

Arizona Department of Administration
Information Technology Services

A.R.S. § 41-711

	FY 2002 Actual	FY 2003 Estimate	FY 2004 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	225.3	225.3	214.0
Personal Services	8,472,900	10,590,600	10,045,600
Employee Related Expenditures	1,649,800	2,226,500	2,609,800
Professional and Outside Services	781,400	2,005,300	2,005,300
Travel - In State	51,000	71,300	59,200
Travel - Out of State	4,300	49,200	49,200
Other Operating Expenditures	8,607,900	9,624,200	7,720,500
Equipment	10,196,500	11,886,000	13,243,100
OPERATING SUBTOTAL	29,763,800	36,453,100	35,732,700^{1/}
FUND SOURCES			
<u>Other Appropriated Funds</u>			
Technology and Telecommunications Fund	29,763,800	36,453,100	35,732,700 ^{2/}
SUBTOTAL - Other Appropriated Funds	29,763,800	36,453,100	35,732,700
AGENCY TOTAL	29,763,800	36,453,100	35,732,700

COST CENTER DESCRIPTION — *The Information Technology Services Division operates the Data Center, which provides centralized computer services for approximately 70 state agencies, statewide emergency telecommunications services, and state agency telecommunications services. Funding for this cost center is provided through charges to agencies utilizing data processing and telecommunications services provided by Information Technology Services.*

PERFORMANCE MEASURES	FY 2002	FY 2002	FY 2003	FY 2004
	Appropriation	Actual	Appropriation	Appropriation
• Customer satisfaction rating for mainframe services based on annual survey (Scale of 1-8)	6.0	5.9	6.0	6.5
• Customer satisfaction rating for information technology security services (Scale of 1-8)	6.0	4.5	6.0	6.5
• Customer satisfaction rating for Finance and Planning services (Scale of 1-8)	6.0	7.1	6.0	7.3
• Customer satisfaction rating for Arizona Telecommunications System (ATS) (Scale of 1-8)	6.0	5.6	6.0	6.5
• % of Enterprise Application work requests completed by estimated target date	95	93	95	95

Technical Adjustments — The FY 2004 approved amount includes technical adjustments for Employee Related Expenditures, Risk Management charges, state-owned, lease-purchase, or privatized-lease-to-own rent charges, Other Fund health and dental insurance changes, Other Fund retirement changes, and Other Fund AFIS charges. *(Please see the General Provisions section at the end of this Appropriations Report for further details on these changes.)*

AFIS Programmers — The approved amount includes a Technology and Telecommunications Fund decrease of \$(676,800) and (11.3) FTE Positions to transfer Arizona Financial Information System (AFIS) programmers to the AFIS Special Line Item in the Financial Services cost center.

^{1/} General Appropriation Act funds are appropriated as a Lump Sum by Fund.

^{2/} The appropriation for the Technology and Telecommunications Fund is an estimate representing all monies, including balance forward, revenue and transfers during FY 2004. These monies are appropriated to the Department of Administration for the purposes established in A.R.S. § 41-713. The appropriation shall be adjusted as necessary to reflect receipts credited to the Technology and Telecommunications Fund for Arizona Telecommunications System and data center projects. Of the appropriation, \$12,313,100 in FY 2004 is for the Arizona Telecommunications System and \$23,419,600 in FY 2004 is for All Other Information Technology Services expenditures. Expenditures for all additional Arizona Telecommunications System and data center projects shall be subject to review by the Joint Legislative Budget Committee, following approval of the Government Information Technology Agency, and shall not exceed the revenues for these projects. (General Appropriation Act footnote, as adjusted for statewide allocations.)

Equipment — The approved amount includes a Technology and Telecommunications Fund decrease of \$(52,900) for the replacement of equipment associated with the normal operation of the Data Center and other information technology operations. The approved amount also includes a Technology and Telecommunications Fund increase of \$1,410,000 for an upgrade to the Data Center mainframe computer.

Fund Transfer — The General Appropriation Act transfers \$3,000,000 from the Emergency Telecommunications Services Revolving Fund to the General Fund in FY 2004. This transfer is not part of the agency's appropriation and is not reflected in the tables above.

Veto: General Appropriation Act (Chapter 262) — The Governor vetoed a transfer of \$4,000,000 from the Technology and Telecommunications Fund to the General Fund in FY 2004.

Additional Legislation: Budget Reconciliation: Public Finances (Chapter 263) — On or before October 31, 2003, the Government Information Technology Agency (GITA) is required to prepare and submit Request for Proposals (RFPs) to the Joint Committee on Capital Review (JCCR) that would privatize telecommunications services for state agencies, excluding universities and community colleges. GITA is required to prepare the RFPs in consultation with the Arizona Department of Administration (ADOA). Contracts that result from the RFPs will be implemented under the supervision of ADOA. Monthly reports to JCCR are required. The legislation also makes available \$500,000 in FY 2004 from the Technology and Telecommunications Fund for one-time costs associated with the preparation of RFPs to privatize telecommunication services.

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