

Arizona Strategic Enterprise Technology
Enterprise Infrastructure and Communications
Telecommunication Funding Source Report

Pursuant to Arizona Revised Statutes § 41-713, The Arizona Department of Administration (ADOA) - Arizona Strategic Enterprise Technology (ASET) office is submitting an annual consolidated telecommunications report for review by the Joint Legislative Budget Committee (JLBC) that accounts for all monies deposited in the fund, the sources of the monies received for deposit, the purposes for which the fund monies were used during the preceding fiscal year and the plans for using fund monies during the next fiscal year.

Program Overview

Arizona Revised Statutes § 41-712 directed ADOA to establish a Telecommunications Program Office (TPO) within ADOA for the oversight of a single statewide telecommunications network called AZNet. Offices, departments and agencies of the state enter into a contract through TPO for their telecommunication needs, including the installation and the maintenance of telecommunications systems. The TPO is also charged with ensuring that its contractor acts as the State's agent for all carrier services to the offices, departments and agencies within AZNet.

In early 2011, TPO was part of a large technology group merger that included the Government Information Technology Office (GITA) and Information Services Division (ISD). The new technology-focused group was renamed the Arizona Strategic Enterprise Technology (ASET) office and became part of the Arizona Department of Administration (ADOA). As part of the creation of ASET, there were four divisions created to ensure the continuity of operations: Strategic Transformation & Innovation (STI), Enterprise Capabilities & Delivery (ECD), State Data Center (SDC) and Enterprise Infrastructure & Communications (EIC).

EIC became the new division in charge of oversight of the single statewide telecommunications network called AZNet. EIC is responsible for entering into a primary contract for a contractor to provide for the installation and maintenance of telecommunication systems and to act as the state's agent for telecommunication carrier services to the offices, departments and agencies of this state.

During the initial phase of AZNet, the services agreement statewide telecommunications outsourcing was contracted between the State of Arizona and Accenture LLP. The next generation, AZNet II, was an agreement with CenturyLink to provide services to the state effective August 1, 2012. The State is now in agreement with Lumen under AZNE III to provide services effective October 1, 2020.

Program Funding

Pursuant to Arizona Revised Statutes § 41-713, a telecommunication fund was established for paying costs incurred in operating the telecommunications program office. Revenues for this fund are derived from agencies in payment for services provided by EIC. See Table 1.

Program Report

Pursuant to Arizona Revised Statutes § 41-713, the department shall prepare and submit in connection with its annual budget request to the legislature, a report that accounts for all monies deposited in the fund, the sources of the monies received for deposit, the purposes for which the fund monies were used during the preceding fiscal year and the plans for using fund monies during the next fiscal year. See Table 2.

Table 1

Telecommunications Fund	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Budget
APPROPRIATION	\$ 1,645,600.00	\$ 1,693,600.00	\$ 1,651,700.00	\$ 1,814,000.00
SLI	\$ -			
EXPENDITURES				
PERSONAL SERVICES	\$ 547,118.17	\$ 635,692.00	\$ 646,822.92	\$ 783,100.00
ERE	\$ 205,038.49	\$ 237,876.00	\$ 243,306.15	\$ 323,500.00
PROFESSIONAL & OUTSIDE	\$ 79,724.00	\$ 74,626.00	\$ 4,740.00	\$ 47,400.00
TRAVEL - IN STATE	\$ 64.11	\$ 67.00	\$ 379.92	\$ -
TRAVEL - OUT OF STATE	\$ 167.64	\$ 365.00	\$ -	\$ -
OTHER OPERATING EXPENSES	\$ 459,018.37	\$ 672,224.00	\$ 595,067.88	\$ 572,500.00
CAPITAL OUTLAY	\$ -		\$ -	\$ -
CAPITAL EQUIPMENT	\$ -		\$ -	\$ -
OTHER EQUIPMENT	\$ 130.32		\$ 9,872.86	\$ -
COST ALLOCATIONS	\$ 77,355.64	\$ 67,397.00	\$ 70,622.10	\$ 87,500.00
OPERATING TRANSFERS OUT				
ADMIN ADJ	\$ -			
OPERATIONS TOTALS	\$ 1,368,616.74	\$ 1,688,247.00	\$ 1,570,811.83	\$ 1,814,000.00

CASH OR GF APPROP LESS SETASIDE

BEGINNING CASH	\$890,359	\$1,203,770	\$1,214,170	\$1,544,994
CASH COLLECTIONS	\$1,752,029	\$1,753,906	\$1,784,996	\$1,752,000
CASH COLLECTION (Projected Remaining)	\$ -			
ACCRUED EXPENSES	\$ -			
CASH EXPENDITURES	(\$1,368,617)	(\$1,688,247)	(\$1,570,812)	(\$1,814,000.00)
TRANSFER TO AUTOMATION PROJECT FUND	\$ -			

