

The image features a large, stylized outline of the state of Arizona, which serves as a background for the title text. The outline is composed of two parallel lines, with the inner line following the state's geographical shape and the outer line being a simple rectangular border.

**STATE OF ARIZONA**

**APPROPRIATIONS  
REPORT**

**For The Fiscal Year  
Ending June 30, 1989**

Prepared by the  
Staff of the

**JOINT  
LEGISLATIVE  
BUDGET  
COMMITTEE**



STATE OF ARIZONA

## Joint Legislative Budget Committee

1716 WEST ADAMS  
PHOENIX, ARIZONA 85007  
PHONE (602) 255-5491

REPRESENTATIVE JOHN WETTAW  
CHAIRMAN 1987  
SENATOR JACK TAYLOR  
CHAIRMAN 1988

THEODORE A. FERRIS  
STAFF DIRECTOR

### INTRODUCTION

This annual Appropriations Report provides a single source document for obtaining summary and detailed information on appropriations for Fiscal Year 1989, as provided in the General Appropriation Act (H.B. 2142, Chapter 260, Laws of 1988) and other legislative acts. Also included is the economic and state revenue forecast upon which the budget was based. The summary section (pink pages at the front of the report) incorporates the use of graphics to visually display the structure and direction of the Arizona state budget for Fiscal Year 1989.

This report provides information relative to the legislative intent of appropriations. We have attempted to describe both the legal limitations or conditions ("footnotes") as well as that which was made apparent as "legislative intent" through the budget hearings.

The many state agencies are encouraged to review the contents of this Appropriations Report, and to contact the Joint Legislative Budget Committee Staff with any concerns regarding "legislative intent."

Additional information on appropriations and revenue can be obtained from the staff of the Joint Legislative Budget Committee.

A handwritten signature in cursive script, reading "Ted Ferris", written over a horizontal line.

Theodore A. Ferris,  
Staff Director and  
Legislative Budget Analyst

## JOINT LEGISLATIVE BUDGET COMMITTEE

The Joint Legislative Budget Committee was first established on April 25, 1966, pursuant to Laws 1966, Ch. 96. Thereafter, Laws 1979, Ch. 187 expanded and altered the Committee membership. The Committee members are:

Representative John Wettaw, Chairman - 1987	Senator Jack Taylor Chairman - 1988
Representative Carmen Cajero	Senator Jaime Gutierrez
Representative Bev Hermon	Senator A. V. "Bill" Hardt
Representative Chris Herstam	Senator Jeffrey Hill
Representative Leslie Whiting Johnson	Senator Peter Kay
Representative James Ratliff	Senator John Mawhinney
Representative Betty Rockwell	Senator Robert Usdane
Representative Polly Rosenbaum	Senator Pat Wright

The primary powers and duties of the Joint Legislative Budget Committee relate to ascertaining facts and making recommendations to the legislature regarding all facets of the state budget, state revenues and expenditures, future fiscal needs, and the organization and functions of state government.

The Joint Legislative Budget Committee appoints a Staff Director and Chief Executive Officer who is responsible for providing staff support and sound technical analysis to the Committee. The objectives and major products of the staff of the Joint Legislative Budget Committee are:

- **Analysis and Recommendations for the Annual State Budget**, which are presented in January of each year;
- Technical, analytical, and preparatory support in the development of **appropriations bills** considered by the legislature;
- An annual **Appropriations Report**, which is published shortly after the budget is completed and provides detail on the budget along with a further explanation of legislative intent;
- Support to the **Joint Committee on Capital Review** with respect to all capital outlay issues including land acquisition, new construction, and building renewal projects.
- Preparation of **fiscal notes** or those bills considered by the legislature having a fiscal impact on the state or any of its political subdivisions;
- **Management and Fiscal Research Reports** related to state programs and state agency operations;
- Periodic **economic and state revenue forecasts**;
- Periodic **analysis of economic activity, state budget conditions, and the relationship of one to the other.**

Joint Legislative Budget Committee  
1716 West Adams  
Phoenix, Arizona 85007  
Ph: (602) 255-5491

Theodore A. Ferris,  
Staff Director

STAFF OF THE  
JOINT LEGISLATIVE BUDGET COMMITTEE

- Staff Director..... Ted Ferris
- Assistant Staff Director..... Don Sockrider
- Associate Staff Director..... Dick Morris
- Principal Fiscal Analyst..... Cy Blanton  
..... John Lee  
..... Steve Miller  
..... Richard Stavneak
- Principal Capital Review Analyst..... Jim Stewart
- Fiscal Analyst..... Liz Bellgardt  
..... Mark Flanders  
..... Stephanie Hernandez  
..... Dana Naimark  
..... Jack Neisent
- Principal Research Analyst..... Bob Hull
- Chief Economist..... Hank Reardon
- Assistant Analyst..... John Wilcox
- Word Processing and Production..... Ann Gile  
..... Linda Hogan  
..... Linda Oddo  
..... Lettie Phillips
- Intern..... Brian McNeil

APPROPRIATIONS COMMITTEE MEMBERS  
Thirty-eighth Legislature  
Second Regular Session  
1988

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Jacque Steiner  
Doug Todd  
Carolyn Walker  
Pat Wright

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STATE OF ARIZONA  
GENERAL FUND  
STATEMENT OF PROJECTED REVENUES AND EXPENDITURES  
LEGISLATIVE STAFF ESTIMATE 1/  
(\$ Thousands)

<u>REVENUES</u>	<u>Forecast FY 1988</u>	<u>Forecast FY 1989</u>
Beginning Balance	\$ 19,223.8	\$ 25,929.8
New Revenue <sup>2/</sup>	<u>2,580,534.9</u>	<u>2,857,012.1</u>
<b>TOTAL RESOURCES</b>	<u>\$2,599,758.7</u>	<u>\$2,882,941.9</u>
<u>EXPENDITURES</u>		
Appropriations:		
° General Appropriations Bill	\$2,564,368.7	\$2,795,472.4
° Capital Outlay Bills	35,008.6	19,221.4
° Other Bills	<u>30,051.6</u>	<u>93,715.0</u> <sup>3/</sup>
<b>Total Appropriations</b>	\$2,629,428.9	\$2,908,408.8
Estimated Supplemental Appropriations	--	5,000.0
Reversions	(67,200.0)	(53,000.0)
Administrative Adjustments and Emergencies	<u>11,600.0</u>	<u>12,000.0</u>
<b>TOTAL EXPENDITURES</b>	<u>\$2,573,828.9</u>	<u>\$2,872,408.8</u>
<u>ENDING BALANCE</u>	<u>\$ 25,929.8</u>	<u>\$ 10,533.1</u>

1/ Legislative staff revenue estimate as of June 1988.

2/ Reflects enhancements brought about by new legislation as shown on Exhibit VI.

3/ Includes \$56,276,000 for Department of Education to repay \$56,100,000 deferred from FY 1988, with interest (Sec. 5, Ch. 9, Laws of 1988).

SUMMARY OF APPROPRIATIONS  
By Individual Chapter  
Fiscal Year 1988 and Fiscal Year 1989 <sup>1/</sup>

Thirty-Eighth Legislature - Second Regular Session:

Chapter Number	Bill Number	REFERENCE TITLE	FISCAL YEAR 1988		FISCAL YEAR 1989	
			GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
1	H.B. 2036	Supplemental Appropriation; Super Collider	\$ 900,300			
9	S.B. 1119	General Appropriations; Reductions	(6,317,700) <sup>2/</sup>	369,200	\$ 56,276,000	
10	S.B. 1123	Lease-Purchase Financing; Construction Appropriation			3,200,000 <sup>3/</sup>	
26	H.B. 2049	Advisory Committee on Alzheimer's Disease			15,000	
59	H.B. 2047	Nuclear Emergency Appropriation and Assessment			601,100 <sup>4/</sup>	
115	H.B. 2149	Impeachment Appropriation; Legislature	824,229			
125	S.B. 1244	Supplemental Appropriation; DWR; Office Completion	590,000			
215	H.B. 2083	Chronic Disease Surveillance System	192,500			
252	H.B. 2206	Clean Burning Use Fuel Tax			365,200	\$ 897,000
260	H.B. 2142	General Appropriation Act			2,795,472,400 <sup>5/</sup>	819,992,400
262	H.B. 2227	Secretary of State; Appropriation	1,590,051			
271	S.B. 1261	Tax Computations and Revisions			675,000	2,000,000
275	H.B. 2442	Capital Outlay Appropriations			12,221,400 <sup>6/</sup>	215,690,830 <sup>7/</sup>
284	H.B. 2077	Appropriation; County Highway Improvement			200,000	
285	S.B. 1126	Erosion Control; Matching Contribution; Appropriation			75,000	
286	S.B. 1154	Mine Tailings Removal; Appropriation			300,000	
287	S.B. 1157	Lyman Dam; Flood Control; Appropriation			150,000	
291	H.B. 2151	Appropriation; Santa Cruz River Bank Protection Project			1,000,000	
292	H.B. 2305	Emergency Response Commission			120,000	
302	S.B. 1486	Omnibus AHCOCS			7,043,000 <sup>8/</sup>	
304	H.B. 2098	Veterans' Assistance Housing Program; Employment Services			1,257,000	
305	H.B. 2108	University Programs; Underrepresented Student Populations			2,600,000	
308	H.B. 2217	Annual Report; Special Academic Assistance Program			4,550,000	

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(Continued)

SUMMARY OF APPROPRIATIONS  
By Individual Chapter  
Fiscal Year 1988 and Fiscal Year 1989 <sup>1/</sup>  
(Continued)

Thirty-Eighth Legislature - Second Regular Session:

Chapter Number	Bill Number	REFERENCE TITLE	FISCAL YEAR 1988		FISCAL YEAR 1989	
			GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
311	H.B. 2241	Conditions of Probation; Shock Incarceration; Home Arrest			\$ 1,714,036	
315	H.B. 2338	Children; Behavioral Health Service System			16,600,000	
316	H.B. 2350	Appropriation; Certification of Day Care Group Homes			93,000	
317	H.B. 2379	Appropriation; State Agricultural Laboratory East Annex Building			450,000	
319	H.B. 2393	Appropriation; County Jails	\$2,705,600			
321	H.B. 2418	Appropriations For Named Claimants			1,371,379	
332	S.B. 1199	Vehicles; Special Permit; Tax Exceptions		\$ 658,500		
339	S.B. 1286	Fair Housing			59,250	
342	S.B. 1449	Appropriation; Senate Impeachment Expenses	235,649			
SUB-TOTAL APPROPRIATIONS - 2nd REGULAR SESSION			<u>\$ 720,629</u>	<u>\$1,027,700</u>	<u>\$2,906,408,765<sup>9/</sup></u>	<u>\$1,038,580,230</u>

Other Appropriations

Thirty-Eighth Legislature - First Regular Session:

335	S.B. 1182	Capital Outlay Appropriations			\$ 2,000,000	
TOTAL APPROPRIATIONS			<u>\$ 720,629</u>	<u>\$1,027,700</u>	<u>\$2,908,408,765</u>	<u>\$1,038,580,230</u>

<sup>1/</sup> For Fiscal Year 1988, this table summarizes all appropriations enacted during the Second Regular Session of the 38th Legislature. For Fiscal Year 1989, the table summarizes appropriations from the 38th Second Regular Session and all previous sessions.

<sup>2/</sup> Includes \$55,519,100 in reductions and \$49,201,400 in supplementals. For further detail, see the "Revisions to FY 1988 Spending Authority Enacted By S.B. 1119 " chart at the end of the Appropriations Report.

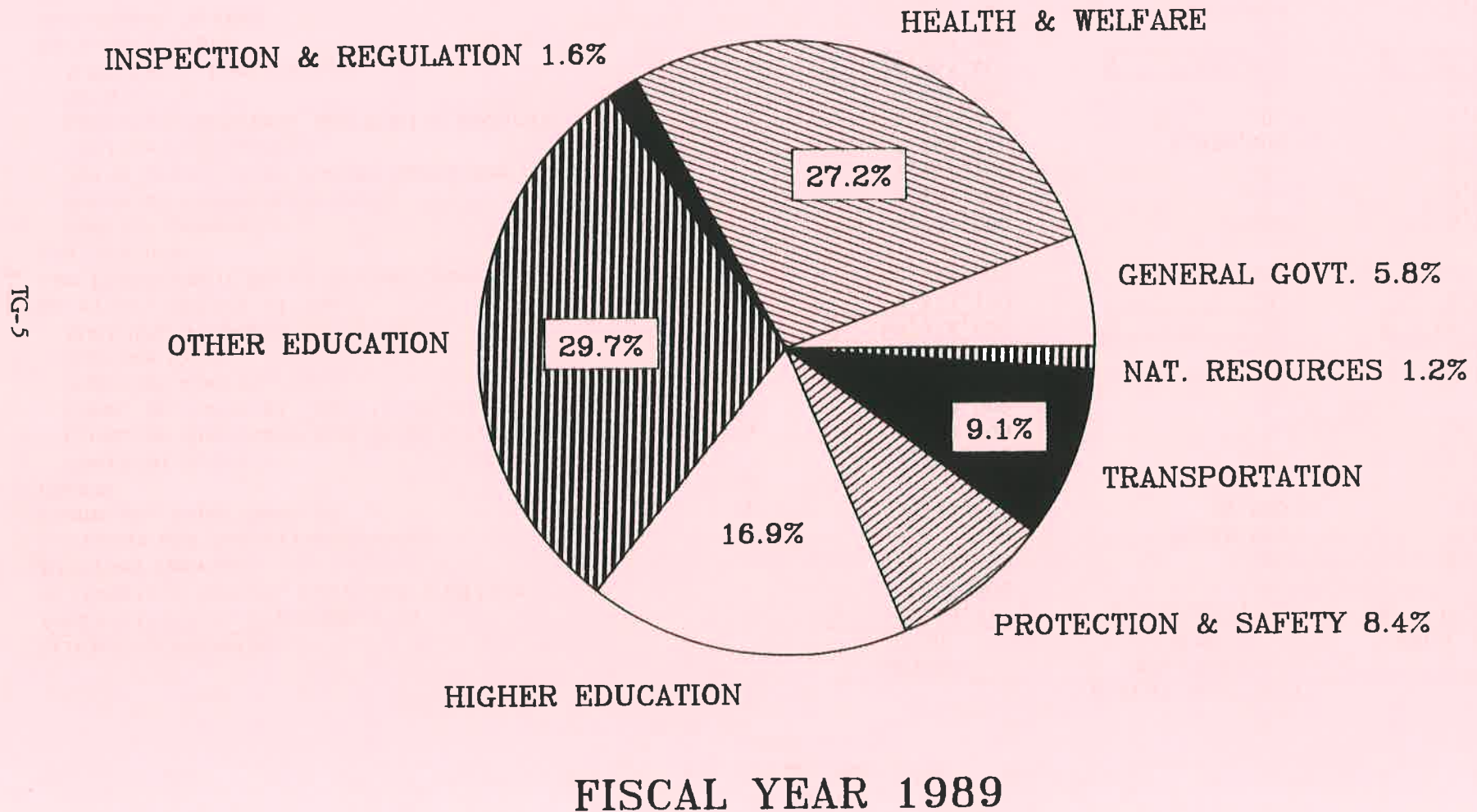
<sup>3/</sup> To be repaid to the General Fund by June 30, 1989 from the proceeds of lease-purchase financing certificates.  
(Footnotes Continued on the Following Page)

SUMMARY OF APPROPRIATIONS  
By Individual Chapter  
Fiscal Year 1988 and Fiscal Year 1989 <sup>1/</sup>  
(Continued)

(Footnotes Continued From the Previous Page)

- 4/ To be repaid to the General Fund through an assessment against the consortiums operating commercial nuclear power generating stations in Arizona.
- 5/ In addition, \$80,250,000 is appropriated from the General Fund in Fiscal Year 1990 to the Department of Education.
- 6/ Includes \$3,096,000 that is to be repaid to the General Fund from the proceeds of lease-purchase financing certificates.
- 7/ In addition, \$18,513,000 is appropriated from the Corrections Fund in Fiscal Year 1990 to the Department of Administration.
- 8/ In addition, \$5,500,000 is appropriated from the General Fund in Fiscal Year 1990 to the State Treasurer.
- 9/ In addition, \$50,000 is appropriated from the General Fund in Fiscal Year 1990 to the Board of Behavioral Health Examiners. This appropriation shall be repaid to the General Fund.

DISTRIBUTION OF TOTAL APPROPRIATED FUNDS  
GENERAL AND NON-GENERAL FUNDS  
BY FUNCTION OF GOVERNMENT



NOTE: INCLUDES ALL ENACTED BILLS WITH APPROPRIATIONS

SUMMARY OF APPROPRIATED FUNDS<sup>1/</sup>  
By Agency  
For Fiscal Year 1989

	Fiscal Year 1989		
	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS
<u>GENERAL GOVERNMENT</u>			
Administration, Department of	\$ 36,143,779	\$ 22,877,080	\$ 59,020,859
Affirmative Action, Governor's Office	198,500	-0-	198,500
Attorney General	18,396,450	-0-	18,396,450
Coliseum and Exposition Center	-0-	9,468,400	9,468,400
Commerce, Department of	3,159,100	54,000	3,213,100
Courts			
Court of Appeals	5,677,200	-0-	5,677,200
Comm. on Appellate and Trial Ct. Apptments.	4,000	-0-	4,000
Comm. on Judicial Qualifications	60,000	-0-	60,000
Superior Courts	39,114,200	-0-	39,114,200
Supreme Court	5,123,200	-0-	5,123,200
SUBTOTAL - Courts	<u>\$ 49,978,600</u>	<u>\$ -0-</u>	<u>\$ 49,978,600</u>
Governor, Office of the	2,872,100	-0-	2,872,100
Law Enforcement Merit System Council	48,200	-0-	48,200
Legislature			
Auditor General	6,782,000	-0-	6,782,000
House of Representatives	5,839,700	-0-	5,839,700
Joint Legislative Budget Committee	1,447,300	-0-	1,447,300
Legislative Council	2,763,700	1,034,900	3,798,600
Library, Archives, and Public Records	4,631,700	-0-	4,631,700
Senate	5,441,000	-0-	5,441,000
SUBTOTAL - Legislature	<u>\$ 26,905,400</u>	<u>\$ 1,034,900</u>	<u>\$ 27,940,300</u>
Personnel Board	217,900	-0-	217,900
Retirement System	-0-	2,869,400	2,869,400
Revenue, Department of	35,774,900	-0-	35,774,900
Secretary of State	2,976,700	-0-	2,976,700
Tax Appeals, Board of	428,400	-0-	428,400
Tourism, Office of	3,451,200	2,000,000	5,451,200
Treasurer	10,081,200	-0-	10,081,200
Uniform State Laws, Commission on	16,000	-0-	16,000
TOTAL - GENERAL GOVERNMENT	<u>\$ 190,648,429</u>	<u>\$ 38,303,780</u>	<u>\$ 228,952,209</u>

DOB - LBSI

9,748,600  
180,899,829

(Continued)

SUMMARY OF APPROPRIATED FUNDS<sup>1/</sup>  
 By Agency  
 For Fiscal Year 1989  
 (Continued)

	Fiscal Year 1989		TOTAL FUNDS
	GENERAL FUND	NON-GENERAL FUND	
<u>HEALTH AND WELFARE</u>			
AHCCCS Administration	\$ 206,608,100	\$ 436,362,500 <sup>2/</sup> <sub>3/</sub>	\$ 642,970,600
Economic Security, Department of	244,145,800	41,967,400	286,113,200
Environmental Quality, Department of	16,351,100	697,000	17,048,100
Health Services, Department of	118,967,000	2,305,000	121,272,000
Hearing Impaired, Council for the	127,400	-0-	127,400
Indian Affairs, Commission on	147,800	-0-	147,800
Pioneers' Home	2,780,900	-0-	2,780,900
Rangers' Pension	16,200	-0-	16,200
Veterans' Services Commission	721,400	363,100	1,084,500
TOTAL - HEALTH AND WELFARE	<u>\$ 589,865,700</u>	<u>\$ 481,695,000</u>	<u>\$1,071,560,700</u>

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INSPECTION AND REGULATION

Agricultural Employment Relations Board	\$ 191,100	\$ -0-	\$ 191,100
Agriculture and Horticulture, Commission	5,853,100	1,279,600	7,132,700
Banking Department	3,065,500	-0-	3,065,500
Building and Fire Safety, Department of	2,643,700	-0-	2,643,700
Contractors, Registrar of	4,095,300	-0-	4,095,300
Corporation Commission	4,882,200	5,300,500	10,182,700
Dairy Commissioner	466,900	-0-	466,900
Industrial Commission	-0-	10,879,100	10,879,100
Insurance, Department of	2,465,200	-0-	2,465,200
Liquor Licenses & Control, Department of	2,147,000	-0-	2,147,000
Livestock Board	3,748,200	-0-	3,748,200
Mine Inspector	750,300	-0-	750,300
Occupational Safety and Health Review	3,300	-0-	3,300
Racing, Department of	2,146,900	302,000	2,448,900
Radiation Regulatory Agency	1,623,800	99,000	1,722,800
Real Estate Department	2,654,000	-0-	2,654,000
Residential Utility Consumer Office	-0-	890,800	890,800
Weights and Measures, Department of	1,734,400	-0-	1,734,400

(Continued)



SUMMARY OF APPROPRIATED FUNDS<sup>1/</sup>  
 By Agency  
 For Fiscal Year 1989  
 (Continued)

	Fiscal Year 1989		
	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS
<u>INSPECTION AND REGULATION (Continued)</u>			
Ninety-Ten Agencies			
Accountancy, Board of	\$ -0-	\$ 612,100	\$ 612,100
Barber Examiners Board	-0-	133,900	133,900
Boxing Commission	37,400	25,800	63,200
Chiropractic Examiners Board	-0-	188,500	188,500
Cosmetology, Board of	-0-	533,900	533,900
Dental Examiners Board	-0-	406,900	406,900
Egg Inspection Board	-0-	187,300	187,300
Funeral Directors and Embalmers Board	-0-	141,400	141,400
Homeopathic Medical Examiners Board	-0-	9,000	9,000
Medical Examiners, Board of	-0-	1,784,500	1,784,500
Naturopathic Physicians Examiners Board	-0-	29,600	29,600
Nursing Board	-0-	892,400	892,400
Nursing Care Institution Administrators Board	-0-	59,900	59,900
Opticians, Board of Dispensing	-0-	54,300	54,300
Optometry, Board of	-0-	97,400	97,400
Osteopathic Examiners Board	-0-	207,500	207,500
Pharmacy Board	-0-	591,400	591,400
Physical Therapy Examiners Board	-0-	65,900	65,900
Podiatry Examiners Board	-0-	41,400	41,400
Private Postsecondary Education, Board of	-0-	121,700	121,700
Psychologist Examiners Board	-0-	124,400	124,400
Structural Pest Control Board	-0-	412,200	412,200
Technical Registration, Board of	-0-	695,500	695,500
Veterinary Medical Examining Board	-0-	134,400	134,400
SUBTOTAL - Ninety-Ten Agencies	<u>\$ 37,400</u>	<u>\$ 7,551,300</u>	<u>\$ 7,588,700</u>
TOTAL - INSPECTION AND REGULATION	<u>\$ 38,508,300</u>	<u>\$ 26,302,300</u>	<u>\$ 64,810,600</u>

(Continued)

SUMMARY OF APPROPRIATED FUNDS-1/  
 By Agency  
 For Fiscal Year 1989  
 (Continued)

TC-9

	Fiscal Year 1989		
	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS
<u>EDUCATION</u>			
Arts, Commission on the	\$ 1,554,000	\$ -0-	\$ 1,554,000
Community Colleges	75,204,200	-0-	75,204,200
Deaf and the Blind, School for	11,885,300	-0-	11,885,300
Education, Department of	1,157,673,400	-0-	1,157,673,400
Historical Society, Arizona	1,893,000	-0-	1,893,000
Historical Society, Prescott	502,000	-0-	502,000
Medical Student Loans Board	10,000	-0-	10,000
Universities/Board of Regents			
Board of Regents	10,060,500	-0-	10,060,500
Arizona State University - Main	168,990,900	47,885,100	216,876,000
Arizona State University - West	13,041,900 <sup>4/</sup>	1,008,500	14,050,400
Northern Arizona University	61,568,000	12,600,000	74,168,000
University of Arizona - Main	188,297,400	46,501,200	234,798,600
University of Arizona - College of Medicine	41,518,700	1,974,300	43,493,000
SUBTOTAL - Universities/Board of Regents	<u>\$ 483,477,400</u> <sup>-2MM</sup>	<u>\$ 109,969,100</u>	<u>\$ 593,446,500</u>
TOTAL - EDUCATION	<u>\$1,732,199,300</u>	<u>\$ 109,969,100</u>	<u>\$1,842,168,400</u>
<u>PROTECTION AND SAFETY</u>			
Corrections, Department of	\$ 240,302,236	\$ -0-	\$ 240,302,236
Criminal Justice Commission	-0-	2,862,600	2,862,600
Emergency and Military Affairs, Department of	4,244,100	-0-	4,244,100
Pardons and Paroles, Board of	1,483,100	-0-	1,483,100
Public Safety, Department of	81,232,500	1,822,000	83,054,500
TOTAL - PROTECTION AND SAFETY	<u>\$ 327,261,936</u>	<u>\$ 4,684,600</u>	<u>\$ 331,946,536</u>

(Continued)

SUMMARY OF APPROPRIATED FUNDS<sup>1/</sup>  
 By Agency  
 For Fiscal Year 1989  
 (Continued)

	Fiscal Year 1989		
	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS
<u>TRANSPORTATION</u>			
Transportation, Department of	\$ 284,700	\$ 358,404,650	\$ 358,689,350
<u>NATURAL RESOURCES</u>			
Environment, Commission on the	\$ 114,800	\$ -0-	\$ 114,800
Game and Fish Department	-0-	16,846,800	16,846,800
Geological Survey	531,700	-0-	531,700
Land Department	7,498,100	-0-	7,498,100
Mines and Mineral Resources, Department of	468,100	-0-	468,100
Oil and Gas Conservation Commission	189,600	-0-	189,600
Parks Board	5,698,000	3,268,800	8,966,800
Water Resources, Department of	12,727,000	-0-	12,727,000
<u>TOTAL - NATURAL RESOURCES</u>	<u>\$ 27,227,300</u>	<u>\$ 20,115,600</u>	<u>\$ 47,342,900</u>
	<i>LB1 1,150,000</i>		
	<i>26,077,300</i>		
<u>INEQUITY SALARY ADJUSTMENTS</u>	<u>\$ 2,241,800</u>	<u>\$ 200,000</u>	<u>\$ 2,441,800</u>
<u>UNALLOCATED SALARY ADJUSTMENTS</u>	<u>\$ 96,900</u>	<u>\$ 153,800</u>	<u>\$ 250,700</u>
<u>UNALLOCATED PROVIDER ADJUSTMENTS</u>	<u>\$ 74,400</u>	<u>\$ -0-</u>	<u>\$ 74,400</u>
<u>TOTAL-SUMMARY-APPROPRIATED FUNDS</u>	<u>\$2,908,408,765</u>	<u>\$1,039,828,830</u>	<u>\$3,948,237,595</u>
	<i>19,026,400</i>		
	<i>2,889,387,365</i>		
	<i>2,886,974,265</i>		

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(See Footnotes on the Following Page)

SUMMARY OF APPROPRIATED FUNDS<sup>1/</sup>  
By Agency  
For Fiscal Year 1989  
(Continued)

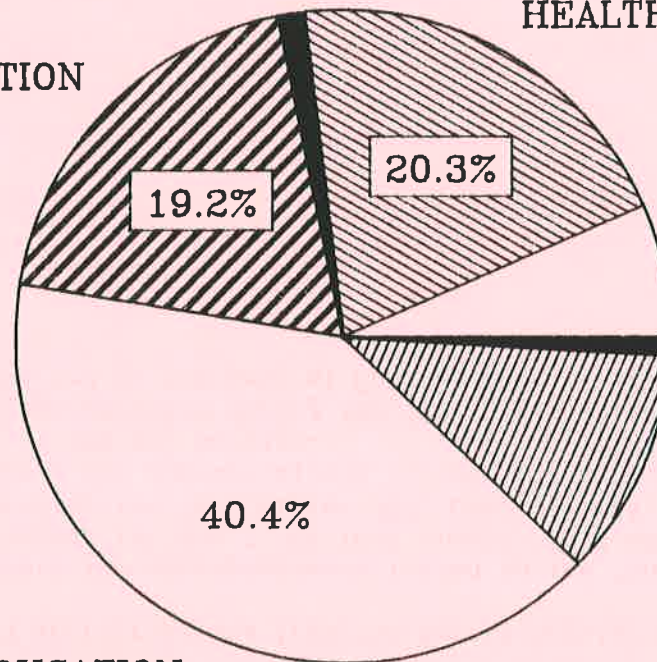
- 1/ The table summarizes all FY 1989 appropriations from the Second Regular Session of the 38th Legislature and all previous sessions.
- 2/ This amount includes \$677,600 above the appropriations listed in the "Summary of the General Appropriation Act" and the "Summary of Additional Appropriations." Of this amount, \$373,600 is part of the cost of the pay package and \$304,000 is the matching contribution for Chapter 302, Laws of 1988.
- 3/ This amount includes \$571,000 above the appropriations listed in the "Summary of the General Appropriation Act." This amount is part of the cost of the pay package.
- 4/ This amount includes \$2 million appropriated during the 1987 Legislative Session (Chapter 335, Laws of 1987). This amount was subsequently reverted to the General Fund by Chapter 275, Laws of 1988.

**DISTRIBUTION OF APPROPRIATED FUNDS  
GENERAL FUND  
BY FUNCTION OF GOVERNMENT**

INSPECTION & REGULATION 1.3%

HEALTH & WELFARE

HIGHER EDUCATION



GENERAL GOVT. 6.6%

NATURAL RESOURCES .9%

PROTECTION & SAFETY 11.3%

OTHER EDUCATION

**FISCAL YEAR 1989**

NOTES: 1) Includes all enacted bills with appropriations. 2) Does not include Transportation.

SUMMARY OF THE GENERAL APPROPRIATION ACT<sup>1/2/</sup>  
For Fiscal Years 1988 and 1989

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	FISCAL YEAR 1988 <sup>3/</sup>		FISCAL YEAR 1989 <sup>4/</sup>	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>GENERAL GOVERNMENT</u>				
Administration, Department of	\$ 25,142,300 <sup>5/</sup>	\$ -0-	\$ 25,023,800	\$ -0-
Affirmative Action, Governor's Office	204,100	-0-	198,500	-0-
Attorney General	16,617,200	-0-	18,337,200	-0-
Coliseum and Exposition Center	-0-	9,723,000	-0-	9,468,400
Commerce, Department of	3,114,400 <sup>6/</sup>	48,000	3,159,100	54,000
Courts				
Court of Appeals	5,695,700	-0-	5,677,200	-0-
Comm. on Appellate and Trial Ct. Apptments.	4,000	-0-	4,000	-0-
Comm. on Judicial Qualifications	58,000	-0-	60,000	-0-
Superior Courts	30,919,100	-0-	39,114,200	-0-
Supreme Court	4,920,400	-0-	5,123,200	-0-
SUBTOTAL - Courts	41,597,200	-0-	49,978,600	-0-
Governor, Office of the	2,772,900	-0-	2,872,100	-0-
Law Enforcement Merit System Council	43,400	-0-	48,200	-0-
Legislature				
Auditor General	6,138,300	-0-	6,542,000	-0-
House of Representatives	5,393,200	-0-	5,839,700	-0-
Joint Legislative Budget Committee	1,450,800	-0-	1,447,300	-0-
Legislative Council	1,311,700	-0-	2,163,700	1,034,900
Library, Archives, and Public Records	4,332,000	-0-	4,631,700	-0-
Senate	4,116,100	-0-	5,441,000	-0-
SUBTOTAL - Legislature	22,742,100	-0-	26,065,400	1,034,900
Personnel Board	213,500	-0-	217,900	-0-
Retirement System	-0-	11,108,200	-0-	2,869,400
Revenue, Department of	31,699,500	-0-	35,699,900	-0-
Secretary of State	1,915,400	-0-	2,976,700	-0-
Tax Appeals, Board of	409,300	-0-	428,400	-0-
Tourism, Office of	3,362,100	-0-	3,451,200	-0-
Treasurer	3,201,200	-0-	3,473,800	-0-
Uniform State Laws, Commission on	14,800	-0-	16,000	-0-
<u>TOTAL - GENERAL GOVERNMENT</u>	<u>\$ 153,049,400</u>	<u>\$ 20,879,200</u>	<u>\$ 171,946,800</u>	<u>\$ 13,426,700</u>

(Continued)

SUMMARY OF THE GENERAL APPROPRIATION ACT<sup>1/2/</sup>  
 For Fiscal Years 1988 and 1989  
 (Continued)

	FISCAL YEAR 1988 <sup>3/</sup>		FISCAL YEAR 1989 <sup>4/</sup>	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>HEALTH AND WELFARE</u>				
AHCOCS Administration	\$ 180,388,500	\$ 174,058,100	\$ 206,305,100	\$ 435,684,900
Economic Security, Department of	230,527,800	484,900	242,873,800	41,396,400
Environmental Quality, Department of	9,539,800	-0-	16,051,100	-0-
Health Services, Department of	97,920,000	2,606,300	102,274,000	2,305,000
Hearing Impaired, Council for the	123,600	-0-	127,400	-0-
Indian Affairs, Commission on	150,400	-0-	147,800	-0-
Pioneers' Home	2,676,100	-0-	2,780,900	-0-
Rangers' Pension	15,600	-0-	16,200	-0-
Veterans' Services Commission	684,000	313,000	721,400	363,100
<b>TOTAL - HEALTH AND WELFARE</b>	<b>\$ 522,025,800</b>	<b>\$ 177,462,300</b>	<b>\$ 571,297,700</b>	<b>\$ 479,749,400</b>

41-GL

<u>INSPECTION AND REGULATION</u>				
Agricultural Employment Relations Board	\$ 196,900	\$ -0-	\$ 191,100	\$ -0-
Agriculture and Horticulture, Commission	5,899,500	1,220,000	5,853,100	1,279,600
Banking Department	2,893,700	-0-	3,065,500	-0-
Building and Fire Safety, Department of	2,509,500	-0-	2,643,700	-0-
Contractors, Registrar of	3,366,000	-0-	4,095,300	-0-
Corporation Commission	4,828,600	4,929,300	4,882,200	5,300,500
Dairy Commissioner	471,300	-0-	466,900	-0-
Industrial Commission	-0-	9,657,200	-0-	10,879,100
Insurance, Department of	2,217,200	-0-	2,465,200	-0-
Liquor Licenses & Control, Department of	2,049,800	-0-	2,147,000	-0-
Livestock Board	3,726,700	-0-	3,748,200	-0-
Mine Inspector	775,900	-0-	750,300	-0-
Occupational Safety and Health Review	5,500	-0-	3,300	-0-
Racing, Department of	2,566,800	289,000	2,146,900	302,000
Radiation Regulatory Agency	1,195,400	83,300	1,316,000	99,000
Real Estate Department	2,565,900	-0-	2,654,000	-0-
Residential Utility Consumer Office	-0-	834,100	-0-	890,800
Weights and Measures, Department of	5,600 <sup>5/</sup>	-0-	1,369,200	-0-

(Continued)

SUMMARY OF THE GENERAL APPROPRIATION ACT <sup>1/2/</sup>  
 For Fiscal Years 1988 and 1989  
 (Continued)

	FISCAL YEAR 1988 <sup>3/</sup>		FISCAL YEAR 1989 <sup>4/</sup>	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>INSPECTION AND REGULATION (Continued)</u>				
Ninety-Ten Agencies	\$ -0-	\$ 495,500	\$ -0-	\$ 612,100
Accountancy, Board of	-0-	121,000	-0-	133,900
Barber Examiners Board	36,800	8,200	37,400	25,800
Boxing Commission	-0-	155,200	-0-	188,500
Chiropractic Examiners Board	-0-	456,900	-0-	533,900
Cosmetology, Board of	-0-	371,600	-0-	406,900
Dental Examiners Board	-0-	177,900	-0-	187,300
Egg Inspection Board	-0-	133,100	-0-	141,400
Funeral Directors and Embalmers Board	-0-	8,100	-0-	9,000
Homeopathic Medical Examiners Board	-0-	1,550,900	-0-	1,784,500
Medical Examiners, Board of	-0-	28,000	-0-	29,600
Naturopathic Physicians Examiners Board	-0-	837,800	-0-	892,400
Nursing Board	-0-	46,100	-0-	59,900
Nursing Care Institution Administrators Board	-0-	51,100	-0-	54,300
Opticians, Board of Dispensing	-0-	91,100	-0-	97,400
Optometry, Board of	-0-	184,100	-0-	207,500
Osteopathic Examiners Board	-0-	571,200	-0-	591,400
Pharmacy Board	-0-	63,700	-0-	65,900
Physical Therapy Examiners Board	-0-	37,700	-0-	41,400
Podiatry Examiners Board	-0-	121,300	-0-	121,700
Private Postsecondary Education, Board of	-0-	107,400	-0-	124,400
Psychologist Examiners Board	-0-	406,000	-0-	412,200
Structural Pest Control Board	-0-	622,100	-0-	695,500
Technical Registration, Board of	-0-	106,100	-0-	134,400
Veterinary Medical Examining Board	-0-		-0-	
SUBTOTAL - Ninety-Ten Agencies	36,800	6,752,100	37,400	7,551,300
TOTAL - INSPECTION AND REGULATION	\$ 35,311,100	\$ 23,765,000	\$ 37,835,300	\$ 26,302,300

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(Continued)



SUMMARY OF THE GENERAL APPROPRIATION ACT <sup>1/2/</sup>  
 For Fiscal Years 1988 and 1989  
 (Continued)

TG-16

	FISCAL YEAR 1988 <sup>3/</sup>		FISCAL YEAR 1989 <sup>4/</sup>	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>EDUCATION</u>				
Arts, Commission on the	\$ 1,323,100	\$ -0-	\$ 1,554,000	\$ -0-
Community Colleges	68,520,100	-0-	75,204,200	-0-
Deaf and the Blind, School for	9,499,900	-0-	10,992,800	-0-
Education, Department of	1,029,468,200	-0-	1,096,847,400	-0-
Historical Society, Arizona	1,761,800	-0-	1,883,000	-0-
Historical Society, Prescott	448,900	-0-	469,400	-0-
Medical Student Loans Board	75,000	-0-	10,000	-0-
Universities/Board of Regents				
Board of Regents	4,949,900 <sup>7/</sup>	-0-	4,772,800	-0-
Arizona State University - Main	151,534,800	44,709,500	167,846,600	47,885,100
Arizona State University - West	7,463,700	1,000,000	11,041,900	1,008,500
Northern Arizona University	54,515,500	11,699,800	61,181,600	12,600,000
University of Arizona - Main	171,353,800 <sup>7/</sup>	42,619,700	187,328,100	46,501,200
University of Arizona - College of Medicine	39,698,600	1,615,300	41,518,700	1,974,300
SUBTOTAL - Universities/Board of Regents	429,516,300	101,644,300	473,689,700	109,969,100
<b>TOTAL - EDUCATION</b>	<u>\$1,540,613,300</u>	<u>\$ 101,644,300</u>	<u>\$1,660,650,500</u>	<u>\$ 109,969,100</u>
<u>PROTECTION AND SAFETY</u>				
Corrections, Department of	\$ 206,790,500	\$ -0-	\$ 238,588,200	\$ -0-
Criminal Justice Commission	-0-	190,700	-0-	2,862,600
Emergency and Military Affairs, Department of	3,755,600	-0-	3,938,200	-0-
Pardons and Paroles, Board of	1,548,600	-0-	1,483,100	-0-
Public Safety, Department of	76,178,900	1,674,700	81,232,500	1,822,000
<b>TOTAL - PROTECTION AND SAFETY</b>	<u>\$ 288,273,600</u>	<u>\$ 1,865,400</u>	<u>\$ 325,242,000</u>	<u>\$ 4,684,600</u>

(Continued)

SUMMARY OF THE GENERAL APPROPRIATION ACT-<sup>1/2/</sup>  
 For Fiscal Years 1988 and 1989  
 (Continued)

