

**Arizona Department of Administration**  
**Financial Services**

A.R.S. § 41-722 and 41-2511

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	<b>FY 2000 Actual</b>	<b>FY 2001 Estimate</b>	<b>FY 2002 Approved</b>	<b>FY 2003 Approved</b>
<b>PROGRAM BUDGET</b>				
Full Time Equivalent Positions	108.2	109.2	109.2	109.2
Financial Services				
<u>Subprograms</u>				
State Procurement	1,680,600	1,763,000	1,874,500	1,945,100
General Accounting	5,021,200	5,244,200	5,389,000	5,528,000
ENSCO SLI	4,586,700	4,586,700	4,586,700	4,586,100
Arizona Financial Information				
System SLI	2,506,300	2,549,500	1,906,100 <sup>1/</sup>	1,934,500 <sup>1/</sup>
<u>Subprogram Subtotal</u>	<u>12,114,200</u>	<u>12,380,400</u>	<u>11,881,800</u>	<u>12,048,600</u>
<b>SUBTOTAL</b>	<b>13,794,800</b>	<b>14,143,400</b>	<b>13,756,300</b>	<b>13,993,700</b>
<b>Additional Appropriations -</b>				
Appropriations; Named Claimants, Ch. 279	0	722,600	0	0
Procurement, On-Line Bidding, Ch. 375	0	0	200,000 <sup>2/</sup>	0
<b>TOTAL APPROPRIATIONS</b>	<b>13,794,800</b>	<b>14,866,000</b>	<b>13,956,300 <sup>3/</sup></b>	<b>13,993,700 <sup>3/</sup></b>
<b>FUND SOURCES</b>				
General Fund	13,794,800	14,800,800	13,889,800	13,924,600
<u>Other Appropriated Funds</u>				
Special Employee Health Insurance				
Trust Fund	0	65,200	66,500	69,100
<u>Subtotal - Other Appropriated Funds</u>	<u>0</u>	<u>65,200</u>	<u>66,500</u>	<u>69,100</u>
<b>TOTAL APPROPRIATIONS</b>	<b>13,794,800</b>	<b>14,866,000</b>	<b>13,956,300</b>	<b>13,993,700</b>

**COST CENTER DESCRIPTION** — *Financial Services includes the General Accounting Office, which maintains the state's financial records, provides accounting services to agencies, and oversees state compliance with financial requirements and appropriation authority; and the State Procurement Office, which provides purchasing services and oversees procurement for agencies.*

<sup>1/</sup> The department may collect an amount of not to exceed \$762,600 from other funding sources, excluding Federal Funds, to recover pro rata costs of operating AFIS II. All AFIS II operating costs below \$3,312,100 shall be proportionately distributed among all contributing funding sources, including the state General Fund. (General Appropriation Act footnote)

<sup>2/</sup> Pursuant to Laws 2001, Chapter 375, this appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

<sup>3/</sup> General Appropriation Act funds are appropriated as a Lump Sum by Fund with ENSCO and Arizona Financial Information System Special Line Items.

<b>PERFORMANCE MEASURES</b>	FY 1999 Est./Actual	FY 2000 Est./Actual	FY 2001 Estimate	FY 2002-03 Estimate
• Average cycle time for requests for proposal (RFP) (in days)	80/87	80/93	80	80
• Customer satisfaction rating for the quality of contracts (Scale 1-8)	NA/5.6	NA/5.4	6.0	6.0
• Customer satisfaction rating for purchasing services (Scale 1-8)	6.0/7.4	6.2/7.4	7.4	7.5
• Customer satisfaction rating for the administration of the payroll process (Scale 1-8)	6.2/6.0	6.4/6.5	6.6	6.6
• Customer satisfaction rating for the operation of AFIS (Scale 1-8)	6.0/5.4	6.2/5.4	6.4/5.9	6.0

**State Procurement Subprogram** — This subprogram conducts procurements, including statewide contracts, for all state agencies and establishes and administers procurement policies and procedures. The approved amount is funded from the General Fund and the Special Employee Health Insurance Trust Fund, and includes a FY 2001 supplemental (Laws 2001, Chapter 232) increase of \$65,200 and 1 FTE Position from the Special Employee Health Insurance Trust Fund for a Benefits Contract Manager. This position will assist with procuring a new statewide health insurance contract in FY 2001 and will be responsible for monitoring the provisions of the contract. This amount is continued in FY 2002 and FY 2003.

**General Accounting Subprogram** — This subprogram provides financial services to state agencies including operation of the Arizona Financial Information System (AFIS) and the payroll portion of the Human Resources Management System (HRMS), and oversight of state compliance with financial requirements and appropriation authority. The approved amount is funded from the General Fund.

**ENSCO Special Line Item** — Monies in this line item are used to pay the lease-purchase payment requirements for the acquisition of the ENSCO site. The state secured lease-purchase financing of \$55,825,000 in October 1991 to settle with ENSCO and acquire its partially constructed hazardous waste treatment site in Mobile, AZ. Payments will be required through the year 2011. The approved appropriation is funded from the General Fund and includes a FY 2003 decrease of \$(600) below FY 2001 for a standard payment adjustment.

**Arizona Financial Information System Special Line Item** — Monies in this line item are used to fund the General Fund cost of operating the statewide accounting system. The department will also collect up to \$762,600 from other funding sources, excluding the General Fund and Federal Funds, to supplement the cost of operating AFIS. This authority is provided in a General Appropriation Act footnote. The approved amount includes a FY 2002 decrease of \$(643,400) below FY 2001

and a FY 2003 decrease of \$(615,000) below FY 2001 to reflect savings that resulted from the consolidation of the data systems of the Department of Revenue and the Department of Transportation into the ADOA Information Technology Services data center.

**Additional Appropriations: Procurement, On-Line Bidding (Chapter 375)** — This bill establishes the State Electronic Commerce Fund and appropriates \$200,000 to the fund in FY 2002 from the General Fund. This appropriation has been allocated to the Arizona Department of Administration (ADOA) State Procurement Subprogram to help state agencies implement electronic purchasing systems. If the agency realizes savings as a result of its electronic purchasing system, the agency will repay the amount it received from the State Electronic Commerce Fund, plus 10% of its savings. The FY 2002 one-time appropriation to the State Electronic Commerce Fund is non-lapsing.

**Appropriations: Named Claimants (Chapter 279)** — This bill appropriates a total of \$722,600 from the General Fund to ADOA in FY 2001 for various individuals and groups to settle claims against the state. This includes \$351,052.86 in direct General Fund appropriations, and \$371,534.14 which is transferred from various Other Funds to the General Fund and then appropriated from the General Fund to ADOA.

[Click here to return to the Table of Contents](#)