PRIOR YEAR REVENUE				
PRIOR YEAR EXPENDITURES				
ADMIN ADJ				
ENDING CASH	\$1,203,782	\$1,214,170	\$1,544,994	\$ 1,482,994

Table 2

	2020	2021	2022	2023
AGENCY	Actuals	Actuals	Actuals	Estimates
ACCOUNTANCY BOARD - AB	\$413.72	\$440.18	\$492.74	\$495.76
ADMINISTRATIVE HEARINGS - HG	\$563.25	\$482.45	\$479.29	\$480.38
AHCCCS - HC	\$65,494.70	\$62,633.29	\$41,010.23	\$8.80
ARIZONA HISTORICAL SOCIETY - HI	\$3,778.32	\$3,194.56	\$3,354.83	\$41,271.87
AFRICAN AMERICAN COMMISSION - C4	\$23.89	\$20.54	\$8.75	\$3,377.41
ARIZONA MEDICAL BOARD - ME	\$2,312.11	\$4,434.80	\$3,037.15	\$3,059.21
ARIZONA PIONEERS HOME - PI	\$1,883.70	\$1,527.28	\$1,481.95	\$1,491.94
ARIZONA STATE UNIVERSITY - AS	\$43.18	\$39.04	\$34.17	\$34.41
AUTOMOBILE THEFT AUTHORITY - AT	\$199.70	(\$134.23)	\$0.00	\$0.00
AZ DEPT FINANCIAL INSTITUTIONS - BD	\$2,087.06	\$490.27	\$0.00	\$0.00
AZ DEPT OF HOMELAND SECURITY - HL	\$424.43	\$331.76	\$331.44	\$333.34
AZPOST - B7	\$1,246.27	\$1,104.82	\$1,647.92	\$1,663.96
BD BEHAVIORAL HEALTH EXAMINERS - BH	\$441.64	\$435.89	\$429.40	\$431.96
BD EXAMINER NURSING CARE ADMIN - NC	\$114.23	\$117.12	\$106.04	\$106.87
BD HOMEOPATHIC MED EXAMINERS - HE	\$26.88	\$22.74	\$11.38	\$11.44
BD OCCUPATIONAL THERAPY EXAMIN - OT	\$86.24	\$87.01	\$102.27	\$102.59
BD OF CHIROPRACTIC EXAMINERS - CE	\$193.35	\$156.86	\$126.83	\$127.72
BD OF PSYCHOLOGIST EXAMINERS - SY	\$177.20	\$111.75	\$103.39	\$103.84
BD OF REGENTS - BR	\$6.86	\$5.92	\$5.17	\$5.21
BD OF TECHNICAL REGISTRATION - TE	\$662.42	\$668.46	\$722.11	\$726.63
BD PRIVATE POSTSECONDARY EDU - PV	\$166.64	\$119.71	\$112.44	\$113.03
BD RESPIRATORY CARE EXAMINERS - RB	\$111.55	\$98.42	\$102.42	\$103.15
BOARD OF BARBERS - BB	\$98.69	\$86.00	\$91.73	\$92.39
BOARD OF CHARTER SCHOOLS - CS	\$459.97	\$378.46	\$393.98	\$396.74
BOARD OF COSMETOLOGY - CB	\$756.76	\$1,038.24	\$1,140.27	\$1,149.81
BOARD OF DENTAL EXAMINERS - DX	\$318.36	\$255.49	\$320.67	\$322.48
BOARD OF DISPENSING OPTICIANS - DO	\$42.38	\$22.80	\$20.72	\$20.87
BOARD OF EQUALIZATION - EQ	\$282.07	\$249.64	\$284.56	\$286.48
BOARD OF EXAMINERS ACUPUNCTURE - AN	\$40.75	\$24.95	\$22.48	\$22.64
BOARD OF EXECUTIVE CLEMENCY - PP	\$529.64	\$471.04	\$496.58	\$499.84
BOARD OF FINGERPRINTING - BF	\$612.37	\$476.25	\$305.37	\$306.61
BOARD OF MASSAGE THERAPY - MT	\$165.77	\$140.00	\$99.94	\$100.66
BOARD OF NURSING - BN	\$2,212.66	\$2,470.83	\$2,440.23	\$2,456.08
BOARD OF OPTOMETRY - OB	\$75.23	\$109.67	\$78.36	\$79.42
BOARD OF OSTEOPATHIC EXAMINERS - OS	\$209.47	\$184.17	\$90.50	\$91.01
BOARD OF PHYSICAL THERAPY - PT	\$104.06	\$107.82	\$74.60	\$74.91
BOARD OF PODIATRY EXAMINERS - PO	\$34.95	\$51.74	\$34.39	\$34.66
BOARD OF TAX APPEALS - TX	\$104.64	\$91.21	\$95.50	\$96.16
CITIZENS CLEAN ELECTIONS COMM - EC	\$365.71	\$332.15	\$417.94	\$420.89
COMM DEAF & HARD OF HEARING - DF	\$905.46	\$840.08	\$752.81	\$757.97
COMMISSION FOR POSTSECONDARY EDUCATION - PE	\$422.30	\$452.10	\$35.89	\$36.00
COMMISSION ON THE ARTS - HU	\$968.83	\$811.71	\$731.20	\$736.20
CORPORATION COMMISSION - CC	\$9,113.94	\$9,516.27	\$10,728.96	\$10,811.78

