

**Large Agency
Chief Financial Officers Meeting Minutes
September 30, 2014**

PARTICIPANTS:

Michael Hawthorne, DCA
Ross Begnoche, EDA
David Briant, EVA
Cindy Smith, HSA
Christy Kramer, PSA
Tom MacConnell, RVA
John Stevens, WCA
Clark Partridge, ADA/GAO
Tami Eckloff, ADA/GAO
Brian Nguyen, ADA/GAO
Ron Santa Cruz, ADA/GAO
Tiffany Franks, ADA/GAO

ITEMS COVERED

Welcome – Clark Partridge

BREAZ Project Update – Clark Partridge

Most agencies are receiving updates from the BREAZ monthly Agency Coordinator meetings. If you have any issues, questions or concerns, please let us know.

AFIS Operations will be moving to the project location. This needs to be done to integrate staff with the new system to be ready for July 1, 2015. Staff will be moving this fall around the last part of October. This will be done with the least amount of disruption to the agencies as possible. If there are any concerns that something is falling through the cracks, please let us know.

Data Cleansing and Conversion – Clark Partridge

We would like fiscal year 2013 and prior information to be cleaned up by December 31, 2014. If you need assistance, contact Brian Nguyen, Brian.Nguyen@azdoa.gov.

Judi Kilgus has been working on the grant clean ups. We are down to about 15 agencies that still have issues. Contact Judi if you need assistance with grant clean up, Judith.Kilgus@azdoa.gov.

For NSF's checks, if goods and/or services were rendered, we cannot just write it off. It needs to go through the bad debt process. If we know goods and/or services were not rendered, then it is just an accounting correction. If you are not sure if goods and/or

services were rendered or not, we will have conversations with the Attorney General's Office.

Crosswalks for BREAZ were due today. If you have grants on your crosswalk that are not to be put in the new system, you need to identify them. If the grants are zero balance, they should be inactivated so we don't even need to worry about them. If there is any balance, even a few cents, they need to be cleaned up and closed out so they do not error in the new system.

In the new system, there will no longer be a cash balance for grants. The 63 screen will not be brought across. The only screen information that will go forward into the new system is the 66A, with the INQ OPTN: R. The only thing that will be transferred is true expenditures and true revenues. This information should reconcile to your award. The INQ OPTN: B screen is for budgeting. There will no longer be a screen equivalent to the 65A. There will only be your revenues less your expenditures.

For projects, we don't have anything set up at this time to bring project balances across to the new system. If you have balances, make sure they are valid and accurate.

We have been working with the agencies to clean up favorable and unfavorable deposit discrepancies. Again, fiscal year 2013 and prior balances should be cleaned up by December 31, 2014.

Old fixed assets need to be cleaned up also. If the assets need to be disposed of, please clean them off the system so we don't have to cross walk to those items.

Q: Can I have an index that is used for HRIS purposes cross walked but then have the same index cross walked for fixed asset purposes?

A: Yes. Your functions will override anything that is on there. For fixed assets we need to know specifically what unit it is going to.

CAFR Deadline Reminders – Clark Partridge

For non-financial statement agencies, information was due at the end of August. For financial statement agencies, the drafts were due by September 12. October 20 is the deadline for final drafts. Bound copies should be submitted by November 10.

The plan auditors for ASRS are collecting census data for 2013 to calculate the net pension liability. There are 5 agencies in the State, 5 employees at each agency that will be reviewed. In March their report will be issued with our proportionate share of the liability that the State will be recognizing next year for the unfunded portion.

If you think you may have problems hitting CAFR deadlines, please contact Ron Santa Cruz, Ron.SantaCruz@azdoa.gov.

Draft Policies

Please review the draft policies that are currently on the website by October 15. Some of the policies may impact training materials, etc. for the new system. Thank you to those who participated in the travel policy reviews. We will probably not be getting approval to move to federal rates.

Issues / Concerns / Questions?

Q: At the ECIVIS presentation, Matt said they wanted to track donations in the ECIVIS system. That may be okay for large donations, but for small donations, that doesn't make any sense.

A: We have the statewide donations fund. There are things that need to be cleaned up. Things need to be cleaned up and tracked appropriately.

Reconciliations should be done timely so issues can be identified timely.

Q: As an agency that gets federal dollars from smaller agencies, they do not always give all the information needed to categorize correctly, CFDA numbers, etc. Education on that topic would help the downstream agencies.

A: One of the biggest issues that will be emphasized is that if you are receiving federal money and you pass that money to someone else, other than a vendor, you are responsible for making sure the entity you are passing the money to has all the correct information. You will be responsible for subrecipient monitoring. The IGA or ISA should always identify the CFDA number if it is federal dollars. If you are passing money from multiple funding sources, you have to keep the money distinct so the receiver knows exactly what it is they are getting.

Q: I think Matt's group developing the grants manual will help with some of these issues.

A: Agreed. It will add a lot of value.

On another subject, we are working on the draft allocation for the cost of the new system. We have talked about this for years. We are currently on time and within budget for the new system. When the draft is revealed, please make sure you speak up with any potential issues immediately. We also need to start talking about the decommission of other systems and spreadsheets. We are planning to decommission the current AFIS by the end of September, 2015.

Items processed in edit mode 2 will start getting cut off the week before June 30 to gear up and be ready for the June 30 cut off. Items will start being processed in the new system on July 1.

Q: We are currently getting charged for the current AFIS system in our budget along with allocations through the budget process. Can you clarify how this will work in the future? Do you see both charges continuing in the future?

A: They will merge together. Hopefully the charge for the current system will go away. There may be one quarter of the current system.

Q: Is there any way we can get contact information for GAO employees? When you moved to the new website, the employee search information went away.

A: We will start posting the GAO phone list to the website. When the AFIS staff moves, they will be keeping all their same phone numbers.

Q: Is everyone moving, CAFR, etc.?

A: All of AFIS is moving and probably the Appropriations group. The CAFR group, payroll and federal reporting will not be moving. The group that does reconciliations between HRIS and AFIS will be splitting their time back and forth between here and there. There will only be the current GAO front desk. There will not be another front desk at the BREAZ location. We will have a runner going back and forth between the buildings. Warrants and mail will continue to be distributed from the ADOA building.

We are looking to move towards mailing vendor and payroll warrants with the implementation of the new system, perhaps even sooner. You will need to mention this to your employees to make sure their address is correct in HRIS and they have signed up for direct deposit or the pay card.

Future Agenda Items

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

Meeting adjourned at 3:07 P.M.

The next meeting is scheduled for Tuesday, October 28, 2014 at 2:00 p.m. in ADOA Conference Room 300.