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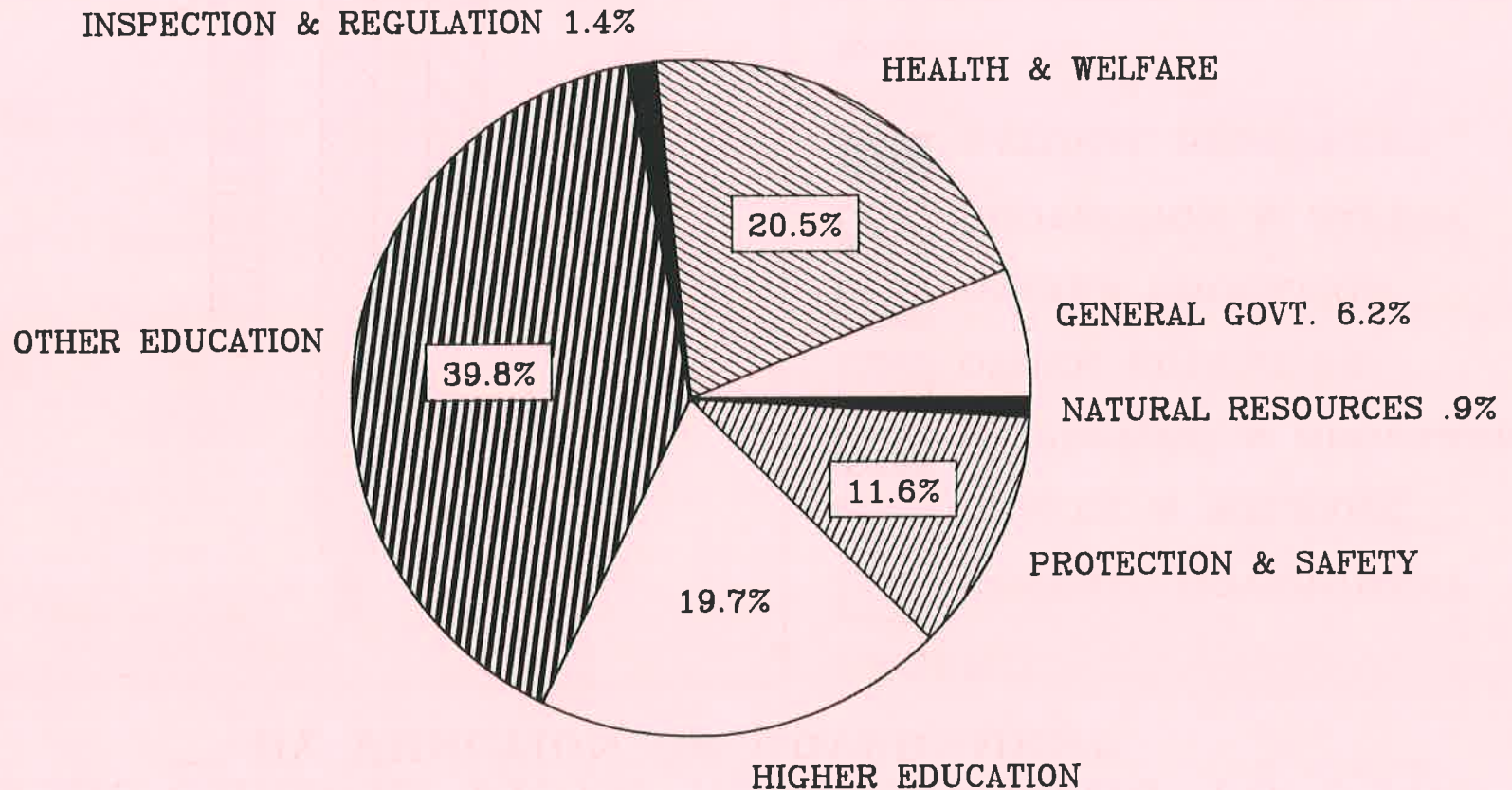
	FISCAL YEAR 1988 <sup>3/</sup>		FISCAL YEAR 1989 <sup>4/</sup>	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>TRANSPORTATION</u>				
Transportation, Department of	\$ 85,300	\$ 150,509,800	\$ 84,700	\$ 166,630,900
<u>NATURAL RESOURCES</u>				
Environment, Commission on the	\$ 125,500	\$ -0-	\$ 114,800	\$ -0-
Game and Fish Department	-0-	13,881,200	-0-	15,606,800
Geological Survey <sup>8/</sup>	-0-	-0-	531,700	-0-
Land Department	7,762,500	-0-	7,423,100	-0-
Mines and Mineral Resources, Department of	452,600	-0-	468,100	-0-
Oil and Gas Conservation Commission	187,000	-0-	189,600	-0-
Parks Board	5,293,700	2,413,400	5,698,000	3,268,800
Water Resources, Department of	11,188,900	-0-	11,577,000	-0-
<u>TOTAL - NATURAL RESOURCES</u>	<u>\$ 25,010,200</u>	<u>\$ 16,294,600</u>	<u>\$ 26,002,300</u>	<u>\$ 18,875,600</u>
<u>INEQUITY SALARY ADJUSTMENTS</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,241,800</u>	<u>\$ 200,000</u>
<u>UNALLOCATED SALARY ADJUSTMENTS</u>	<u>\$ -0-</u>	<u>\$ 114,300</u>	<u>\$ 96,900</u>	<u>\$ 153,800</u>
<u>UNALLOCATED PROVIDER ADJUSTMENTS</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 74,400</u>	<u>\$ -0-</u>
<u>TOTAL-SUMMARY-GENERAL APPROPRIATIONS BILL</u>	<u>\$2,564,368,700</u>	<u>\$ 492,534,900</u>	<u>\$2,795,472,400</u>	<u>\$ 819,992,400</u>

(Continued)

SUMMARY OF THE GENERAL APPROPRIATION ACT<sup>1/2/</sup>  
For Fiscal Years 1988 and 1989  
(Continued)

- 1/ See agency detail pages and Summary of Additional Appropriations for other fiscal actions affecting the monies as appropriated in the General Appropriation Act.
- 2/ The amounts shown include the allocation of salary adjustments.
- 3/ The amounts for FY 1988 reflect the appropriations made by Chapter 334, Laws of 1987 as revised by S.B. 1119, Chapter 9, Laws of 1988, of the Second Regular Session of the 38th Legislature.
- 4/ The FY 1989 amounts reflect the appropriations made in H.B. 2142, Chapter 260, Laws of 1988.
- 5/ Chapter 314, Laws of 1987 made the Division of Weights and Measures into a separate agency beginning in FY 1988, and appropriated funds for its operation. With the passage of that bill, \$987,700 appropriated to the Department of Administration in the General Appropriation Act reverted to the General Fund and is not included here. The \$5,600 shown for the Department of Weights and Measures represents the FY 1988 pay package and adjustments to Employee Related Expenditures.
- 6/ Chapter 9, Laws of 1988 transferred the original FY 1988 appropriation of the Solar Energy Commission to the Department of Commerce, since the two agencies have been consolidated.
- 7/ Chapter 334, Laws of 1987, transferred \$200,000 for statewide planning from the University of Arizona to the Board of Regents.
- 8/ Geological Survey was created as a separate agency by Chapter 158, Laws of 1987. Prior to FY 1989, these resources were included in the University of Arizona--Main.

DISTRIBUTION OF THE GENERAL APPROPRIATION ACT  
GENERAL FUND  
BY FUNCTION OF GOVERNMENT

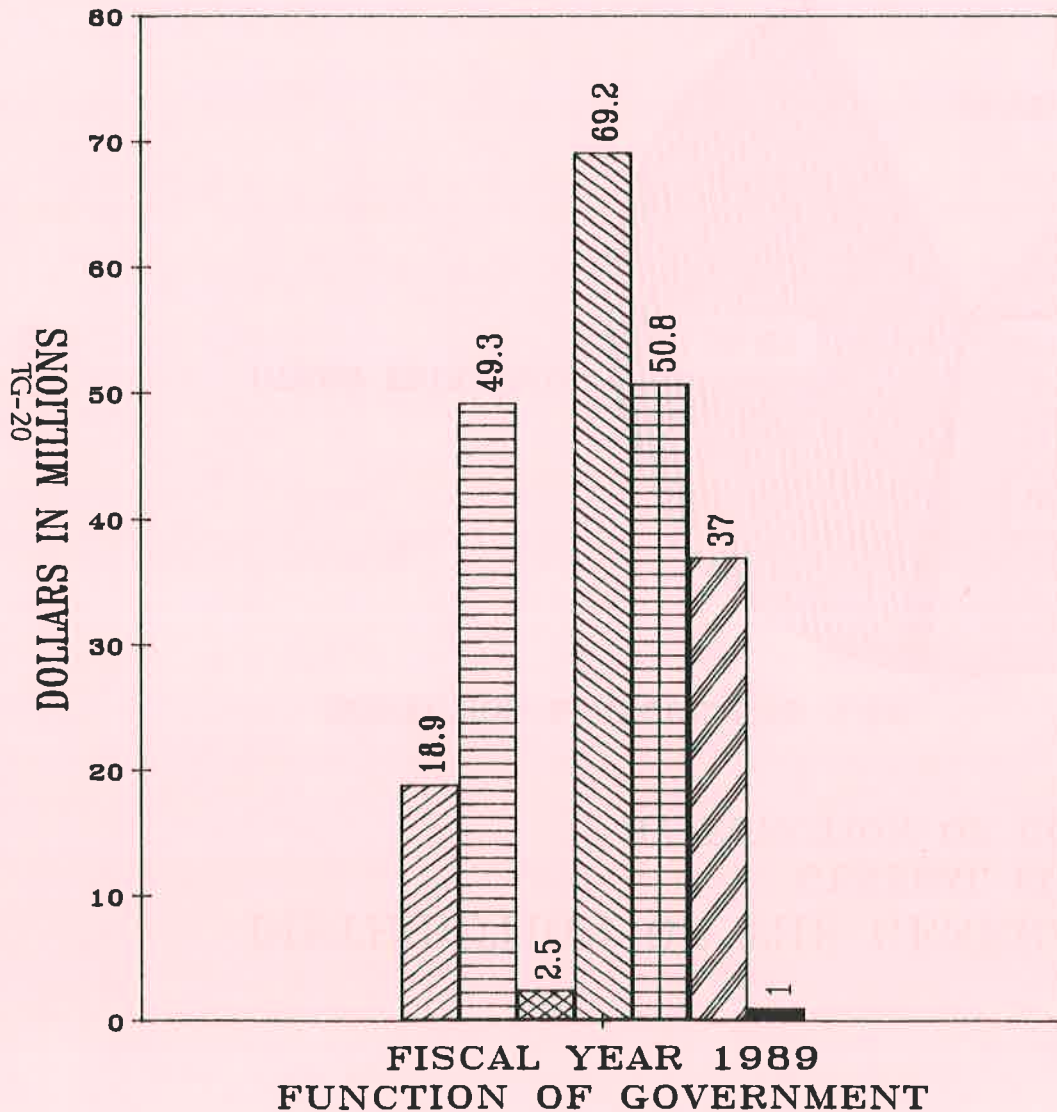


TC-19





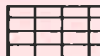


FISCAL YEAR 1989

NOTE: DOES NOT INCLUDE TRANSPORTATION

# THE GENERAL APPROPRIATION ACT--GENERAL FUND DOLLAR CHANGE FROM REVISED FY88 TO FY89 BY FUNCTION OF GOVERNMENT



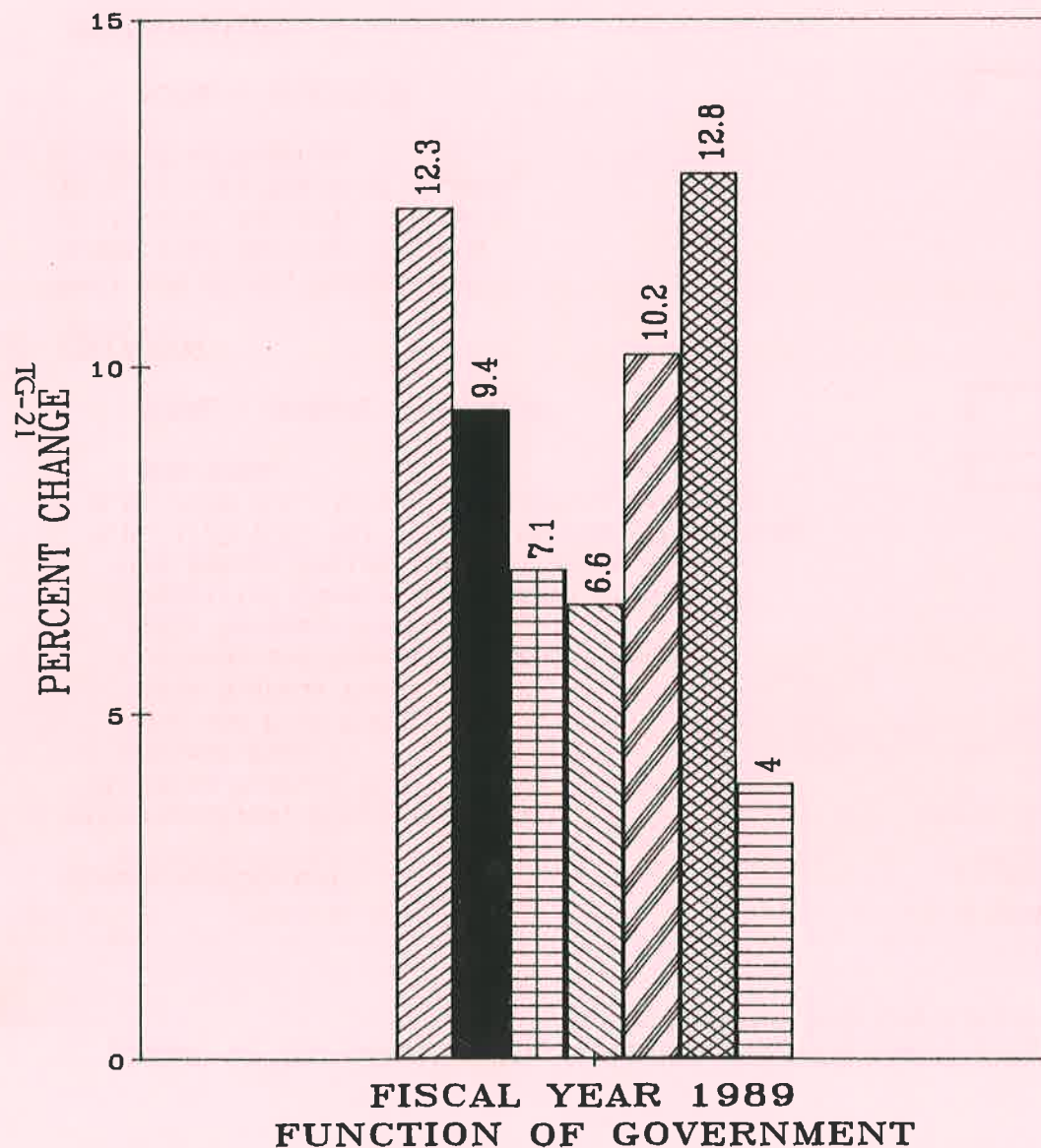
## LEGEND

-  GENERAL GOVERNMENT
-  HEALTH & WELFARE
-  INSPECTION & REGULATION
-  OTHER EDUCATION
-  HIGHER EDUCATION
-  PROTECTION & SAFETY
-  NATURAL RESOURCES

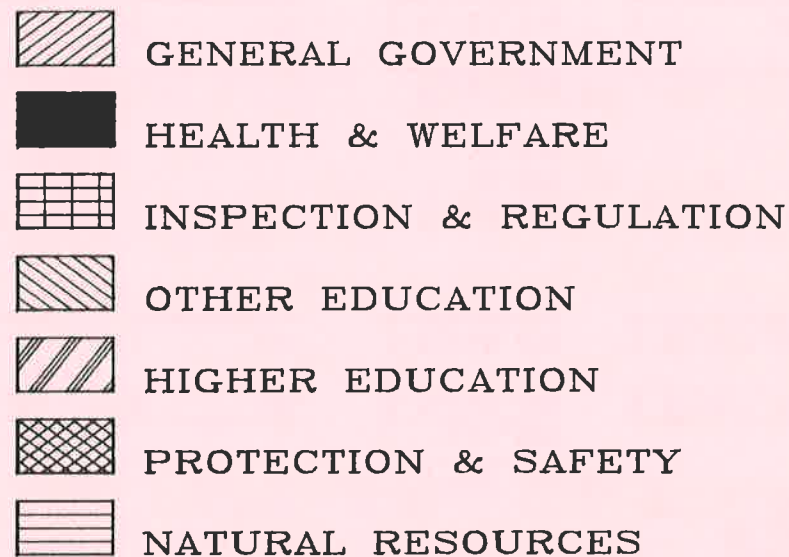
## NOTES:

- 1) Excludes a \$600 decrease in Transportation and a \$2.4 million increase in unallocated adjustments.
- 2) General Fund appropriations increased by \$231 million from revised FY 1988 to FY 1989.

# THE GENERAL APPROPRIATION ACT—GENERAL FUND PERCENT CHANGE FROM REVISED FY88 TO FY89 BY FUNCTION OF GOVERNMENT



## LEGEND



## NOTES:

- 1) Excludes a 0.7% decrease in Transportation and an increase in unallocated adjustments.
- 2) General Fund appropriations increased by 9% from revised FY 1988 to FY 1989.

SUMMARY OF THE OMNIBUS LAND, BUILDINGS AND IMPROVEMENT BILL (H.B. 2442) AND OTHER CAPITAL OUTLAY APPROPRIATIONS<sup>1/</sup>  
 Enacted by the 38th Legislature - 2nd Regular Session

TG-22

	FISCAL YEAR 1988		FISCAL YEAR 1989	
GENERAL GOVERNMENT	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
Administration, Department of:			\$ 3,096,600 <sup>2/</sup>	\$ 21,500,000 <sup>3/</sup>
Building Renewal <sup>4/</sup>				
General Fund			3,002,000	
Game and Fish Fund				85,000
State Highway Fund				866,000
Coliseum and Exposition Center Fund				377,000
State Aeronautics Fund				18,080
Industrial Commission Special Fund				20,000
Retirement System Administration Fund				11,000
S.B. 1123 (Ch. 10) - Lease-Purchase Financing			3,200,000 <sup>2/</sup>	
H.B. 2379 (Ch. 317) - Agriculture Laboratory			450,000	
SUB-TOTAL	\$ -0-	\$ -0-	\$ 9,748,600	\$ 22,877,080
TOTAL - GENERAL GOVERNMENT	\$ -0-	\$ -0-	\$ 9,748,600	\$ 22,877,080
<u>EDUCATION</u>				
Deaf and Blind, School for			\$ 892,500	
Historical Society, Arizona			10,000	
Historical Society, Prescott			32,600	
Universities/Board of Regents				
Board of Regents			5,187,700 <sup>4/</sup>	
TOTAL - EDUCATION	\$ -0-	\$ -0-	\$ 6,122,800	\$ -0-
<u>TRANSPORTATION</u>				
Transportation, Department of:				
State Highway Fund				\$184,657,750
State Aviation Fund				6,916,000
H.B. 2077 (Ch. 284) - County Highway Improvement			200,000	
TOTAL - TRANSPORTATION	\$ -0-	\$ -0-	\$ 200,000	\$191,573,750

(Continued)

SUMMARY OF THE OMNIBUS LAND, BUILDINGS AND IMPROVEMENT BILL (H.B. 2442) AND OTHER CAPITAL OUTLAY APPROPRIATIONS<sup>1/</sup>  
 Enacted by the 38th Legislature - 2nd Regular Session  
 (Continued)

	FISCAL YEAR 1988		FISCAL YEAR 1989	
NATURAL RESOURCES	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
Game and Fish Department:				
Game and Fish Fund				\$ 115,000
Game and Fish Capital Improvement Fund				450,000
Game and Fish Waterfowl Conservation Fund				675,000
SUB-TOTAL	\$ -0-	\$ -0-	\$ -0-	\$ 1,240,000
Water Resources, Department of				
S.B. 1157 (Ch. 287) - Lyman Dam Repair			150,000	
H.B. 2151 (Ch. 291) - Santa Cruz Flood Control			1,000,000	
SUB-TOTAL	\$ -0-	\$ -0-	\$ 1,150,000	\$ -0-
TOTAL - NATURAL RESOURCES	\$ -0-	\$ -0-	\$ 1,150,000	\$ 1,240,000
TOTAL APPROPRIATIONS - CAPITAL OUTLAY BILLS <sup>5/</sup>	\$ -0-	\$ -0-	\$17,221,400	\$215,690,830

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- <sup>1/</sup> Unless otherwise noted, source of appropriation is H.B. 2442 (Chapter 275).
- <sup>2/</sup> The appropriation shall be repaid to the General Fund by June 30, 1989, from the proceeds of lease-purchase financing certificates.
- <sup>3/</sup> Appropriated from the Corrections Fund for adult male medium security facilities in Winslow and Florence. In addition, \$18,513,000 is appropriated from the Corrections Fund in fiscal year 1990 to the Department of Administration for the facilities in Winslow and Florence.
- <sup>4/</sup> For major maintenance and repair of state buildings, pursuant to Title 41, Chapter 4, Article 7, Arizona Revised Statutes.

(Footnotes Continued on the Following Page)



SUMMARY OF THE OMNIBUS LAND, BUILDINGS AND IMPROVEMENT BILL (H.B. 2442) AND OTHER CAPITAL OUTLAY APPROPRIATIONS<sup>1/</sup>  
 Enacted by the 38th Legislature - 2nd Regular Session  
 (Continued)

(Footnotes Continued From the Previous Page)

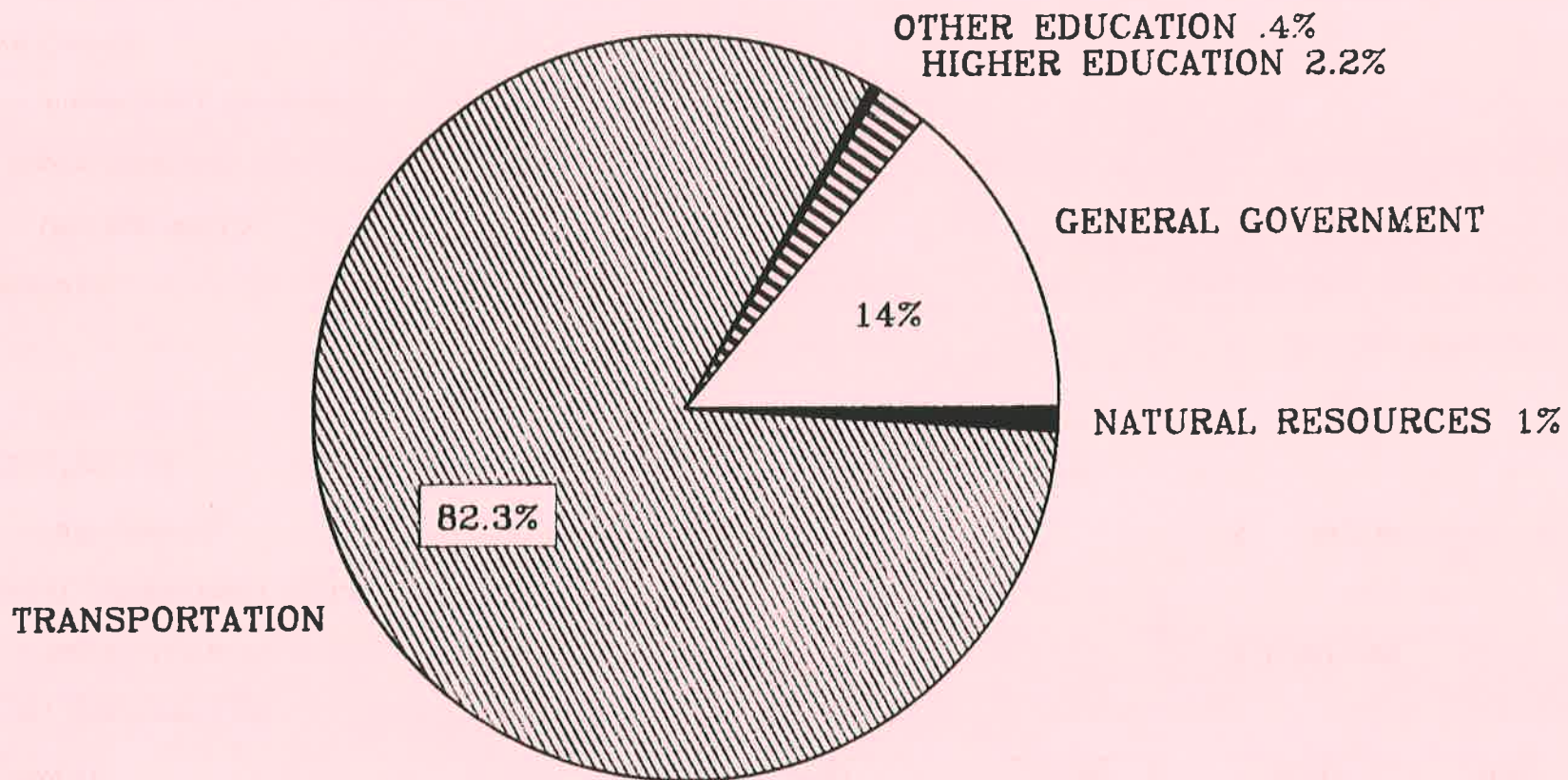
5/ H.B. 2442 also provides for the following reversions to the General Fund:

<u>Law</u>	<u>Description</u>	<u>Amount</u>
L'87, Ch. 335, Sec. 1	State Compensation Fund Building Acquisition	\$ 347,024
L'87, Ch. 335, Sec. 3	Phoenix Museum Building Fund	600,000
L'87, Ch. 335, Sec. 4	ASU West Campus	2,000,000 (reverts on 12/31/88)

In addition, the following amounts shall revert to the Capital Outlay Stabilization Account (COSA), and then shall revert from the COSA to the General Fund:

<u>Law</u>	<u>Description</u>	<u>Amount</u>
L'86, Ch. 373, Sec. 1	Architectural and engineering fees - ARCOR	\$ 349,974
L'87, Ch. 335, Sec. 1	Land acquisition	500,000
L'87, Ch. 335, Sec. 1	Planning	480,573
L'87, Ch. 335, Sec. 1	Land acquisition	155,530
L'87, Ch. 335, Sec. 3	Asbestos abatement	1,000,000

# DISTRIBUTION OF CAPITAL OUTLAY BILLS BY FUNCTION OF GOVERNMENT



TC-25

## FISCAL YEAR 1989

NOTE: INCLUDES HB's 2077, 2151, 2379, 2442 & SB's 1123, 1157

SUMMARY OF ADDITIONAL APPROPRIATIONS  
 (Other Than The General Appropriation Act and All Capital Outlay Appropriations)  
 Enacted by the 38th Legislature - 2nd Regular Session  
 For Fiscal Years 1988 and 1989

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<u>GENERAL GOVERNMENT</u>	FISCAL YEAR 1988		FISCAL YEAR 1989	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>Administration, Department of</u>				
<u>H.B. 2418</u> - Named Claimants			\$ 1,371,379	
<u>Attorney General - Department of Law</u>				
<u>S.B. 1286</u> - Fair Housing			\$ 59,250	
<u>Commerce, Department of</u>				
<u>H.B. 2036</u> - Super Collider	\$ 479,300			
<u>Legislature</u>				
Auditor General				
<u>S.B. 1486</u> - Omnibus AHCCCS			\$ 240,000	
House of Representatives				
<u>H.B. 2149</u> - Impeachment Expenses	\$ 824,229			
Legislative Council				
<u>S.B. 1261</u> - Tax Computations and Revisions			600,000	
<u>H.B. 2036</u> - Super Collider	421,000			
Senate				
<u>S.B. 1449</u> - Impeachment Expenses	235,649			
SUB-TOTAL - Legislature	<u>\$1,480,878</u>	<u>\$ -0-</u>	<u>\$ 840,000</u>	<u>\$ -0-</u>

(Continued)

SUMMARY OF ADDITIONAL APPROPRIATIONS  
 (Other Than The General Appropriation Act and All Capital Outlay Appropriations)  
 Enacted by the 38th Legislature - 2nd Regular Session  
 For Fiscal Years 1988 and 1989  
 (Continued)

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<u>GENERAL GOVERNMENT (Cont'd)</u>	<u>FISCAL YEAR 1988</u>		<u>FISCAL YEAR 1989</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>Revenue, Department of</u>				
<u>S.B. 1261 - Tax Computations and Revisions</u>			\$ 75,000	
<u>Secretary of State - Department of State</u>				
<u>H.B. 2227 - Election Expenses</u>	\$1,590,051			
<u>Tourism, Office of</u>				
<u>S.B. 1261 - Tax Computations and Revisions</u>				\$ 2,000,000
<u>Treasurer</u>				
<u>S.B. 1486 - Omnibus AHCCCS</u>			\$ 6,500,000	
<u>H.B. 2047 - Nuclear Emergency Management</u>			107,400	
<u>SUB-TOTAL</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 6,607,400</u>	<u>\$ -0-</u>
 <u>TOTAL - GENERAL GOVERNMENT</u>	 <u>\$3,550,229</u>	 <u>\$ -0-</u>	 <u>\$ 8,953,029</u>	 <u>\$ 2,000,000</u>
 <u>HEALTH AND WELFARE</u>				
<u>AHCCCS Administration</u>				
<u>S.B. 1486 - Omnibus AHCCCS</u>			\$ 303,000 <sup>1/</sup>	

(Continued)

SUMMARY OF ADDITIONAL APPROPRIATIONS  
 (Other Than The General Appropriation Act and All Capital Outlay Appropriations)  
 Enacted by the 38th Legislature - 2nd Regular Session  
 For Fiscal Years 1988 and 1989  
 (Continued)

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	FISCAL YEAR 1988		FISCAL YEAR 1989	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>HEALTH AND WELFARE (Cont'd)</u>				
<u>Economic Security, Department of</u>				
H.B. 2049 - Alzheimer's Advisory Committee			\$ 15,000	
H.B. 2098 - Veterans' Housing Assistance			1,257,000	
SUB-TOTAL	<u>-0-</u>	<u>-0-</u>	<u>1,272,000</u>	<u>-0-</u>
<u>Environmental Quality, Department of</u>				
S.B. 1154 - Mine Tailings Removal			\$ 300,000	
H.B. 2206 - Clean Burning Use Fuel Tax				\$ 697,000
SUB-TOTAL	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 300,000</u>	<u>\$ 697,000</u>
<u>Health Services, Department of</u>				
H.B. 2083 - Chronic Disease Surveillance	\$ 192,500			
H.B. 2338 - Behavioral Health Services			\$16,600,000	
H.B. 2350 - Day Care Certification			93,000	
SUB-TOTAL	<u>\$ 192,500</u>	<u>\$ -0-</u>	<u>\$16,693,000</u>	<u>\$ -0-</u>
TOTAL - HEALTH AND WELFARE	<u>\$ 192,500</u>	<u>\$ -0-</u>	<u>\$18,568,000</u>	<u>\$ 697,000</u>
 <u>INSPECTION AND REGULATION</u>				
<u>Radiation Regulatory Agency</u>				
H.B. 2047 - Nuclear Emergency Management			\$ 307,800	

(Continued)

SUMMARY OF ADDITIONAL APPROPRIATIONS  
 (Other Than The General Appropriation Act and All Capital Outlay Appropriations)  
 Enacted by the 38th Legislature - 2nd Regular Session  
 For Fiscal Years 1988 and 1989  
 (Continued)

	FISCAL YEAR 1988		FISCAL YEAR 1989	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>INSPECTION AND REGULATION</u> (Cont'd)				
<u>Weights and Measures, Department of</u>				
<u>H.B. 2206</u> - Clean Burning Use Fuel Tax			\$ 365,200	
TOTAL - INSPECTION AND REGULATION	\$ -0-	\$ -0-	\$ 673,000	\$ -0-

EDUCATION

Education, Department of

S.B. 1119 - Appropriations and Budget Reductions  
H.B. 2217 - Special Academic Assistance Program  
 SUB-TOTAL

			\$56,276,000	
			4,550,000	
	\$ -0-	\$ -0-	\$60,826,000	\$ -0-

Universities/Board of Regents

Board of Regents

H.B. 2108 - Minority Recruitment

\$ 100,000

Arizona State University - Main Campus

H.B. 2108 - Minority Recruitment

1,144,300

Northern Arizona University

H.B. 2108 - Minority Recruitment

386,400

(Continued)

SUMMARY OF ADDITIONAL APPROPRIATIONS  
 (Other Than The General Appropriation Act and All Capital Outlay Appropriations)  
 Enacted by the 38th Legislature - 2nd Regular Session  
 For Fiscal Years 1988 and 1989  
 (Continued)

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<u>EDUCATION (Cont'd)</u>	FISCAL YEAR 1988		FISCAL YEAR 1989	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
University of Arizona - Main Campus				
H.B. 2108 - Minority Recruitment			\$ 969,300	
<u>SUB-TOTAL - Universities/Board of Regents</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>2,600,000</u>	<u>\$ -0-</u>
 TOTAL - EDUCATION	 <u>\$ -0-</u>	 <u>\$ -0-</u>	 <u>\$63,426,000</u>	 <u>\$ -0-</u>
 <u>PROTECTION AND SAFETY</u>				
<u>Corrections, Department of</u>				
H.B. 2241 - Shock Incarceration and Home Arrest			\$ 1,714,036	
H.B. 2393 - County Jails	\$2,705,600			
<u>SUB-TOTAL</u>	<u>\$2,705,600</u>	<u>\$ -0-</u>	<u>\$ 1,714,036</u>	<u>\$ -0-</u>
 <u>Emergency and Military Affairs, Department of</u>				
H.B. 2047 - Nuclear Emergency Management			\$ 185,900	
H.B. 2305 - Emergency Response Commission			120,000	
<u>SUB-TOTAL</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 305,900</u>	<u>\$ -0-</u>
 TOTAL - PROTECTION AND SAFETY	 <u>\$2,705,600</u>	 <u>\$ -0-</u>	 <u>\$ 2,019,936</u>	 <u>\$ -0-</u>

(Continued)

SUMMARY OF ADDITIONAL APPROPRIATIONS  
 (Other Than The General Appropriation Act and All Capital Outlay Appropriations)  
 Enacted by the 38th Legislature - 2nd Regular Session  
 For Fiscal Years 1988 and 1989  
 (Continued)

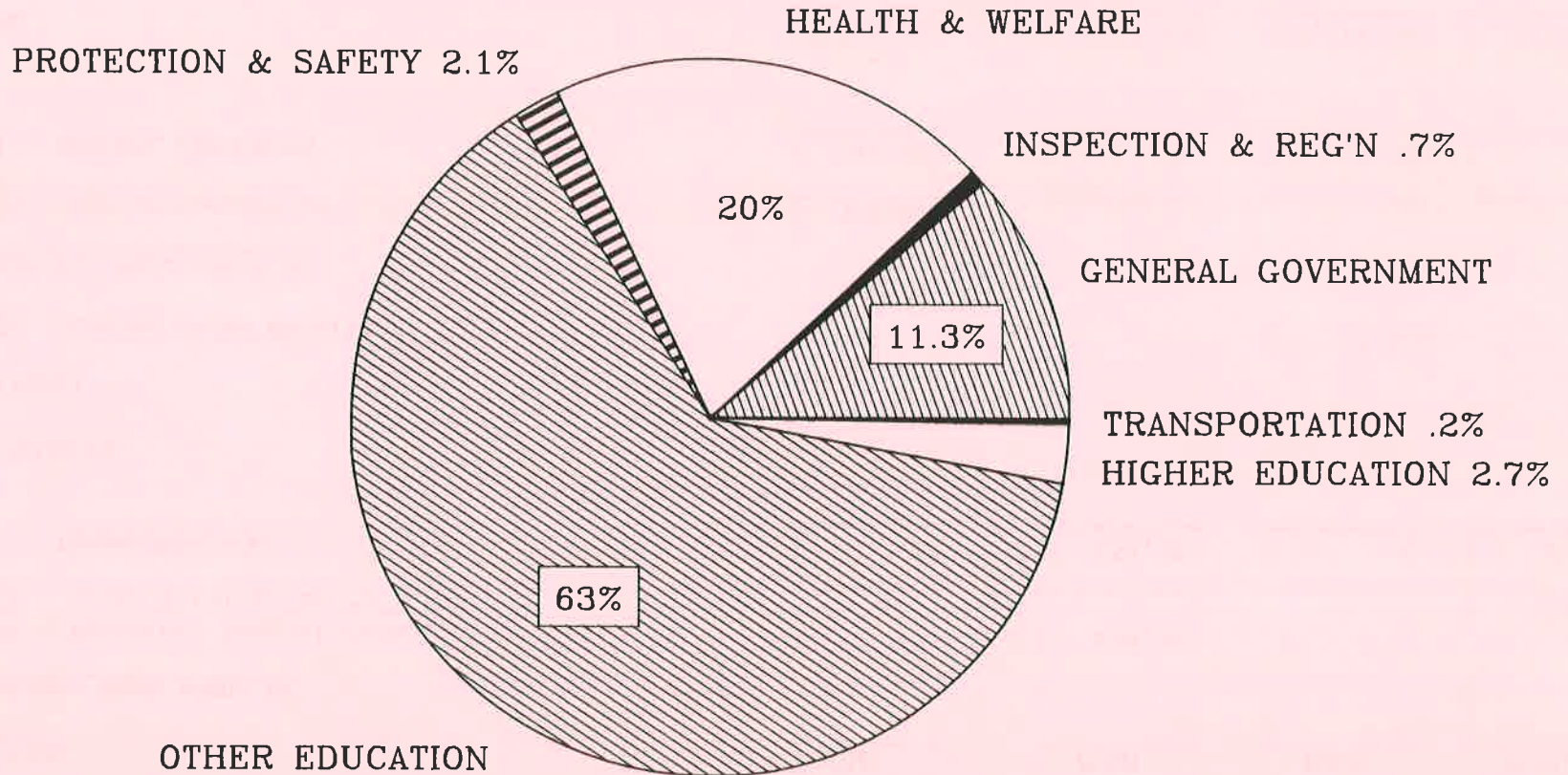
	FISCAL YEAR 1988		FISCAL YEAR 1989	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
<u>TRANSPORTATION</u>				
<u>Transportation, Department of</u>				
S.B. 1199 - Vehicles; Special Permit		\$ 658,500		
H.B. 2206 - Clean Burning Use Fuel Tax				\$ 200,000
TOTAL - TRANSPORTATION	\$ -0-	\$ 658,500	\$ -0-	\$ 200,000
 <u>NATURAL RESOURCES</u>				
<u>Land Department</u>				
S.B. 1126 - Coyote Creek Watershed			\$ 75,000	
<u>Water Resources, Department of</u>				
S.B. 1244 - Office Completion	\$ 590,000			
TOTAL - NATURAL RESOURCES	\$ 590,000	\$ -0-	\$ 75,000	\$ -0-
GRAND TOTAL	\$7,038,329	\$ 658,500	\$93,714,965	\$ 2,897,000

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1/ Federal government will provide another \$304,000 in matching funds.