COURT OF APPEALS - DIV. II - CT	\$1,159.66	\$995.83	\$1,061.60	\$1,069.26
CRIMINAL JUSTICE COMMISSION - JC	\$870.05	\$721.34	\$719.99	\$725.12
DEPARTMENT OF ADMINISTRATION - AD	\$49,632.01	\$28,971.52	\$32,439.93	\$20,797.55
DEPARTMENT OF AGRICULTURE - AH	\$5,935.50	\$5,568.60	\$7,166.87	\$7,217.92
DEPARTMENT OF CHILD SERVICES - CH	\$147,720.35	\$133,079.86	\$127,108.13	\$127,978.84
DEPARTMENT OF CORRECTIONS - DC	\$225,918.30	\$198,407.30	\$244,659.53	\$246,420.76
DEPARTMENT OF EDUCATION - ED	\$24,317.00	\$24,648.44	\$23,553.00	\$23,711.06
DEPARTMENT OF GAME AND FISH - GF	\$36,594.07	\$37,768.04	\$39,443.17	\$39,713.24
DEPARTMENT OF GAMING - GM	\$2,426.20	\$2,416.39	\$1,941.72	\$1,956.02
DEPARTMENT OF HEALTH SERVICES - HS	\$51,839.57	\$47,179.73	\$53,700.82	\$54,047.58
DEPARTMENT OF HOUSING - HD	\$2,286.65	\$2,448.12	\$2,239.44	\$2,253.26
DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS - ID	\$2,812.42	\$5,987.70	\$3,369.15	\$3,391.93
DEPARTMENT OF LAND - LD	\$4,459.10	\$4,182.99	\$4,249.46	\$4,282.11
DEPARTMENT OF PARKS - PR	\$9,949.01	\$9,350.93	\$8,276.24	\$8,327.74
DEPARTMENT OF PUBLIC SAFETY - PS	\$60,338.08	\$58,444.17	\$64,947.20	\$65,416.17
DEPARTMENT OF RACING - RC	\$203.86	\$0.00	\$0.00	\$0.00
DEPARTMENT OF REAL ESTATE - RE	\$928.75	\$921.81	\$1,088.68	\$1,096.71
DEPARTMENT OF REVENUE - RV	\$41,674.03	\$46,747.37	\$50,125.88	\$50,444.53
DEPARTMENT OF TRANSPORTATION - DT	\$283,269.98	\$266,512.78	\$286,522.87	\$288,489.43
DEPARTMENT OF WATER RESOURCES - WC	\$4,921.67	\$4,594.35	\$4,800.39	\$4,833.50
DEPT LIQUOR LICENSES & CONTROL - LL	\$1,440.09	\$1,268.12	\$1,370.76	\$1,380.31
DEPT OF ECONOMIC SECURITY - DE	\$513,415.39	\$598,565.81	\$532,501.59	\$535,979.90
DEPT OF ENVIRONMENTAL QUALITY - EV	\$16,987.49	\$15,241.25	\$8,982.73	\$9,038.62
DEPT OF JUVENILE CORRECTIONS - DJ	\$5,824.18	\$5,541.95	\$6,467.51	\$6,515.99
DEPT OF VETERANS SERVICES - VS	\$14,526.93	\$13,727.11	\$20,241.42	\$20,381.63
EARLY CHILDHOOD DEV HEALTH BD - CD	\$13,287.33	\$11,557.71	\$10,786.02	\$10,859.21
EMERGENCY & MILITARY AFFAIRS - MA	\$5,474.79	\$6,115.77	\$7,508.81	\$7,560.72
EXPOSITION AND STATE FAIR - CL	\$2,335.58	\$2,292.70	\$2,433.76	\$2,450.12
FUNERAL DIRECTORS & EMBALMERS - FD	\$119.57	\$120.66	\$80.33	\$80.79
GOVERNOR'S OFFICE				
OFFICE OF THE GOVERNOR - GV	\$2,897.62	\$3,085.24	\$3,428.00	\$3,450.76
GOBIERNO DEL ESTADO DE SONORA - B2	\$94.57	\$68.29	\$42.04	\$42.76
GOV OFC - AZ MEXICO COMMISSION - A5	\$216.39	\$187.60	\$292.71	\$294.74
GOV OFC - EDUCATION INNOVATION - C1	\$80.63	\$70.20	\$25.15	\$25.26
GOV OFC - EXTRADITION - B1	\$24.36	\$20.69	\$85.83	\$86.51
GOV OFC - GOCYF - A6	\$1,030.82	\$772.98	\$562.39	\$566.78
GOV OFC - TUCSON OFFICE - B3	\$178.59	\$153.13	\$70.69	\$71.11
GV STRATEGIC PLANNING & BUDGET - A1	\$663.59	\$561.39	\$438.51	\$442.38
GOV OFC ON TRIBAL RELATIONS - IA	\$57.31	\$49.86	\$41.28	\$41.43
INDEPENDENT REDISTRICTING COMM - RD			\$126.62	\$127.70
INDUSTRIAL COMMISSION - IC	\$12,123.77	\$13,003.15	\$12,728.82	\$12,813.32
LOTTERY - LO	\$13,184.10	\$13,202.51	\$12,304.99	\$12,383.38
MINE INSPECTOR - MI	\$453.74	\$393.52	\$374.86	\$377.87
NATUROPATHIC PHYS BD MED EXAM - NB	\$51.53	\$44.11	\$41.31	\$41.42
NAVIGABLE STREAM ADJUDICA COMM - NS	\$32.40	\$28.81	\$27.39	\$27.58
NORTHERN ARIZONA UNIVERSITY - NA	\$6.90	\$6.01	\$6.49	\$6.54
OFFICE OF ECONOMIC OPPORTUNITY - EO	\$894.87	\$861.21	\$706.83	\$712.03
OFFICE OF HIGHWAY SAFETY - GH	\$483.25	\$422.94	\$377.98	\$381.06
OFFICE OF THE ATTORNEY GENERAL - AG	\$29,866.47	\$26,711.83	\$28,181.69	\$28,374.88
OFFICE OF THE STATE FORESTER - FO	\$5,225.87	\$4,351.95	\$954.57	\$4,529.98
OFFICE OF TOURISM - TO	\$1,353.17	\$1,093.58	\$1,145.60	\$959.69

