

Janice K. Brewer  
Governor



Kathy Peckardt  
Interim Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

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(602) 542-1500

November 25, 2014

Mr. David Raber, Director  
Arizona Department of Revenue  
1600 West Monroe Street  
Phoenix, Arizona 85007

Dear David:

In response to the Project Investment Justification (PIJ) for the *“Electronic Tobacco Tax Filing System”* project, my staff has reviewed your proposal to acquire and deploy an electronic tobacco tax filing system.

The PIJ implies that funding is available from the Automation Projects Fund in the amount of \$1,000.0 thousand, and from the General Fund in the amount of \$400.0 thousand, with additional funding to be requested from the General Fund in an amount up to \$3,000.0 thousand to cover the total estimated five-year life cycle cost of the project. The PIJ Summary and specific costs for the project have been purposely withheld from this notification due to State procurement rules regarding active solicitations.

This is notification of the Arizona Strategic Enterprise Technology Office's (ASET) recommendation to the Information Technology Authorization Committee (ITAC) for **Approval with Conditions** of the technology project as follows:

1. ADOR shall notify ADOA-ASET once procurement rules allow the release of additional information regarding the project, at which point ADOA-ASET will formally distribute the PIJ Summary to the ITAC, Joint Legislative Budget Committee, Office of Strategic Planning and Budgeting, and State Procurement Office.
2. Prior to moving any State data into the vendor provided solution, the ADOR must specify the selected solution's compliance with the Arizona Baseline Security Controls needed to provide a moderate level of protection for any Personally Identifiable Information (PII) data to be stored offsite. The ADOR and/or the vendor must explain any controls that cannot be met and if there are plans to address future compliance.

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The ITAC is scheduled to meet on December 9, 2014 to review this project. Additional details regarding the proposed project shall be presented to ITAC at that time. Should the ITAC approve the project, you may then proceed to secure additional approvals as required from the Joint Legislative Budget Committee, the Office of Strategic Planning and Budgeting and the State Procurement Office.

Best Wishes,



Aaron V. Sandeen  
State CIO and Deputy Director  
Arizona Strategic Enterprise Technology (ASET) Office

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cc: Carole Martin, ADOR  
Tom Johnson, ADOR  
Janice Swim, ADOR  
Fawn Medesha, ADOR  
Monique Gregory, ADOR  
Andrew Smith, JLBC  
John Arnold, OSPB  
Barbara Corella, ADOA-SPO  
Phil Manfredi, ADOA-ASET  
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ASET# RV15003