# DISTRIBUTION OF ADDITIONAL APPROPRIATIONS BY FUNCTION OF GOVERNMENT



TG-32

## FISCAL YEAR 1989

\* ENACTED BY THE LEGISLATURE WITH APPROPRIATIONS OF \$2.2 BILLION FOR GENERAL PURPOSES AND \$1.1 BILLION

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989

	FISCAL YEAR 1988	FISCAL YEAR 1989
<u>GENERAL GOVERNMENT</u>		
Administration, Department of		
Automation Revolving Fund	\$ 8,996,100	\$ 9,394,300
Telecommunications "911" Emergency Fund	3,532,100	4,632,500
Motor Pool Revolving Fund	3,625,500	3,067,700
Risk Management Revolving Fund	27,088,600	36,345,900
Special Services Revolving Fund	2,246,800	2,301,300
Surplus Property Revolving Fund	1,219,900	1,224,100
Telecommunications Revolving Fund	7,123,400	8,598,000
Workmens Compensation Liability Loss Revolving Fund	12,683,100	14,852,300
TOTAL - OTHER FUNDS	<u>\$ 66,515,500</u>	<u>\$ 80,416,100</u>
Attorney General		
Anti-Racketeering Revolving Fund	\$ 223,200	\$ 234,400
Antitrust Enforcement Revolving Fund	377,400	280,500
Colorado Land Claims Revolving Fund	2,700	2,900
Collection Enforcement Revolving Fund	258,200	274,200
Consumer Protection Revolving Funds	225,700	236,900
Criminal Justice Enhancement Fund	1,400,600	1,569,100
Prosecuting Attorneys Council	1,263,800	1,327,000
Special Printing Fund	25,200	26,800
SUB-TOTAL - OTHER FUNDS	<u>\$ 3,776,800</u>	<u>\$ 3,951,800</u>
Federal Funds	1,176,000	1,233,900
TOTAL - NON-APPROPRIATED	<u>\$ 4,952,800</u>	<u>\$ 5,185,700</u>
Commerce, Department of		
Oil Overcharge Fund	6,677,500	5,274,500
Special Revenue Funds	162,000	60,000
Solar Energy	26,500	18,500
SUB-TOTAL - OTHER FUNDS	<u>\$ 6,866,000</u>	<u>\$ 5,353,000</u>
Federal Funds	7,104,700	6,107,700
TOTAL - NON-APPROPRIATED	<u>\$ 13,970,700</u>	<u>\$ 11,460,700</u>
Compensation Fund <sup>1/</sup>		
State Comp Fund Administration Expenses	\$ 33,183,000	\$ 34,338,600

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

GENERAL GOVERNMENT (Cont'd)	FISCAL YEAR 1988	FISCAL YEAR 1989
Courts - Supreme Court		
Case Processing Assistance Fund	\$ 1,203,500	\$ 1,203,500
Juvenile Crime Reduction Fund	1,038,700	1,188,700
TOTAL - OTHER FUNDS	<u>\$ 2,242,200</u>	<u>\$ 2,392,200</u>
Legislature		
Auditor General - Audit Services	\$ 54,500	\$ 272,000
Library, Archives, and Public Records		
Gift Shop Revolving Fund	35,000	75,000
Miscellaneous Fund	25,800	12,000
SUB-TOTAL - OTHER FUNDS	<u>\$ 115,300</u>	<u>\$ 359,000</u>
Federal Funds - Library and Archives	1,878,500	-0-
TOTAL - NON-APPROPRIATED	<u>\$ 1,993,800</u>	<u>\$ 359,000</u>
Lottery		
Lottery Fund	\$ 151,044,000	\$ 158,730,300
Revenue, Department of		
Bingo Administration Fund	\$ 473,400	\$ 490,700
Liability Set Off Fund	61,500	64,600
Revenue Revolving Publications Fund	45,200	45,200
TOTAL - OTHER FUNDS	<u>\$ 580,100</u>	<u>\$ 600,500</u>
Secretary of State		
Arizona Blue Book	\$ 8,900	\$ -0-
Tourism, Office of		
Workshop Fund	\$ 23,000	\$ 25,000
RECAP - GENERAL GOVERNMENT -		
Federal Funds	\$ 10,159,200	\$ 7,341,600
Other Funds	<u>264,354,800</u>	<u>286,166,500</u>
TOTAL - GENERAL GOVERNMENT	<u>\$ 274,514,000</u>	<u>\$ 293,508,100</u>

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	<u>FISCAL YEAR</u> 1988	<u>FISCAL YEAR</u> 1989
<u>HEALTH AND WELFARE</u>		
Economic Security, Department of		
Capital Investment Fund	\$ 128,300	\$ 61,200
Child Abuse Prevention and Treatment Fund	950,000	950,000
Child Support Administration	1,726,000	1,781,000
Industries for the Blind	4,676,100	5,144,300
Special Administration Fund for Unemployment Compensation	1,550,000	1,675,600
Unemployment Compensation Funds	116,815,300	115,000,000
Donations	463,000	311,300
Client Trust Fund	3,148,700	3,449,400
Government Service Use Fee Revenue	3,283,000	3,052,600
Mesa Land Fund	377,600	379,900
All Other DES Funds	11,224,700	51,111,300
SUB-TOTAL - OTHER FUNDS	<u>\$ 144,342,700</u>	<u>\$ 182,916,600</u>
Federal Funds	266,949,100	277,070,000
TOTAL - NON-APPROPRIATED	<u>\$ 411,291,800</u>	<u>\$ 459,986,600</u>
Environmental Quality, Department of		
Air Quality	\$ 2,253,200	\$ 3,588,500
Vehicle Emissions	12,071,600	12,433,200
Water Quality	6,045,100	8,664,300
SUB-TOTAL - OTHER FUNDS	<u>\$ 20,369,900</u>	<u>\$ 24,686,000</u>
Federal Funds	5,572,000	5,794,900
TOTAL - NON-APPROPRIATED	<u>\$ 25,941,900</u>	<u>\$ 30,480,900</u>
Health Services, Department of		
Domestic Violence Shelter Funds	\$ 850,000	\$ 800,000
Donations	239,000	239,000
Alcohol/Drug Fines	600,000	500,000
EMS Operating Fund	2,237,100	2,237,100
SAMHC Patients Benefit	2,500	2,500
Sanitarians Fund	9,200	9,200
State Hospital Donations	5,700	-0-

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	FISCAL YEAR 1988	FISCAL YEAR 1989
<u>HEALTH AND WELFARE (Cont'd)</u>	<u>1988</u>	<u>1989</u>
Health Services, Department of (Cont'd)		
ASH Patient Benefit	102,200	102,200
ASH State Hospital Land	448,500	448,500
SUB-TOTAL - OTHER FUNDS	\$ 4,494,200	\$ 4,338,500
Federal Funds	37,992,200	37,498,800
TOTAL - NON-APPROPRIATED	\$ 42,486,400	\$ 41,837,300
 Hearing Impaired, Council for the Telecommunication Devices	 \$ 813,800	 \$ -0-
 Pioneers' Home		
Pioneers' Endowment	\$ 568,200	\$ 579,300
Special Donations	35,000	40,000
TOTAL - OTHER FUNDS	\$ 603,200	\$ 619,300
 Veterans' Services Commission		
AVSC Veterans' Education & Training	123,800	125,800
AVSC Veterans' Conserv/Guardian	313,000	355,900
Memorial Cemetery	175,400	233,600
SUB-TOTAL - OTHER FUNDS	\$ 612,200	\$ 715,300
Federal Funds	-0-	-0-
TOTAL - NON-APPROPRIATED	\$ 612,200	\$ 715,300
 RECAP - HEALTH AND WELFARE -		
Federal Funds	\$ 310,513,300	\$ 320,363,700
Other Funds	171,236,000	213,275,700
 TOTAL - HEALTH AND WELFARE	 \$ 481,749,300	 \$ 533,639,400
 <u>INSPECTION AND REGULATION</u>		
Agriculture and Horticulture, Commission of		
Abatement Revolving Fund	\$ 4,098,500	\$ 4,099,100
Agriculture and Horticulture Fund - Native Plant Law	73,900	79,200

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	FISCAL YEAR 1988	FISCAL YEAR 1989
<u>INSPECTION AND REGULATION (Cont'd)</u>		
<u>Agriculture and Horticulture, Commission of (Cont'd)</u>		
Dangerous Plants, Pests and Diseases Fund	\$ 9,700	\$ 10,000
Grain Council	99,100	99,100
Seed Law Fund	14,000	16,300
Yuma County Citrus Pest Control Fund	4,500	-0-
SUB-TOTAL - OTHER FUNDS	\$ 4,299,700	\$ 4,303,700
Federal Funds	223,500	223,500
TOTAL - NON-APPROPRIATED	\$ 4,523,200	\$ 4,527,200
Banking, Department of Revolving Fund	\$ 191,300	\$ 210,800
Corporation Commission		
Pipeline Safety	\$ -0-	\$ 30,800
Federal Funds	125,400	135,500
TOTAL - NON-APPROPRIATED	\$ 125,400	\$ 166,300
Dairy Commissioner Federal Funds	\$ 2,400	\$ 2,400
Industrial Commission		
Donations	\$ 83,500	\$ 82,000
Federal Funds	879,900	910,800
TOTAL - NON-APPROPRIATED	\$ 963,400	\$ 992,800
Insurance, Department of		
Computer System Fund	\$ 320,200	\$ 129,800
Insurance Examiners Revolving Fund	1,416,200	1,557,800
Life and Disability Insurance Guaranty Fund	1,800,500	1,300,500
Property and Casualty Insurance Guaranty Fund	10,657,000	7,657,500
TOTAL - OTHER FUNDS	\$ 14,193,900	\$ 10,645,600

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

<u>INSPECTION AND REGULATION</u> (Cont'd)	<u>FISCAL YEAR</u> 1988	<u>FISCAL YEAR</u> 1989
Livestock Board		
Beef Council Fund	\$ 30,000	\$ 40,000
Collection & Administration Cost Fund	17,000	30,000
Horse Maintenance Fund	600	400
Seizure Fund	2,100	1,000
Stray Fund	29,100	22,000
TOTAL - OTHER FUNDS	<u>\$ 78,800</u>	<u>\$ 93,400</u>
State Mine Inspector		
Federal Funds	\$ 94,700	\$ 98,500
Racing, Department of		
Administration of Award Fund	\$ 58,700	\$ 60,800
Bond Deposit	25,000	25,000
Breeders Award Fund	1,730,400	1,235,600
County Fair Racing Betterment Fund	923,600	923,600
TOTAL - OTHER FUNDS	<u>\$ 2,737,700</u>	<u>\$ 2,245,000</u>
Radiation Regulatory Agency		
Federal Funds	\$ 20,000	\$ 10,800
<u>NINETY-TEN AGENCIES</u>		
Egg Inspection Board		
Federal Funds	\$ 39,000	\$ 39,000
Structural Pest Control Board		
Federal Funds	\$ 69,400	\$ 69,000
SUB-TOTAL - NINETY-TEN AGENCIES	<u>\$ 108,400</u>	<u>\$ 108,000</u>
RECAP - INSPECTION AND REGULATION -		
Federal Funds	\$ 1,454,300	\$ 1,489,500
Other Funds	21,584,900	17,611,300
TOTAL - INSPECTION AND REGULATION	<u>\$ 23,039,200</u>	<u>\$ 19,100,800</u>

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	FISCAL YEAR 1988	FISCAL YEAR 1989
<u>EDUCATION</u>		
Arts, Commission on the		
Federal Funds	\$ 509,400	\$ 502,100
Local	55,000	55,000
TOTAL - NON-APPROPRIATED	\$ 564,400	\$ 557,100
 State Community Colleges Board		
Federal Funds	\$ 1,504,500	\$ 1,500,000
Other Funds	95,700	113,600
TOTAL - NON-APPROPRIATED	\$ 1,600,200	\$ 1,613,600
 Deaf and Blind, School for the		
Land Earnings	\$ 269,300	\$ 245,800
Trust Funds	91,000	91,000
SUB-TOTAL - OTHER FUNDS	\$ 360,300	\$ 336,800
Federal Funds	496,100	441,500
TOTAL - NON-APPROPRIATED	\$ 856,400	\$ 778,300
 Education, Department of		
Arizona Youth Farm Loan Interest	\$ 26,000	\$ 26,100
Commodities Suspense Fund	199,500	199,500
Education Evaluation and Review Fund	22,800	25,000
Permanent Common School Fund	46,343,800	42,000,000 <sup>2/</sup>
Printing Revolving Fund	334,100	369,400
SUB-TOTAL - OTHER FUNDS	\$ 46,926,200	\$ 42,620,000
Federal Funds	147,712,200	156,016,900
TOTAL - NON-APPROPRIATED	\$ 194,638,400	\$ 198,636,900
 Historical Society, Arizona		
Arizona Historical Society Funds	\$ 377,900	\$ 354,100
Capital Campaign Funds	85,000	3,360,700
TOTAL - OTHER FUNDS	\$ 462,900	\$ 3,714,800
 Historical Society, Prescott		
Sharlot Hall Historical Society	\$ 51,900	\$ 93,000

(Continued)



SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

<u>EDUCATION</u> (Cont'd)	<u>FISCAL YEAR</u> 1988	<u>FISCAL YEAR</u> 1989
<u>UNIVERSITIES/BOARD OF REGENTS</u>		
Medical Student Loans Board		
Medical Student Loan Fund	\$ 138,000	\$ 174,000
Board of Regents		
Federal Funds	\$ 1,143,000	\$ 1,293,000
Arizona State University - Main Campus		
Other Funds	\$ 161,945,100	\$ 172,381,700
Federal Funds	17,999,300	18,359,300
TOTAL - NON-APPROPRIATED	<u>\$ 179,944,400</u>	<u>\$ 190,741,000</u>
Northern Arizona University		
Other Funds	\$ 19,371,700	\$ 20,754,800
Federal Funds	10,933,300	10,761,700
TOTAL - NON-APPROPRIATED	<u>\$ 30,305,000</u>	<u>\$ 31,516,500</u>
University of Arizona - Main Campus		
Agricultural Extension Programs	\$ 263,400	\$ 274,000
Agricultural & Mechanical Colleges Land Fund	197,000	197,000
Military Institutes Land Fund	22,000	22,000
School of Mines Land Fund	83,000	83,000
Universities Land Fund	344,000	344,000
Normal Schools Land Fund	65,000	65,000
Interest on Land Grant Funds	289,000	289,000
Other Funds	137,963,200	143,654,700
SUB-TOTAL - OTHER FUNDS	<u>\$ 139,226,600</u>	<u>\$ 144,928,700</u>
Federal Funds	74,100,800	77,164,400
TOTAL - NON-APPROPRIATED	<u>\$ 213,327,400</u>	<u>\$ 222,093,100</u>

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

<u>EDUCATION (Cont'd)</u>	<u>FISCAL YEAR 1988</u>	<u>FISCAL YEAR 1989</u>
University of Arizona - College of Medicine		
Other Funds	\$ 40,064,300	\$ 42,296,800
Federal Funds	23,604,700	24,610,200
TOTAL - NON-APPROPRIATED	\$ 63,669,000	\$ 66,907,000
 UNIVERSITIES/BOARD OF REGENTS - SUBTOTAL		
Federal Funds	\$ 127,781,100	\$ 132,188,600
Other Funds	360,745,700	380,536,000
TOTAL	\$ 488,526,800	\$ 512,724,600
 RECAP - EDUCATION		
Federal Funds	\$ 278,003,300	\$ 290,649,100 <sup>3/</sup>
Other Funds	408,697,700	427,469,200
TOTAL - EDUCATION	\$ 686,701,000	\$ 718,118,300
 <u>PROTECTION AND SAFETY</u>		
Corrections, Department of		
Alcohol Abuse Treatment Fund	\$ 124,000	\$ 124,000
Correctional Industries Revolving Fund	6,016,300	7,445,000
Criminal Justice Enhancement Fund	1,512,500	1,468,000
Corrections Donations	4,900	3,400
Inmate Care Revolving Fund	22,100	20,200
Land Endowment Earnings	625,000	609,700
Parental Assessment/Juvenile Restitution	198,400	153,600
SUB-TOTAL - OTHER FUNDS	\$ 8,503,200	\$ 9,823,900
Federal Funds	1,189,300	940,500
TOTAL - NON-APPROPRIATED	\$ 9,692,500	\$ 10,764,400
 Criminal Justice Commission		
Drug Enforcement Account	\$ 10,306,900	\$ 5,588,000
Victim's Assistance Fund	432,000	480,000
Victim's Compensation Fund	515,000	528,600
TOTAL - OTHER FUNDS	\$ 11,253,900	\$ 6,596,600

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	<u>FISCAL YEAR</u> 1988	<u>FISCAL YEAR</u> 1989
<u>PROTECTION AND SAFETY (Cont'd)</u>		
Emergency and Military Affairs, Department of Federal Funds	\$ 14,877,900	\$ 12,783,300
Public Safety, Department of		
Criminal Justice Enhancement Fund	\$ 1,300,000	\$ 1,300,000
Donations	29,900	-0-
Fingerprint Fund	578,900	553,300
Peace Officer Training Fund	3,569,000	3,811,200
SUB-TOTAL - OTHER FUNDS	<u>\$ 5,477,800</u>	<u>\$ 5,664,500</u>
Federal Funds	1,158,200	1,048,400
TOTAL - NON-APPROPRIATED	<u>\$ 6,636,000</u>	<u>\$ 6,712,900</u>
RECAP - PROTECTION AND SAFETY -		
Federal Funds	\$ 17,225,400	\$ 14,772,200
Other Funds	<u>25,234,900</u>	<u>22,085,000</u>
TOTAL - PROTECTION AND SAFETY	<u>\$ 42,460,300</u>	<u>\$ 36,857,200</u>
<u>TRANSPORTATION</u>		
Transportation, Department of		
County Auto License/ADOT Special Fund	\$ 5,322,000	\$ 5,451,400
Arizona Highways Magazine Fund	8,984,700	9,362,300
Revolving Funds	22,973,400	25,249,800
SUB-TOTAL - OTHER FUNDS	<u>\$ 37,280,100</u>	<u>\$ 40,063,500</u>
Federal Funds	220,345,400	187,821,600
TOTAL - NON-APPROPRIATED	<u>\$ 257,625,500</u>	<u>\$ 227,885,100</u>
RECAP - TRANSPORTATION		
Federal Funds	\$ 220,345,400	\$ 187,821,600
Other Funds	<u>37,280,100</u>	<u>40,063,500</u>
TOTAL - TRANSPORTATION	<u>\$ 257,625,500</u>	<u>\$ 227,885,100</u>

(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	<u>FISCAL YEAR</u> 1988	<u>FISCAL YEAR</u> 1989
<u>NATURAL RESOURCES</u>		
Environment, Commission on the Revolving Fund	\$ 25,700	\$ 26,500
Game and Fish Department		
Big Game Permits	\$ 7,580,100	\$ 7,500,000
Conservation Development Fund	555,000	455,000
Donations	36,000	64,000
Publications Revolving Fund	86,000	78,000
Petty Cash Revolving Fund	520,000	520,000
Stamp Funds	269,600	277,000
Trust Fund	143,000	146,000
Wildlife Theft Prevention Fund	102,000	107,000
SUB-TOTAL - OTHER FUNDS	<u>\$ 9,291,700</u>	<u>\$ 9,147,000</u>
Federal Funds	7,529,400	6,872,400
TOTAL - NON-APPROPRIATED	<u>\$ 16,821,100</u>	<u>\$ 16,019,400</u>
Geological Survey		
Bureau of Geological & Mineral Tech.	\$ -0-	\$ 22,000
State Land Department		
Cooperative Fire Control Fund	\$ 396,600	\$ 335,200
Resource Analysis Revolving Fund	25,000	25,000
Universities Timber Land Fund	194,500	125,400
SUB-TOTAL - OTHER FUNDS	<u>\$ 616,100</u>	<u>\$ 485,600</u>
Federal Funds	29,600	20,000
TOTAL - NON-APPROPRIATED	<u>\$ 645,700</u>	<u>\$ 505,600</u>
Mines and Mineral Resources, Department of Other Funds	\$ 44,700	\$ 34,100

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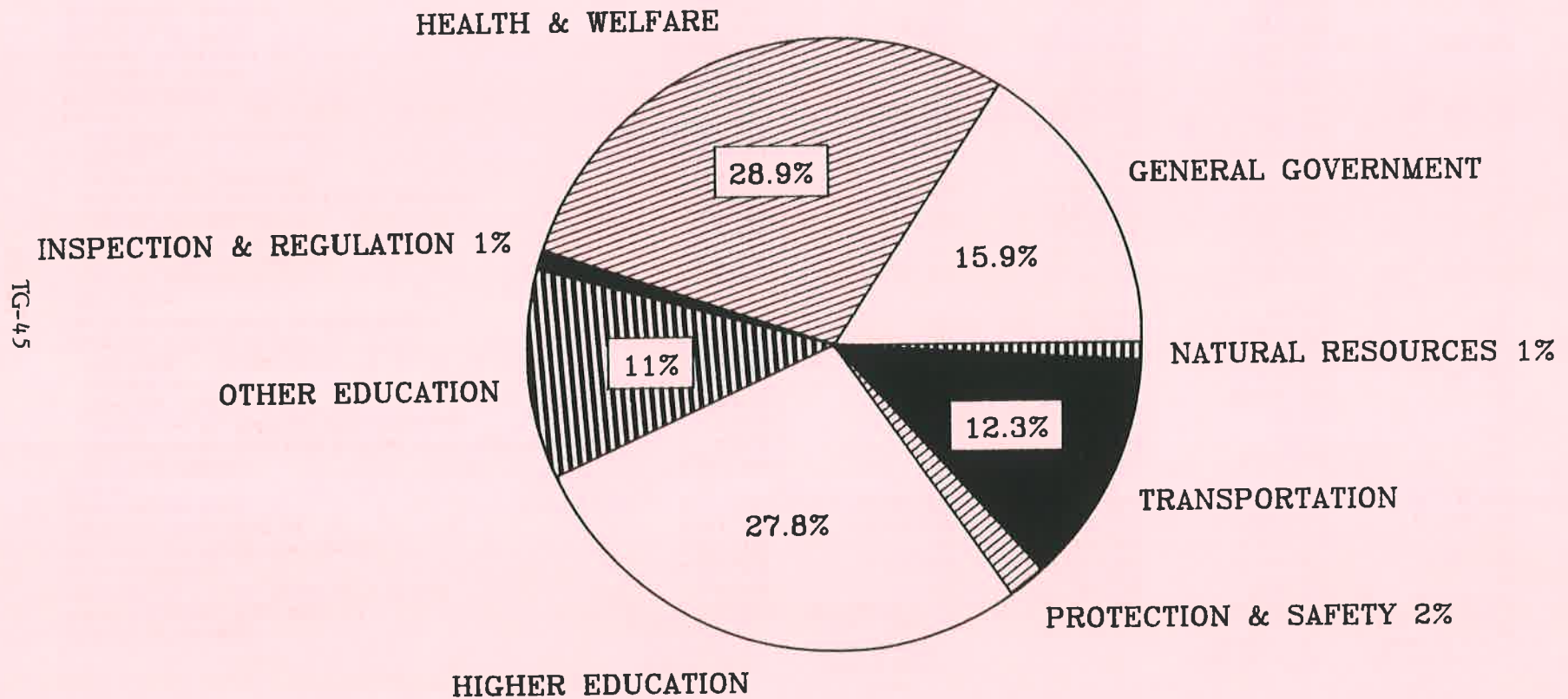
(Continued)

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES  
For the Fiscal Years 1988 and 1989  
(Continued)

	<u>FISCAL YEAR</u> 1988	<u>FISCAL YEAR</u> 1989
<u>NATURAL RESOURCES (Cont'd)</u>		
State Parks Board		
Donations	\$ 20,000	\$ 20,000
Land and Water Conservation Surcharge Fund	180,900	92,100
SUB-TOTAL - OTHER FUNDS	<u>\$ 200,900</u>	<u>\$ 112,100</u>
Federal Funds	1,058,000	911,400
TOTAL - NON-APPROPRIATED	<u>\$ 1,258,900</u>	<u>\$ 1,023,500</u>
RECAP - NATURAL RESOURCES -		
Federal Funds	\$ 8,617,000	\$ 7,803,800
Other Funds	<u>10,179,100</u>	<u>9,827,300</u>
TOTAL - NATURAL RESOURCES	<u>\$ 18,796,100</u>	<u>\$ 17,631,100</u>
RECAP - FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES		
Total - Federal Funds	\$ 846,317,900	\$ 830,241,500
Total - Other Funds	<u>938,567,500</u>	<u>1,016,498,500</u>
TOTAL - FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES	<u>\$1,784,885,400</u>	<u>\$1,846,740,000</u>

- 1/ Estimates represent calendar year 1987 and 1988 spending, respectively. The Joint Legislative Budget Committee approves the State Compensation Fund budget.
- 2/ Represents Department of Education's original estimate. The General Appropriations Bill assumes the Permanent Common School Fund contribution will be \$43,000,000.
- 3/ Some Federal Funds are included within the Other Funds totals for the Universities.

# DISTRIBUTION OF FEDERAL AND OTHER NON-APPROPRIATED FUNDS BY FUNCTION OF GOVERNMENT



FISCAL YEAR 1989

STATE OF ARIZONA  
SUMMARY OF TOTAL STATE SPENDING AUTHORITY<sup>1/</sup>  
(APPROPRIATED AND NON-APPROPRIATED FUNDS)  
For Fiscal Years 1988 and 1989

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	Fiscal 1988 <sup>2/</sup>			Fiscal 1989		
	Appropriated General & Non-General	Non- Appropriated Federal and <sup>3/</sup> Other Funds-	Total	Appropriated General & Non-General	Non- Appropriated Federal and <sup>3/</sup> Other Funds-	Total
<b>GENERAL GOVERNMENT</b>						
Administration, Department of	\$ 39,914,100	\$ 66,515,500	\$ 106,429,600	\$ 59,020,859	\$ 80,416,100	\$ 139,436,959
Affirmative Action, Governor's Office	204,100	-0-	204,100	198,500	-0-	198,500
Attorney General	16,762,700	4,952,800	21,715,500	18,396,450	5,185,700	23,582,150
Coliseum and Exposition Center	9,527,300	-0-	9,527,300	9,468,400	-0-	9,468,400
Commerce, Department of	3,791,700	13,970,700	17,762,400	3,213,100	11,460,700	14,673,800
Compensation Fund	-0-	33,183,000	33,183,000	-0-	34,338,600	34,338,600
Courts						
Court of Appeals	5,695,700	-0-	5,695,700	5,677,200	-0-	5,677,200
Commission on Appellate & Trial Crt. Appointments	4,000	-0-	4,000	4,000	-0-	4,000
Commission on Judicial Qualifications	58,000	-0-	58,000	60,000	-0-	60,000
Superior Court	30,919,100	-0-	30,919,100	39,114,200	-0-	39,114,200
Supreme Court	5,045,400	2,242,200	7,287,600	5,123,200	2,392,200	7,515,400
SUB-TOTAL - Courts	\$ 41,722,200	\$ 2,242,200	\$ 43,964,400	\$ 49,978,600	\$ 2,392,200	\$ 52,370,800
Governor, Office of the	4,272,900	-0-	4,272,900	2,872,100	-0-	2,872,100
Law Enforcement Merit System Council	43,400	-0-	43,400	48,200	-0-	48,200
Legislature						
Auditor General	6,138,300	54,500	6,192,800	6,782,000	272,000	7,054,000
House of Representatives	6,217,429	-0-	6,217,429	5,839,700	-0-	5,839,700
Joint Legislative Budget Committee	1,450,800	-0-	1,450,800	1,447,300	-0-	1,447,300
Legislative Council	1,832,700	-0-	1,832,700	3,798,600	-0-	3,798,600
Library, Archives, and Public Records	4,332,000	1,939,300	6,271,300	4,631,700	87,000	4,718,700
Other Joint Committees	45,000	-0-	45,000	-0-	-0-	-0-
Senate	4,351,749	-0-	4,351,749	5,441,000	-0-	5,441,000
SUB-TOTAL - Legislature	\$ 24,367,978	\$ 1,993,800	\$ 26,361,778	\$ 27,940,300	\$ 359,000	\$ 28,299,300
Lottery	-0-	151,044,000	151,044,000	-0-	158,730,300	158,730,300
Personnel Board	213,500	-0-	213,500	217,900	-0-	217,900
Retirement System	11,108,200	-0-	11,108,200	2,869,400	-0-	2,869,400
Revenue, Department of	32,034,500	580,100	32,614,600	35,774,900	600,500	36,375,400
Secretary of State	3,505,451	8,900	3,514,351	2,976,700	-0-	2,976,700
Tax Appeals, Board of	409,300	-0-	409,300	428,400	-0-	428,400
Tourism, Office of	3,362,100	23,000	3,385,100	5,451,200	25,000	5,476,200
Treasurer	10,021,499	-0-	10,021,499	10,081,200	-0-	10,081,200
Uniform State Laws, Commission on	14,800	-0-	14,800	16,000	-0-	16,000
<b>TOTAL - GENERAL GOVERNMENT</b>	<b>\$ 201,275,728</b>	<b>\$ 274,514,000</b>	<b>\$ 475,789,728</b>	<b>\$ 228,952,209</b>	<b>\$ 293,508,100</b>	<b>\$ 522,460,309</b>
<b>HEALTH AND WELFARE</b>						
AHOCSS Administration	\$ 376,102,500	\$ -0-	\$ 376,102,500	\$ 642,970,600 <sup>4/</sup>	-0-	\$ 642,970,600
Economic Security, Department of	231,523,400	411,291,800	642,815,200	286,113,200 <sup>5/</sup>	459,986,600	746,099,800
Environmental Quality, Department of	15,539,800 <sup>6/</sup>	25,941,900	41,481,700	17,048,100 <sup>7/</sup>	30,480,900	47,529,000

(Continued)

STATE OF ARIZONA  
SUMMARY OF TOTAL STATE SPENDING AUTHORITY<sup>1/</sup>  
(APPROPRIATED AND NON-APPROPRIATED FUNDS)  
For Fiscal Years 1988 and 1989  
(Continued)

	Fiscal 1988 <sup>2/</sup>			Fiscal 1989		
	Appropriated General & Non-General	Non- Appropriated Federal and Other Funds <sup>3/</sup>	Total	Appropriated General & Non-General	Non- Appropriated Federal and Other Funds <sup>3/</sup>	Total
<b>HEALTH AND WELFARE (Cont'd)</b>						
Health Services, Department of	\$ 99,910,800	\$ 42,486,400	\$ 142,397,200	\$ 121,272,000	\$ 41,837,300	\$ 163,109,300
Hearing Impaired, Council for the	123,600	813,800	937,400	127,400	-0-	127,400
Indian Affairs, Commission on	150,400	-0-	150,400	147,800	-0-	147,800
Pioneers' Home	2,676,100	603,200	3,279,300	2,780,900	619,300	3,400,200
Rangers' Pension	15,600	-0-	15,600	16,200	-0-	16,200
Veterans' Services Commission	1,027,000	612,200	1,639,200	1,084,500	715,300	1,799,800
<b>TOTAL - HEALTH AND WELFARE</b>	<b>\$ 727,069,200</b>	<b>\$ 481,749,300</b>	<b>\$1,208,818,500</b>	<b>\$1,071,560,700</b>	<b>\$ 533,639,400</b>	<b>\$1,605,200,100</b>
<b>INSPECTION AND REGULATION</b>						
Agricultural Employment Relations Board	\$ 196,900	\$ -0-	\$ 196,900	\$ 191,100	\$ -0-	\$ 191,100
Agriculture and Horticulture, Commission of	7,119,500	4,523,200	11,642,700	7,132,700	4,527,200	11,659,900
Banking Department	2,893,700	191,300	3,085,000	3,065,500	210,800	3,276,300
Building and Fire Safety, Department of	2,509,500	-0-	2,509,500	2,643,700	-0-	2,643,700
Contractors, Registrar of	3,366,000	-0-	3,366,000	4,095,300	-0-	4,095,300
Corporation Commission	9,757,900	125,400	9,883,300	10,182,700	166,300	10,349,000
Dairy Commissioner	471,300	2,400	473,700	466,900	2,400	469,300
Industrial Commission	9,657,200	963,400	10,620,600	10,879,100	992,800	11,871,900
Insurance, Department of	2,217,200	14,193,900	16,411,100	2,465,200	10,645,600	13,110,800
Liquor Licenses and Control, Department of	2,049,800	-0-	2,049,800	2,147,000	-0-	2,147,000
Livestock Board	3,726,700	78,800	3,805,500	3,748,200	93,400	3,841,600
Mine Inspector	775,900	94,700	870,600	750,300	98,500	848,800
Occupational Safety and Health Review Board	7,100	-0-	7,100	3,300	-0-	3,300
Racing, Department of	2,855,800	2,737,700	5,593,500	2,448,900	2,245,000	4,693,900
Radiation Regulatory Agency	1,698,100	20,000	1,718,100	1,722,800	10,800	1,733,600
Real Estate Department	2,565,900	-0-	2,565,900	2,654,000	-0-	2,654,000
Residential Utility Consumer Office	834,100	-0-	834,100	890,800	-0-	890,800
Weights and Measures, Department of	1,531,600	-0-	1,531,600	1,734,400	-0-	1,734,400
Ninety-Ten Agencies						
Accountancy, Board of	495,500	-0-	495,500	612,100	-0-	612,100
Barber Examiners Board	121,000	-0-	121,000	133,900	-0-	133,900
Boxing Commission	45,000	-0-	45,000	63,200	-0-	63,200
Chiropractic Examiners Board	155,200	-0-	155,200	188,500	-0-	188,500
Cosmetology, Board of	456,900	-0-	456,900	533,900	-0-	533,900
Dental Examiners Board	371,600	-0-	371,600	406,900	-0-	406,900
Egg Inspection Board	177,900	39,000	216,900	187,300	39,000	226,300
Funeral Directors and Embalmers Board	133,100	-0-	133,100	141,400	-0-	141,400
Honeopathic Medical Examiners Board	8,100	-0-	8,100	9,000	-0-	9,000
Medical Examiners, Board of	1,550,900	-0-	1,550,900	1,784,500	-0-	1,784,500
Naturopathic Physician Examiners	28,000	-0-	28,000	29,600	-0-	29,600

(Continued)

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STATE OF ARIZONA  
SUMMARY OF TOTAL STATE SPENDING AUTHORITY<sup>1/</sup>  
(APPROPRIATED AND NON-APPROPRIATED FUNDS)  
For Fiscal Years 1988 and 1989  
(Continued)

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	Fiscal 1988 <sup>2/</sup>			Fiscal 1989		
	Appropriated General & Non-General	Non- Appropriated Federal and Other Funds <sup>3/</sup>	Total	Appropriated General & Non-General	Non- Appropriated Federal and Other Funds <sup>3/</sup>	Total
<b>INSPECTION AND REGULATION (Cont'd)</b>						
<b>Ninety-Ten Agencies (Cont'd)</b>						
Nursing Board	\$ 837,800	\$ -0-	\$ 837,800	\$ 892,400	\$ -0-	\$ 892,400
Nursing Care Institution Administrators Board	46,100	-0-	46,100	59,900	-0-	59,900
Opticians, Board of Dispensing	51,100	-0-	51,100	54,300	-0-	54,300
Optometry, Board of	91,100	-0-	91,100	97,400	-0-	97,400
Osteopathic Examiners Board	184,100	-0-	184,100	207,500	-0-	207,500
Pharmacy Board	571,200	-0-	571,200	591,400	-0-	591,400
Physical Therapy Examiners Board	63,700	-0-	63,700	65,900	-0-	65,900
Podiatry Examiners Board	37,700	-0-	37,700	41,400	-0-	41,400
Private Postsecondary Education, Board of	121,300	-0-	121,300	121,700	-0-	121,700
Psychologist Examiners Board	107,400	-0-	107,400	124,400	-0-	124,400
Structural Pest Control Board	210,000	69,400	279,400	412,200	69,000	481,200
Technical Registration, Board of	622,100	-0-	622,100	695,500	-0-	695,500
Veterinary Medical Examining Board	106,100	-0-	106,100	134,400	-0-	134,400
<b>SUB-TOTAL - Ninety-Ten Agencies</b>	<b>\$ 6,592,900</b>	<b>\$ 108,400</b>	<b>\$ 6,701,300</b>	<b>\$ 7,588,700</b>	<b>\$ 108,000</b>	<b>\$ 7,696,700</b>
<b>TOTAL - INSPECTION AND REGULATION</b>	<b>\$ 60,827,100</b>	<b>\$ 23,039,200</b>	<b>\$ 83,866,300</b>	<b>\$ 64,810,600</b>	<b>\$ 19,100,800</b>	<b>\$ 83,911,400</b>
<b>EDUCATION</b>						
Arts, Commission on the	\$ 1,323,100	\$ 564,400	\$ 1,887,500	\$ 1,554,000	\$ 557,100	\$ 2,111,100
Community Colleges	68,520,100	1,600,200	70,120,300	75,204,200	1,613,600	76,817,800
Deaf and Blind, School for	10,466,500	856,400	11,322,900	11,885,300	778,300	12,663,600
Education, Department of	1,029,973,200	194,638,400	1,224,611,600	1,157,673,400	198,636,900	1,356,310,300
Historical Society, Arizona	2,981,800	462,900	3,444,700	1,893,000	3,714,800	5,607,800
Historical Society, Prescott	478,900	51,900	530,800	502,000	93,000	595,000
Medical Student Loans Board	75,000	138,000	213,000	10,000	174,000	184,000
Universities/Board of Regents						
Board of Regents	13,638,900	1,143,000	14,781,900	10,060,500	1,293,000	11,353,500
Arizona State University - Main	197,316,800	179,944,400	377,261,200	216,876,000	190,741,000	407,617,000
Arizona State University - West	21,457,200	-0-	21,457,200	14,050,400	-0-	14,050,400
Northern Arizona University	66,215,300	30,305,000	96,520,300	74,168,000	31,516,500	105,684,500
University of Arizona - Main	213,973,500	213,327,400	427,300,900	234,798,600	222,093,100	456,891,700
University of Arizona - College of Medicine	41,313,900	63,669,000	104,982,900	43,493,000	66,907,000	110,400,000
<b>SUB-TOTAL - Universities/Board of Regents</b>	<b>\$ 553,915,600</b>	<b>\$ 488,388,800</b>	<b>\$1,042,304,400</b>	<b>\$ 593,446,500</b>	<b>\$ 512,550,600</b>	<b>\$1,105,997,100</b>
<b>TOTAL - EDUCATION</b>	<b>\$1,667,734,200</b>	<b>\$ 686,701,000</b>	<b>\$2,354,435,200</b>	<b>\$1,842,168,400</b>	<b>\$ 718,118,300</b>	<b>\$2,560,286,700</b>
<b>PROTECTION AND SAFETY</b>						
Corrections, Department of	\$ 209,496,100	\$ 9,692,500	\$ 219,188,600	\$ 240,302,236	\$ 10,764,400	\$ 251,066,636
Criminal Justice Commission	7,273,300	11,253,900	18,527,200	2,862,600	6,596,600	9,459,200
Emergency and Military Affairs, Department of	3,963,200	14,877,900	18,841,100	4,244,100	12,783,300	17,027,400
Pardons and Paroles, Board of	1,548,600	-0-	1,548,600	1,483,100	-0-	1,483,100
Public Safety, Department of	79,113,600	6,636,000	85,749,600	83,054,500	6,712,900	89,767,400
<b>TOTAL - PROTECTION AND SAFETY</b>	<b>\$ 301,394,800</b>	<b>\$ 42,460,300</b>	<b>\$ 343,855,100</b>	<b>\$ 331,946,536</b>	<b>\$ 36,857,200</b>	<b>\$ 368,803,736</b>

STATE OF ARIZONA  
SUMMARY OF TOTAL STATE SPENDING AUTHORITY<sup>1/</sup>  
(APPROPRIATED AND NON-APPROPRIATED FUNDS)  
For Fiscal Years 1988 and 1989  
(Continued)

	Fiscal 1988 <sup>2/</sup>			Fiscal 1989		
	Appropriated General & Non-General	Non- Appropriated Federal and Other Funds <sup>3/</sup>	Total	Appropriated General & Non-General	Non- Appropriated Federal and Other Funds <sup>3/</sup>	Total
<u>TRANSPORTATION</u>						
Transportation, Department of	\$ 312,654,900	\$ 257,625,500	\$ 570,280,400	\$ 358,689,350	\$ 227,885,100	\$ 586,574,450
<u>NATURAL RESOURCES</u>						
Environment, Commission on the Game and Fish Department	\$ 125,500 14,546,200	\$ 25,700 16,821,100	\$ 151,200 31,367,300	\$ 114,800 16,846,800	\$ 26,500 16,019,400	\$ 141,300 32,866,200
Geological Survey	-0-	-0-	-0-	531,700	22,000	553,700
Land Department	7,762,500	645,700	8,408,200	7,498,100	505,600	8,003,700
Mines and Mineral Resources, Department of	452,600	44,700	497,300	468,100	34,100	502,200
Oil and Gas Conservation Commission	187,000	-0-	187,000	189,600	-0-	189,600
Parks Board	9,884,800	1,258,900	11,143,700	8,966,800	1,023,500	9,990,300
Water Resources, Department of	16,553,900	-0-	16,553,900	12,727,000	-0-	12,727,000
TOTAL - NATURAL RESOURCES	\$ 49,512,500	\$ 18,796,100	\$ 68,308,600	\$ 47,342,900	\$ 17,631,100	\$ 64,974,000
<u>INEQUITY SALARY ADJUSTMENTS</u>	\$ -0-	\$ -0-	\$ -0-	\$ 2,441,800	\$ -0-	\$ 2,441,800
<u>UNALLOCATED SALARY ADJUSTMENTS</u>	\$ 114,300	\$ -0-	\$ 114,300	\$ 250,700	\$ -0-	\$ 250,700
<u>UNALLOCATED PROVIDER ADJUSTMENTS</u>	\$ -0-	\$ -0-	\$ -0-	\$ 74,400	\$ -0-	\$ 74,400
TOTAL SPENDING AUTHORITY	\$3,320,582,728	\$1,784,885,400	\$5,105,468,128	\$3,948,237,595	\$ 1,846,740,000	\$5,794,977,595

1/ The amounts shown include all appropriations from past sessions, current year supplementals, and carry-forward balances of some FY 1987 appropriations.