OFFICE OF TREASURER - TR	\$1,124.04	\$909.10	\$21.74	\$1,153.54
PERSONNEL BOARD - PB	\$37.74	\$22.82	\$4,497.48	\$21.80
PHARMACY BOARD - PM	\$724.56	\$843.51	\$1,202.64	\$1,209.62
POWER AUTHORITY - PA	\$1.64	\$304.59	\$290.44	\$292.58
PRESCOTT HISTORICAL SOCIETY - PH	\$538.66	\$717.38	\$1,315.65	\$1,323.97
PROSECUTING ATTORNEYS COUNCIL - B6	\$458.89	\$248.94	\$358.17	\$360.80
REGISTRAR OF CONTRACTORS - RG	\$4,955.17	\$7,086.17	\$9,747.42	\$9,809.36
RES UTILITY CONSUMER OFFICE - UO	\$297.46	\$255.76	\$293.55	\$295.62
RETIREMENT SYSTEM - RT	\$14,216.36	\$17,592.25	\$17,138.17	\$17,241.41
SCHOOL FACILITIES BOARD - SF	\$594.50	\$489.49	\$299.99	\$300.33
SCHOOL FOR THE DEAF AND BLIND - SD	\$19,687.28	\$18,904.89	\$21,301.28	\$21,448.92
SECRETARY OF STATE - ST	\$7,324.94	\$8,127.60	\$9,778.07	\$9,845.46
STATE BOARD OF EDUCATION - EB	\$191.02	\$156.70	\$129.08	\$129.95
STATE BOARDS - B8	\$1,228.04	\$1,083.96	\$1,305.15	\$1,317.36
SUPREME COURT - SP	\$1,828.25	\$1,414.65	\$1,360.74	\$1,369.77
UNIVERSITY OF ARIZONA - UA	\$18.21	\$16.64	\$13.80	\$13.91
VETERINARY MED EXAMINING BOARD - VT	\$174.96	\$134.94	\$123.41	\$123.81
WATER INFRA FINANCE AUTHORITY - WF	\$729.37	\$724.00	\$715.87	\$721.47
Grand Total	\$1,752,000.00	\$1,752,000.00	\$1,752,000.00	\$1,752,000.00
FY20 - EIC Fees were collected in all months.				
FY21 - EIC Fees were collected in all months for a total of \$1,752,000, \$1,905.86 collected on sale of capital assets				
FY22 - EIC Fees were collected in all months.				
FY23 - EIC Fees are expected to be collected in all months.				