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MEMORANDUM

TO: All State Agencies
Attention Chief Financial Officers (CFOs)

FROM: D. Clark Partridge, State Comptroller

DATE: November 19, 2007

SUBJECT: Statewide Travel Policy and Travel Claim Processing Changes

As mentioned in the October 2007 CFO Meeting, the development of the Travel Management Subsystem has been put on hold while additional analysis is performed to ensure the State implements the most cost effective and efficient alternative. This delay does not postpone the need by the State of Arizona to comply with the IRS requirements regarding the taxation of meals without overnight stay. In an effort to comply with this requirement, we have sent a letter to the Agency heads notifying them of this and that there will also be changes to the travel policy. You, HR managers, and Payroll coordinators were copied on this notification. We will be working with the Human Resources Information Solutions (HRIS) team to implement the process for paying Travel Claims using the HRIS system.

The implementation of this new process is scheduled to be completed and in place by the January 1, 2008 date agreed to with the IRS. To meet this goal, we need you to assist in collecting data, distributing training and implementing changes to the processing of Statewide Travel Claims. We have taken several steps to facilitate and simplify this implementation.

This process change will change from inputting Travel Claims into the Arizona Financial Information System (AFIS) to inputting these claims into the HRIS. As a result, you may have staff that will need to be retrained and obtain access to the HRIS system. The training will not require extensive HRIS training, but will include overall HRIS navigation and familiarization. We are specifically creating a custom screen to facilitate the input of travel information. It is designed to include features familiar to staff responsible for processing travel in AFIS.

The GAO will be rolling out the following tasks in the next few weeks.

- Developing methods for agency staff to input travel reimbursements into HRIS
- Developing Pay Codes and data required to record Travel
- Creating and Implementing changes to HRIS website to roll-out new training material
- Communicating changes to Statewide Travel Policy

As an Agency you can begin preparing for this change by working on the following tasks.

- Communicate to employees the importance of submitting **all** travel claims for processing by 12/31/2007. You can establish your own timeframes for submission depending on the time needed for review and processing at your agency.
- Define users that will be required to input travel claims into HRIS. Determine if these users currently have access to HRIS. If users do not have access, begin having these users take the pre-requisite HRIS classes that are required before Job Role Training (e.g., HRIS Basics and HRIS Navigation Tutorial).
- Develop the list of new HRIS users and email the EIN's and Names to the GAO at gaowebmr@azdoa.gov. You will need to complete an HRIS security form for each new user. This form is accessible off the HRIS website at: www.hris.state.az.us. This form will be updated as soon as the new Job Role is approved.
- Analyze and begin inputting into AFIS, using the H01, H02 and H03 screens, the travel related expense accounts that will be used by agency staff to input travel into HRIS.
- Communicating with Agency Travelers that changes will be coming to Statewide Travel Policy.
- Adding, to HRIS, board and commission members, volunteers and others who receive no compensation, but are reimbursed for travel expenses. We are working with the ADOA Human Resources to develop the procedures and a process and will provide them when they become available.

It is critical for the State of Arizona that this process change be implemented on January 1, 2008 as non-compliance could result in significant fines and penalties. We ask that you review your current work load and projects to ensure that adequate resources are available to assist in this effort.

Thank you for your support during this important transition. Should you have an immediate concern or questions regarding this change, please contact the Deputy State Comptroller, Mike Smarik at 602-542-1674.

cc: Agency HR Managers
Agency Payroll Coordinators
Agency Budget Officers