2/ The FY 1988 amounts include appropriations as revised by Chapter 9, Laws of 1988 (S.B. 1119).

3/ The amounts shown are generally based on agency information as of January 1988, however, some updated information has been included.

4/ This amount includes \$677,600 in "other funds" spending authority above the appropriations listed in the "Summary of the General Appropriation Act" and the "Summary of Additional Appropriations." Of this amount, \$373,600 is part of the cost of the pay package and \$304,000 is the matching contribution for Chapter 302, Laws of 1988.

5/ This amount includes \$571,000 in "other funds" spending authority above the appropriations listed in the "Summary of the General Appropriation Act." This amount is part of the cost of the pay package.

6/ This amount includes \$6 million appropriated from the General Fund to the Water Quality Assurance Revolving Fund during the 1986 Legislative Session (Chapter 368, Laws of 1986, Section 149).

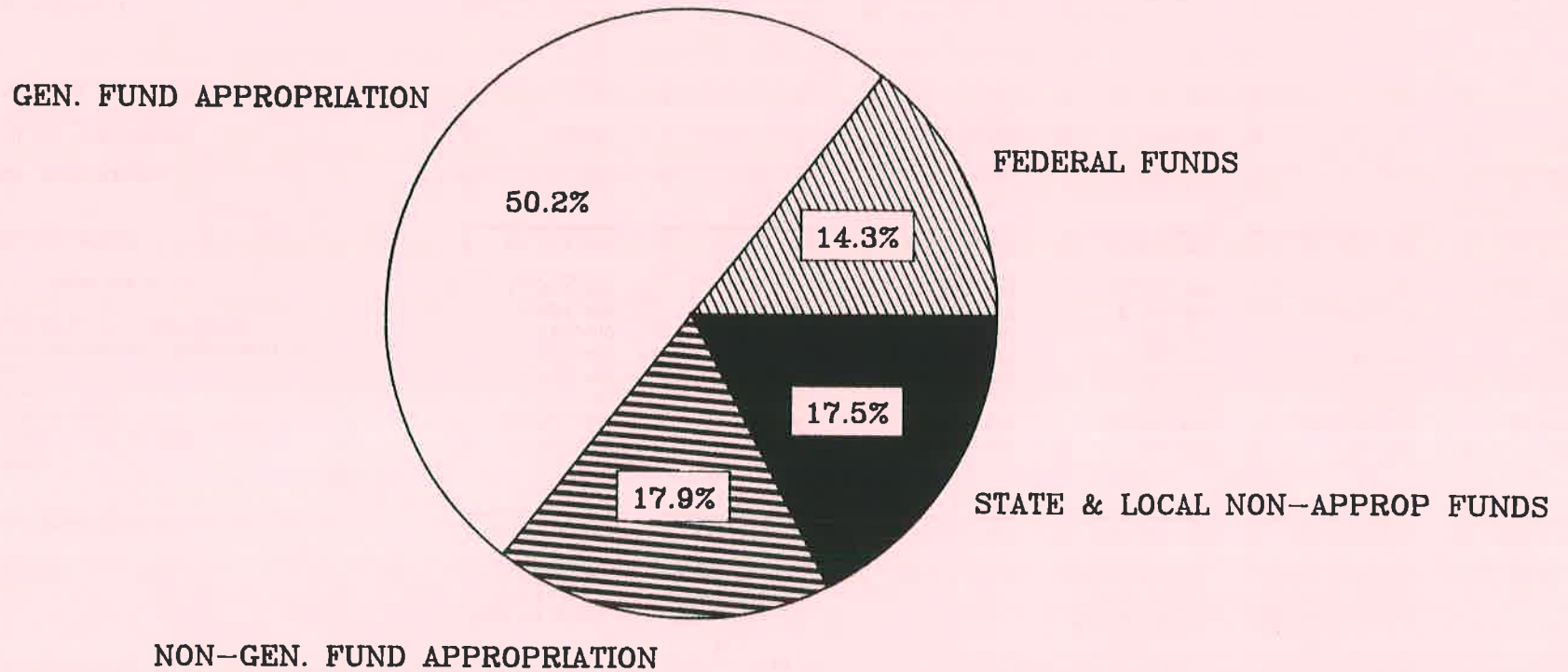
7/ This amount does not include the \$1 million installment that will be transferred from the Water Quality Assurance Revolving Fund to reimburse the Tax Protest Resolution Fund pursuant to Chapter 368, Laws of 1986 (Section 148, paragraph B, #1).

8/ This amount includes \$1,945,500 appropriated during the 1986 Legislative Session (Chapter 373, Laws of 1986).

9/ This amount includes \$2 million appropriated during the 1987 Legislative Session (Chapter 335, Laws of 1987). This amount was subsequently reverted to the General Fund by Chapter 275, Laws of 1988.

10/ This amount includes \$300,000 that was appropriated for FY 1987, but carried forward to FY 1988. See Chapter 292, Laws of 1987.

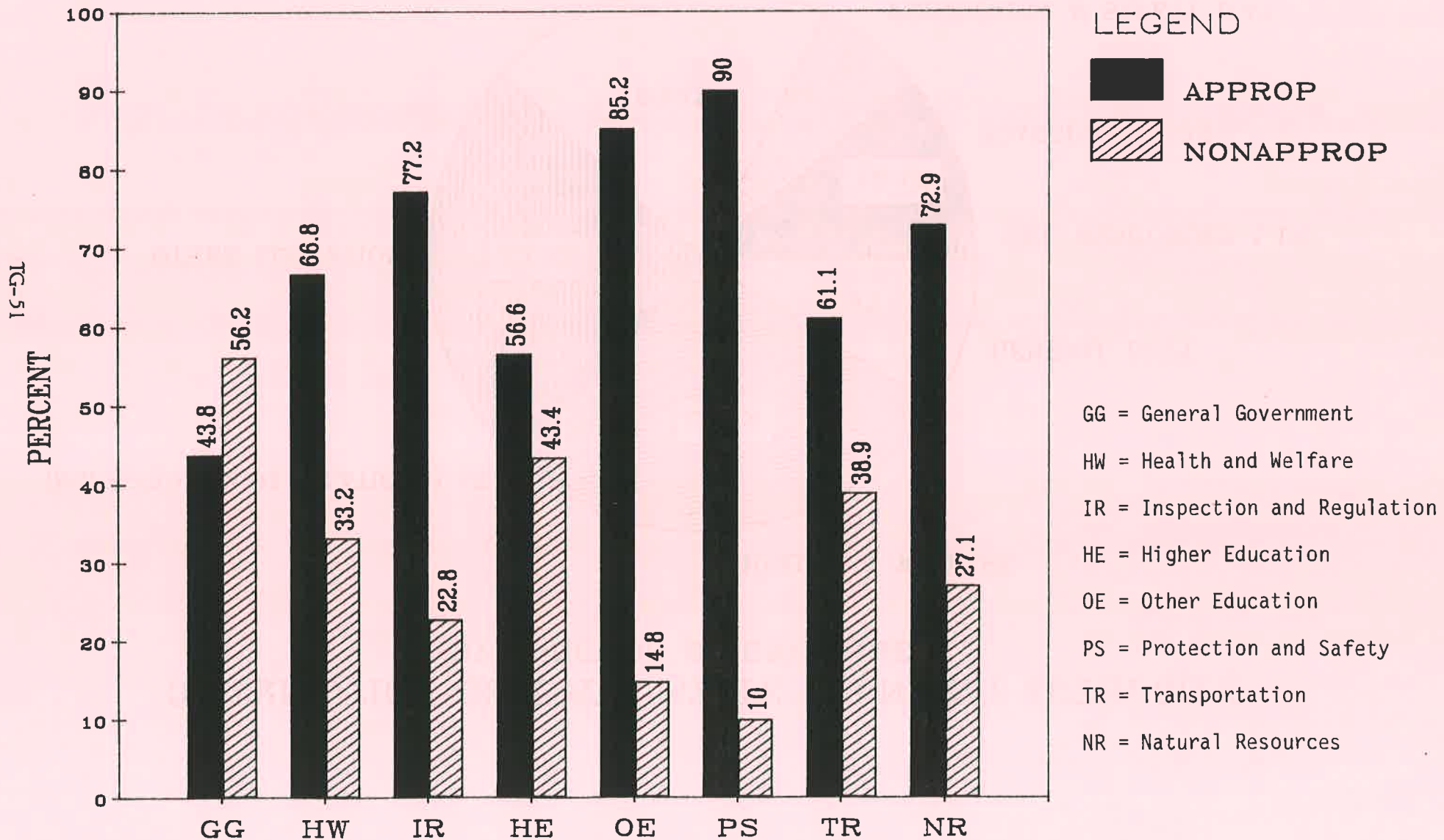
DISTRIBUTION OF TOTAL STATE SPENDING AUTHORITY  
APPROPRIATED AND NON-APPROPRIATED FUNDS  
BY SOURCE OF FUND



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FISCAL YEAR 1989

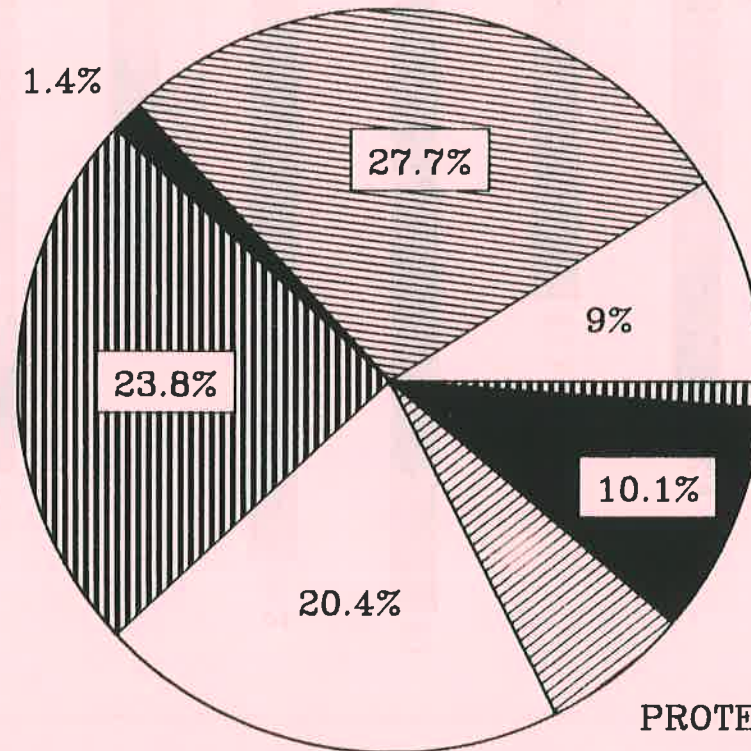
# APPROPRIATED AND NON-APPROPRIATED SHARES OF TOTAL FY89 SPENDING AUTHORITY FOR EACH FUNCTION OF GOVERNMENT



# DISTRIBUTION OF TOTAL STATE SPENDING AUTHORITY BY FUNCTION OF GOVERNMENT

HEALTH & WELFARE

INSPECTION & REGULATION 1.4%



GENERAL GOVT.

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OTHER EDUCATION

NAT. RESOURCES 1.1%

TRANSPORTATION

PROTECTION & SAFETY 6.4%

HIGHER EDUCATION

## FISCAL YEAR 1989

NOTE: INCLUDES BOTH APPROPRIATED AND NON-APPROPRIATED FUNDS

STATE PERSONNEL SUMMARY<sup>1/</sup>  
By Full-time Equivalent Positions

AGENCY	FY 1988 <u>FTE's</u>	FY 1989 <u>FTE's</u>	<u>Difference</u>
<u>GENERAL GOVERNMENT</u>			
Administration, Department of	534.8	516.3	(18.5)
Affirmative Action, Governor's Ofc. of	5.0	5.0	0.0
Attorney General--Department of Law	310.0	314.0	4.0
Coliseum & Exposition Center	254.0	254.0	0.0
Commerce, Department of	42.0	43.0	1.0
Compensation Fund	667.0	689.0	22.0
Courts	315.8	317.8	2.0
Law Enforcement Merit System Council	1.0	1.0	0.0
Personnel Board	3.0	3.0	0.0
Retirement System	57.0	62.0	5.0
Revenue, Department of	922.0	943.0	21.0
Secretary of State--Dept. of State	30.0	30.0	0.0
Tax Appeals, Board of	7.5	7.5	0.0
Tourism, Office of	15.0	15.0	0.0
Treasurer	28.0	30.0	2.0
Uniform State Laws, Commission on	0.0	0.0	0.0
	<u>3,192.1</u>	<u>3,230.6</u>	<u>38.5</u>
<u>HEALTH AND WELFARE</u>			
AHCCCS Administration	464.5	717.3	252.8
Economic Security, Department of	2,664.3	2,781.9	117.6
Environmental Quality, Dept. of	255.0	254.0	(1.0)
Health Services, Department of	1,454.5	1,459.5	5.0
Hearing Impaired, Council for the	3.0	3.0	0.0
Indian Affairs, Commission on	4.0	3.5	(0.5)
Pioneers' Home	110.0	110.0	0.0
Rangers' Pensions	0.0	0.0	0.0
Veterans' Service Commission	32.0	33.0	1.0
	<u>4,987.3</u>	<u>5,362.2</u>	<u>374.9</u>

STATE PERSONNEL SUMMARY<sup>1/</sup>  
 BY Full-time Equivalent Positions  
 (Continued)

AGENCY	<u>FY 1988</u> <u>FTE's</u>	<u>FY 1989</u> <u>FTE's</u>	<u>Difference</u>
<u>INSPECTION AND REGULATION</u>			
Agricultural Employment Relations Board	4.0	4.0	0.0
Agriculture & Horticulture, Commission of	204.5	198.0	(6.5)
Banking Department	79.0	79.0	0.0
Building & Fire Safety, Department of	68.0	70.0	2.0
Contractors, Registrar of	99.0	107.6	8.6
Corporation Commission	219.0	217.0	(2.0)
Dairy Commissioner	8.0	7.5	(0.5)
Industrial Commission	218.0	245.0	27.0
Insurance, Department of	61.0	69.0	8.0
Liquor Licenses & Control, Dept. of	60.5	60.5	0.0
Livestock Board	108.2	108.2	0.0
Mine Inspector	16.0	16.0	0.0
Occupational Safety & Health Review Board	0.0	0.0	0.0
Racing, Department of	68.7	54.9	(13.8)
Radiation Regulatory Agency	29.0	28.0	(1.0)
Real Estate Department	73.0	73.0	0.0
Residential Utility Consumer Office	10.0	12.3	2.3
Weights & Measures, Department of	36.0	36.0	0.0
<u>NINETY/TEN AGENCIES</u>			
Accountancy, Board of	8.0	9.0	1.0
Barber Examiners Board	3.0	3.0	0.0
Boxing Commission	1.0	1.5	0.5
Chiropractic Examiners Board	3.0	4.0	1.0
Cosmetology, Board of	14.5	14.5	0.0
Dental Examiners Board	7.0	7.0	0.0
Dispensing Opticians, Board of	0.8	0.8	0.0
Egg Inspection Board	5.0	5.0	0.0
Funeral Directors & Embalmers Board	1.5	1.5	0.0
Homeopathic Medical Examiners Board	0.0	0.0	0.0
Medical Examiners, Board of	30.0	31.0	1.0

STATE PERSONNEL SUMMARY<sup>1/</sup>  
 By Full-time Equivalent Positions  
 (Continued)

AGENCY	FY 1988 FTE's	FY 1989 FTE's	Difference
<u>NINETY/TEN AGENCIES (Cont'd)</u>			
Naturopathic Physicians Examiners Board	0.0	0.0	0.0
Nursing, Board of	19.2	21.2	2.0
Nursing Care Inst. Admin. Board	0.5	0.7	0.2
Optometry, Board of	1.5	1.5	0.0
Osteopathic Examiners Board	4.5	4.5	0.0
Pharmacy, Board of	11.0	11.0	0.0
Physical Therapy Examiners Board	1.0	1.0	0.0
Podiatry Examiners Board	0.0	0.0	0.0
Private Postsecondary Educ., Board for	3.0	3.0	0.0
Psychologist Examiners Board	1.0	1.0	0.0
Structural Pest Control Board	12.0	12.0	0.0
Technical Registration, Board of	14.0	15.0	1.0
Veterinary Medical Examining Board	1.5	2.0	0.5
SUB-TOTAL - NINETY/TEN AGENCIES	<u>143.0</u>	<u>150.2</u>	<u>7.2</u>
TOTAL - INSPECTION AND REGULATION	<u>1,504.9</u>	<u>1,536.2</u>	<u>31.3</u>
<u>EDUCATION</u>			
Arts, Commission on the	11.5	11.5	0.0
Community Colleges	8.0	9.0	1.0
Deaf and Blind, School for	427.4	431.9	4.5
Education, Department of	179.8	180.8	1.0
Historical Society, Arizona	46.3	46.3	0.0
Historical Society, Prescott	14.5	14.5	0.0
Medical Student Loans Board	0.0	0.0	0.0
Universities/Board of Regents			
Board of Regents	34.8	39.8	5.0
Arizona State Univ.--Main Campus	4,471.4	4,613.4	142.0

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STATE PERSONNEL SUMMARY<sup>1/</sup>  
By Full-time Equivalent Positions  
(Continued)

AGENCY	<u>FY 1988</u> FTE's	<u>FY 1989</u> FTE's	<u>Difference</u>
<u>EDUCATION (Cont'd)</u>			
Arizona State Univ.--West Campus	217.9	255.9	38.0
Northern Arizona University	1,530.0	1,606.5	76.5
Univ. of Arizona--Main Campus	4,868.2	4,995.7	127.5
Univ. of Arizona--College of Medicine	582.7	591.7	9.0
SUB-TOTAL - UNIVERSITIES/BOARD OF REGENTS	<u>11,705.0</u>	<u>12,103.0</u>	<u>398.0</u>
 TOTAL - EDUCATION	 <u>12,392.5</u>	 <u>12,797.0</u>	 <u>404.5</u>
 <u>PROTECTION AND SAFETY</u>			
Corrections, Department of	5,634.7	6,052.2	417.5
Criminal Justice Commission	4.0	5.0	1.0
Emergency & Military Affairs, Dept. of	62.0	62.0	0.0
Pardons & Paroles, Board of	40.0	40.0	0.0
Public Safety, Department of	<u>1,620.0</u>	<u>1,620.0</u>	<u>0.0</u>
 TOTAL - PROTECTION & SAFETY	 <u>7,360.7</u>	 <u>7,779.2</u>	 <u>418.5</u>
 <u>TRANSPORTATION</u>			
Department of Transportation	<u>3,065.0</u>	<u>3,199.5</u>	<u>134.5</u>
 TOTAL - TRANSPORTATION	 <u>3,065.0</u>	 <u>3,199.5</u>	 <u>134.5</u>
 <u>NATURAL RESOURCES</u>			
Environment, Comm. on the	3.0	3.0	0.0
Game & Fish Department	268.0	278.0	10.0
Geological Survey	0.0	13.3	13.3
Land Department	155.0	153.0	(2.0)
Mines & Mineral Resources, Dept. of	11.5	11.5	0.0

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STATE PERSONNEL SUMMARY<sup>1/</sup>  
 By Full-time Equivalent Positions  
 (Continued)

AGENCY	<u>FY 1988 FTE's</u>	<u>FY 1989 FTE's</u>	<u>Difference</u>
<u>NATURAL RESOURCES (Cont'd)</u>			
Oil & Gas Conservation Commission	4.0	4.0	0.0
Parks Board	153.8	154.8	1.0
Water Resources, Department of	<u>223.2</u>	<u>223.2</u>	<u>0.0</u>
TOTAL - NATURAL RESOURCES	<u>818.5</u>	<u>840.8</u>	<u>22.3</u>
GRAND TOTAL	<u>33,321.0</u>	<u>34,745.5</u>	<u>1,424.5</u>

<sup>1/</sup> Excludes FTE positions supported with special line items and non-appropriated funds. Also excludes FTEs from Office of the Governor and the Legislature.

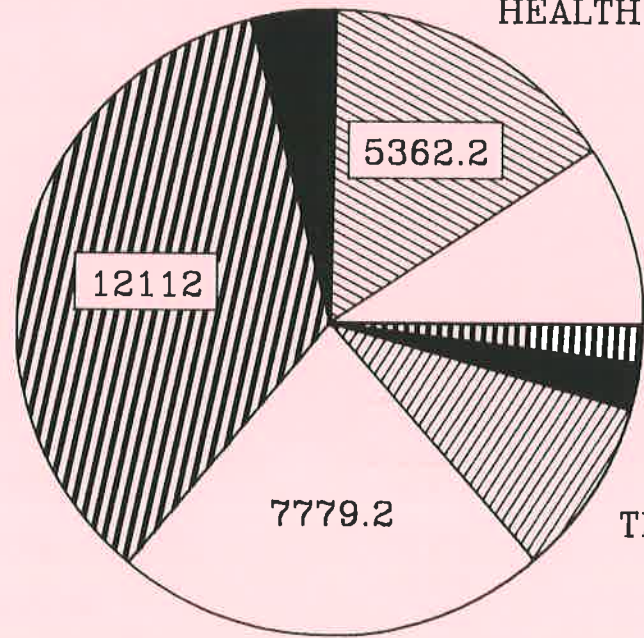
# STATE PERSONNEL SUMMARY BY FUNCTION OF GOVERNMENT

INSPECTION & REGULATION 1536.2

HEALTH & WELFARE

HIGHER EDUCATION

GENERAL GOVERNMENT 3230.6



OTHER EDUCATION 685

NATURAL RESOURCES 840.8

TRANSPORTATION 3199.5

PROTECTION & SAFETY

## FISCAL YEAR 1989

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## GENERAL PROVISIONS OF THE APPROPRIATION ACT

In addition to the specific appropriations to agencies, departments and institutions, the General Appropriation Act (Chapter 260, Laws of 1988) provides funding for adjustments to salaries, benefits, and payments to providers. Pursuant to Subdivisions 97 and 98 of Chapter 260, the Joint Legislative Budget Committee Staff has determined the appropriate dollar amounts to be allocated to each agency for these adjustments. The amounts shown for each agency in this report include the allocations of the adjustments described below, with the exception of the inequity salary adjustments.

### 1. General Salary Adjustments for State Officers and Employees

Subdivision 97 of the General Appropriation Act appropriates \$34,567,500, of which no more than \$30,556,600 can be from the General Fund, for salary adjustments for state officers and employees. Sufficient amounts have been allocated to each agency or department to provide a general salary increase of three and one-half percent, effective July 1, 1988, for all State officers and employees except board and commission members who are paid on a per diem basis, and agency heads who are appointed for a fixed term of office.

### 2. Insurance Premium and Retirement Contribution Increase

Subdivision 97 of the General Appropriation Act appropriates \$21,484,800, of which no more than \$19,504,500 can be from the General Fund, for the payment of increased insurance premiums and retirement contributions for State officers and employees. Of this total amount, \$7,316,800 has been allocated for increased State retirement contributions. The Employee Related Expenditure amounts appropriated to individual agencies in the General Appropriation Act include retirement contributions equal to 4.75 percent of employee salaries; the amount appropriated here provides an increase of 0.34 percent to bring the total FY 1989 retirement contribution to 5.09 percent, as recommended by the State Retirement Board.

### 3. Inequity Salary Adjustments for State Officers and Employees

Subdivision 97 of the General Appropriation Act appropriates \$2,441,800, of which no more than \$2,241,800 can be from the General Fund for inequity salary adjustments.

### 4. Judicial Salary Adjustments

Subdivision 97 of the General Appropriation Act appropriates \$388,200 from the General Fund to the Supreme Court, the Court of Appeals, and the Superior Courts for judicial salary adjustments. This appropriation was made contingent on the enactment of S.B. 1368. S.B. 1368 was enacted as Chapter 289, Laws of 1988, and established new judicial salaries beginning January 1, 1989.

GENERAL PROVISIONS OF THE APPROPRIATION ACT

(Continued)

5. Special Cost Adjustment for Providers

Subdivision 98 of the General Appropriation Act appropriates \$1,165,800 from the State General Fund for payment of a special cost adjustment to certain providers of services. These adjustments apply to the following special line items:

- (a) Department of Corrections: \$59,300  
Purchase of Care - Community Placement and Treatment and Purchase of Care - Secure Female Beds.
  
- (b) Department of Economic Security: \$548,300  
Information and Referral Services, Homeless Shelter, Food Distribution Information, Rural Food Bank, Purchase of Care, Foster Care, Vocational Rehabilitation Contracts, Stipends and Allowances, Out of District Placement, Emergency Relief, Childrens Services, Adult Services, Day Care, Adoption Services, Child Severance Project, Vocational Rehabilitation Services, Comprehensive Services for Independent Living, Manpower Services, Job Search Stipends and Work Incentive Demonstration Project.
  
- (c) Department of Health Services: \$378,600  
Non-CMI Services, CMI Non-Pilot Program, Child Rehabilitative Services, Behavioral Health Subventions and Newborn Intensive Care.
  
- (d) Arizona Judiciary: \$105,200  
Juvenile Probation Services.
  
- (e) Unallocated: \$74,400

## COST FACTORS IN FY 1989 APPROPRIATIONS

The cost factors shown below are included in the FY 1989 appropriations to State agencies. In general, these percentage increases were added to the amounts originally appropriated in FY 1988 for each category. The cost factors added to the other fund agencies represent projected inflationary increases; lower cost factors have been added to the General Fund agencies in order to reduce General Fund appropriations and help balance the State General Fund budget. In most cases, the cost factors originally recommended by the Joint Legislative Budget Committee Staff in January were reduced by 3.5 percent. The cost factors may vary for some agencies, due to special circumstances.

<u>Category</u>	<u>FY 1989 Increase</u>	
	<u>General Fund</u>	<u>Other Funds</u>
Food	1.0%	4.5%
Electricity	3.5%	3.5%
Natural Gas	1.5%	1.5%
Public Transportation	1.5%	5.0%
Private Car Mileage	3.6%	7.1%
Postage	10.1%	13.6%
Providers	2.8%	2.8%
State Employee Salaries	3.5%	3.5%
All Other	0.0%	3.5%

The FY 1989 appropriations include a retirement contribution of 5.09% for the General Fund and other funds.

The FY 1989 appropriations for other fund agencies and divisions include amounts of \$13.50 per square foot for rent in State-owned buildings; the General Fund agencies and divisions were not appropriated money for rent in State-owned buildings.

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Office of the Director	1,247,400	1,392,800	528,600
Executive Budget Office	-0-	-0-	827,300
Data Management	3,503,100	3,876,400	3,758,000
Finance	4,212,297	4,981,400	5,681,579
Personnel Administration	3,672,400	3,595,800	4,123,100
Facilities Management	8,767,400	10,374,300	11,476,600
Corrections Facilities and Construction	1,182,800	1,021,600	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>22,585,397</b>	<b>25,242,300</b>	<b>26,395,179</b>
<u>Expenditure Detail</u>			
FTE Positions	513.50	539.75	516.25
Personal Services	11,487,644	11,417,200	11,865,700
Employee Related Exp.	2,489,886	2,433,000	2,982,200
Prof. & Outside Services	2,071,265	2,679,500	2,390,300
Travel - State	149,695	137,700	124,400
Travel - Out of State	15,357	14,100	13,000
Other Operating Exp.	1,694,553	1,830,800	1,909,600
Equipment	112,057	224,500	221,100
All Other Operating Exp.	4,042,927	4,886,600	4,658,400
<b>OPERATION SUB-TOTAL</b>	<b>18,020,457</b>	<b>18,736,800</b>	<b>19,506,300</b>
Special Line Items <sup>1/</sup>	4,564,940	6,505,500	5,517,500
<b>TOTAL</b>	<b>22,585,397</b> <sup>2/</sup>	<b>25,242,300</b>	<b>25,023,800</b> <sup>3/</sup>
Additional Appropriations	--	--	1,371,379
<b>TOTAL APPROPRIATIONS</b>	<b>22,585,397</b>	<b>25,242,300</b>	<b>26,395,179</b>

The approved amount includes \$413,800 in Personal Services and \$241,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$41,700 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Details for the Special Line Items are included in the individual program pages.

(Footnotes Continued On Following Page)

DEPARTMENT OF ADMINISTRATION - SUMMARY (Cont'd)  
GENERAL FUND

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LAND, BUILDING AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - Provides funding to the Department of Administration for the following purposes:

Section 1.(A) - \$3,096,600 is appropriated for fiscal year 1988-89 from the State General Fund for architectural and engineering fees for the following projects:

1. Tucson State Office Building	\$1,166,600
2. Legislative Archives & Office Building	800,000
3. Department of Economic Security West Building	<u>1,130,000</u>
Total	<u>\$3,096,600</u>

These monies may be used by the Director of the Department of Administration subject to prior review by the Joint Committee on Capital Review.

Section 1.(B) - Requires the Director of the Department of Administration to repay to the State General Fund whatever is expended from the above appropriation on or before June 30, 1989. Repayment will be from the proceeds of the lease purchase financing for the projects shown in Section 1(A).

Section 2.(C) - \$4,379,080 is appropriated for building renewal from the following funds for allocation to state agencies:

1. State General Fund	\$3,002,000
2. Game and Fish Fund	85,000
3. State Highway Fund	866,000
4. Coliseum and Exposition Center Fund	377,000
5. State Aeronautics Fund	18,080
6. Industrial Commission Special Fund	20,000
7. Retirement System Administration Fund	<u>11,000</u>
TOTAL	<u>\$4,379,080</u>

(Continued)

(Footnotes Continued From Previous Page)

2/ The amounts shown include actual expenditures of \$107,800 from the Capital Outlay Stabilization Account for the line-item "Capital Planning and Review."

3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.



DEPARTMENT OF ADMINISTRATION - SUMMARY (Cont'd)  
GENERAL FUND

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The allocations may be modified by the Director of the Department of Administration, subject to review by the Joint Committee on Capital Review, if building systems are established in accordance with Arizona Revised Statutes § 41-793.01. The amount appropriated for facilities occupied by the Department of Economic Security is contingent on a matching contribution of \$122,678 from federal or other monies available to the Department of Economic Security.

Section 3.(C) - \$21,500,000 is appropriated for FY 1988-89 from the Corrections Fund to the Department of Administration for the following:

1. Adult Male Medium Unit - Winslow (400 beds)	\$ 8,830,000
2. Adult Male Medium Unit - Florence (800 beds)	<u>12,670,000</u>
TOTAL	<u>\$21,500,000</u>

Section 4.- \$18,531,000 is appropriated for FY 1989-90 from the Correction fund to the Department of Administration for the following:

1. Adult Male Medium Unit - Winslow (400 beds)	\$ 4,610,000
2. Adult Male Medium Unit - Florence (800 beds)	<u>13,903,300</u>
TOTAL	<u>\$18,513,300</u>

Section 5.(B) - Reverts \$347,024 from the Department of Administration to the State General Fund on the effective day of the act.

Section 5.(C) - Reverts \$2,486,077 from the Department of Administration to the Capital Outlay Stabilization Account on the effective day of the act. The projects are shown below:

Architectural and Engineering fees - ARCOR	\$ 349,974
Land Acquisition	500,000
Planning	480,573
Land Acquisition	155,530
Asbestos Abatement	<u>1,000,000</u>
	<u>\$2,486,077</u>

Section 5.(D) - Reverts \$2,486,077 from the Capital Outlay Stabilization Account to the State General Fund on the effective date of the act.

S.B 1123 (Chapter 10) - Appropriates \$3,200,000 for FY 1988-89 from the General Fund to the Department of Administration for the purpose of providing interim funding for the construction of the Sixteenth Avenue parking structure. The act also requires the Director of the Department of Administration to repay to the State General Fund whatever is expended from the above appropriation on or before June 30, 1989. Repayment will be from the proceeds of lease purchase financing for the project.

H.B. 2379 (Chapter 317) - Appropriates \$450,000 from the State General Fund to the Department of Administration for the costs of refurbishing the East Annex Building for the State Agriculture Laboratory.

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	26.0	25.0	7.0
Personal Services	861,600	854,300	281,200
Employee Related Exp.	145,600	138,800	56,200
Prof. & Outside Services	17,800	46,300	-0-
Travel - State	3,100	3,600	700
Travel - Out of State	4,500	1,100	500
Other Operating Exp.	69,300	39,700	11,300
Equipment	800	1,900	6,500
All Other Operating Exp.	95,500	92,600	19,000
OPERATION SUB-TOTAL	1,102,700	1,085,700	356,400
Mobile Homes/Parks Hearings	-0-	100,000	-0-
Water Quality Appeals	-0-	115,400	-0-
Water Quality Appeals Bd.	-0-	33,300	-0-
Pesticide Appeals	-0-	19,300	-0-
EBO Water Quality	12,500	24,700	-0-
Governor's Reg. Rev. Council	-0-	14,400	-0- <sup>1/</sup>
Governor's Management and Audit Team	132,200	-0-	-0-
Hearing Office	-0-	-0-	172,200
TOTAL APPROPRIATIONS	1,247,400	1,392,800	528,600 <sup>2/</sup>

The approved amount includes \$9,500 in Personal Services and \$5,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-out of 16 positions, \$569,300, to create a new Executive Budget Office division and the transfer-in of an Administrative Assistant, \$19,500, for Water Quality, a special line item. In addition, three positions and \$94,900 were deleted. The deleted positions were Personnel Analyst, Controller, and Executive Staff Assistant.

(Continued)

<sup>1/</sup> Transferred to Executive Budget Office.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditures are shown for informational purposes only.

DEPARTMENT OF ADMINISTRATION - OFFICE OF THE DIRECTOR (Cont'd)  
GENERAL FUND

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All Other Operating - The approved amount reflects a transfer-out of \$79,800 to create a new Executive Budget Office division.

Hearing Office - The approved amount consolidates all of the separate appeals functions. This provides for a more efficient hearing process for the Department. The approved amount includes \$900 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	16.0
Personal Services	-0-	-0-	589,200
Employee Related Exp.	-0-	-0-	117,700
Prof. & Outside Services	-0-	-0-	46,300
Travel - State	-0-	-0-	3,500
Travel - Out of State	-0-	-0-	600
Other Operating Exp.	-0-	-0-	55,600
Equipment	-0-	-0-	-0-
All Other Operating Exp.	-0-	-0-	106,000
OPERATION SUB-TOTAL	-0-	-0-	812,900
Governor's Reg. Rev. Council	-0-	-0-	14,400
TOTAL APPROPRIATIONS	-0-	-0-	827,300 <sup>1/</sup>

The approved amount includes \$19,900 in Personal Services and \$11,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount was transferred from the Director's Office to create a new Executive Budget Office Division.

All Other Operating - The approved amount provides for an increase of \$26,200 over the amount transferred from the Director's office. The increase provides for printing costs.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditures are shown for informational purposes only.

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>39.0</u>	<u>39.0</u>	<u>39.0</u>
Personal Services	<u>1,235,600</u>	<u>1,228,300</u>	<u>1,311,200</u>
Employee Related Exp.	<u>233,900</u>	<u>223,200</u>	<u>263,400</u>
Prof. & Outside Services	1,842,100	2,297,700	2,056,200
Travel - State	700	-0-	-0-
Travel - Out of State	2,600	2,800	2,800
Other Operating Exp.	159,300	124,400	124,400
Equipment	28,900	-0-	-0-
All Other Operating Exp.	<u>2,033,600</u>	<u>2,424,900</u>	<u>2,183,400</u>
TOTAL APPROPRIATIONS	<u>3,503,100</u>	<u>3,876,400</u>	<u>3,758,000</u> <sup>1/</sup>

The approved amount includes \$44,300 in Personal Services and \$25,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for a net increase of \$38,600 which includes an adjustment to the base and a three percent vacancy factor. The vacancy factor was reduced from 7.5 percent in FY 1988.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

## DEPARTMENT OF ADMINISTRATION - FINANCE

A.R.S. 41-702

JLBC

Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	93.0	93.0	92.0 <sup>1/</sup>
Personal Services	2,068,444	2,002,700	2,150,300
Employee Related Exp.	425,886	409,800	499,500
Prof. & Outside Services	195,165	279,000	231,300
Travel - State	10,695	8,600	8,600
Travel - Out of State	3,457	4,500	3,400
Other Operating Exp.	473,053	495,700	517,900
Equipment	21,457	20,600	27,000
All Other Operating Exp.	703,827	808,400	788,200
OPERATION SUB-TOTAL	3,198,157	3,220,900	3,438,000
SLIAG Reimbursement	-0-	-0-	98,300 <sup>2/</sup>
State Motor Vehicles	-0-	-0-	-0-
Rental of Facilities	947,535	967,000	88,800
Hearing Officers	-0-	-0-	-0-
Statewide Single Audit	66,605	181,500	685,100
Capital Centre - Rental/Buildout	-0-	612,000	-0-
TOTAL	4,212,297	4,981,400	4,310,200 <sup>3/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 321, Named Claimants	--	--	1,371,379
TOTAL APPROPRIATIONS	4,212,297	4,981,400	5,681,579

The approved amount includes \$72,700 in Personal Services and \$42,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$7,300 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> The 20 FTE positions for the SLIAG and Statewide Single Audit are not included.
- <sup>2/</sup> These funds shall be available to the extent that the general fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by Section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is Legislative intent that the general fund be fully reimbursed for this appropriation.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF ADMINISTRATION - FINANCE (Cont'd)  
GENERAL FUND

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Personal Services - The approved amount provides for the transfer-out of a Personnel Analyst, \$36,200, to the Personnel Division. In addition, the amount provides for a net increase of \$61,100 which includes an adjustment to the base and a 5.6 percent vacancy factor. The vacancy factor was reduced from 10.3 percent in FY 1988.

SLIAG - The SLIAG program requires an administrative entity and single point of contact. The approved amount will be used for expenses associated with statewide administrative duties of the Department in implementing the program. The approved amount includes \$1,200 in Personal Services and \$700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

Statewide Single Audit - The approved amount will be used by the Department's General Accounting Office to prepare statewide financial statements in accordance with generally accepted governmental accounting principals, as required by Arizona Revised Statutes § 35-131. The appropriation provides for 18 positions which are not included within the operating budget expenditure categories. The approved amount includes \$10,500 in Personal Services and \$6,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,100 in Employee Related Expenditures for the increased retirement contribution.

Rental of Facilities - The approved amount provides for rental of non-State owned buildings. The amount previously included rent for state owned office facilities which was not funded in FY 1989.

ADDITIONAL APPROPRIATIONS

Named Claimants - H.B. 2418 (Chapter 321) - Appropriates \$1,371,379 from the State General Fund to the Department of Administration for payment of various claims against the state.

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	109.0	109.0	110.0
Personal Services	2,766,800	2,668,500	2,983,800
Employee Related Exp.	532,800	498,900	667,800
Pro. & Outside Services	14,000	37,000	37,000
Travel - State	10,000	16,800	16,600
Travel - Out of State	1,100	4,200	4,200
Other Operating Exp.	322,900	345,400	345,700
Equipment	18,100	-0-	29,500
All Other Operating Exp.	366,100	403,400	433,000
OPERATION SUB-TOTAL	3,665,700	3,570,800	4,084,600
Special Recruitment	6,700	25,000	38,500
TOTAL APPROPRIATIONS	3,672,400	3,595,800	4,123,100 <sup>1/</sup>

The approved amount includes \$100,900 in Personal Services and \$58,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$10,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of a Personnel Analyst, \$36,200, from the Finance Division. In addition, the approved amount provides for a net increase of \$172,200 which includes an upward adjustment to the base and a three percent vacancy factor. The vacancy factor was reduced from over ten percent in FY 1988.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.



Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND/CAPITAL OUTLAY STABILIZATION ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>207.5</u>	<u>243.75</u>	<u>252.25</u>
Personal Services	<u>3,698,200</u>	<u>3,915,900</u>	<u>4,550,000</u>
Employee Related Exp.	<u>972,900</u>	<u>1,008,300</u>	<u>1,377,600</u>
Prof. & Outside Services	700	12,100	19,500
Travel - State	68,800	76,000	95,000
Travel - Out of State	1,700	600	1,500
Other Operating Exp.	595,500	746,500	854,700
Equipment	<u>30,200</u>	<u>202,000</u>	<u>158,100</u>
All Other Operating Exp.	<u>696,900</u>	<u>1,037,200</u>	<u>1,128,800</u>
OPERATION SUB-TOTAL	5,368,000	5,961,400	7,056,400
Utilities	3,248,100	4,194,800	4,227,700
Relocate State Agencies	43,500	92,500	192,500
Capital Planning & Review	<u>107,800</u> <sup>1/</sup>	<u>125,600</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>8,767,400</u>	<u>10,374,300</u>	<u>11,476,600</u> <sup>2/3/4/</sup>

The approved amount includes \$153,900 in Personal Services and \$89,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$15,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of nine positions (\$232,800) from the Correctional Facilities division. A half-time Consultant position (\$29,700) was deleted. Also, the approved amount provides for a net increase of \$277,100 which includes an upward adjustment to the base and a three percent vacancy factor. The FY 1989 vacancy factor was reduced from 7.5 percent in FY 1988.

(Continued)

- 1/ Appropriated from the Capital Outlay Stabilization account.
- 2/ Not later than September 1, 1988, the Department shall provide a report to the Joint Legislative Budget Committee describing the organization of the Facilities Planning and Construction function. The plan shall include: 1) functional objectives; 2) organization charts by function and position; and, 3) position descriptions.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.
- 4/ An additional nine positions and \$344,400 was released by the Joint Committee on Capital Review from the Corrections fund. These funds are for construction management activities related to prison construction.

DEPARTMENT OF ADMINISTRATION - FACILITIES MANAGEMENT (Cont'd)  
GENERAL FUND/CAPITAL OUTLAY STABILIZATION ACCOUNT

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All Other Operating - The approved amount includes \$81,400 that was transferred in from the Correctional Facilities division and an increase of \$57,800 for annualization of expenditures for the Revenue building. Also, included is \$9,500 for the Department to acquire safety shoes for facilities field personnel.

Utilities - The approved amount includes a net increase of \$32,900 over the fiscal year 1988 estimated expenditure level. Although the increase may be greater, the Department intends to reduce costs as a result of implementing energy efficiency measures.

DEPARTMENT OF ADMINISTRATION -  
CORRECTIONS FACILITIES AND CONSTRUCTION

A.R.S. 41-702

JLBC Analyst: Miller

Ben Froehlich, Acting Director (Tel. 255-1500)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	39.0	30.0	0.0
Personal Services	857,000	747,500	-0-
Employee Related Exp.	178,800	154,000	-0-
Prof. & Outside Services	1,500	7,400	-0-
Travel - State	56,400	32,700	-0-
Travel - Out of State	2,000	900	-0-
Other Operating Exp.	74,500	79,100	-0-
Equipment	12,600	-0-	-0-
All Other Operating Exp.	147,000	120,100	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>1,182,800</b>	<b>1,021,600</b>	<b>-0-</b>

Funding for this Division has not been approved for FY 1989. A total of nine positions and \$383,300 was transferred to Facilities Management. It is intended that the Planning and Construction function, within Facilities Management, operate as a single unit.

JLBC Analyst: Naimark

Kala Pearson, Acting Director (Tel. 255-3711)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Personal Services	<u>124,400</u>	<u>132,300</u> <sup>1/</sup>	<u>149,100</u>
Employee Related Exp.	<u>19,600</u>	<u>21,800</u>	<u>34,700</u>
Prof. & Outside Services	200	-0-	-0-
Travel - State	1,700	5,000	3,000
Other Operating Exp.	<u>23,000</u>	<u>45,000</u>	<u>11,700</u>
All Other Operating Exp.	<u>24,900</u>	<u>50,000</u>	<u>14,700</u>
TOTAL APPROPRIATIONS	<u>168,900</u>	<u>204,100</u>	<u>198,500</u> <sup>2/</sup>

The approved amount includes \$5,000 in Personal Services and \$2,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services and Employee Related Expenditures - The approved amount includes a \$2,600 reduction to remove Personal Services and Employee Related Expenditures funding in excess of the current five-position base.

Other Operating Expenditures - The approved amount includes a reduction of \$10,000 for printing costs since the State Affirmative Action Guidelines and Plans are now updated every two years, instead of every year. Other reductions include \$4,500 for computer programming and \$15,700 for State rent.

<sup>1/</sup> In addition to this amount, the Governor's Office will spend approximately \$13,000 to help support the five Affirmative Action FTE positions.

<sup>2/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

		JLBC Analyst: Naimark	
Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)			
GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administration	4,085,300	3,694,100	3,504,100
Antitrust	276,600	290,400	312,500
Civil	3,025,900	3,406,400	4,146,000
Civil Rights	464,900	462,600	565,450
Criminal	1,585,800	1,631,400	1,768,700
Financial Fraud	1,399,200	1,478,500	2,097,300
Organized Crime	2,526,800	2,627,200	2,357,200
Solicitor General	219,500	245,100	269,800
Special Investigations	1,717,000	1,984,300	2,107,300
Tax	825,300	942,700	1,268,100
	<u>16,126,300</u>	<u>16,762,700</u>	<u>18,396,450</u> <sup>1/</sup>
<u>Expenditure Detail</u>			
FTE Positions	<u>306.0</u>	<u>310.0</u>	<u>314.0</u> <sup>2/</sup>
Personal Services	<u>10,392,000</u>	<u>10,992,500</u>	<u>11,934,900</u>
Employee Related Exp.	<u>1,828,200</u>	<u>1,926,600</u>	<u>2,349,200</u>
Prof. & Outside Services	188,800	71,700	66,800
Travel - State	141,900	127,300	127,300
Travel - Out of State	38,700	38,400	38,300
Other Operating Exp.	1,977,000	2,018,100	1,338,600
Equipment	296,300	153,900	389,900
All Other Operating Exp.	<u>2,642,700</u>	<u>2,409,400</u>	<u>1,960,900</u>
OPERATION SUB-TOTAL	14,862,900	15,328,500	16,245,000
Special Line Items	1,263,400	1,434,200	2,092,200
Additional Appropriations	<u>--</u>	<u>--</u>	<u>59,250</u>
TOTAL APPROPRIATIONS	<u>16,126,300</u>	<u>16,762,700</u>	<u>18,396,450</u> <sup>1/</sup>

<sup>1/</sup> It is Legislative intent that the monies appropriated to the Attorney General - Department of Law be expended in accordance with the line item detail, by program, as shown in the Fiscal Year 1988-89 Appropriations Report prepared by the Joint Legislative Budget Committee Staff. Deviations shall be reported monthly by the agency to the Appropriations Committee Chairmen and the appropriate subcommittees.

<sup>2/</sup> The number shown does not include the FTE positions authorized in the special line items.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	43.0	43.0	43.0 <sup>2/</sup>
Personal Services	1,475,700	1,394,300	1,547,800
Employee Related Exp.	253,300	246,000	291,800
Prof. & Outside Services	78,900	6,200	6,200
Travel - State	8,300	2,800	2,800
Travel - Out of State	7,700	5,200	5,200
Other Operating Exp.	1,448,300	1,509,300	774,300
Equipment	206,900	80,200	187,600
All Other Operating Exp.	1,750,100	1,603,700	976,100
OPERATION SUB-TOTAL	3,479,100	3,244,000	2,815,700
Library Acquisitions	72,000	67,500	75,800
Outside Litigation	2,400	60,000	60,000
AHCCCS Lawsuit	531,800	280,600 <sup>1/</sup>	-0-
Special Litigation	-0-	42,000 <sup>1/</sup>	510,400
Elderly Abuse Project	-0-	-0-	42,200
TOTAL APPROPRIATIONS	4,085,300	3,694,100	3,504,100 <sup>3/</sup>

The approved amount includes \$50,000 in Personal Services and \$30,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a .5 percent vacancy factor for a savings of \$6,800 and contains \$59,600 to be transferred to the Economic Security and Transportation Divisions for attorney salary increases.

(Continued)

- <sup>1/</sup> The AHCCCS lawsuit was settled in November 1987 leaving approximately \$250,000 available from the AHCCCS Lawsuit appropriations. S.B. 1119 (Chapter 9, Laws of 1988) reverted \$208,000 back to the General Fund and the Attorney General retained \$42,000 for use in the Lakeview litigation.
- <sup>2/</sup> The number shown does not include five FTE positions authorized for the Lakeview case in Special Litigation or three FTE positions authorized for the Elderly Abuse Project.
- <sup>3/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

ATTORNEY GENERAL - DEPARTMENT OF LAW - ADMINISTRATION (Cont'd)  
GENERAL FUND

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Other Operating Expenditures - The approved amount includes a \$63,700 increase to cover the repair/maintenance contract and the lease/purchase payment on the computer system. The appropriation includes \$436,400 for the lease/purchase payment on the Capitol Center Building. The remaining lease/purchase amount will be paid by other divisions and/or funds: \$24,500 by the Antitrust Revolving Fund, \$14,800 by the Collection Enforcement Revolving Fund, \$106,600 by the Liability Defense Division, and \$191,300 by the Economic Security Division.

Equipment - The approved amount includes \$80,000 to purchase back-up power supply and data storage equipment for the computer system.

Library Acquisitions - The approved amount includes an \$8,300 increase to cover the cost of updates to legal materials.

Special Litigation - The approved amount includes \$385,400 for the Lakeview litigation and \$125,000 for other major litigation cases. The Lakeview litigation appropriation includes \$6,200 in Personal Services and \$3,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$600 in Employee Related Expenditures for the increased retirement contribution.

Elderly Abuse Project - The approved amount replaces federal funds which will lapse in November 1988; the amount includes \$1,100 in Personal Services and \$600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	5.0	5.0	5.0
Personal Services	237,500	249,600	264,600
Employee Related Exp.	39,100	40,800	47,900
TOTAL APPROPRIATIONS	276,600	290,400	312,500 <sup>1/</sup>

The approved amount includes \$8,900 in Personal Services and \$5,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a \$6,100 increase to remove the vacancy factor.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	61.0	61.0	61.0 <sup>1/</sup>
Personal Services	2,094,300	2,220,700	2,417,200
Employee Related Exp.	353,400	374,000	461,000
Prof. & Outside Services	29,000	9,000	9,000
Travel - State	5,600	4,100	4,100
Travel - Out of State	3,000	4,000	4,000
Other Operating Exp.	102,500	121,400	126,800
Equipment	9,300	12,000	44,900
All Other Operating Exp.	149,400	150,500	188,800
OPERATION SUB-TOTAL	2,597,100	2,745,200	3,067,000
Environmental Quality	140,200	241,200	261,300
Water Litigation Expenses	288,600	420,000	817,700
TOTAL APPROPRIATIONS	3,025,900	3,406,400	4,146,000 <sup>2/</sup>

The approved amount includes \$81,700 in Personal Services and \$47,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$8,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved incorporates a 1.5 percent vacancy factor for a savings of \$34,500 and includes \$72,200 for attorney salary increases.

Equipment - The approved amount includes \$15,200 for a replacement copy machine and \$29,700 for replacement computer equipment.

Environmental Quality - The approved amount includes an \$8,300 increase in Personal Services and Employee Related Expenditures to remove the vacancy factor. The amount also includes \$6,800 in Personal Services and \$4,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$700 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> The number shown does not include the 23 FTE positions authorized for Water Litigation Expenses or the seven FTE positions authorized for Environmental Quality.

<sup>2/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

ATTORNEY GENERAL - DEPARTMENT OF LAW - CIVIL (Cont'd)  
GENERAL FUND

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Water Litigation Expenses - The approved amount includes a \$10,100 increase in Personal Services and Employee Related Expenditures to remove the vacancy factor. The appropriation also includes the transfer of ten FTE positions and \$352,200 from the State Land Department. In FY 1988 the State Land Department had 14 FTE positions in the Water Litigation program. For FY 1989, two positions will remain, two vacant positions will be eliminated (for a savings of \$56,400), and ten positions - which already report to the Attorney General under the terms of an inter-agency agreement - will be transferred to the Civil Division budget. The approved amount includes \$21,000 in Personal Services and \$12,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,100 in Employee Related Expenditures for the increased retirement contribution.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	12.0	12.0	12.0
Personal Services	361,900	370,200	398,400
Employee Related Exp.	63,300	64,400	78,400
Prof. & Outside Services	900	1,000	1,000
Travel - State	5,300	6,900	6,900
Travel - Out of State	400	1,000	1,000
Other Operating Exp.	33,100	19,100	20,500
Equipment	-0-	-0-	-0-
All Other Operating Exp.	39,700	28,000	29,400
TOTAL	464,900	462,600	506,200 <sup>1/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 339, Fair Housing	--	--	59,250
TOTAL APPROPRIATIONS	464,900	462,600	565,450

The approved amount includes \$13,400 in Personal Services and \$7,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a \$7,500 increase to remove the vacancy factor and \$7,300 for attorney salary increases.

Other Operating Expenditures - The approved amount maintains the Tucson Civil Rights office at the FY 1988 level of funding.

#### ADDITIONAL APPROPRIATIONS

Fair Housing - S.B. 1286 (Chapter 339) - This law prohibits discrimination in the sale and rental of housing and gives the Department of Law enforcement responsibility. In addition to the \$59,250 General Fund appropriation, the Civil Rights Division will receive an estimated \$30,000 from the federal government in FY 1989 to investigate and resolve housing discrimination charges. The law becomes effective January 1, 1989.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	32.0	32.0	32.0
Personal Services	1,274,300	1,300,900	1,375,900
Employee Related Exp.	220,600	219,800	275,100
Prof. & Outside Services	4,200	13,300	8,400
Travel - State	3,100	8,900	8,900
Travel - Out of State	4,600	9,100	9,200
Other Operating Exp.	77,800	56,900	65,500
Equipment	1,200	22,500	25,700
All Other Operating Exp.	90,900	110,700	117,700
TOTAL APPROPRIATIONS	1,585,800	1,631,400	1,768,700 <sup>1/</sup>

The approved amount includes \$46,500 in Personal Services and \$27,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$18,800 for attorney salary increases and incorporates a 1.5 percent vacancy factor for a savings of \$20,000.

Professional and Outside Services - The approved amount includes a decrease of \$4,900 for reduced legal expenses.

Equipment - The approved amount includes \$15,000 for a replacement copy machine and \$10,700 for replacement computer equipment.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	34.0	34.0	42.0
Personal Services	1,086,200	1,168,700	1,619,700
Employee Related Exp.	194,600	203,700	325,200
Prof. & Outside Services	15,500	11,200	11,200
Travel - State	1,500	1,600	1,600
Travel - Out of State	2,000	2,400	2,400
Other Operating Exp.	82,000	90,900	121,700
Equipment	17,400	-0-	15,500
All Other Operating Exp.	118,400	106,100	152,400
<b>TOTAL APPROPRIATIONS</b>	<b>1,399,200</b>	<b>1,478,500</b>	<b>2,097,300</b> <sup>1/</sup>

The approved amount includes \$54,800 in Personal Services and \$31,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved incorporates a two percent vacancy factor for a savings of \$24,100 and includes \$56,700 for attorney salary increases. The appropriation also includes the transfer of eight FTE positions and \$328,800 from the Organized Crime Division.

Other Operating Expenditures - The approved amount includes the transfer of \$19,200 to support the positions shifted from the Organized Crime Division.

Equipment - The approved funding is for the purchase of replacement computer equipment.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	47.0	47.0	39.0 <sup>1/</sup>
Personal Services	1,815,900	1,874,200	1,618,100
Employee Related Exp.	309,300	319,500	301,700
Prof. & Outside Services	47,600	16,600	16,600
Travel - State	7,800	4,400	4,400
Travel - Out of State	12,000	8,300	8,400
Other Operating Exp.	104,900	81,300	71,200
Equipment	900	-0-	12,000
All Other Operating Exp.	173,200	110,600	112,600
OPERATION SUB-TOTAL	2,298,400	2,304,300	2,032,400
Environmental Quality	228,400	322,900	324,800
TOTAL APPROPRIATIONS	2,526,800	2,627,200	2,357,200 <sup>2/</sup>

The approved amount includes \$54,700 in Personal Services and \$31,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a transfer of eight FTE positions and \$328,800 to the Financial Fraud Division, and incorporates a vacancy factor of two percent for a savings of \$38,100. The appropriation also includes \$23,700 for attorney salary increases.

Other Operating Expenditures - The approved amount includes a shift of \$19,200 to the Financial Fraud Division to support the shifted FTE positions.

Environmental Quality - The amount approved includes a \$28,200 reduction for one-time equipment purchases and a \$16,100 increase in Personal Services and Employee Related Expenditures to remove the vacancy factor. The approved amount includes \$8,300 in Personal Services and \$4,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$800 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> The number shown does not include the eight FTE positions authorized for the Environmental Quality line item.

<sup>2/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	4.0	4.0	4.0
Personal Services	175,000	200,500	215,500
Employee Related Exp.	28,900	31,500	37,800
Prof. & Outside Services	3,800	700	700
Travel - State	500	300	300
Travel - Out of State	2,100	3,300	3,000
Other Operating Exp.	9,200	8,800	10,100
Equipment	-0-	-0-	2,400
All Other Operating Exp.	15,600	13,100	16,500
<b>TOTAL APPROPRIATIONS</b>	<b>219,500</b>	<b>245,100</b>	<b>269,800</b> <sup>1/</sup>

The approved amount includes \$7,300 in Personal Services and \$4,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a \$7,700 increase to remove the vacancy factor.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>48.0</u>	<u>52.0</u>	<u>52.0</u>
Personal Services	<u>1,211,100</u>	<u>1,455,800</u>	<u>1,531,600</u>
Employee Related Exp.	<u>251,800</u>	<u>300,500</u>	<u>346,400</u>
Prof. & Outside Services	500	700	700
Travel - State	109,300	97,600	97,600
Travel - Out of State	5,300	2,400	2,400
Other Operating Exp.	87,400	94,100	97,700
Equipment	<u>51,600</u>	<u>33,200</u>	<u>30,900</u>
All Other Operating Exp.	<u>254,100</u>	<u>228,000</u>	<u>229,300</u>
TOTAL APPROPRIATIONS	<u>1,717,000</u>	<u>1,984,300</u>	<u>2,107,300</u> <sup>1/</sup>

The approved amount includes \$51,800 in Personal Services and \$30,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a 1.5 percent vacancy factor for a savings of \$22,600.

Equipment - The approved amount includes \$13,100 for computer equipment, \$2,400 for office equipment, \$600 for Investigator support items, and \$14,800 for improvements to the mobile radio system.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Naimark

Honorable Robert K. Corbin, Attorney General (Tel. 255-4266)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	20.0	20.0	24.0
Personal Services	660,100	757,600	946,100
Employee Related Exp.	113,900	126,400	183,900
Prof. & Outside Services	8,400	13,000	13,000
Travel - State	500	700	700
Travel - Out of State	1,600	2,700	2,700
Other Operating Exp.	31,800	36,300	50,800
Equipment	9,000	6,000	70,900
All Other Operating Exp.	51,300	58,700	138,100
TOTAL APPROPRIATIONS	825,300	942,700	1,268,100 <sup>1/2/</sup>

The approved amount includes \$32,000 in Personal Services and \$18,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,200 in Employee Related Expenditures for the increased retirement contribution.

Revenue Collection Unit - The approved amounts include \$219,700 for four new FTE positions to work on revenue collection. The additional two Attorneys, one Paralegal, and one Legal Secretary will work on the collection of undisputed, unpaid taxes that are owed to the State, and will supplement the current Tax Division staff in working to settle cases of disputed tax liability. It is expected that this new unit will collect over \$512,500 for the General Fund in FY 1989, and that the Tax Division staff supported by the General Fund will generate approximately \$16.8 million for the State in disputed taxes that are paid and refunds that are avoided.

(Continued)

1/ The activities of the four new positions in the Tax Division shall be accounted for separately and the Attorney General shall submit quarterly reports to the Joint Legislative Budget Committee showing the expenditures and revenue associated with all Tax Division positions. If, after reviewing a quarterly report, the Joint Legislative Budget Committee determines that the four new positions will not add \$512,500 to the General Fund, the Committee may request that the Attorney General suspend operations of the new four-person unit. It is expected that this appropriation will generate at least \$16,800,000 for the State in disputed taxes that are paid and refunds that are avoided.

2/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

ATTORNEY GENERAL - DEPARTMENT OF LAW - TAX (Cont'd)  
GENERAL FUND

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Personal Services - The amount approved incorporates a one percent vacancy factor for a savings of \$7,900, and includes \$12,000 for attorney salary increases.

Equipment - The approved amount includes \$8,300 in replacement computer equipment.

JLBC Analyst: Bellgardt

Gary D. Montgomery, Executive Director (Tel. 252-6771)

ARIZONA COLISEUM AND EXPOSITION CENTER BOARD FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>242.0</u>	<u>254.0</u>	<u>254.0</u>
Personal Services	<u>3,499,200</u>	<u>3,906,200</u>	<u>3,853,400</u>
Employee Related Exp.	<u>606,000</u>	<u>751,300</u>	<u>739,100</u>
Prof. & Outside Services	1,463,200	1,565,800	1,250,800
Travel - State	8,600	11,200	8,900
Travel - Out of State	8,800	19,100	13,100
Other Operating Exp.	3,209,800	2,266,700	2,928,100
Equipment	54,800	390,000	-0-
All Other Operating Exp.	<u>4,745,200</u>	<u>4,252,800</u>	<u>4,200,900</u>
OPERATION SUB-TOTAL	8,850,400	8,910,300	8,793,400
Bond Interest Payment	123,800	100,800	120,800
Bond Retirement	397,200	302,000	340,000
Capital Outlay	653,600	214,200	214,200
Loan Repayment	<u>50,000</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>10,075,000</u>	<u>9,527,300</u>	<u>9,468,400</u> <sup>1/2/</sup>

Section 3-1005, Arizona Revised Statutes, states "monies received by the Board ... shall be under full control and jurisdiction of the Board." The appropriation for the Coliseum and Exposition Center is, then, 100 percent of its collections, and the amounts shown are estimates which are shown for informational purposes only.

#### LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates \$377,000 from the Coliseum and Exposition Center Fund to the Department of Administration for the maintenance and repair of state buildings.

1/ All collections paid into the state treasury are appropriated for Personal Services, Employee Related Expenditures, and All Other Operating Expenditures.

2/ Of the above appropriation, an amount not to exceed \$1,200,000 shall be from state tax revenues.

Lois C. Yates, C.I.D., Acting Director (Tel. 255-5371)

GENERAL FUND AND BOND FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>42.0</u>	<u>42.0</u>	<u>43.0</u>
Personal Services	<u>1,154,600</u>	<u>1,294,400</u>	<u>1,294,100</u>
Employee Related Exp.	<u>214,600</u>	<u>231,200</u>	<u>281,500</u>
Prof. & Outside Services	6,500	14,700	14,700
Travel - State	64,100	75,400	72,000
Travel - Out of State	37,900	45,500	45,800
Other Operating Exp.	354,800	417,400	289,200
Equipment	<u>44,600</u>	<u>-0-</u>	<u>25,000</u>
All Other Operating Exp.	<u>507,900</u>	<u>553,000</u>	<u>446,700</u>
OPERATION SUB-TOTAL	1,877,100	2,078,600	2,022,300
ADOT Mapping Service	10,000	10,000	-0-
Advertising & Promotion	188,500	212,400	184,900 <sup>1/</sup> / <sub>2/</sub>
Development Matching Funds	100,000	100,000	100,000 <sup>2/</sup> / <sub>2/</sub>
Motion Picture Board	18,400	25,000	25,000
Pacific Rim Demonstration Office	-0-	100,700	142,900 <sup>3/</sup> / <sub>4/</sub>
Rural Community Development	398,800	537,200	639,500 <sup>4/</sup> / <sub>4/</sub>
Solar Energy Projects	72,300	98,500	98,500
Super Collider (Desertron)	<u>586,900</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	3,252,000	3,162,400	3,213,100 <sup>5/6/7/</sup> / <sub>7/</sub>
Additional Appropriations - 38th Leg., 1st Reg. Session			
Ch. 331, Rural Development and Cooperative Advertising	--	150,000	--
38th Leg., 2nd Reg. Session			
Ch. 1, Super Collider	<u>--</u>	<u>479,300</u>	<u>--</u>
TOTAL APPROPRIATIONS	3,252,000	3,791,700	3,213,100
<u>Fund Summary</u>			
General Fund	3,206,700	3,743,700	3,159,100
Bond Fund	<u>45,300</u>	<u>48,000</u>	<u>54,000</u>
TOTAL APPROPRIATIONS	<u>3,252,000</u>	<u>3,791,700</u>	<u>3,213,100</u>

(Continued)

<sup>1/</sup> The Media Advertising and Promotion line-items were combined to create the Advertising and Promotion line-item.

(Footnotes Continued on Following Page)

DEPARTMENT OF COMMERCE (Cont'd)  
GENERAL FUND AND BOND FUND

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The approved amount includes \$43,800 in Personal Services, \$25,500 in Employee Related Expenditures, \$16,500 in Rural Community Development and \$2,700 in the Pacific Rim Demonstration Office for salary increases and higher health insurance premiums, and an increase of \$4,400 in Employee Related Expenditures, \$1,000 in Rural Community Development and \$200 in the Pacific Rim Demonstration Office for the increased retirement contribution.

Personal Services - The amount approved includes funding for one new FTE position, an Administrative Assistant, for the Motion Picture section. In addition, the amount approved includes a 4.7 percent vacancy factor.

Equipment - The amount approved includes funding for a replacement vehicle for the Motion Picture section.

ADOT Mapping Service - The amount approved eliminates the contribution from the Department of Commerce for mapping services provided by the Arizona Department of Transportation.

Advertising and Promotion - The amount approved represents a reduction in Advertising and Promotion funds allocated for the Motion Picture section in order to offset increases associated with the authorization of a new FTE position for the Motion Picture section.

Pacific Rim Demonstration Office - The amount approved includes an increase in funding for office operating costs, as well as an amount not to exceed \$20,000 for a foreign office study.

Rural Community Development - The amount approved includes \$75,000 for the continuation of the Rural Economic Development program initiated through S.B. 1275 (Chapter 331) in FY 1988. In addition, funding for an architectural services contract is eliminated in order to provide funding for one new FTE position, an architect, for the Main Street Program.

Additional Appropriations - Chapter 1 provides a supplemental appropriation of \$479,300 for geotechnical studies relating to the Superconducting Super Collider project.

(Footnotes Continued From Previous Page)

- 2/ No less than an equal amount shall be matched by federal and local funds to promote economic development projects throughout the state.
- 3/ An amount not to exceed \$20,000 may be expended on a foreign office study. Any unexpended amounts of the funds designated for the study shall revert to the General Fund.
- 4/ The sum of \$639,500 includes funding for 10.5 FTE positions, of which 2 FTE and related costs are for the Main Street program.
- 5/ Of this amount, the sum of \$290,800 plus any related salary adjustments, is for the primary use of Solar Energy.
- 6/ Of this amount, the sum of \$341,700 plus any related salary adjustments, is for the exclusive use of the Motion Picture section and shall be matched in an equal amount by industry.
- 7/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Division I	3,721,300	3,914,100	3,895,500
Division II	1,670,300	1,781,600	1,781,700
TOTAL APPROPRIATIONS	5,391,600	5,695,700	5,677,200
FTE Positions	112.5	112.5	112.5
Personal Services	4,012,600	4,281,000	4,479,400
Employee Related Exp.	496,300	529,600	676,500
Prof. & Outside Services	-0-	3,000	3,000
Travel - State	47,600	58,000	58,000
Travel - Out Of State	16,300	11,500	11,500
Other Operating Exp.	780,300	796,200	430,300
Equipment	38,500	16,400	18,500
All Other Operating Exp.	882,700	885,100	521,300
TOTAL APPROPRIATIONS	5,391,600	5,695,700	5,677,200

The approved amount includes \$103,200 in Personal Services and \$80,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$14,900 in Employee Related Expenditures for the increased retirement contribution. Also included is \$93,500 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

#### ADDITIONAL LEGISLATION

Judges Salaries - S.B. 1368 (Chapter 289) - This act prescribes salaries for Judges of the Court of Appeals.

JLBC Analyst: Miller

Sarah Grant, Chief Judge (Tel. 255-5305)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>80.5</u>	<u>80.5</u>	<u>80.5</u>
Personal Services	<u>2,844,000</u>	<u>3,019,500</u>	<u>3,157,300</u>
Employee Related Exp.	<u>349,100</u>	<u>373,600</u>	<u>459,600</u>
Prof. & Outside Services	-0-	1,000	1,000
Travel - State	25,400	34,100	34,100
Travel - Out Of State	9,200	4,500	4,500
Other Operating Exp.	479,800	477,400	233,000
Equipment	13,800	4,000	6,000
All Other Operating Exp.	<u>528,200</u>	<u>521,000</u>	<u>278,600</u>
TOTAL APPROPRIATIONS	<u>3,721,300</u>	<u>3,914,100</u>	<u>3,895,500</u> <sup>1/</sup>

The approved amount includes \$74,200 in Personal Services and \$57,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$10,500 in Employee Related Expenditures for the increased retirement contribution. Also included is \$62,200 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

#### ADDITIONAL LEGISLATION

Additional Department - S.B. 1002 (Chapter 38) - This act amends Arizona Revised Statutes, Section 12-120(B) to allow for an additional Department for Division I with three additional Judges. The effective date of this act is July 1, 1989.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

Michael Lacagnina, Chief Judge (Tel. 844-1255)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>32.0</u>	<u>32.0</u>	<u>32.0</u>
Personal Services	<u>1,168,600</u>	<u>1,261,500</u>	<u>1,322,100</u>
Employee Related Exp.	<u>147,200</u>	<u>156,000</u>	<u>216,900</u>
Prof. & Outside Services	-0-	2,000	2,000
Travel - State	22,200	23,900	23,900
Travel - Out of State	7,100	7,000	7,000
Other Operating Exp.	300,500	318,800	197,300
Equipment	<u>24,700</u>	<u>12,400</u>	<u>12,500</u>
All Other Operating Exp.	<u>354,500</u>	<u>364,100</u>	<u>242,700</u>
TOTAL APPROPRIATIONS	<u>1,670,300</u>	<u>1,781,600</u>	<u>1,781,700</u> <sup>1/</sup>

The approved amount includes \$29,000 in Personal Services and \$23,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,400 in Employee Related Expenditures for the increased retirement contribution. Also included is \$31,300 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.



COMMISSIONS ON APPELLATE AND  
TRIAL COURT APPOINTMENTS

Arizona Constitution  
Article VI Section 36,37,38

JLBC Analyst: Miller

Chief Justice Frank X. Gordon, Jr., Chairman (Tel. 255-4531)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
TOTAL APPROPRIATIONS	<u>1,456</u>	<u>4,000</u>	<u>4,000</u> <sup>1/</sup>

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program.

COMMISSION ON JUDICIAL QUALIFICATIONS

Arizona Constitution  
Article VI.I

JLBC Analyst: Miller

Honorable Noel A. Fidel, Chairman (Tel. 255-1478)

<u>GENERAL FUND</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
TOTAL APPROPRIATIONS	<u>54,844</u>	<u>58,000</u>	<u>60,000</u> <sup>1/</sup>

The approved amount will provide for continued commission services and will cover the cost of preparing and publishing an annual report.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program.

Bill McDonald, Administrative Director (Tel. 255-4359)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>103.0</u>	<u>104.0</u>	<u>104.0</u>
Personal Services	<u>3,255,462</u>	<u>3,578,900</u>	<u>3,900,000</u>
Employee Related Exp.	<u>161,957</u>	<u>199,900</u>	<u>358,100</u>
All Other Operating Exp.	<u>3,600</u>	<u>66,200</u>	<u>57,100</u>
OPERATION SUB-TOTAL	3,421,019	3,845,000	4,315,200
Juvenile Prob. Svs.	11,161,826	12,568,500	13,353,300 <sup>1/2/</sup>
CASA	-0-	70,000	75,000
Medical Malpractice	5,218	13,000	15,000
Family Counseling	247,800	289,600	312,800
Probation - State Aid	733,000	1,371,000	1,727,300
Intensive Probation - Juvenile	1,413,404	3,759,700	5,092,700
Probation Enhancement	2,624,843	4,232,400	7,519,300
Intensive Probation - Adult	<u>3,636,523</u>	<u>4,769,900</u>	<u>6,703,600</u>
TOTAL APPROPRIATIONS	<u>23,243,633</u>	<u>30,919,100</u>	<u>39,114,200</u> <sup>3/</sup>

The approved amount includes \$56,000 in Employee Related Expenditures for higher health insurance premiums. Also included is \$268,400 for Personal Services and Employee Related Expenditures for Judges salary increases effective January 1, 1989.

Juvenile Probation Services - The appropriation provides funding for the Juvenile Courts System to meet the requirements of Arizona Revised Statutes 8-230.01 and Arizona Revised Statutes 8-243, and to provide services to children referred for incorrigible or delinquent offenses and placed in foster care, day treatment programs, residential treatment centers, counseling, shelter care and other programs. It is the legislative intent that the courts shall grant providers an average increase of 2.8 percent.

(Continued)

1/ Up to 4.6 percent of the Juvenile Probation Services line item may be retained and expended by the Supreme Court to administer the programs established by Section 8-230.02, Arizona Revised Statutes and to conduct evaluations as needed. The remaining portion of the Juvenile Probation Services line item shall be deposited to the Juvenile Probation Fund established by Arizona Revised Statutes 8-230.02.

2/ It is anticipated that an additional \$1,517,600 will be expended from the Juvenile Probation Fund.

3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

SUPERIOR COURTS (Cont'd)  
GENERAL FUND

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Court Appointed Special Advocate (CASA) - The legislature approved an appropriation of \$75,000 for the CASA program. Any federal funds received by the Superior Courts may be used to augment this appropriation.

Medical Malpractice - The amount of \$15,000 provides funding for medical malpractice review panels.

Family Counseling - The appropriation provides funding to the Juvenile Division of the Superior Courts for prevention of delinquency and incorrigibility and to strengthen family relationships of juvenile offenders. The amount shown reflects an increase of \$23,200 over the FY 1988 expenditure level. The increase has been provided due to the growing number of families attending these programs.

✓ Probation - State Aid - State Aid to Probation provides funding for probation services to adults and juveniles. Legislation requires that the funds be used primarily for the salaries of the supervising probation officers. The appropriation includes an increase of \$277,100 to continue existing services. In addition, the approved amount includes \$47,100 in Personal Services and \$27,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,700 in Employee Related Expenditures for the increased retirement contribution.

✓ Juvenile Intensive Probation - Juvenile Intensive Probation Supervision was created by the 1986 Legislature to divert serious, non-violent juvenile offenders from the Department of Corrections and to provide intensive supervision for high risk offenders already on probation. Additional funds were provided to increase the program capacity from 680 to 860. The approved amount includes \$72,300 in Personal Services and \$42,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$7,300 in Employee Related Expenditures for the increased retirement contribution.

✓ Probation Enhancement - The approved amount includes funding for an additional 51 probation officers to maintain the statutory requirement of one supervising probation officer for each 60 probationers. The approved amount includes \$201,800 in Personal Services and \$117,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$20,300 in Employee Related Expenditures for the increased retirement contribution.

✓ Adult Intensive Probation - The Adult Intensive Probation Supervision program was created to divert serious, non-violent adult offenders from overcrowded prisons. The appropriation provides funds for Adult Intensive Probation Supervision programs in all counties. Additional funds were provided to increase the program capacity from 1,140 to 1,445. In addition, the approved amount includes \$141,600 in Personal Services and \$82,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$14,200 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

SUPERIOR COURTS (Cont'd)  
GENERAL FUND

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ADDITIONAL LEGISLATION

Intensive Probation S.B. 1032 (Chapter 324) - This act amends Arizona Revised Statutes Section 12-292 to allow intensive probation for class 2 and 3 felony offenders provided the Court finds they would have been granted regular probation.

Judges Salaries - S.B. 1368 (Chapter 289) - This act prescribes salaries for Judges of the Superior Court.

JLBC Analyst: Miller

Bill McDonald, Administrative Director (Tel. 255-4359)

<u>GENERAL FUND/ CORRECTIONS FUND</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
<u>Program Summary</u>			
Supreme Court	3,591,658	4,275,900	4,322,100
Foster Care Review Board	626,057	769,500	801,100
<b>TOTAL APPROPRIATIONS</b>	<b>4,217,715</b>	<b>5,045,400</b>	<b>5,123,200</b>
<u>Expenditure Detail</u>			
FTE Positions	86.3	99.3	101.3
Personal Services	2,605,094	3,023,600	3,238,600
Employee Related Exp.	411,263	469,200	625,900
Prof. & Outside Services	33,187	34,500	34,500
Travel	84,335	127,800	129,600
Other Operating Exp.	854,847	966,400	799,400
Equipment	44,282	26,700	21,000
All Other Operating Exp.	1,016,651	1,155,400	984,500
<b>OPERATION SUB-TOTAL</b>	<b>4,033,008</b>	<b>4,648,200</b>	<b>4,849,000</b>
Judicial Education	147,968	231,400	233,400
Judicial Assistance	36,739	40,800	40,800
Drug Testing	-0-	125,000	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>4,217,715</b>	<b>5,045,400</b>	<b>5,123,200</b>
<u>Fund Summary</u>			
General Fund	4,217,715	4,920,400	5,123,200
Corrections Fund	-0-	125,000	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>4,217,715</b>	<b>5,045,400</b>	<b>5,123,200</b>

The approved amount includes \$96,000 in Personal Services and \$61,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$10,900 in Employee Related Expenditures for the increased retirement contribution. Also included is \$26,300 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

ADDITIONAL LEGISLATION

Judges Salaries - S.B. 1368 (Chapter 289) - This act prescribed salaries for Judges of the Supreme Court and the Chief Justice.

JLBC Analyst: Miller

Bill McDonald, Administrative Director (Tel. 255-4359)

GENERAL FUND/ CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>69.3</u>	<u>78.3</u>	<u>80.3</u>
Personal Services	<u>2,240,272</u>	<u>2,582,700</u>	<u>2,771,400</u>
Employee Related Exp.	<u>331,230</u>	<u>376,200</u>	<u>507,600</u>
Prof. & Outside Services	21,277	30,000	30,000
Travel	49,682	76,000	77,800
Other Operating Exp.	727,808	798,300	643,800
Equipment	<u>36,682</u>	<u>15,500</u>	<u>17,300</u>
All Other Operating Exp.	<u>835,449</u>	<u>919,800</u>	<u>768,900</u>
OPERATION SUB-TOTAL	3,406,951	3,878,700	4,047,900
Judicial Education	147,968	231,400	233,400
Judicial Assistance	36,739	40,800	40,800
Drug Testing	<u>-0-</u>	<u>125,000</u> <sup>1/</sup>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>3,591,658</u>	<u>4,275,900</u>	<u>4,322,100</u> <sup>2/</sup>

The approved amount includes \$80,200 in Personal Services and \$52,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$9,300 in Employee Related Expenditures for the increased retirement contribution. Also included is \$26,300 for Personal Services and Employee Related Expenditures for Judges salaries effective January 1, 1989.

Personal Services - The approved amount provides funding for a Computer Services Coordinator, \$42,000, and \$30,200 for salary adjustments for staff attorneys. In addition, a Building Coordinator position was authorized without funding.

