditures is paramount.

POLICY

1. Any IT project—involving software, hardware or both—with a total anticipated cost in excess of twenty-five thousand dollars (\$25,000) requires a Project Investment Justification (PIJ) be filed with the Arizona Strategic Enterprise Technology Office (ASET), a division of the Arizona Department of Administration (ADOA).
 - 1.1. IT projects with a total anticipated cost that exceeds one million dollars (\$1,000,000) require more extensive oversight and review as provided by A.R.S. § 18-104.
 - 1.2. Information concerning PIJs and other IT oversight requirements can be found on the ASET website at <https://aset.az.gov/strategy/strategic-oversight/pij-process>.
2. The Automated Projects Fund (APF), fund group 2566, has been created as a principle control over certain IT expenditures.
3. Each agency that has a project funded with APF monies will have an agency APF established.
4. All transfers from the APF to an agency must be recorded in the agency APF that has been established for the project to which the transactions pertain.
5. All IT projects with an anticipated cost of more than twenty-five thousand dollars (\$25,000) must be identified with a function code associating them with the appropriate PIJ number.
 - 5.1. The format of such identifiers is YY####DIT or YY####OIT, in which:
 - 5.1.1. YY represents the calendar year in which the PIJ was initiated.
 - 5.1.2. #### is the PIJ number assigned by ASET.
 - 5.1.3. D stands for development; O stands for operations.

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5.1.4. IT stands for information technology.

5.2. The use of function codes in this format is mandatory and will support necessary fiscal and budgetary analysis and control over APF transactions.