<sup>1/</sup> Appropriated from the Corrections Fund for a plan to provide for drug testing.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

Bill McDonald, Administrative Director (Tel. 255-4359)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>17.0</u>	<u>21.0</u>	<u>21.0</u>
Personal Services	<u>364,822</u>	<u>440,900</u>	<u>467,200</u>
Employee Related Exp.	<u>80,033</u>	<u>93,000</u>	<u>118,300</u>
Prof. & Outside Services	11,910	4,500	4,500
Travel	34,653	51,800	51,800
Other Operating Exp.	127,039	168,100	155,600
Equipment	7,600	11,200	3,700
All Other Operating Exp.	<u>181,202</u>	<u>235,600</u>	<u>215,600</u>
<b>TOTAL APPROPRIATIONS</b>	<u><u>626,057</u></u>	<u><u>769,500</u></u>	<u><u>801,100</u></u> <sup>1/</sup>

The approved amount includes \$15,800 in Personal Services and \$9,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,600 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Miller

Honorable Rose Mofford, Governor (Tel. 255-4331)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Lump Sum	2,551,800	2,772,900	2,872,100
Cost Reduction & Efficiency - Study Commission	<u>-0-</u>	<u>1,500,000</u>	<u>-0-</u>
<b>TOTAL APPROPRIATIONS</b>	<u><u>2,551,800</u></u>	<u><u>4,272,900</u></u>	<u><u>2,872,100</u></u>

The approved amount includes \$59,500 in Personal Services and \$34,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$6,000 in Employee Related Expenditures for the increased retirement contribution.

The lump sum appropriation of \$2,872,100 includes funding for the Office of the Governor, the Governor's Office for Children, the Office of Planning and Policy Development, and the Arizona Women's Commission.

*Handwritten calculations:*  
 1,700,800  
 59,500  
 -----  
 1,759,500  
 249,200

JLBC Analyst: Naimark

T.H. Milldebrandt, Business Manager (Tel. 223-2095)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Personal Services	<u>25,000</u>	<u>25,800</u>	<u>27,200</u>
Employee Related Exp.	<u>5,700</u>	<u>6,000</u>	<u>6,800</u>
Prof. & Outside Services	4,700	5,300	5,800
Travel - State	1,700	2,100	4,000
Other Operating Exp.	2,800	4,200	4,400
Equipment	4,100	-0-	-0-
All Other Operating Exp.	<u>13,300</u>	<u>11,600</u>	<u>14,200</u>
TOTAL APPROPRIATIONS	<u>44,000</u>	<u>43,400</u>	<u>48,200</u> <sup>1/</sup>

The approved amount includes \$900 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

Travel - State - The approved amount includes a \$1,900 addition to cover the expenses of the new Council member.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

GENERAL FUND/LEGISLATIVE, EXECUTIVE, AND JUDICIAL BUILDING LAND FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Senate	3,739,100	4,116,100	5,441,000 <sup>1/</sup>
House of Representatives	4,663,100	5,393,200	5,839,700 <sup>1/</sup>
Legislative Council	1,028,300	1,311,700	3,198,600 <sup>1/</sup>
Joint Legislative Budget Committee	1,178,700	1,450,800	1,447,300 <sup>1/</sup> ←
Auditor General	5,989,377	6,138,300	6,542,000 <sup>1/</sup>
Dept. of Library, Archives and Public Records	4,434,200	4,332,000	4,631,700
Joint Legislative Council Committee (Ch. 332, Laws of 1987)	-0-	45,000	-0-
Legislative Consultants (Ch. 332, Laws of 1987)	-0-	100,000	-0-
Joint Committee on Ground Water and Surface Water Exportation (Ch. 386, Laws of 1986)	189,500	-0-	-0-
<b>TOTAL</b>	<b>21,222,277</b>	<b>22,887,100</b>	<b>27,100,300</b>
<u>Additional Legislation - 38th Leg., 2nd Reg. Session</u>			
Chapter 1, Super Collider	--	421,000	-0-
Chapter 271, Taxation Revisions	--	--	600,000 <sup>1/</sup>
Chapter 302, Omnibus AHCCCS	--	--	240,000 <sup>1/</sup>
Chapter 342, Impeachment Exp.	--	235,649	-0-
Chapter 115, Impeachment Exp.	--	824,229	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>21,222,277</b>	<b>24,367,978</b>	<b>27,940,300</b>
<u>Fund Summary</u>			
General Fund	21,222,277	24,367,978	26,905,400
Legislative, Executive, And Judicial Building Land Fund	-0-	-0-	1,034,900 <sup>2/</sup>
<b>TOTAL APPROPRIATIONS</b>	<b>21,222,277</b>	<b>24,367,978</b>	<b>27,940,300</b>

(Continued)

- <sup>1/</sup> Appropriation exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.
- <sup>2/</sup> These monies equal one-time implementation costs for legislative computer equipment and services.

LEGISLATURE - SUMMARY (Cont'd)

GENERAL FUND/LEGISLATIVE, EXECUTIVE, AND JUDICIAL BUILDING LAND FUND

Senate - The approved amount includes \$80,200 in Personal Services and \$46,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$8,100 in Employee Related Expenditures for the increased retirement contribution. *2,391,600 + 450,000 = 2,841,600* *564,300*

House of Representatives - The approved amount includes \$81,900 in Personal Services and \$47,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$8,200 in Employee Related Expenditures for the increased retirement contribution. *2,340,000 + 90,000 = 3,240,000* *648,000*

Legislative Council - The approved amount includes appropriations of \$2,163,700 from the General Fund and \$1,034,900 from Legislative, Executive, and Judicial Building Land Fund. The approved amount includes \$37,400 in Personal Services and \$21,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,800 in Employee Related Expenditures for the increased retirement contribution. *1,068,100* *1,106,000* *221,200*

Joint Legislative Budget Committee - The approved amount includes \$15,000 in Personal Services and \$17,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,600 in Employee Related Expenditures for the increased retirement contribution.

Auditor General - The approved amount includes \$156,100 in Personal Services and \$91,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$15,700 in Employee Related Expenditures for the increased retirement contribution. *4,616,100* *923,200*

Department of Library, Archives and Public Records - See individual program reports.

Super Collider - H.B. 2036 (Chapter 1) - This act appropriates \$421,000 from the State General Fund to the Legislative Council to employ a contractor to advocate the selection of the state of Arizona for the Superconducting Super Collider Cyclotron.

Taxation Computations and Revisions - S.B. 1261 (Chapter 271) - This act appropriates \$600,000 from the General Fund to the Legislative Council for disbursement to the Joint Select Committee on State Revenues and Expenditures.

Omnibus AHCCCS - S.B. 1486 (Chapter 302) - This act appropriates \$240,000 from the State General Fund to the Auditor General for the purpose of conducting audits pursuant to section 68 of the Act.

Impeachment Expenses - S.B. 1449 (Chapter 342) - This act appropriates \$235,649 from the General Fund to the Senate for expenses relating to impeachment.

Impeachment Expenses - H.B. 2149 (Chapter 115) - This act appropriates \$824,229 from the State General Fund to the House of Representatives for expenses relating to impeachment.

Sharon Womack, Director (Tel. 255-4035)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>113.0</u>	<u>113.0</u>	<u>113.0</u>
Personal Services	<u>2,012,900</u>	<u>2,090,100</u>	<u>2,213,800</u>
Employee Related Exp.	<u>423,400</u>	<u>499,300</u>	<u>577,500</u>
Prof. & Outside Services	115,600	98,700	102,100
Travel - State	9,600	13,400	13,300
Travel - Out Of State	10,500	10,100	10,200
Other Operating Exp.	624,100	681,500	681,500
Equipment	68,300	44,900	39,300
All Other Operating Exp.	<u>828,100</u>	<u>848,600</u>	<u>846,400</u>
OPERATION SUB-TOTAL	3,264,400	3,438,000	3,637,700
Acquisitions	280,000	275,000	320,000
Carnegie Restoration	279,800	-0-	-0-
State Grants-in-Aid	550,000	540,000	595,000
State Museum - Furnishings	15,000	34,000	34,000 <sup>1/</sup>
Statewide Radio Reading Service for the Blind	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>
TOTAL APPROPRIATIONS	<u>4,434,200</u>	<u>4,332,000</u>	<u>4,631,700</u> <sup>2/</sup>

The approved amount includes \$74,900 in Personal Services and \$43,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$7,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a two percent vacancy factor.

Acquisitions - The amount approved includes an increase commensurate with the increased cost of publications.

State Grants-In-Aid - The amount approved includes an increase commensurate with the increased cost of publications.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 1, appropriates \$800,000 to the Department of Administration for architectural and engineering fees for a legislative archives and office building.

<sup>1/</sup> This appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

<sup>2/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency, with detailed special line items. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Patricia Crawford, Executive Director (Tel. 255-3888)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	3.0	3.0	3.0
Personal Services	70,400	74,900	77,700
Employee Related Exp.	15,100	16,400	17,200
Prof. & Outside Services	57,700	77,800	77,800
Travel - State	300	2,200	2,200
Other Operating Exp.	29,700	41,000	43,000
Equipment	1,000	1,200	-0-
All Other Operating Exp.	88,700	122,200	123,000
TOTAL APPROPRIATIONS	174,200	213,500	217,900 <sup>1/</sup>

The approved amount includes \$2,600 in Personal Services and \$1,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$300 in Employee Related Expenditures for the increased retirement contribution.

Professional and Outside Services - The approved amount retains the FY 1988 reduction of \$1,200 to reflect the diminished rate of appeals and the reduced need for hearing officers and legal counsel.

Other Operating Expenditures - The amount approved includes \$20,200 for rent in private office space.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Edward Gallison, Director (Tel. 255-5131)

STATE RETIREMENT FUND ADMINISTRATION ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>53.0</u>	<u>57.0</u>	<u>62.0</u>
Personal Services	<u>1,074,093</u>	<u>1,248,900</u>	<u>1,380,700</u>
Employee Related Exp.	<u>215,300</u>	<u>269,000</u>	<u>307,400</u>
Prof. & Outside Services	163,600	174,500	319,300
Travel - State	18,600	27,400	26,200
Travel - Out of State	6,900	8,100	9,700
Other Operating Exp.	262,600	308,600	370,300
Equipment	<u>83,800</u>	<u>71,700</u>	<u>155,800</u>
All Other Operating Exp.	<u>535,500</u>	<u>590,300</u>	<u>881,300</u> <sup>1/</sup>
OPERATION SUB-TOTAL	1,824,893	2,108,200	2,569,400
Long-Term Disability	-0-	-0-	300,000 <sup>2/</sup>
Investment Management Fees	<u>6,273,200</u>	<u>9,000,000</u>	<u>-0-</u> <sup>3/</sup>
TOTAL APPROPRIATIONS	<u>8,098,093</u>	<u>11,108,200</u>	<u>2,869,400</u> <sup>4/</sup>

The approved amount includes \$46,700 in Personal Services and \$27,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,700 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> Professional and Outside Services includes \$45,000 intended for a performance audit of the State Retirement System. Any monies not expended for that purpose shall revert to the State Retirement System Fund.
- <sup>2/</sup> A special line item of \$300,000 is specifically designated to pay for the costs of administering a Long-Term Disability Program. Any monies not expended for the purpose specified shall revert to the State Retirement System Fund.
- <sup>3/</sup> This appropriation is exclusively for investment management fees and related consulting services. This line item is not needed after FY 1988 because Arizona Revised Statutes 38-756 was amended and now authorizes the investment advisory council, with the approval of the board, to make expenditures for investment management fees and related consulting fees in the amounts that they deem necessary.
- <sup>4/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

STATE RETIREMENT SYSTEM (Cont'd)  
STATE RETIREMENT FUND  
ADMINISTRATION ACCOUNT

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Personal Services - The approved amount includes funding for nine additional positions to keep up with workload growth:

- 1 Administrative Assistant III
- 2 Clerical Assistants
- 3 Retirement Officer I's
- 1 Computer Operator II
- 1 Fiscal Services Specialist III
- 1 Secretary

The amount also eliminates funding for 4.0 FTE positions as the agency phases out its Social Security oversight function.

Professional and Outside Services - The approved amount includes \$70,000 to design an expanded account statement.

Equipment - The approved amount includes funding for a new mailing machine, expanded computer memory capacity, and furnishings and equipment for the new employees.

ADDITIONAL LEGISLATION

S.B. 1235 (Chapter 277) - Requires the State Retirement System to make partial payment of group health and accident insurance premiums for certain retired and disabled members of the State Retirement Plan, and their dependents. The financial impact of this legislation for the six-month period from January through June 1989 is estimated to be \$900,000. Payments will be made from the assets of the State Retirement System Fund. Similar legislation was passed by the Legislature and signed by the Governor as H.B. 2143, Chapter 307.



## DEPARTMENT OF REVENUE - SUMMARY

A.R.S. 42-102

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Director's Office	412,900	525,600	568,800
Administrative Services	6,147,800	7,182,400	8,009,100
Property Valuation	2,601,500	2,993,600	2,819,900
Revenue Enforcement	4,771,600	5,260,600	6,395,200
Tax Compliance	5,655,600	6,355,500	6,532,300
Tax Policy	1,234,900	1,294,400	2,113,100
Data Management	8,877,500	8,409,100	9,336,500
<b>TOTAL APPROPRIATIONS</b>	<b>29,701,800</b>	<b>32,021,200</b>	<b>35,774,900</b>
<u>Expenditure Detail</u>			
FTE Positions	859.0	922.0	943.0
Personal Services	15,877,200	17,500,300	19,493,200
Employee Related Exp.	3,410,800	3,687,000	4,657,800
Prof. & Outside Services	1,633,000	1,667,200	1,758,100
Travel - State	246,100	306,400	370,300
Travel - Out of State	367,200	458,000	597,200
Other Operating Exp.	7,109,100	7,485,900	8,023,500
Equipment	434,500	233,600	59,100
All Other Operating Exp.	9,789,900	10,151,100	10,808,200
<b>OPERATION SUB-TOTAL</b>	<b>29,077,900</b>	<b>31,338,400</b>	<b>34,959,200</b>
Construction Cost	211,800	97,800	-0-
Automated Collection System	250,000	250,000	250,000
Litigation Expenses	162,100	335,000	-0-
Bingo Administration	-0-	-0-	490,700
<b>TOTAL</b>	<b>29,701,800</b>	<b>32,021,200</b>	<b>35,699,900</b> <sup>1/</sup>
Additional Appropriations	--	--	75,000
<b>TOTAL APPROPRIATIONS</b>	<b>29,701,800</b>	<b>32,021,200</b>	<b>35,774,900</b>

The approved amount includes \$659,200 in Personal Services and \$384,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$66,200 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Included in the Department's budget is a total of \$849,500 and 21 FTE positions. These positions combined with the new positions authorized in FY 88, will provide increased compliance, auditing and collections activities in order to generate \$15,500,000. The Department has pledged to generate an additional \$15,500,000 of General Fund revenue and will provide a comprehensive tracking and report system to support that pledge.

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	11.0	11.0	11.0
Personal Services	320,200	409,700	434,700
Employee Related Exp.	39,800	73,400	90,300
Prof. & Outside Services	3,500	-0-	-0-
Travel - State	2,200	2,500	2,500
Travel - Out of State	3,400	4,500	4,600
Other Operating Exp.	38,400	35,500	36,700
Equipment	5,400	-0-	-0-
All Other Operating Exp.	52,900	42,500	43,800
TOTAL APPROPRIATIONS	412,900	525,600	568,800 <sup>1/</sup>

The approved amount includes \$14,700 in Personal Services and \$8,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-out of a Typist, \$12,500, to the Revenue Enforcement Division and the transfer-in of an Audit Administrator, \$49,800. The Audit Administrator will be reclassified to an Internal Auditor, \$26,500 was deleted due to reclassification of positions.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	88.0	93.0	102.0
Personal Services	1,355,200	1,489,200	1,718,700
Employee Related Exp.	303,100	343,000	443,700
Prof. & Outside Services	272,800	269,400	292,800
Travel - State	11,700	10,600	9,900
Travel - Out of State	700	-0-	-0-
Other Operating Exp.	4,166,500	5,056,000	5,469,000
Equipment	37,800	14,200	-0-
All Other Operating Exp.	4,489,500	5,350,200	5,771,700
TOTAL	6,147,800	7,182,400	7,934,100 <sup>1/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 271, Taxation Revisions	--	--	75,000
TOTAL APPROPRIATIONS	6,147,800	7,182,400	8,009,100

The approved amount includes \$58,100 in Personal Services and \$33,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of nine FTE positions and \$134,400 from the Tax compliance Division.

All Other Operating Expenditures - The approved amount provides \$43,200 for quarterly billing notices to be sent to taxpayers for accounts under \$200 and less than two years old. This amount is a component of the Revenue Enhancement program for FY 1989.

#### ADDITIONAL APPROPRIATIONS

Taxation Computation and Revisions - S.B. 1261 (Chapter 271) - This act appropriates \$75,000 to the Department of Revenue for disbursement to the Property Tax Oversight Commission.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>71.0</u>	<u>71.0</u>	<u>68.0</u>
Personal Services	<u>1,704,300</u>	<u>1,808,400</u>	<u>1,896,200</u>
Employee Related Exp.	<u>353,700</u>	<u>358,100</u>	<u>437,300</u>
Prof. & Outside Services	196,900	321,600	324,800
Travel - State	76,800	99,600	87,900
Travel - Out of State	13,200	15,000	15,600
Other Operating Exp.	69,000	55,900	58,100
Equipment	25,500	-0-	-0-
All Other Operating Exp.	<u>381,400</u>	<u>492,100</u>	<u>486,400</u>
OPERATION SUB-TOTAL	2,439,400	2,658,600	2,819,900
Litigation Expenses	<u>162,100</u>	<u>335,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>2,601,500</u>	<u>2,993,600</u>	<u>2,819,900</u> <sup>1/</sup>

The approved amount includes \$64,100 in Personal Services and \$37,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$6,400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-out of two Field Auditors, \$60,000, to the Tax Compliance Division and a Property Appraiser, \$18,400, to the Tax Policy Division.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	227.0	251.0	273.0
Personal Services	3,487,200	3,798,800	4,592,900
Employee Related Exp.	807,700	878,700	1,187,600
Prof. & Outside Services	16,900	10,000	10,400
Travel - State	72,500	91,200	136,200
Travel - Out of State	9,100	2,000	2,100
Other Operating Exp.	110,700	133,500	188,300
Equipment	17,500	96,400	27,700
All Other Operating Exp.	226,700	333,100	364,700
OPERATION SUB-TOTAL	4,521,600	5,010,600	6,145,200
Automated Collections System	250,000	250,000	250,000
TOTAL APPROPRIATIONS	4,771,600	5,260,600	6,395,200 <sup>1/2/</sup>

The approved amount includes \$155,300 in Personal Services and \$90,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$15,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of 14 FTE positions, \$210,000, from the Tax Compliance Division and a Typist, \$12,500, from the Director's Office. In addition, the approved amount provides for seven new FTE positions, \$106,400, and salary adjustment funds, \$104,500, to provide for a special ten percent adjustment for 63 Collectors. The new FTE positions and the special salary adjustment funds are a component of the Revenue Enhancement Program for FY 1989.

All Other Operating Expenditures - The approved amount includes \$41,900 for operating expenses and \$27,700 for equipment for the new FTE positions.

- 1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
- 2/ Quarterly and annual progress reports shall be provided to the Staff Director of the Joint Legislative Budget Committee as to the effectiveness of this program.

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	200.0	223.0	192.0
Personal Services	4,201,400	4,659,500	4,639,100
Employee Related Exp.	889,500	946,500	1,065,500
Prof. & Outside Services	32,100	16,000	16,600
Travel - State	64,900	74,400	107,000
Travel - Out of State	336,300	433,500	571,900
Other Operating Exp.	106,900	102,600	122,000
Equipment	24,500	123,000	10,200
All Other Operating Exp.	564,700	749,500	827,700
TOTAL APPROPRIATIONS	5,655,600	6,355,500	6,532,300 <sup>1/</sup>

The approved amount includes \$156,900 in Personal Services and \$91,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$15,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of two FTE positions, \$51,500, from the Property Valuation Division and the transfer-out of 35 FTE positions, \$581,500, to other Divisions - 14 FTE positions to Revenue Enforcement, nine FTE positions to Administrative Services, nine FTE positions to Data Management, one FTE position to the Director's Office, and two FTE positions to Tax Policy. In addition, the approved amount provides for two new FTE positions (Revenue Field Auditors - \$52,000) as a part of the Revenue Enhancement Program for FY 1989.

All Other Operating Expenditures - The approved amount includes \$15,800 for operating expenses and \$10,200 for equipment for the new FTE positions.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	48.0	48.0	51.0
Personal Services	846,000	965,000	1,205,600
Employee Related Exp.	195,800	181,400	265,200
Prof. & Outside Services	102,300	66,400	68,700
Travel - State	12,700	17,700	16,800
Travel - Out of State	2,700	3,000	3,000
Other Operating Exp.	50,000	60,900	63,100
Equipment	25,400	-0-	-0-
All Other Operating Exp.	193,100	148,000	151,600
OPERATION SUB-TOTAL	1,234,900	1,294,400	1,622,400
Bingo Administration	-0-	-0-	490,700
TOTAL APPROPRIATIONS	1,234,900	1,294,400	2,113,100 <sup>1/</sup>

The approved amount includes \$40,800 in Personal Services and \$23,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of a Property Appraiser, \$18,400, from the Property Valuation Division and the transfer-in of two FTE positions (Administrative Assistant - \$19,800 and Typist - \$14,100) from the Tax Compliance Division. In addition, the approved amount includes \$47,700 for ten percent special salary adjustments for 35 Taxpayer Technician I's. The salary adjustment funds are a component of the Revenue Enhancement Program for FY 1989.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF REVENUE - TAX POLICY (Cont'd)  
GENERAL FUND

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Bingo Administration - S.B. 1055 (Chapter 108) - This act requires Bingo administrative receipts to be deposited to the State General Fund. Once the Act is effective, the Department can no longer fund existing positions from the Bingo Administration Revolving Fund. The appropriation is based upon the following:

FTE	<u>13.0</u>
Personal Services	\$269,500
Employee Related Exp.	69,400
Prof. & Outside Services	68,400
Travel - State	7,800
Other Operating Exp.	<u>75,600</u>
Total	<u>\$490,700</u>



JLBC Analyst: Miller

Paul Waddell, Acting Director (Tel. 255-3572)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	214.0	225.0	246.0
Personal Services	3,962,900	4,369,700	5,006,000
Employee Related Exp.	821,200	905,900	1,168,200
Prof. & Outside Services	1,008,500	983,800	1,044,800
Travel - State	5,300	10,400	10,000
Travel - Out of State	1,800	-0-	-0-
Other Operating Exp.	2,567,600	2,041,500	2,086,300
Equipment	298,400	-0-	21,200
All Other Operating Exp.	3,881,600	3,035,700	3,162,300
OPERATION SUB-TOTAL	8,665,700	8,311,300	9,336,500
Construction Cost	211,800	97,800	-0-
TOTAL APPROPRIATIONS	8,877,500	8,409,100	9,336,500 <sup>1/</sup>

The approved amount includes \$169,300 in Personal Services and \$98,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$17,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides for the transfer-in of nine FTE positions, \$169,000, from the Tax Compliance Division. In addition, the approved amount provides funding for eight new FTE positions, \$223,800. Also, four new FTE positions were authorized without funding. The new FTE positions are a component of the Revenue Enhancement Program for FY 1989.

All Other Operating Expenditures - The approved amount includes \$42,000 for operating expenses and \$21,200 for equipment for the new FTE positions.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

Honorable Jim Shumway, Secretary of State (Tel. 255-4285)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	30.0	30.0	30.0
Personal Services	530,616	568,900	588,900
Employee Related Exp.	107,073	141,500	156,400
Prof. & Outside Services	139,964	191,900	101,400
Travel - State	11,569	9,600	13,100
Travel - Out of State	2,145	3,700	3,700
Other Operating Exp.	348,062	474,100	462,100
Equipment	14,694	3,300	9,900
All Other Operating Exp.	516,434	682,600	590,200
OPERATION SUB-TOTAL	1,154,123	1,393,000	1,335,500
Pima-Election Expense	422,771	-0-	-0-
Election Expense	874,804	68,800	1,248,600
Rules and Regulations	92,117	121,600	242,200
Proposition 200	-0-	332,000	150,400
TOTAL	2,543,815	1,915,400	2,976,700 <sup>1/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 262, Election Expenses	--	1,590,051	-0-
TOTAL APPROPRIATIONS	2,543,815	3,505,451	2,976,700

The approved amount includes \$18,200 in Personal Services and \$11,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes \$7,700 for reclassification of a staff position.

All Other Operating - Included in the approved amount for Other Operating is \$100,700 for printing. The cost of printing increased as a result of a change in statute which requires that an "Arizona Mobile Home Park Residential Landlord and Tenant Act" booklet be provided for each mobile home tenant.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF STATE - SECRETARY OF STATE (Cont'd)  
GENERAL FUND

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Election Expenses - The approved amount provides for 1988 election expenses for items such as publicity pamphlets, initiatives, referendums, constitutional amendments, candidate filings, sample ballot reimbursement, monitoring and dissemination of election returns and other expenses.

ADDITIONAL APPROPRIATIONS

Election Expenses - H.B. 2227 (Chapter 262) - Appropriates \$1,590,051 for FY 1988 from the State General Fund to the Secretary of State for reimbursement for expenses of the Rio Salado Election and preparation for the recall election.

JLBC Analyst: Hernandez

Robert Lopez, Chairman (Tel. 255-5462)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Tax Appeals-Division I	252,800	289,100	292,500
Tax Appeals-Division II	<u>113,900</u>	<u>120,200</u>	<u>135,900</u>
TOTAL APPROPRIATION	<u>366,700</u>	<u>409,300</u>	<u>428,400</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>7.5</u>	<u>7.5</u>	<u>7.5</u>
Personal Services	<u>218,500</u>	<u>235,700</u>	<u>259,800</u>
Employee Related Exp.	<u>37,100</u>	<u>37,200</u>	<u>47,900</u>
Prof. & Outside Services	8,300	16,700	18,700
Travel - State	17,100	20,100	20,100
Travel - Out of State	1,900	4,600	4,600
Other Operating Exp.	76,200	93,500	60,700
Equipment	<u>7,600</u>	<u>1,500</u>	<u>16,600</u>
All Other Operating Exp.	<u>111,100</u>	<u>136,400</u>	<u>120,700</u>
TOTAL APPROPRIATION	<u>366,700</u>	<u>409,300</u>	<u>428,400</u> <sup>1/</sup>

The approved amount includes \$7,600 in Personal Services and \$5,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes the addition of a full-time Hearing Officer and the deletion of a half-time Legal Clerk in Division II. Division I's FTE position count for temporary help was reduced from 1.0 to 0.5 to more accurately reflect the clerical time required. This adjustment did not affect the funding level.

Equipment - The approved amount includes \$16,600 for conversion of computer equipment.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Vic Heller, Director (Tel. 255-3618)

GENERAL FUND AND TOURISM FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>
Personal Services	<u>420,200</u>	<u>432,300</u>	<u>437,400</u>
Employee Related Exp.	<u>77,400</u>	<u>84,600</u>	<u>97,000</u>
Prof. & Outside Services	48,500	32,000	47,400
Travel - State	24,100	25,000	22,400
Travel - Out of State	32,700	34,000	38,400
Other Operating Exp.	499,300	443,600	498,000
Equipment	1,000	-0-	-0-
All Other Operating Exp.	<u>605,600</u>	<u>534,600</u>	<u>606,200</u>
OPERATION SUB-TOTAL	1,103,200	1,051,500	1,140,600
Media Advertising	<u>2,051,000</u>	<u>2,310,600</u>	<u>2,310,600</u>
TOTAL	<u>3,154,200</u>	<u>3,362,100</u>	<u>3,451,200</u> <sup>1/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 271, Tourism Promotion	<u>--</u>	<u>--</u>	<u>2,000,000</u> <sup>2/</sup>
TOTAL APPROPRIATIONS	<u>3,154,200</u>	<u>3,362,100</u>	<u>5,451,200</u>
Fund Summary			
General Fund	<u>3,154,200</u>	<u>3,362,100</u>	<u>3,451,200</u>
Tourism Fund	<u>-0-</u>	<u>-0-</u>	<u>2,000,000</u>
TOTAL APPROPRIATIONS	<u>3,154,200</u>	<u>3,362,100</u>	<u>5,451,200</u>

The approved amount includes \$14,800 in Personal Services and \$8,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum, with detailed special line items. The objects of expenditure are shown for informational purposes only.

<sup>2/</sup> This appropriation is exempt from the provision of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

OFFICE OF TOURISM (Cont'd)  
GENERAL FUND AND TOURISM FUND

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ADDITIONAL APPROPRIATIONS

Tourism Promotion - S.B. 1261 (Chapter 271) - Provides for the establishment of a Tourism Fund, consisting of revenues generated from the increased tax on hotels and motels. From these revenues, \$2 million shall be annually appropriated to the Office of Tourism to promote tourism in Arizona.

LAND, BUILDINGS AND IMPROVEMENTS

S.B. 1123 (Chapter 10) - Authorizes the Office of Tourism to proceed immediately with planning for the construction of a welcome center. Architectural and engineering monies appropriated to the Department of Administration are to be used to allow for construction to begin by November 1, 1989.

Honorable Ray Rottas, Treasurer (Tel. 255-1463)

GENERAL FUND & CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>28.0</u>	<u>28.0</u>	<u>30.0</u>
Personal Services	<u>641,600</u>	<u>749,400</u>	<u>815,600</u>
Employee Related Exp.	<u>127,000</u>	<u>151,500</u>	<u>166,500</u>
Prof. & Outside Services	86,900	101,200	124,200
Travel - State	500	1,600	2,200
Travel - Out of State	2,400	5,900	5,900
Other Operating Exp.	130,000	128,300	59,300
Equipment	-0-	18,900	25,100
All Other Operating Exp.	<u>219,800</u>	<u>255,900</u>	<u>216,700</u>
OPERATION SUB-TOTAL	988,400	1,156,800	1,198,800
State Grand Jury Fund	522,700	537,500	700,000
Justice of Peace Salaries	1,322,200	1,506,900	1,575,000
Local Narcotics Enforcement Fund	-0-	500,000 <sup>1/</sup>	-0-
Nuclear Emergency Management - Maricopa County	87,500	103,500	--
Long-Term Care - Counties	5,500,000	5,500,000	--
Peace Officer Memorial	<u>5,000</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	8,425,800	9,304,700	3,473,800
Additional Appropriation - 38th Leg., 3rd Special Session			
Ch. 1, Community College Reimbursements	-0-	716,799	-0-
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 59, Nuclear Emergency Management - Maricopa County	--	--	107,400
Ch. 302, Long-Term Care - Counties	<u>--</u>	<u>--</u>	<u>6,500,000</u>
TOTAL APPROPRIATIONS	<u>8,425,800</u>	<u>10,021,499</u>	<u>10,081,200</u>

(Continued)

<sup>1/</sup> Appropriated \$500,000 from the Corrections Fund to the Local Narcotics Enforcement Fund. This appropriation is exempt from Arizona Revised Statutes 35-190, regarding lapsing of appropriations.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure are shown for informational purposes only.

STATE TREASURER (Cont'd)  
GENERAL FUND

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The approved amount includes \$25,900 in Personal Services and \$15,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes funding for 2.0 additional positions: a Fiscal Services Specialist IV to help oversee investment and revenue distribution functions; and a Fiscal Services Specialist V to act as a liaison between state agencies and the federal government, and fulfill arbitrage rebate reporting requirements.

Professional and Outside Services - The approved amount includes \$20,000 for the costs associated with moving to a new custodial bank.

Equipment - The approved amount includes funding for computer network and power save equipment, plus furnishings for the agency's office expansion.

State Grand Jury Fund - The approved amount provides funding for the county and Attorney General expenses of the State Grand Jury.

Justice of the Peace Salaries - These funds will be remitted to the counties for 40 percent of Justices of the Peace salaries and Employee Related Expenditures, as prescribed in Arizona Revised Statutes 22-117.

Local Narcotics Enforcement Fund - Pursuant to Arizona Revised Statutes 41-2409, the State Treasurer shall use the monies in the Local Narcotics Enforcement Fund to reimburse counties and municipalities for costs incurred in enforcing illegal drug statutes. This appropriation is exempt from Arizona Revised Statutes 35-190, regarding lapsing of appropriations.

ADDITIONAL APPROPRIATIONS

Community College Reimbursements - S.B. 1001 (Laws of 1987, 3rd S.S., Ch. 1) specifies an apportionment formula which the State Treasurer shall use to distribute monies in the Transaction Privilege and Severance Tax Clearing Account. The legislation also appropriates monies from the General Fund to the State Treasurer, to pay community college nonresident state student costs in accordance with Arizona Revised Statutes 15-1469.01, subsection B.

Nuclear Emergency Management, Maricopa County - H.B. 2047 (Chapter 59) - Appropriates \$601,100 from the General Fund to the Nuclear Emergency Management Fund, of which \$107,400 is to be paid by the Treasurer to Maricopa County for expenses incurred during nuclear emergency planning exercises. In addition, \$307,800 is allocated to the Radiation Regulatory Agency, and \$185,900 to the Department of Emergency and Military Affairs.

Long-Term Care, Counties - S.B. 1486 (Chapter 302) - Appropriates \$6,500,000 from the General Fund to the County Long-Term Care Fund. Pursuant to Section 11-293.02, Arizona Revised Statutes, the State Treasurer shall distribute the monies in this fund to counties for institutional and alternative long-term health care services.



JLBC Analyst: Bellgardt

Edward F. Lowry, Jr., Chairman (Tel. 949-8998)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Personal Services	100	1,200	1,600
Employee Related Exp.	-0-	100	200
Travel - State	-0-	200	400
Travel - Out of State	2,700	4,600	4,300
Other Operating Exp.	8,000	8,700	9,500
All Other Operating Exp.	10,700	13,500	14,200
TOTAL APPROPRIATIONS	10,800	14,800	16,000 <sup>1/</sup>

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Blanton

Dr. Leonard Kirchner, Director (Tel. 234-3655)

GENERAL FUND, FEDERAL FUNDS, COUNTY FUNDS, AND OTHER FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
AHCCCS			
Administration	20,554,200	36,188,200	56,092,800
Acute Care	266,617,500	329,605,300	397,973,200
Long Term Care	-0-	10,309,000	188,904,600
<b>TOTAL EXP. AUTHORITY</b>	<b>287,171,700</b>	<b>376,102,500</b>	<b>642,970,600</b>
FTE Positions	350.5	464.5	717.25
Personal Services	7,223,200	9,943,300	15,566,000
Employee Related Exp.	1,419,500	1,981,300	3,200,700
Prof. & Outside Services	7,393,400	16,031,400	18,967,400
Travel - State	81,300	194,100	391,900
Travel - Out of State	28,100	53,700	46,300
Other Operating Exp.	2,482,200	4,240,500	5,190,000
Equipment	1,926,500	3,743,900	3,340,500
All Other Operating Exp.	11,911,500	24,263,600	27,936,100
<b>OPERATIONS SUB-TOTAL</b>	<b>20,554,200</b>	<b>36,188,200</b>	<b>46,702,800</b>
Special Line Items	266,617,500	339,914,300	595,660,800
Additional Exp. Authority	-0-	-0-	607,000
<b>TOTAL EXP. AUTHORITY</b>	<b>287,171,700</b>	<b>376,102,500</b>	<b>642,970,600</b>
Federal Contribution	(87,147,800)	(111,982,800)	(312,038,200)
County Contribution	(58,432,600)	(58,432,600)	(119,254,300)
Miscellaneous	(13,769,000)	(18,493,800)	(5,070,000)
<b>TOTAL APPROPRIATIONS</b>	<b>127,822,300</b>	<b>187,193,300</b>	<b>206,608,100</b> <sup>1/2/3/</sup>

(Continued)

- 1/ Subject to approval by the Joint Legislative Budget Committee, all collections received by AHCCCS during the fiscal year when paid into the state treasury are appropriated for acute or long term care programmatic expenses as appropriate.
- 2/ A monthly report comparing actual expenditures for the month and year to date shall be forwarded to the president of the senate, the speaker of the house of representatives and the staff director of the Joint Legislative Budget Committee by the twenty-fifth of the following month.
- 3/ General Fund Appropriation.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM - SUMMARY (Cont'd)  
GENERAL FUND, FEDERAL FUNDS, COUNTY FUNDS, AND OTHER FUNDS

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ADDITIONAL EXPENDITURE AUTHORITY

Omnibus AHCCCS Bill - S.B. 1486 (Chapter 302) - Appropriates \$303,000 from the General Fund to provide: \$228,000 for Liver transplants for children and \$75,000 for the purpose of conducting the eligibility study pursuant to section 63 of the act. Based upon this General Fund appropriation, federal financial participation for the liver transplants of \$304,000 is anticipated and has been included in the total expenditure authority.

Dr. Leonard Kirchner, Director (Tel. 234-3655)

GENERAL FUND AND OTHER FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>350.5</u>	<u>464.5</u>	<u>717.25</u>
Personal Services	<u>7,223,200</u>	<u>9,943,300</u>	<u>15,566,000</u>
Employee Related Exp.	<u>1,419,500</u>	<u>1,981,300</u>	<u>3,200,700</u>
Prof. & Outside Services	7,393,400	16,031,400	18,967,400
Travel - State	81,300	194,100	391,900
Travel - Out of State	28,100	53,700	46,300
Other Operating Exp.	2,482,200	4,240,500	5,190,000
Equipment	<u>1,926,500</u>	<u>3,743,900</u>	<u>3,340,500</u>
All Other Operating Exp.	<u>11,911,500</u>	<u>24,263,600</u>	<u>27,936,100</u>
OPERATIONS SUB-TOTAL	20,554,200	36,188,200	46,702,800
DES Eligibility	-0-	-0-	9,315,000 <sup>1/</sup>
Additional Exp. Authority - 38th Leg., 2nd Reg. Session			
Ch. 302, Omnibus AHCCCS Bill	--	--	<u>75,000</u>
TOTAL EXP. AUTHORITY	<u>20,554,200</u>	<u>36,188,200</u>	<u>56,092,800</u> <sup>2/</sup>
<u>Fund Summary</u>			
General Fund	<u>10,340,700</u>	<u>16,851,700</u>	<u>29,557,600</u>
Other Fund	<u>10,213,500</u>	<u>19,336,500</u>	<u>26,535,200</u>
TOTAL EXP. AUTHORITY	<u>20,554,200</u>	<u>36,188,200</u>	<u>56,092,800</u>

The approved amount includes \$526,400 in Personal Services and \$306,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$52,900 in Employee Related Expenditures for the increased retirement contribution. Of this amount \$512,600 is from the State General Fund.

(Continued)

- <sup>1/</sup> These monies shall be utilized for an intergovernmental agreement with the Department of Economic Security to determine eligibility for categoricals and medical assistance only populations for the AHCCCS program.
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated by detailed line item for the program.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM - ADMINISTRATION (Cont'd)  
GENERAL AND OTHER FUNDS

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Personal Services - The amount approved includes a 3.89 percent vacancy factor, funding for the annualization of 171.75 FTE positions associated with long term care administration and funding for 81.0 new FTE positions of which 71 are provided to accomplish the pre admission screening of long term care clients as required by the federal government and 10 for administrative duties associated with acute care: two Administrative Services Officer III's; one Administrative Services Officer II; two Health Program Manager III's; 28 Medical Services Program Review Specialists; 22 Human Services Specialist II's; eight Secretaries; four EDP Programmer Analyst II's; three Fiscal Services Specialist V's; one Medical Payments Recovery Supervisor III; three Hearing Officer II's; one Administrative Assistant III; one Clerk Typist III; one EDP Auditor III; two Budget Control Development Specialist II's; one EDP Technical Support Specialist II; and one EDP Technical Support Specialist I.

JLBC Analyst: Blanton

Dr. Leonard Kirchner, Director (Tel. 234-3655)

GENERAL FUND, FEDERAL FUNDS, AND COUNTY FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Capitation Payments	206,478,200	235,609,800	289,896,700
Fee for Services	43,056,400	68,096,700	78,989,700
Reinsurance	10,547,700	15,979,800	17,532,200
Child Rehab. Services	2,740,000	4,937,900	4,837,900
Medicare Premiums	3,795,200	4,981,100	6,184,700
<b>TOTAL</b>	<b>266,617,500</b>	<b>329,605,300</b>	<b>397,441,200 <sup>1/2/</sup></b>
Additional Exp. Authority - 38th Leg., 2nd Reg. Session			
Ch. 302, Omnibus AHCCCS Bill	--	--	532,000 <sup>3/</sup>
<b>TOTAL EXP. AUTHORITY</b>	<b>266,617,500</b>	<b>329,605,300</b>	<b>397,973,200</b>
<u>Fund Summary</u>			
General Fund	117,481,600	165,741,600	177,050,500
Other Funds	149,135,900	163,863,700	220,922,700
<b>TOTAL EXP. AUTHORITY</b>	<b>266,617,500</b>	<b>329,605,300</b>	<b>397,973,200</b>

The general fund appropriation for acute care has been affected by:

- Year six rate adjustment. The federal financial participation increased for year six resulting in additional federal funds and, thus, reducing the requirement for state funds.
- Adding children ages 6-13 to existing coverage. Increasing the age for coverage resulted in an increased requirement for state funds.
- Increased categorical participation. It is anticipated that the categorical member months will be increased by approximately 30 percent due in part to increased AFDC and SSI caseloads.

(Continued)

1/ If AHCCCS enters into an agreement with the federal government for federal financial participation for eligible medically needy and medically indigents in the medical assistance only program, representatives of the Joint Legislative Budget Committee, the Executive branch and AHCCCS Administration will determine an adjustment to the Acute Care expenditure authority and all reductions applicable to the state General Fund shall immediately be reverted.

2/ Represents General Appropriation Act funds. Appropriated by detailed line item for the program.

3/ Comprised of \$228,000 appropriated from the state General Fund and \$304,000 matching federal financial participation.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM - ACUTE CARE (Cont'd)  
GENERAL FUND, FEDERAL FUNDS, AND COUNTY FUNDS

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Capitation Payments - The increase reflects the anticipated increased population and a rate increase of approximately 7.5 percent.

Fee for Services - The increase reflects the anticipated cost of services for a larger number of patients brought about by greater usage of services by the medically indigent and medically needy populace, Native Americans referred off-reservation, deferred liability and inflation.

Medicare Premium - The increase reflects the anticipated 26 percent increase per member per month and the increased number of patients being covered.

Reinsurance - The increase reflects costs associated with an increased population served and the establishment of a long term care reinsurance fund as required by section 36-2950, Arizona Revised Statutes.

JLBC Analyst: Blanton

Dr. Leonard Kirchner, Director (Tel. 234-3655)

GENERAL FUND, FEDERAL FUNDS, AND COUNTY FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Long Term Care Fund	-0-	10,309,000	188,904,600
TOTAL EXP. AUTHORITY	-0-	10,309,000	188,904,600 <sup>1/2/</sup>
<u>Fund Summary</u>			
General Fund	-0-	4,600,000	-0-
Other Funds	-0-	5,709,000	188,904,600
TOTAL EXP. AUTHORITY	-0-	10,309,000	188,904,600

On January 1, 1989, the AHCCCS program will provide long term care to eligible Arizona Long Term Care System (ALTCs) members in an institutional setting, or under the conditions of a federally approved waiver, in a Home and Community Based setting. Anticipating a population of about 15,000, the Arizona LTC system will bring dignity and support to individuals who are unable to care for themselves, or who need assistance in personal care.

Persons who pass the pre-admission screening test, administered through the Office of the Medical Director, AHCCCS, will be simultaneously assessed for potential eligibility up to 300 percent of SSI under Title XIX of the Social Security Act, through either AFDC or S.S.I. and related requirements. AHCCCS' Division of Long Term Care Eligibility will be responsible for coordinating this process, and for determining ALTCs eligibility.

Those persons who meet U.S. citizenship, state residency and other financial requirements of the federal Title XIX programs will become ALTCs eligible for health care. Some examples of eligibility categories for ALTCs are:

- Persons who meet AFDC requirements, including pregnant women, children under 18, persons receiving continued coverage under work status transition, foster care or adoption subsidy recipients.
- Persons who meet the criteria of AFDC-related groups, including children under 2, and pregnant women whose income is less than 100% of Federal Poverty Limit.
- Persons who meet SSI requirements, including persons who meet criteria of SSI-related groups, including disabled widows and widowers, and adult disabled children.

(Continued)

<sup>1/</sup> In addition to the amount appropriated, all state General Fund amounts plus corresponding federal reimbursement left unencumbered and unexpended on June 30, 1988 in the Arizona long term care system fund is appropriated to continue the administration of the state long term care program.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program.



ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM - LONG TERM CARE (Cont'd)  
GENERAL FUND, FEDERAL FUNDS, AND COUNTY FUNDS

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The AHCCCS program will provide services to this population in a prepaid, capitated setting. Under the guidance of a case management system, ALTCS members will receive covered services through qualified county program contractors and other licensed and registered providers of care. Subject to limitations and exclusions, ALTCS covered services will include, as necessary,

- Institutional Services
- Skilled Nursing Facility Services
- Intermediate Care Facility Services
- Home and Community Based Services

The programmatic costs associated with this program are to be borne by the counties and federal financial participation.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

SUMMARY OF GENERAL FUND AND OTHER FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administration	-0-	-0-	15,076,300
Office of the Director	1,250,500	1,251,800	-0-
Business and Finance	10,184,000	9,849,200	-0-
Management Review	2,698,000	2,766,200	-0-
Data Administration	4,726,300	4,922,700	-0-
Planning & Policy Development	1,493,400	1,795,500	-0-
Developmental Disabilities	64,420,800	69,481,200	48,157,200
Long Term Care System Fund	-0-	-0-	66,773,800
Family Support	-0-	-0-	68,431,100
Social Services	-0-	-0-	82,108,200
Aging, Family and Children Services	124,221,800	136,833,100	-0-
Child Protective Svcs. Training	179,600	391,800	410,500
Employment and Rehab. Services	-0-	-0-	5,156,100
Employment & Trng. Prog.	426,700	597,400	-0-
Rehabilitation Services Admin.	3,286,800	3,634,500	-0-
<b>TOTAL EXP. AUTHORITY</b>	<b>212,887,900</b>	<b>231,523,400</b>	<b>286,113,200</b>
<u>Expenditure Detail</u>			
FTE Positions	2,672.8	2,664.3	2,781.9
Personal Services	53,798,100	56,116,900	65,624,100
Employee Related Exp.	13,204,300	12,619,400	16,034,200
Prof. & Outside Services	2,107,300	1,950,300	2,318,700
Travel - State	773,700	908,200	1,282,400
Travel - Out of State	44,800	54,400	42,600
Other Operating Exp.	12,429,700	12,578,900	14,175,200
Food	815,400	753,200	866,400
Equipment	871,200	1,128,200	2,807,700
All Other Operating Exp.	17,042,100	17,373,200	21,493,000
<b>OPERATION SUB-TOTAL</b>	<b>84,044,500</b>	<b>86,109,500</b>	<b>103,151,300</b>
Assistance Payments and Services	128,843,400	145,413,900	181,689,900
Additional Appropriations	-0-	-0-	1,272,000
<b>TOTAL EXP. AUTHORITY</b>	<b>212,887,900</b>	<b>231,523,400</b>	<b>286,113,200</b>

(Continued)

DEPARTMENT OF ECONOMIC SECURITY (Cont'd)  
SUMMARY OF GENERAL FUND  
AND CHILDREN/FAMILY SERVICES  
TRAINING PROGRAM FUND

<u>Fund Summary</u>			
General Fund	212,708,300	231,038,500	244,145,800
Other Appropriated Funds	179,600	484,900	502,100
Title XIX and Other Funds	<u>-0-</u>	<u>-0-</u>	<u>41,465,300</u>
TOTAL EXP. AUTHORITY	212,887,900	231,523,400	286,113,200
Title XIX Funds	<u>-0-</u>	<u>-0-</u>	<u>(41,465,300)</u>
TOTAL APPROPRIATIONS	<u>212,887,900</u>	<u>231,523,400</u>	<u>244,647,900</u> <sup>1/2/</sup>

At the suggestion of the Department of Economic Security, the DES budget structure has been revised. The first element of the reorganization is a reduced number of budget programs. The FY 1989 General Appropriations Act:

- creates an Administration budget program by combining the current Office of the Director, Business and Finance, Management Review, Data Administration, and Planning and Policy Development programs.
- splits the existing Aging, Family and Children Services program into two new cost centers, Family Support and Social Services.
- creates an Employment and Rehabilitative Services program by combining the current Employment and Training and Rehabilitation Services Administration programs.

A second element of the reorganization is designed to give each program greater authority over its own expenses. Prior to FY 1989, several "all other operating" expense items were consolidated in one program. All Out-of-State Travel and replacement equipment funds were located in the Office of the Director while risk management and occupancy costs (rent and utilities) were controlled by Business and Finance. To provide each program with greater incentive to control these costs, the FY 1989 appropriation allocates these expenses to each cost center.

1/ The above appropriation is in addition to funds granted to the state by the federal government for the same purposes, but shall be deemed to include the sums deposited in the state treasury to the credit of the Department of Economic Security, pursuant to the provisions of section 42-1341, Arizona Revised Statutes.

2/ It is legislative intent that the department increase its fee schedule collections as a means of obtaining additional revenue. With added resources, the department can expand services to those most in need. By December 1, 1988, the department shall report to the chairmen of the Appropriations Committees its progress in updating the current fee schedules, developing new fee schedules for services that currently do not have schedules and increasing the rate and level of collections. The report shall include a progress report on the department's success in meeting past legislative directives on fee schedules.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND AND OTHER FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	319.7
Personal Services	-0-	-0-	8,587,600
Employee Related Exp.	-0-	-0-	1,962,700
Prof. & Outside Services	-0-	-0-	635,200
Travel - State	-0-	-0-	163,000
Travel - Out of State	-0-	-0-	16,400
Other Operating Exp.	-0-	-0-	2,388,300
Equipment	-0-	-0-	1,231,500
All Other Operating Exp.	-0-	-0-	4,434,400
OPERATION SUB-TOTAL	-0-	-0-	14,984,700
Public Assistance Collections	-0-	-0-	91,600 <sup>1/</sup>
TOTAL APPROPRIATIONS	-0-	-0-	15,076,300 <sup>2/</sup>
<u>Fund Summary</u>			
General Fund	-0-	-0-	14,984,700
Public Assistance Collections Fund	-0-	-0-	91,600
TOTAL APPROPRIATIONS	-0-	-0-	15,076,300

The approved amount includes \$292,100 in Personal Services and \$170,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$29,400 in Employee Related Expenditures for the increased retirement contribution. Of these amounts, \$488,600 is from the general fund and \$3,200 is from the Public Assistance Collections Fund.

(Continued)

<sup>1/</sup> As authorized by chapter 55, Laws of 1987, this amount is available for deposit into the Public Assistance Collections Fund. (Personal Services, \$57,300; Employee Related Expenditures, \$14,900; and All Other Operating, \$19,400.)

<sup>2/</sup> Represents General Appropriation Act Funds. Appropriated by modified lump sum for the program. The objects of expenditures are shown for informational purposes only.

DEPARTMENT OF ECONOMIC SECURITY - ADMINISTRATION (Cont'd)  
GENERAL FUND

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This new budget program combines parts of five programs in the previous budget structure:

- the Office of the Director,
- the Division of Business and Finance,
- the Division of Management Review,
- the Office of Data Administration and
- the Division of Planning and Policy Development.

These offices are being combined only for purposes of the appropriations format. The staffs will continue to function as separate entities in the department.

FTE Positions - The approved amount includes a downward adjustment of 23.5 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

The approved amount also includes new FTE positions as detailed below.

Early Fraud Detection - The approved amount includes \$63,000 and two FTE positions to expand the Early Fraud Detection program in the Division of Management Review. Under this program, eligibility workers refer potentially fraudulent AFDC and Food Stamp applications to special investigators for further review. To maximize State savings, these additional positions will investigate potential AFDC fraud cases in Phoenix and/or Tucson. The federal government will match these funds at least dollar for dollar, thereby creating another two positions.

In-House Automation Staff - The approved amount reflects an additional five FTE positions to complete the system development or enhancement of numerous projects. Federal revenues will fund another five positions for this purpose. Hiring in-house personnel is expected to save \$41,600 when compared to the current cost of contracted services.

Other Operating Expenses - The approved amount includes \$10,400 for annualization of the DES Attorney General rent expenses. The FY 1988 base amount for rent was \$79,000.

Equipment - The approved amount includes \$696,000 for the lease-purchase of the FY 1987 and FY 1988 equipment acquisitions. The FY 1987 lease-purchase funded part of the automated welfare eligibility system, the Arizona Technical Eligibility Computer System (AZTECS) and the FY 1988 acquisition upgraded the mainframe computer processing unit.

Public Assistance Collections Fund - Chapter 55, Laws of 1987, requires 25 percent of repaid erroneous public assistance benefits to be deposited into the Public Assistance Collections Fund. These monies may finance the hiring of additional debt collection staff.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - ADMINISTRATION (Cont'd)  
GENERAL FUND

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LAND, BUILDING AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - Section 2 of the Capital Outlay Bill appropriates funds to the Department of Administration for each state agency's building renewal. Any DES allocation is contingent upon a matching contribution by the Department of \$122,678 from federal or other funds. The Department shall establish a major maintenance and repair account for deposit of its matching contribution and any DOA allocation. Amounts deposited in the account shall only be used for major maintenance and repair activities.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>20.5</u>	<u>20.5</u>	<u>0.0</u>
Personal Services	<u>583,800</u>	<u>678,700</u>	<u>-0-</u>
Employee Related Exp.	<u>116,500</u>	<u>122,800</u>	<u>-0-</u>
Prof. & Outside Services	2,100	3,600	-0-
Travel - State	18,900	14,800	-0-
Travel - Out of State	44,800	54,400	-0-
Other Operating Exp.	91,600	66,900	-0-
Equipment	<u>392,800</u>	<u>310,600</u>	<u>-0-</u>
All Other Operating Exp.	<u>550,200</u>	<u>450,300</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,250,500</u>	<u>1,251,800</u>	<u>-0-</u>

The Office of the Director FTE positions and resources have been transferred to the new Administration budget program.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

<u>GENERAL FUND AND PUBLIC ASSISTANCE COLLECTIONS FUND</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
FTE Positions	<u>160.0</u>	<u>132.5</u>	<u>0.0</u>
Personal Services	<u>3,297,700</u>	<u>2,728,100</u>	<u>-0-</u>
Employee Related Exp.	<u>815,800</u>	<u>605,500</u>	<u>-0-</u>
Prof. & Outside Services	87,100	115,800	-0-
Travel - State	46,100	45,200	-0-
Other Operating Exp.	<u>5,937,300</u>	<u>6,261,500</u>	<u>-0-</u>
All Other Operating Exp.	<u>6,070,500</u>	<u>6,422,500</u>	<u>-0-</u>
OPERATION SUB-TOTAL	10,184,000	9,756,100	-0-
Public Assistance Collections	<u>-0-</u>	<u>93,100</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>10,184,000</u>	<u>9,849,200</u>	<u>-0-</u>
<u>Fund Summary</u>			
General Fund	10,184,000	9,756,100	-0-
Public Assistance Collections Fund	<u>-0-</u>	<u>93,100</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>10,184,000</u>	<u>9,849,200</u>	<u>-0-</u>

Business and Finance FTE positions and resources have been transferred to the new Administration budget program.



JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	80.0	80.0	0.0
Personal Services	2,058,100	2,097,900	-0-
Employee Related Exp.	441,000	429,100	-0-
Prof. & Outside Services	15,700	24,600	-0-
Travel - State	48,800	61,500	-0-
Other Operating Exp.	131,700	153,100	-0-
Equipment	2,700	-0-	-0-
All Other Operating Exp.	198,900	239,200	-0-
TOTAL APPROPRIATIONS	2,698,000	2,766,200	-0-

Management Review FTE positions and resources have been transferred to the new Administration budget program.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>75.0</u>	<u>76.5</u>	<u>0.0</u>
Personal Services	<u>1,825,800</u>	<u>1,934,600</u>	<u>-0-</u>
Employee Related Exp.	<u>385,000</u>	<u>383,000</u>	<u>-0-</u>
Prof. & Outside Services	1,262,700	879,100	-0-
Travel - State	2,400	11,400	-0-
Other Operating Exp.	986,700	897,000	-0-
Equipment	<u>263,700</u>	<u>817,600</u>	<u>-0-</u>
All Other Operating Exp.	<u>2,515,500</u>	<u>2,605,100</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>4,726,300</u>	<u>4,922,700</u>	<u>-0-</u>

Office of Data Administration FTE positions and resources have been transferred to the new Administration budget program.

DEPARTMENT OF ECONOMIC SECURITY - DIVISION OF PLANNING AND POLICY A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>36.0</u>	<u>36.0</u>	<u>0.0</u>
Personal Services	<u>932,600</u>	<u>1,051,900</u>	<u>-0-</u>
Employee Related Exp.	<u>215,100</u>	<u>215,300</u>	<u>-0-</u>
Prof. & Outside Services	1,100	1,000	-0-
Travel - State	15,100	17,100	-0-
Other Operating Exp.	61,400	90,400	-0-
Equipment	1,200	-0-	-0-
All Other Operating Exp.	<u>78,800</u>	<u>108,500</u>	<u>-0-</u>
OPERATION SUB-TOTAL	1,226,500	1,375,700	-0-
Information & Referral Services	78,000	84,100	-0-
Homeless Shelter	163,700	253,400	-0-
Food Distribution Information	25,200	22,300	-0-
Food Bank Assistance	<u>-0-</u>	<u>60,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,493,400</u>	<u>1,795,500</u>	<u>-0-</u>

Planning and Policy Development FTE positions and resources have been transferred to other budget programs.

## DEPARTMENT OF ECONOMIC SECURITY - DEVELOPMENTAL DISABILITIES

A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown , Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	1,133.4	1,151.9	562.1
Personal Services	21,035,800	22,388,300	13,183,500
Employee Related Exp.	5,479,400	5,586,900	3,508,000
Prof. & Outside Services	621,200	564,800	260,000
Travel - State	170,300	173,200	142,300
Travel - Out-of-State	-0-	-0-	3,700
Other Operating Exp.	1,631,300	1,846,100	2,087,900
Food	815,400	753,200	288,100
Equipment	201,100	-0-	92,500
All Other Operating Exp.	3,439,300	3,337,300	2,874,500
OPERATION SUB-TOTAL	29,954,500	31,312,500	19,566,000
Purchase of Care	28,002,700	30,716,100	21,971,600 <sup>1/</sup>
Foster Care	5,664,500	6,155,700	4,761,900 <sup>1/</sup>
Vocational Rehab. Contracts	105,200	113,400	117,400 <sup>1/</sup>
Stipends & Allowances	12,500	10,000	10,400 <sup>1/</sup>
Out of District Placement	465,100	598,500	800,800 <sup>1/</sup>
Assistance to Families	216,300	275,000	375,000 <sup>1/</sup>
Housekeeping Payment	-0-	-0-	404,100 <sup>1/</sup>
ASH Community Placement	-0-	-0-	150,000 <sup>1/2/</sup>
Long Term Care	-0-	300,000	-0-
TOTAL APPROPRIATIONS	64,420,800	69,481,200	48,157,200 <sup>3/4/</sup>

The approved amount includes \$445,800 in Personal Services and \$259,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$44,800 in Employee Related Expenditures for the increased retirement contribution.

With the implementation of the Title XIX federal long term care program, developmental disability resources will be split into two budget programs. Approximately 40 percent of the current 5,100 DD clients will qualify for long term care. The resources to fund their programs will be in a new budget cost center, the Long Term Care System Fund. All other clients will continue to receive assistance through this existing program, Developmental Disabilities.

(Continued)

- 1/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 2/ It is legislative intent that these funds shall be spent in accordance with H.B. 2334, as introduced in the thirty-eighth legislature, second regular session.
- 3/ Represents General Appropriations Act funds. Appropriated by modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
- 4/ When combined with the Long Term Care System Fund, total FY 1989 DD resources equal \$115 million.

DEPARTMENT OF ECONOMIC SECURITY - DEVELOPMENTAL DISABILITIES  
 GENERAL FUND (CONT'D)

The long term care program is scheduled to take effect on October 1, 1988. For FY 1989, the Developmental Disabilities program will fund all clients for the period of July through September 1988 and will fund non-long term care clients for the remainder of the fiscal year.

With the implementation of Long Term Care, total DD resources will increase by \$45.5 million:

PROGRAM	FY 1988			FY 1989		
	State	Federal	Total	State	Federal	Total
Developmental Disabilities	69.5	-0-	69.5	48.2	-0-	48.2
Long Term Care System Fund	-0-	-0-	-0-	25.3	41.5	66.8
TOTAL	69.5	-0-	69.5	73.5	41.5	115.0

(dollars in millions)

FTE Positions - The approved amount includes a downward adjustment to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

ATPP Annualization - The approved amount reflects annualization savings of \$235,500 and 6.2 FTE positions from closing the Arizona Training Program at Phoenix (ATPP). Senate Bill 1072 (Chapter 313, Laws of 1985) mandated the ATPP closing.

The approved amount also includes a) \$47,600 to fund the rent payments for the group homes replacing the ATPP and b) \$94,900 to replace office space lost with the ATPP closing.

Both the savings and the added cost are spread through this program as well as the Long Term Care System Fund.

Purchase of Care for Developmental Disabilities - The approved amount funds contracts with providers of community services, which include residential care, adult services, child services, support services, case management and other related services. The expenditures detail is as follows:

Residential Services	\$ 7,768,900
Adult Day Services	3,915,500
Family Support	5,630,300
Children Services	4,656,900
TOTAL	<u>\$21,971,600</u>

The approved amount includes the following:

Aging-out residential services - The FY 1988 appropriation included \$545,000 to fund part-year residential services for 18 year-olds no longer receiving foster care. The approved amount includes a) an additional \$486,000 to annualize that cost for 57 clients and b) \$355,500 for six months of care of 39 foster care children turning 18 during FY 1989. The non-Title XIX share of these aging-out costs is \$374,500.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - DEVELOPMENTAL DISABILITIES  
GENERAL FUND (CONT'D)

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Aging-out adult day programs - The FY 1988 appropriation included \$115,000 to fund part-year adult day services for 22 year-olds no longer receiving a public education. The approved amount includes a) \$40,600 to annualize the cost for 30 clients and b) \$121,900 for six months of care of 47 newly-eligible FY 1989 recipients.

Children Services - The approved amount reflects an additional \$750,100 for children services in FY 1989. This amount includes:

- \$112,000 to annualize the cost of services provided to 81 children in FY 1988.
- \$401,600 to fund 226 children for an average of six months of family and preschool-based developmental day training in FY 1989. This amount is intended to fund the full waiting list for these services, as outlined in the DES budget submission.
- \$236,500 to fund at least part of the waiting list for therapy and transportation services.

The Appropriations Committees also have an on-going interest in DES' plans to expend the state's federal grant for education of the handicapped. It is legislative intent that these funds complement the state general fund appropriation and be channeled toward direct services and away from administrative expenses.

Foster Care - The approved amount provides services for 437 developmentally disabled children, adjudicated dependent by the courts, including an additional ten children who are projected to enter the system by court order during fiscal year 1989.

The approved amount also includes the cost of diapers and other medical supplies. This cost was previously funded in the Comprehensive Medical and Dental Program. This transfer will enhance the DD case managers' ability to monitor the expenditure of these funds.

The non-Title XIX share of these additional costs is \$368,300.

Vocational Rehabilitation Contracts - The approved amount provides vocational rehabilitation services to developmentally disabled persons.

Stipends and Allowances - The approved amount provides allowances to the residents of the Arizona Training Programs at Coolidge and Tucson.

Residential Services - Out of School District Placement - Arizona Revised Statutes Section 25-765 provides that the non-medical and non-educational expenses of trainable mentally and educable mentally handicapped children are payable by the Department when a school district cannot provide satisfactory education services within the district. The approved amount will provide services to at least 23 children in FY 1989, an increase of five from FY 1988. This amount is intended to fund the waiting list for these services, as outlined in the DES budget submission.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - DEVELOPMENTAL DISABILITIES  
GENERAL FUND (CONT'D)

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Assistance to Families - This program provides payments to a parent, guardian, or individual on behalf of a developmentally disabled individual. The payment is designed to maintain that child in his or her own home or in a semi-independent environment. A maximum of \$400 per month is available for any one individual. Given the program's success during its first two years of operation, the approved amount includes a \$100,000 increase over FY 1988.

Housekeeping Payments - The approved amount reflects the transfer of DD Housekeeping Payments from the Adult Services line of the Aging, Family and Children Services program. Arizona Revised Statutes Section 46-252 requires DES to make a \$70 monthly payment to any person who requires housekeeping services and receives Supplemental Security Income (SSI). This transfer will permit a more accurate display of DD expenditures.

ASH Community Placement - The approved amount will permit 15 "dually-diagnosed" clients in the Arizona State Hospital to be placed in community settings. These clients need a joint service plan to address both their mental health needs and their developmental disabilities. Title XIX will fund the clients' residential costs. This appropriation will provide non-Title XIX services such as psychiatric care. It is legislative intent that these funds are to be expended in accordance with H.B. 2334, as introduced in the second regular session of the 38th Legislature.

Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL LEGISLATION

Omnibus AHCCCS Revisions - S.B. 1486 (Chapter 302) - This legislation permits the start of the Long Term Care program to be delayed to no later than January 1, 1989. If the program is delayed beyond the original October 1, 1988 starting date, the funding levels of the Developmental Disabilities and Long Term Care System Fund programs will need to be adjusted. S.B. 1486 provides that the Department may transfer money from the Long Term Care System Fund to the Developmental Disabilities program with prior approval of the Joint Legislative Budget Committee.

Edd F. Brown, Director (Tel. 255-5676)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	706.7
Personal Services	-0-	-0-	16,154,000
Employee Related Exp.	-0-	-0-	4,293,000
Prof. & Outside Services	-0-	-0-	1,169,000
Travel - State	-0-	-0-	168,800
Travel - Out of State	-0-	-0-	4,400
Other Operating Exp.	-0-	-0-	2,507,200
Food	-0-	-0-	578,300
Equipment	-0-	-0-	601,600
All Other Operating Exp.	-0-	-0-	5,029,300
OPERATION SUB-TOTAL	-0-	-0-	25,476,300
Purchase of Care	-0-	-0-	25,041,200 <sup>1/</sup>
Foster Care	-0-	-0-	4,103,800 <sup>1/</sup>
Stipends and Allowances	-0-	-0-	153,600 <sup>1/</sup>
Fee for Service	-0-	-0-	3,670,500 <sup>1/</sup>
Acute Care	-0-	-0-	6,815,000 <sup>1/2/</sup>
Reserve	-0-	-0-	1,513,400 <sup>1/2/</sup>
TOTAL EXP. AUTHORITY	-0-	-0-	66,773,800
Less Title XIX and Other Funds	-0-	-0-	41,465,300
TOTAL APPROPRIATIONS	-0-	-0-	25,308,500 <sup>3/</sup>

The approved amount includes \$546,200 in Personal Services and \$318,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$54,900 in Employee Related Expenditures for the increased retirement contribution. Of these amounts, \$348,500 is from the General Fund. (Continued)

- <sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>2/</sup> This reserve is intended primarily for the costs of renovating the Arizona training programs, installing an automated accounting and reporting system for the Division of Developmental Disabilities and providing for the acute care of long term care clients. Title XIX automation funds shall be available from the reserve if matched by the federal government. Quarterly status reports shall be made to the Joint Legislative Budget Committee on the planned expenditure of these funds.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditures are shown for informational purposes only.



DEPARTMENT OF ECONOMIC SECURITY - LONG TERM CARE SYSTEM FUND (Cont'd)  
 GENERAL FUND

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Chapter 332, Laws of 1987, establishes a long term care program for the elderly, physically disabled and developmentally disabled (DD). While the elderly and physically disabled are a county responsibility, DES will administer the DD program.

With the implementation of this program, the state will become eligible for federal Title XIX Medicaid funding. While DES currently pays almost 100 percent of the cost of DD services, the federal government will begin to share 62 percent of this expense for certain individuals.

To qualify for federal funding, an individual must have an income below 300 percent of the Supplemental Security Income eligibility limit and have functional needs that require institutionalization. Whenever possible, DES is required to provide care in home-based settings rather than in nursing homes.

Title XIX is an entitlement program -- any individual meeting the financial and functional requirements must receive assistance. The current state program does not serve all Title XIX eligible clients. As a result, the new federal program will increase participation and reduce the waiting list for services by approximately 1,000 persons.

Budget Format - Chapter 332 establishes a long term care system fund. Subject to legislative appropriation, this fund consists of all Arizona Health Care Cost Containment System (AHCCCS) monies, state appropriations and other grants used to finance developmentally disabled long term care.

With the implementation of Title XIX, developmental disability resources will be split into two budget programs. This program, the Long Term Care System Fund, will finance the care of DD clients who will qualify for federal aid. All other clients will continue to receive assistance through the existing Developmental Disabilities budget program.

With the introduction of federal long term care funding, total DD resources will increase by \$45.5 million:

<u>PROGRAM</u>	FY 1988			FY 1989		
	<u>State</u>	<u>Federal</u>	<u>Total</u>	<u>State</u>	<u>Federal</u>	<u>Total</u>
	(dollars in millions)					
Developmental Disabilities	69.5	-0-	69.5	48.2	-0-	48.2
Long Term Care System Fund	--	-0-	-0-	25.3	41.5	66.8
TOTAL	69.5	-0-	69.5	73.5	41.5	115.0

Under the provisions of Chapter 332, the long term care program is scheduled to take effect on October 1, 1988. On that date, all federally eligible clients will have their care financed from the Long Term Care System Fund. Before that date, they will continue to be covered in the existing Developmental Disabilities budget.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - LONG TERM CARE SYSTEM FUND (Cont'd)  
GENERAL FUND

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FTE Positions - The approved amount includes:

- an additional 118 FTE positions at the Arizona Training Programs at Coolidge and Tucson. The two Training Programs are currently authorized approximately 800 FTE positions. Of the new positions, 64 FTE positions are Habilitation Technician II's -- the staff in direct contact with residents. The increase will permit a three-to-one ratio of residents to Habilitation Technicians. All additional positions are necessary to meet federal staffing requirements.
- an additional 52.7 administrative FTE positions. The extra staff will perform new administrative functions required by Title XIX, such as on-going service assessments, medical audits, utilization review and inspection of care.
- a downward adjustment to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

ATPP Annualization - The approved amount reflects annualization savings of \$235,500 and 6.2 FTE positions from closing the Arizona Training Program at Phoenix (ATPP). Senate Bill 1072 (Chapter 313, Laws of 1985) mandated the ATPP closing.

The approved amount also includes a) \$47,600 to fund the rent payments for the group homes replacing the ATPP and b) \$94,900 to replace office space lost with ATPP closure.

Both the savings and the added costs are spread through this program as well the Developmental Disabilities budget.

Purchase of Care for Developmental Disabilities - The approved amount funds contracts with providers of community services, including:

Residential Services	\$ 17,349,900
Adult Day Services	1,075,000
Family Support	6,616,300
TOTAL	<u>\$ 25,041,200</u>

The approved amount funds "aging-out" residential services. The FY 1988 appropriation included \$545,000 to fund part-year residential services for 18 year-olds no longer receiving foster care. The approved amount includes a) an additional \$486,000 to annualize that cost for 57 clients and b) \$355,500 for six months of care of 39 foster care children turning 18 during FY 1989. The Long Term Care System Fund's share of these aging-out costs is \$467,000.

The approved amount will allow the department to expand its package of family support services to 336 current recipients and 734 new recipients. With this type of assistance, the DD individual can remain in the home rather than be institutionalized. Depending on an individual's particular needs, a household may receive a combination of adult day programs, in-home training, personal care, homemaker, transportation and respite services.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - LONG TERM CARE SYSTEM FUND (Cont'd)  
GENERAL FUND

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The approved amount also includes funds for vendor-operated group homes to meet new Title XIX mandates. For example, Title XIX requires a staffing increase to ensure safe evacuations of group facilities in case of fire. In addition, vendors will need added administrative staff to meet Title XIX reporting burdens. The Appropriations Committees did not include funds to meet possible new Department of Labor wage and hour requirements for "awake at night" staff, preferring instead to wait for final resolution of the issue.

Foster Care - DES currently provides foster care to 437 developmentally disabled children. Another ten children are projected to enter the system by court order during fiscal year 1989.

The approved amount includes the cost of diapers and other medical supplies. This cost was previously funded in the Comprehensive Medical and Dental Program. This transfer will enhance the DD case managers' ability to monitor the expenditure of these funds.

The Long Term Care System Fund's share of the additional FY 1989 costs is \$215,000.

Stipends and Allowances - The approved amount provides allowances to the residents of the Arizona Training Programs.

Fee for Service - Two populations, medically fragile children and on-reservation American Indians, will receive assistance through traditional fee for service. At least 51 medically fragile children are expected to qualify for long term care.

Acute Care - Chapter 332 requires DES to provide acute as well as long term care for its DD clients. The Arizona Health Care Cost Containment System Administration had previously paid this cost. The approved amount includes \$2,784,900 in state general funds transferred from the AHCCCS budget.

Reserve - Given the on-going long term care negotiations with the federal government, the program's final design has yet to be decided. As a result, the approved amount includes a reserve amount for the following undetermined costs:

Facility Renovation - To qualify for federal funding, DES will need to renovate the Arizona Training Programs at Coolidge and Tucson in accord with federal standards. These costs are expected to be less than \$1 million.

Automation - DES will need to implement an automated long term care management information and case management tracking system. As stated in the footnote to the Reserve line item, Title XIX automation funds shall be available from the reserve if matched by the federal government.

Acute Care - DES has not yet determined whether the AHCCCS acute care transfer is sufficient to cover the cost of care. If not, DES can fund the excess expenses from the reserve.

The Reserve footnote also requires that DES make quarterly status reports to the Joint Legislative Budget Committee on the planned expenditure of these funds.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - LONG TERM CARE SYSTEM FUND (Cont'd)  
GENERAL FUND

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Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL LEGISLATION

Omnibus AHCCCS Revisions - S.B. 1486 (Chapter 302) - This legislation permits the start of the Long Term Care program to be delayed to no later than January 1, 1989. If the program is delayed beyond the original October 1, 1988 starting date, the funding levels of the Developmental Disabilities and Long Term Care System Fund programs will need to be adjusted. S.B. 1486 provides that the Department may transfer money from the Long Term Care System Fund to the Developmental Disabilities program with prior approval of the Joint Legislative Budget Committee.

## DEPARTMENT OF ECONOMIC SECURITY - FAMILY SUPPORT

A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5676)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	660.5
Personal Services	-0-	-0-	13,111,400
Employee Related Exp.	-0-	-0-	2,972,400
Prof. & Outside Services	-0-	-0-	46,200
Travel - State	-0-	-0-	241,400
Travel - Out of State	-0-	-0-	3,600
Other Operating Exp.	-0-	-0-	3,259,500
Equipment	-0-	-0-	740,700
All Other Operating Exp.	-0-	-0-	4,291,400
OPERATION SUB-TOTAL	-0-	-0-	20,375,200
AFDC	-0-	-0-	35,084,400 <sup>1/2/</sup>
General Assistance	-0-	-0-	8,986,200 <sup>1/</sup>
Emergency Relief	-0-	-0-	1,076,800 <sup>1/</sup>
SSI/Supervisory Care	-0-	-0-	609,800 <sup>1/</sup>
Tuberculosis Control	-0-	-0-	32,000 <sup>1/</sup>
SLIAG Reimbursement	-0-	-0-	807,100 <sup>3/</sup>
Food Distribution Information	-0-	-0-	22,900 <sup>1/</sup>
Homeless Shelter	-0-	-0-	260,500 <sup>1/</sup>
Information and Referral	-0-	-0-	86,500 <sup>1/</sup>
Rural Food Bank	-0-	-0-	61,700 <sup>1/</sup>
Senior Utility Discounts	-0-	-0-	28,000 <sup>1/</sup>
TOTAL	-0-	-0-	67,431,100 <sup>4/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 304, Veterans' Assistance Housing Programs	-0-	-0-	1,000,000
TOTAL APPROPRIATIONS	-0-	-0-	68,431,100

(Continued)

<sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

<sup>2/</sup> Aid to Families with Dependent Children is based on 47.2 percent of need as defined by the 1983 uniform assistance payments standard. This appropriation shall be exempt from the transfer of funds provisions of section 35-173 (C), Arizona Revised Statutes, and a transfer of funds to or from this account shall require approval of the Joint Legislative Budget Committee.

(Footnotes Continued On Following Page)

DEPARTMENT OF ECONOMIC SECURITY - FAMILY SUPPORT (Cont'd)  
GENERAL FUND

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The approved amount includes \$443,400 in Personal Services and \$258,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$44,600 in Employee Related Expenditures for the increased retirement contribution.

The Aging, Family and Children Services program has been split into two new budget programs, Family Support and Social Services. The new Division of Family Support contains the Family Assistance Administration and the Child Support Enforcement Administration. A portion of the Division of Planning and Policy Development (PPD) program has also been transferred into Family Support.

FTE Positions - The approved amount includes a downward adjustment of 33.6 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

The approved amount also includes new FTE positions as detailed below.

Child Support Enforcement - The approved amount transfers \$362,000 and two FTE positions to the operating budget from the Child Support Enforcement special line item. This display more accurately reflects the actual expenditure of funds -- DES has used these special line item funds during the past several years to supplement its operating budget.

Of the \$362,300 transfer, \$299,800 is set aside for automation equipment purchases. Both state and federal reports have singled out DES' lack of automation as the biggest obstacle to improving the program's collection rate. During the hearings, the Appropriations Committees voiced their continuing concern with the need to automate the child support operation as expeditiously as possible.

Senior Utility Discounts - The approved amount includes \$69,200 and two FTE positions to administer the Telecommunication and Utility Assistance Program for the low-income elderly. This amount includes \$28,000 to contract with a service provider to help verify eligibility.

Created by the 1986 Legislature, these senior utility discount programs were originally authorized to operate in fiscal years 1988 and 1989. S.B. 1295 (Chapter 56, Laws of 1988) extends the telecommunication program through fiscal year 1990.

(Continued)

(Footnotes Continued From Previous Page)

3/ These funds are available to the extent that the state general fund will be reimbursed for this level of expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is legislative intent that the state general fund be fully reimbursed for this appropriation.

4/ Represents General Appropriation Act funds. Appropriated by modified lump sum for the program. The objects of expenditures are shown for informational purposes only.

DEPARTMENT OF ECONOMIC SECURITY - FAMILY SUPPORT (Cont'd)  
 GENERAL FUND

Eligibility and Other Staff - As requested by DES, the approved amount includes an additional \$1,664,900 and 49.5 FTE positions for the purposes of reducing erroneous payments in the Aid to Families with Dependent Children (AFDC) and General Assistance (GA) programs. With ten percent of benefits overpaid, Arizona has nearly the nation's highest AFDC error rate.

The approved amount will allow DES to hire added eligibility workers, thereby giving the staff more time to check the accuracy of benefit payments.

DES believes that savings from reduced AFDC and GA error rates will pay for the cost of the new FTE positions. As a result, the Appropriations Committees accepted DES' proposal to finance the added staff by reducing the AFDC special line item appropriation by \$1,478,900 and the General Assistance special line item by \$186,000.

DES will need to reduce the error rate from the current ten percent level to six percent to generate the necessary savings in AFDC. If the Department is unable to reduce the error rate to that level, there may be a need to supplement the FY 1989 AFDC appropriation to pay full benefits.

In total, DES will be able to devote 143 FTE positions to this error reduction effort. In addition to the 49.5 new state-funded FTE positions, federal matching funds will finance another 43.5 FTE positions. DES will also convert 25 existing state-funded and 25 federally-funded Clerk Typist II positions into eligibility workers. With the implementation of a new eligibility computer system, DES can reduce its clerical staff without any negative consequences.

The staffing pattern is as follows:

<u>New Positions</u>	<u>State Funded</u>	<u>Federal Funded</u>	<u>Total</u>
Eligibility Worker II	61.0	61.0	122.0
Eligibility & Payments Supervisor	7.5	7.5	15.0
Public Assistance Quality Evaluation Supervisor II	1.0	--	1.0
Public Assistance Quality Evaluation Specialist II	4.0	--	4.0
Clerk Typist II	1.0	--	1.0
Sub-Total	<u>74.5</u>	<u>68.5</u>	<u>143.0</u>
<u>Eliminated Positions</u>			
Clerk Typist II	(25.0)	(25.0)	(50.0)
 TOTAL NET FTE POSITIONS	 <u>49.5</u>	 <u>43.5</u>	 <u>93.0</u>

Aid to Families with Dependent Children - The approved amount provides assistance payments based on 47.2 percent of need, as defined by the 1983 payments standard. Before any reduction in erroneous payments, this amount assumes an estimated 94,435 recipients will receive an average monthly grant of \$90.79.

As noted above, the approved amount assumes a reduction in erroneous AFDC payments from ten percent to six percent.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - FAMILY SUPPORT (Cont'd)  
GENERAL FUND

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General Assistance - This state-funded program provides financial aid to persons who are unemployable because of a physical or mental disability.

Emergency Relief - This state-funded program provides temporary financial assistance in emergency situations without reference to certain eligibility factors required for other welfare programs.

Supplemental Security Income and Supervisory Care Homes - This program certifies payments to eligible aged, blind or disabled persons who qualify for either the mandatory or optional provisions of the program. This approved amount was based on the following items of expenditures:

Mandatory	\$ 3,200
Optional -	
Private Nursing Homes	172,000
Public Nursing Homes	58,300
Supervisory Care/Adult Care Homes	<u>376,300</u>
TOTAL	<u>\$609,800</u>

With the implementation of federal long term care, S.B. 1486 (Chapter 302) eliminates the private and public nursing home payments. This cost will now be borne by the federal long term care program for the elderly and physically disabled.

The above amounts were calculated assuming that the payments would be eliminated as of October 1988 -- the original implementation date of the federal long term care program. If the program is delayed, DES may be required to continue payments after October. In that event, DES would need to transfer funds from another program or request a supplemental appropriation.

Tuberculosis Control - The appropriation provides assistance to persons certified unemployable by the State Tuberculosis Control Office because of communicable tuberculosis.

SLIAG Reimbursement - In 1986, Congress established an amnesty program under which certain illegal aliens may become legal residents. The enabling legislation bars these eligible legalized aliens (ELAs) from qualifying for federal needs-based financial assistance until 1992. During the interim, state and local governments are expected to provide public welfare, public health and educational assistance to these individuals.

To help defray state and local costs, Congress has authorized the State Legalization Impact Assistance Grant (SLIAG) program. SLIAG will operate as a "reimburseable." The state must assist ELAs with its own funds, then be reimbursed for this expense by the federal government.

The approved amount provides the necessary "up-front" funds for the SLIAG programs. The funds are available, however, only to the extent that SLIAG will reimburse the general fund for these expenditures.

(Continued)



DEPARTMENT OF ECONOMIC SECURITY - FAMILY SUPPORT (Cont'd)  
GENERAL FUND

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The approved amount includes:

Personal Services	\$ 165,800
Employee Related Expenditures	36,000
All Other Operating	254,500
Operating Subtotal	<u>456,300</u>
General Assistance	91,800
Emergency Assistance	78,600
Food Stamps	51,600
AHCCCS Eligibility	128,800
TOTAL	<u>\$ 807,100</u>

Food Distribution Information - Chapter 328, Laws of 1986, requires the department to coordinate and assist public and private nonprofit organizations that aid hungry persons and families throughout the state. These funds 1) supplement existing information and referral efforts to inform the hungry about potential sources of food and 2) expand the current campaign to collect donated foods.

Homeless Shelter - Along with private sector, city and county funds, this program addresses the emergency and transition shelter needs of the homeless.

Information and Referral Services - The approved amount, when matched with an estimated \$260,000 of the Social Services Block Grant and supplemented with an additional \$30,000 from the Long Term Care Program of the Department of Health Services, provides information and referral services on a 24-hour toll-free, statewide telephone system. This system serves all individuals requesting specific information regarding available resources.

Rural Food Bank - The approved amount funds a rural food bank demonstration project. It is legislative intent that DES administer the program in accordance with H.B. 2226, as introduced in the first regular session of the 38th Legislature.

Provider Increase - It is legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL APPROPRIATIONS

Veterans' Assistance Housing Program - H.B. 2098 (Chapter 304) - This legislation includes \$1 million to purchase building materials for veteran-owned and occupied single family residences. A county, city, town or Indian tribe may apply for these funds, but must contribute an amount equal to or greater than the DES contribution. These funds shall remain available until July 1, 1990. DES is to report by December 31, 1990 on how monies were distributed and used.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5676)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	461.0
Personal Services	-0-	-0-	12,910,200
Employee Related Exp.	-0-	-0-	2,907,800
Prof. & Outside Services	-0-	-0-	38,000
Travel - State	-0-	-0-	464,500
Travel - Out of State	-0-	-0-	11,000
Other Operating Exp.	-0-	-0-	3,613,800
Equipment	-0-	-0-	95,000
All Other Operating Exp.	-0-	-0-	4,222,300
OPERATION SUB-TOTAL	-0-	-0-	20,040,300
Adoption Services	-0-	-0-	7,296,400 <sup>1/</sup>
Adult Services	-0-	-0-	6,471,300 <sup>1/</sup>
Children Services	-0-	-0-	28,090,700 <sup>1/</sup>
Child Severance Project	-0-	-0-	179,900 <sup>1/</sup>
Comprehensive Medical & Dental	-0-	-0-	6,168,400 <sup>1/</sup>
Day Care	-0-	-0-	13,846,200 <sup>1/2/</sup>
TOTAL	-0-	-0-	82,093,200 <sup>3/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 26, Advisory Committee on Alzheimer's Disease	-0-	-0-	15,000
TOTAL APPROPRIATIONS	-0-	-0-	82,108,200

(Continued)

- <sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>2/</sup> This figure represents a day care subsidy for children of families whose income does not exceed a maximum of 65 percent of the state median income as determined by the Department of Economic Security.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated by modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF ECONOMIC SECURITY - SOCIAL SERVICES (Cont'd)  
GENERAL FUND

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The approved amount includes \$436,600 in Personal Services and \$254,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$43,900 in Employee Related Expenditures for the increased retirement contribution.

The Aging, Family and Children Services program has been split into two new budget programs, Family Support and Social Services. The new Division of Social Services contains the Administration for Children, Youth and Families (ACYF) and the Aging and Adult Administration (AAA).

FTE Positions - The approved amount includes a downward adjustment of 25.4 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

Other Operating Expenses - The Division previously had free office space at the Arizona Training Program at Phoenix. With the closing of ATPP, the approved amount includes \$92,300 for replacement offices.

Adoption Services - The approved amount subsidizes the adoption of children who otherwise would entail high financial risks to prospective parents because of physical, mental or emotional disorders or who, because of age, sibling relationship, or racial or ethnic background would be otherwise difficult to place in adoption.

The approved amount is a \$2,354,500, or 48 percent, increase over the original FY 1988 appropriation. In part, the growth reflects DES' policy of finding permanent, rather than temporary, placements for children unable to return to their original homes.

Adult Services - The appropriation provides a community-based continuum of care and services for abused, neglected and exploited adults. The approved amount was based upon the following allocation:

Adult Protective Services	\$ 98,000
Evaluates allegations of abuse.	
Supplemental Payments	2,889,500
Provides housekeeper, home health aide and visiting nurse services for SSI-eligible households. State law mandates payment to all eligible persons requesting assistance.	

The approved amount is based upon the original FY 1988 appropriation of \$2,673,700, a FY 1988 supplemental of \$533,300 and a caseload growth adjustment of \$177,000. The amount also includes a transfer-out of \$494,500 in Housekeeping Payments to the Developmental Disabilities program. This transfer will more properly reflect total expenditures for DD clients.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - SOCIAL SERVICES (Cont'd)  
 GENERAL FUND

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Home Care	2,016,800
Provides supplemental payment services plus personal care to non-SSI households.	
Older Americans Act	688,100
Matches federal funds for congregate and home-delivered meals as well as other social services.	
Assessments and Case Management	700,000
Through contracted agencies, assesses the elderly's service need by measuring mobility and family and financial status. A contracted case manager assists the client in matching needs to available resources.	
Provider Increase	78,900
FY 1989 provider adjustment of 2.8 percent.	
TOTAL	<u>\$6,471,300</u>

It is legislative intent that Adult Services resources can be made available to finance the installation of a telephone in an elderly household if the lack of a phone would otherwise cause the institutionalization of the individual.

Children Services - The appropriation funds a range of services to ensure the well-being of children, including:

In-home services	\$ 3,416,100
Resolves family problems through the use of counseling, day support and parent aides -- while the child remains in the home.	
Out-of-home services (Foster Care)	19,175,100
Requires removal of the child from the home and his/her placement in family foster care or other residential setting.	
Child protective services	4,279,900
Provides support services -- assessments, transportation -- related to removing abused children from the home.	
Child services on reservations	450,500
Provides full range of services to children on Indian reservations.	
Provider increase	769,100
FY 1989 provider adjustment of 2.8 percent.	
TOTAL	<u>\$28,090,700</u>

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - SOCIAL SERVICES (Cont'd)  
GENERAL FUND

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The approved amount includes:

- a transfer-in of \$217,000 to Out-of-Home Services from the Comprehensive Medical and Dental Program (CMDP) for the cost of diapers, formula and other medical supplies. The transfer will enhance the case managers' ability to monitor the expenditure of these funds.
- a transfer-in of \$132,200 to Out-of-Home Services for psychological services currently funded by CMDP. As with the previous transfer, this initiative will increase the program managers' ability to control costs.

The approved amount also stabilizes the Foster Care program at its current population. Foster Care caseload growth funds have been shifted to the Adoption Services program. This allocation supports DES' policy of finding permanent placements for children unable to return to their original homes.

The approved amount does not incorporate the program's \$2.5 million FY 1988 surplus. In S.B. 1119 (Chapter 9), these resources were shifted to other programs. The Department believes the surplus was caused by staff shortages that should be eliminated by the beginning of FY 1989.

Child Severance Project - Chapter 205, Laws of 1986, appropriated \$175,000 from the state general fund in FY 1987 to expedite the procedures for making a child eligible for adoption after the original parent-child relationship has been severed. DES may use the funds (a) to enter into an intergovernmental agreement with the Attorney General for legal and paralegal services or (b) to contract for social services incurred in expediting severance and adoption. The approved amount permits the continuation of the project.

Comprehensive Medical and Dental - The appropriation provides full coverage of medical and dental treatment, hospital care, and drugs and medical supplies to foster children. Included within the appropriation are funds for professional consulting services to the agency's field staff, Juvenile Probation Offices and the Department of Corrections.

The approved amount reflects a decline of \$3,215,900 from the original FY 1988 appropriation of \$9,384,300. The decrease results from:

- increasing federal reimbursement of program costs. The Department has been working with the Arizona Health Care Cost Containment System (AHCCCS) Administration to ensure that we claim federal reimbursement for the maximum number of eligible children.
- employing cost containment measures such as limiting the period of in-patient psychiatric hospitalization.
- transferring-out \$512,200 to the Children Services and Developmental Disabilities Foster Care programs for medical supplies and psychological services. These transfers enhance the case managers' ability to monitor the expenditure of these funds.

The approved amount also assumes a 3.5 percent medical inflation adjustment.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - SOCIAL SERVICES (Cont'd)  
GENERAL FUND

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The Appropriations Committees have also encouraged DES to improve the processing of CMDP billings. The Committees continue to receive complaints about the late payment of claims.

Day Care - The appropriation provides for a statewide day care subsidy based upon 65 percent of the state median income for eligibility and a caseload of 16,493 children.

The approved amount assumes the state median income schedule will be updated for inflation.

Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL APPROPRIATIONS

Advisory Committee on Alzheimer's Disease - H.B. 2049 (Chapter 26) - This legislation establishes a nine-member committee to identify services available to victims of Alzheimer's disease and to determine what services are needed. The committee is to develop a written report by August 1, 1989. The legislation appropriates \$15,000 to DES for the purpose of employing support staff to assist the committee.

DEPARTMENT OF ECONOMIC SECURITY -  
 DIVISION OF AGING, FAMILY AND CHILDREN SERVICES

A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5676)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1,103.0</u>	<u>1,102.0</u>	<u>0.0</u>
Personal Services	<u>22,649,400</u>	<u>23,820,100</u>	<u>-0-</u>
Employee Related Exp.	<u>5,436,200</u>	<u>4,974,600</u>	<u>-0-</u>
Prof. & Outside Services	39,300	204,700	-0-
Travel - State	419,400	504,900	-0-
Other Operating Exp.	<u>3,465,400</u>	<u>3,074,300</u>	<u>-0-</u>
All Other Operating Exp.	<u>3,924,100</u>	<u>3,783,900</u>	<u>-0-</u>
OPERATION SUB-TOTAL	32,009,700	32,578,600	-0-
Aid to Dependent Children	31,793,800	35,751,100	-0-
General Assistance	7,591,200	8,283,600	-0-
Emergency Assistance	971,700	1,047,500	-0-
S.S.I. & Sup. Care Homes	1,257,600	1,186,100	-0-
Tuberculosis Control	28,100	22,700	-0-
Comp. Med. & Dental	4,750,300	5,902,200	-0-
Children Services	23,577,000	24,472,300	-0-
Adult Services	5,396,700	6,824,200	-0-
Day Care	11,697,600	13,198,300	-0-
Adoption Services	4,806,800	5,624,900	-0-
Child Support Enforcement	240,400	350,000	-0-
Child Severance Project	100,900	249,100	-0-
AHCCCS Eligibility	<u>-0-</u>	<u>1,342,500</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>124,221,800</u>	<u>136,833,100</u>	<u>-0-</u>

The Aging, Family and Children Services FTE positions and resources have been transferred to the new Family Support and Social Services budget programs.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

CHILDREN AND FAMILY SERVICES TRAINING PROGRAM	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>
Personal Services	<u>80,500</u>	<u>123,500</u>	<u>125,300</u>
Employee Related Exp.	<u>17,100</u>	<u>25,400</u>	<u>28,500</u>
Prof. & Outside Services	27,700	118,700	130,500
Travel - State	31,600	52,800	73,100
Other Operating Exp.	18,700	71,400	53,100
Equipment	4,000	-0-	-0-
All Other Operating Exp.	<u>82,000</u>	<u>242,900</u>	<u>256,700</u>
TOTAL APPROPRIATIONS	<u>179,600</u>	<u>391,800</u>	<u>410,500</u> <sup>1/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	126,300	197,700	65,900
Add Revenues	<u>251,000</u>	<u>260,000</u>	<u>400,000</u>
TOTAL FUNDS AVAILABLE	377,300	457,700	465,900
Expenditures	<u>179,600</u>	<u>391,800</u>	<u>410,500</u>
Balance End of Fiscal Year	<u>197,700</u>	<u>65,900</u>	<u>55,400</u>

The approved amount includes \$4,200 in Personal Services and \$2,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

Chapter 179, Laws of 1983, established the Children and Family Services Training Program Fund for child protective services staff training. Funds are generated through the collection of child support assessment fees. Chapter 55, Laws of 1987, permits DES to spend up to 10 percent of available funds on debt collection.

The Department plans to increase its revenue by \$140,000 in FY 1989 by improving its debt collection program.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.



DEPARTMENT OF ECONOMIC SECURITY - EMPLOYMENT AND REHAB. SERVICES A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	67.4
Personal Services	-0-	-0-	1,552,100
Employee Related Exp.	-0-	-0-	361,800
Prof. & Outside Services	-0-	-0-	39,800
Travel - State	-0-	-0-	29,300
Travel - Out of State	-0-	-0-	3,500
Other Operating Exp.	-0-	-0-	265,400
Equipment	-0-	-0-	46,400
All Other Operating Exp.	-0-	-0-	384,400
OPERATION SUB-TOTAL	-0-	-0-	2,298,300
Comprehensive Services for Independent Living	-0-	-0-	525,600 <sup>1/</sup>
Vocational Rehabilitation Services	-0-	-0-	1,676,800 <sup>1/</sup>
Job Search Stipends	-0-	-0-	139,100 <sup>1/</sup>
Manpower Services	-0-	-0-	141,400 <sup>1/</sup>
Work Incentive Demonstration Project	-0-	-0-	117,900 <sup>1/</sup>
TOTAL	-0-	-0-	4,899,100 <sup>2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 304, Navajo Employment Services	--	--	257,000
TOTAL APPROPRIATIONS	-0-	-0-	5,156,100

The approved amount includes \$52,400 in Personal Services and \$30,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,300 in Employee Related Expenditures for the increased retirement contribution.

The Employment and Training and Rehabilitation Services cost centers have been combined into one new budget program, Employment and Rehabilitative Services.

(Continued)

<sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF ECONOMIC SECURITY - EMPLOYMENT AND REHABILITATIVE SERVICES (Cont'd)  
GENERAL FUND

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FTE Positions - The approved amount includes a downward adjustment of 5.7 FTE positions to make permanent the FY 1988 budget's ten percent vacancy factor. The FY 1988 Personal Services cut had not been accompanied by any corresponding reduction in FTE positions.

The approved amount includes new FTE positions as detailed below.

Comprehensive Services for Independent Living - The approved amount will allow severely disabled individuals to live more independently. DES assists the disabled to overcome or circumvent their handicaps through training, counseling, and adaptive aids.

Vocational Rehabilitative Services - The approved amount will provide an array of individually planned services for the disabled. Services include case management, counseling, prostheses and remedial education. The federal government matches the state funds at an 80/20 percent rate.

The approved amount includes \$307,800 and four FTE positions to fund new services. The federal match will equal \$1,231,200 and 16 FTE positions. As a result, DES will be able to serve an additional 1,385 disabled individuals.

Of the \$307,800 increase, \$57,800 has been transferred from the Employment Support program. These funds had previously subsidized one percent of the \$5.1 million Arizona Industries for the Blind (AIB) operating budget. By reducing planned increases in supervisory staff, AIB can absorb this lost revenue without jeopardizing program operations.

Even with the added funds, DES will be unable to match all the available federal dollars. The Appropriations Committees have encouraged DES to work with other agencies to identify possible sources of state match -- either existing appropriated or non-appropriated funds -- to leverage the federal dollars.

Job Stipends - This new line item will permit DES to comply with a 1985 federal food stamp statute that requires states to pay allowances to recipients searching for a job. The approved amount has been transferred from the Work Incentive Demonstration Project line item.

Manpower Services - The approved amount provides state matching funds for job training, transportation, stipends and other training related expenses of the Work Incentive Demonstration Program.

The approved amount reallocates \$91,000 and four FTE positions from the Manpower Services special line item to the operating budget. This transfer reflects actual expenditure of funds -- during the past several years DES has used the special line item to finance staff.

Work Incentive Demonstration Project - The approved amount funds General Equivalency Degree preparation and support services such as day care and transportation.

(Continued)

DEPARTMENT OF ECONOMIC SECURITY - EMPLOYMENT AND REHABILITATIVE SERVICES (Cont'd)  
GENERAL FUND

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The approved amount includes a transfer-out of \$140,000 to the new Job Stipends line item. In prior years, DES had only expended a portion of its WIDP funds. For example, DES spent \$62,700 of the \$250,000 WIDP appropriation in FY 1987.

Provider Increase - It is Legislative intent that the Department of Economic Security shall grant providers an average increase of 2.8 percent. This increase has been allocated to the appropriate special line items.

The provider increase is based upon the same assumptions used to calculate the level of state operating budgets. State agencies will receive a 3.5 percent increase for employee pay raises, but no inflation adjustment for other operating expenses. Since salaries represent roughly 80 percent of provider costs, the equivalent provider adjustment is 2.8 percent.

ADDITIONAL APPROPRIATIONS

Navajo Employment Services - H.B. 2098 (Chapter 304) - This legislation requires DES to establish two-person employment services offices in Window Rock, Chinle, Kayenta and Tuba City. The legislation appropriates \$257,000 -- available through fiscal year 1990 -- to DES for employee salaries and other operating expenses. The Navajo Tribal Council will provide the office facilities.

ADDITIONAL LEGISLATION

Unemployment Compensation - S.B. 1207 (Chapter 112) - This legislation increases the maximum weekly unemployment compensation benefit from \$135 in state FY 1988 to \$145 in FY 1989. Weekly benefits will further increase to \$155 in FY 1990. These changes do not involve any state appropriated funds.

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5678)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4.5</u>	<u>4.5</u>	<u>0.0</u>
Personal Services	<u>92,900</u>	<u>86,300</u>	<u>-0-</u>
Employee Related Exp.	<u>20,700</u>	<u>22,000</u>	<u>-0-</u>
Travel - State	2,700	2,900	-0-
Other Operating Exp.	<u>9,700</u>	<u>9,900</u>	<u>-0-</u>
All Other Operating Exp.	<u>12,400</u>	<u>12,800</u>	<u>-0-</u>
OPERATION SUB-TOTAL	126,000	121,100	-0-
Manpower Services	238,000	226,300	-0-
WIDP	<u>62,700</u>	<u>250,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>426,700</u>	<u>597,400</u>	<u>-0-</u>

The Employment and Training FTE positions and resources have been transferred to the new Employment and Rehabilitative Services budget program.

DEPARTMENT OF ECONOMIC SECURITY - REHABILITATION SERVICES ADMINISTRATION  
(VOCATIONAL REHABILITATION)

A.R.S. 41-1951

JLBC Analyst: Stavneak

Edd F. Brown, Director (Tel. 255-5676)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	55.9	55.9	0.0
Personal Services	1,241,500	1,207,500	-0-
Employee Related Exp.	277,500	254,800	-0-
Prof. & Outside Services	50,400	38,000	-0-
Travel - State	18,400	24,400	-0-
Other Operating Exp.	95,900	108,300	-0-
Equipment	5,700	-0-	-0-
All Other Operating Exp.	170,400	170,700	-0-
OPERATION SUB-TOTAL	1,689,400	1,633,000	-0-
Vocational Rehabilitation Services	1,267,200	1,433,300	-0-
Comprehensive Services for Independent Living	276,700	511,300	-0-
Employment Support	53,500	56,900	-0-
TOTAL APPROPRIATIONS	3,286,800	3,634,500	-0-

The Rehabilitation Services Administration FTE positions and resources have been transferred to the new Employment and Rehabilitative Services budget program.

JLBC Analyst: Blanton

Ron Miller, Ph.D., Acting Director (Tel. 257-2300)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>258.0</u>	<u>255.0</u>	<u>254.0</u>
Personal Services	<u>4,213,000</u>	<u>6,190,400</u>	<u>6,441,200</u>
Employee Related Exp.	<u>934,600</u>	<u>1,269,400</u>	<u>1,464,300</u>
Prof. & Outside Services	191,700	456,100	602,600
Travel - State	110,400	171,100	174,100
Travel - Out of State	9,000	16,600	23,900
Other Operating Exp.	791,500	1,214,600	1,211,800
Equipment	<u>648,700</u>	<u>221,600</u>	<u>133,200</u>
All Other Operating Exp.	<u>1,751,300</u>	<u>2,080,000</u>	<u>2,145,600</u>
OPERATION SUB-TOTAL	6,898,900	9,539,800	10,051,100
Water Quality Assurance Revolving Fund	<u>709,800</u>	<u>6,000,000</u>	<u>6,000,000</u> 1/
TOTAL	7,608,700	15,539,800	16,051,100 2/3/
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 286, Mine Tailings	--	--	300,000
Ch. 252, Clean Burning Use Fuel Tax	<u>--</u>	<u>--</u>	<u>697,000</u>
TOTAL APPROPRIATIONS	<u>7,608,700</u>	<u>15,539,800</u>	<u>17,048,100</u>
Fund Summary			
General Fund	7,608,700	15,539,800	16,351,100
Air Quality Fund	<u>-0-</u>	<u>-0-</u>	<u>697,000</u>
TOTAL APPROPRIATIONS	<u>7,608,700</u>	<u>15,539,800</u>	<u>17,048,100</u>

(Continued)

- 1/ The sum of \$1,000,000 shall be transferred from the Water Quality Assurance Revolving Fund to the Tax Protest Resolution Fund at the beginning of each of the five Fiscal Years commencing July 1, 1988 through July 1, 1992.
- 2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
- 3/ Up to \$1,250,000 of the General Fund appropriation may be utilized temporarily to maintain existing environmental programs for which application for federal funds have been submitted.

DEPARTMENT OF ENVIRONMENTAL QUALITY (Cont'd)  
GENERAL FUND

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The approved amount includes \$217,800 in Personal Services and \$127,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$21,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a three percent vacancy factor and the transfer-in of one FTE position; one Public Health Sanitarian II from the Department of Health Services; and, the deletion of two unspecified FTE positions.

ADDITIONAL APPROPRIATIONS

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of \$177,000 from the Air Quality Fund established by section 49-551, Arizona Revised Statutes, to the Department of Environmental Quality during fiscal year 1988-89 for the purpose of funding the studies and reports required by section 49-553, Arizona Revised Statutes.

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of \$20,000 from the Air Quality fund established by section 49-551, Arizona Revised Statutes, to the Air Quality Compliance Advisory Committee during fiscal year 1988-89 for the purposes prescribed by section 49-403, Arizona Revised Statutes, as added by this act.

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of \$500,000 from the Air Quality fund established by section 49-551, Arizona Revised Statutes, to the Department of Environment Quality, the Department of Transportation and the Department of Weights and Measures during fiscal year 1988-89 for the purpose of preparing and conducting an education program for the use of oxygenated gasoline blends established by this act and the benefits to be obtained by means of such a program.

Mine Tailings - S.B. 1154 (Chapter 286) - Appropriates the sum of \$300,000 from the state general fund to the Department of Environmental Quality during fiscal year 1988-89 for the purpose of removing and disposing of mine tailings at the Apache Mine in Apache Junction.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND AND EMS OPERATING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administration	6,568,900	6,454,400	-0-
Emergency Medical Services	2,733,300	2,957,700	3,544,800
EMS Operating Fund	2,556,300	2,606,300	2,305,000
Behavioral Health	57,502,500	61,675,900	83,757,100
Disease Prevention Svcs	5,078,300	5,780,300	5,691,900
Family Health	11,956,000	15,230,700	14,623,400
Office of the Director	2,940,900	2,699,900	9,108,100
Division of Lab Services	1,926,500	2,088,600	2,241,700
<b>TOTAL APPROPRIATIONS</b>	<b>91,262,700</b>	<b>99,493,800</b>	<b>121,272,000</b>
<u>Expenditure Detail</u>			
FTE Positions	1,520.75	1,454.5	1,459.5
Personal Services	29,399,200	30,734,600	32,136,500
Employee Related Exp.	7,184,500	7,918,500	8,588,200
Prof. & Outside Services	3,692,400	3,207,900	3,516,500
Travel - State	294,500	367,300	423,200
Travel - Out of State	29,300	36,600	37,800
Other Operating Exp.	6,861,800	7,476,700	8,107,800
Food	830,700	758,100	765,700
Equipment	952,500	369,800	429,100
All Other Operating Exp.	12,661,200	12,216,400	13,280,100
<b>OPERATION SUB-TOTAL</b>	<b>49,244,900</b>	<b>50,869,500</b>	<b>54,004,800</b>
Special Line Items	42,017,800	48,431,800	50,574,200
Additional Appropriations	-0-	192,500	16,693,000
<b>TOTAL APPROPRIATIONS</b>	<b>91,262,700</b>	<b>99,493,800</b>	<b>121,272,000</b> <u>1/2/3/</u>
<u>Fund Summary</u>			
General Fund	88,706,400	96,887,500	118,967,000
EMS Operating Fund	2,556,300	2,606,300	2,305,000
<b>TOTAL APPROPRIATIONS</b>	<b>91,262,700</b>	<b>99,493,800</b>	<b>121,272,000</b>

(See Footnotes on Following Page)



DEPARTMENT OF HEALTH SERVICES (Cont'd)  
GENERAL FUND AND EMS OPERATING FUND

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- 1/ This appropriation shall be deemed to include all of the monies received from parents or guardians for the care of crippled children and shall be deposited in the State General Fund pursuant to the provisions of Subsection A, paragraph 7 of Section 36-261, Arizona Revised Statutes, or deposited pursuant to any law enacted to replace or modify the provisions of Section 36-261, Arizona Revised Statutes.
- 2/ The Director of the Department of Health Services may contract with the Department of Economic Security for services to developmentally disabled patients.
- 3/ In addition to the amounts appropriated, earnings on state lands and interest on the investment of the permanent land funds are appropriated to the State Hospital in compliance with the Enabling Act and the Constitution.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>164.0</u>	<u>145.0</u>	<u>0.0</u>
Personal Services	<u>3,264,600</u>	<u>3,045,000</u>	<u>-0-</u>
Employee Related Exp.	<u>733,900</u>	<u>709,400</u>	<u>-0-</u>
Prof. & Outside Services	420,300	565,800	-0-
Travel - State	5,200	10,600	-0-
Travel - Out of State	400	1,500	-0-
Other Operating Exp.	1,993,000	2,063,400	-0-
Equipment	151,500	58,700	-0-
All Other Operating Exp.	<u>2,570,400</u>	<u>2,700,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>6,568,900</u>	<u>6,454,400</u>	<u>-0-</u>

This program has been combined with the Office of the Director.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	94.5	92.5	84.5
Personal Services	1,844,500	1,973,000	2,033,700
Employee Related Exp.	397,800	445,600	500,300
Prof. & Outside Services	69,100	213,100	156,600
Travel - State	108,800	78,000	68,200
Travel - Out of State	8,100	3,000	2,100
Other Operating Exp.	275,500	245,000	690,900
Equipment	29,500	-0-	-0-
All Other Operating Exp.	491,000	539,100	917,800
TOTAL	2,733,300	2,957,700	3,451,800 <sup>1/2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 316, Certification of Day Care Group Homes	--	--	93,000
TOTAL APPROPRIATIONS	2,733,300	2,957,700	3,544,800

The approved amount includes \$68,800 in Personal Services and \$40,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$6,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a four percent vacancy factor and the deletion of eight FTE positions: one DHS Health Program Manager, one Public Health Nutritionist II, two Public Health Nursing Consultants, one Health Educator I, one Secretary, and two Clerk Typist I's.

#### ADDITIONAL APPROPRIATIONS

Certification of Day Care Group Homes - H.B. 2350 (Chapter 316) - Appropriates \$93,000 from the state general fund for start up cost associated with implementing the certification of day care group homes.

1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ No appropriated funds shall be utilized to support any poison control center other than the one at the University of Arizona.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

EMERGENCY MEDICAL SERVICES OPERATING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Ambulance Emergency			
Contracts	400,000	470,000	470,000 <sup>1/</sup>
Arizona Poison Control	435,000	435,000	435,000 <sup>1/</sup>
State EMS Sp. Projects	403,900	769,200	467,900
EMSCOM Development	250,000	244,000	244,000
Rural Amb. Response Development	234,500	280,000	280,000
Emergency Paramedic Training	10,000	10,000	10,000 <sup>1/</sup>
Local EMS Coordinating System	398,100	398,100	398,100 <sup>1/</sup>
Emergency Medical Services	424,800	-0-	-0-
<b>TOTAL APPROPRIATIONS</b>	<u>2,556,300</u>	<u>2,606,300</u>	<u>2,305,000</u> <sup>2/3/</sup>

Arizona Poison Control System - Provides for a statewide system of poison information, education and treatment services.

Ambulance Emergency Contracts - Provides for contracts with emergency receiving facilities and ambulance services.

EMS Special Projects - At the regional level, primary concern is with upgrading EMS training and documentation and evaluation of clinical performances of pre- and post-hospital phases of EMS delivery.

EMSCOM Development - Replacement and upgrading of the central communications system components.

Rural Ambulance Development - This item funds the upgrading of ambulance services in the rural areas, including the purchase of new ambulances and repair of ambulances.

- <sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>2/</sup> No appropriated funds shall be utilized to support any poison control center other than the one at the University of Arizona.
- <sup>3/</sup> If the monies in the Emergency Medical Services Operating Fund exceed \$2,305,000, up to an additional \$200,000 may be utilized to increase the line items as recommended by the Emergency Medical Council and approved by the Director.

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	1,019.25	986.0	997.0
Personal Services	18,838,100	20,000,800	21,208,400
Employee Related Exp.	4,846,500	5,466,800	5,969,600
Prof. & Outside Services	2,981,700	2,229,000	2,605,100
Travel - State	42,300	89,900	105,400
Travel - Out of State	6,700	11,000	15,100
Other Operating Exp.	2,320,500	2,409,400	2,549,100
Food	830,700	758,100	765,700
Equipment	455,000	170,600	263,200
All Other Operating Exp.	6,636,900	5,668,000	6,303,600
OPERATION SUB-TOTAL	30,321,500	31,135,600	33,481,600
CMI Pilot Program	-0-	1,654,100	4,000,000
CMI Non Pilot Program	2,948,400	3,041,100	3,126,200
Non-CMI Services	444,400	506,800	521,000
Transitional Living	320,500	355,200	372,400
Behavioral Health Sub.	22,539,700	24,025,900	24,698,700 <sup>1/2/</sup>
Residential Services for Emotionally Handicapped Children	928,000	957,200	957,200 <sup>2/</sup>
TOTAL	57,502,500	61,675,900	67,157,100 <sup>3/4/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 315, Childrens Behavioral Health System	--	--	16,600,000
TOTAL APPROPRIATIONS	57,502,500	61,675,900	83,757,100

(Continued)

<sup>1/</sup> Requires match of fifty percent or more in kind, subject to being reduced to 25 percent match in kind in case of a finding of financial hardship, subject to the approval of the Department of Health Services Director. Expenditures of these funds shall be mutually exclusive. Not more than ten percent of these funds may be utilized for administrative costs by any contractor receiving funds directly from the Department. Additionally, not more than five percent of the funds received by any contractor may be utilized for evaluation and/or auditing of programs supported with funds received directly from the Department.

<sup>2/</sup> This program is subject to evaluation under the standard evaluation system approved by the Joint Legislative Budget Committee.

(Footnotes Continued on Following Page)

DEPARTMENT OF HEALTH SERVICES - BEHAVIORAL HEALTH (Cont'd)  
GENERAL FUND

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The approved amount includes \$717,200 in Personal Services and \$418,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$72,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a three percent vacancy factor, funding for 13 new FTE positions to fully staff the statutory mandate to design and implement a computer system to track and monitor the chronically mentally ill and to provide the Division with information on all behavioral health programs. Includes automation of Southern Arizona Mental Health Center's billing, data tabulation, medical records and cost analysis functions and the operating and enhancement of the Arizona State Hospital PACE system: one EDP Computer Operator II, one EDP Technician Support Specialist II, one EDP Computer Operations Supervisor II, two Program/Analyst III's, one EDP Data Control Clerk, one Clinical Trainer, two Management Analyst II's, two Management Analyst I's, one Secretary and one Health Planning Consultant; the transfer-out of one Administrative Services Officer III to the Office of the Director; and, the deletion of one Executive Staff Assistant.

Residential Services for Seriously Emotionally Handicapped Children - Provides residential care for approximately thirty seriously emotionally handicapped children relative to non-medical and non-educational costs of placing them in a private school, institution or agency to meet their special educational needs.

✓ Transitional Living - Provides funding for graduated steps of care between the hospital treatment unit and the living situation in the community. The approved amount includes \$10,200 in Personal Services and \$6,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

301,600

(Continued)

(Footnotes Continued From Previous Page)

- 3/ In addition to the amounts appropriated, earnings on state lands and interest on the investment of permanent land funds are appropriated to the State Hospital in compliance with the Enabling Act and the constitution.
- 4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF HEALTH SERVICES - BEHAVIORAL HEALTH (Cont'd)  
GENERAL FUND

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ADDITIONAL APPROPRIATIONS

Childrens Behavioral Health System - H.B. 2338 (Chapter 315) - The following is appropriated from the General Fund to:

- A. Establish a Childrens Behavioral Health Delivery System - \$ 5,000,000
- B. Establish a Regional Beds Program - 1,916,300
- C. Expands existing services as follows:

CMI (Non-Pilot Program)	\$3,260,200	
Mental Health	961,800	
Substance Abuse	699,200	
Arizona State Hospital	2,762,500	
CMI Pilot Program	<u>2,000,000</u>	
SUB-TOTAL		<u>9,683,700</u>
TOTAL		<u>\$16,600,000</u>

Childrens Behavioral Health Delivery System - Provides funding for a comprehensive childrens behavioral health delivery system to include an increase in the availability of residential services, clinical consultations and case management services for an additional 20 seriously emotionally handicapped children.

Regional Residential/Psychiatric Inpatient Beds - A new program designed to provide more appropriate use of funds and reduce growth in Arizona State Hospital (ASH) census by developing secure residential/inpatient alternatives in local areas. To establish 20 acute regional psychiatric beds at an average cost of \$135 per bed day for an average length of stay of 30-60 days and 50 secure residential beds at \$51 per bed day for up to six months. (The ASH average cost per bed day is \$151 with a 104 day median length of stay). This amount is for a six month start up cost plus six month operational cost.

Chronically Mentally Ill (CMI) - Increases funding for services to the Chronically Mentally Ill (CMI) to establish a balance in the continuum of care and initiate a phased-in approach to achieve full services for CMI in the community. These services will improve patient lifestyle and ensure more cost effective utilization of state funds.

Mental Health - Increases funding for Mental Health services to establish a full continuum of care, more effectively utilize state funds and initiate a phased-in approach to achieve a full range of services for mental health patients.

Substance Abuse - Increases funding for drug and alcohol abuse services to establish a full continuum of care, more effectively utilize state funds and initiate a phased-in approach to achieve full services for substance abusing clients.

(Continued)

DEPARTMENT OF HEALTH SERVICES - BEHAVIORAL HEALTH (Cont'd)  
GENERAL FUND

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Arizona State Hospital (ASH) - The increased funding will enable the hospital to hire 72 additional staff. This increased staffing will aid in regaining medicare certification and provide better service to the reduced patient population brought about by the regional residential/psychiatric bed program.

CMI Pilot Program - The increased funding will allow a larger number of CMI's to be treated under the pilot program. Currently 416 patients are served. Approximately 250 additional patients will be served.



JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>72.0</u>	<u>72.0</u>	<u>69.0</u>
Personal Services	<u>1,502,000</u>	<u>1,722,900</u>	<u>1,648,000</u>
Employee Related Exp.	<u>334,000</u>	<u>401,300</u>	<u>409,500</u>
Prof. & Outside Services	167,300	127,700	133,000
Travel - State	45,100	89,200	98,700
Travel - Out of State	5,800	8,300	8,400
Other Operating Exp.	1,567,700	1,884,100	1,885,500
Equipment	<u>147,700</u>	<u>34,000</u>	<u>14,900</u>
All Other Operating Exp.	<u>1,933,600</u>	<u>2,143,300</u>	<u>2,140,500</u>
OPERATION SUB-TOTAL	3,769,600	4,267,500	4,198,000
TB Provider Hospital Care	857,000	950,000	966,100 <sup>1/</sup>
Kidney Patient RLDC	302,100	100,000	100,000
Sex Transmitted Control	71,400	76,800	76,800 <sup>1/</sup>
AIDS Reporting/Surveillance	29,000	125,000	125,000 <sup>1/</sup>
Pesticide Poisoning	49,200	68,500	68,500
Health Effects Study-West	<u>-0-</u>	<u>-0-</u>	<u>157,500</u>
TOTAL	5,078,300	5,587,800	5,691,900 <sup>2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 215, Chronic Disease Surveillance System	<u>--</u>	<u>192,500</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>5,078,300</u>	<u>5,780,300</u>	<u>5,691,900</u>

The approved amount includes \$55,700 in Personal Services and \$32,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF HEALTH SERVICES - DISEASE PREVENTION (Cont'd)  
GENERAL FUND

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Personal Services - The amount approved includes a four percent vacancy factor and the transfer-out of one Public Health Sanitarian II to the Department of Environmental Quality; and, the deletion of one Executive Staff Assistant and one unspecified FTE position.

Tuberculosis Provider Hospital Care and Tuberculosis Control Subventions - Provides for reimbursement to contract hospitals and physicians for the care of hospitalized tuberculosis patients, and for assistance to all county health departments for local tuberculosis control programs.

Kidney Patient Regional Limited Centers for Dialysis Care - Provides for reimbursement to provider hospitals and licensed dialysis centers of costs for transportation and medications for patients ineligible for public assistance.

County Venereal Disease Control Subventions - Provides assistance to local VD control programs.

AIDS Reporting/Surveillance - Provides a data base system to control the spread of AIDS and AIDS related conditions.

ADDITIONAL APPROPRIATIONS

Chronic Disease Surveillance System - H.B. 2083 (Chapter 215) - Appropriates the sum of \$192,500 from the General Fund during FY 1987-88 for the purpose of establishing a chronic disease surveillance system and for personnel to complete the west Phoenix health effects studies. The amount appropriated is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, except that all monies remaining unexpended and unencumbered on June 30, 1989 revert to the state general fund.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	71.0	71.0	74.0
Personal Services	1,527,400	1,635,700	1,732,400
Employee Related Exp.	352,400	374,200	424,700
Prof. & Outside Services	45,300	55,000	86,600
Travel - State	56,800	59,200	92,500
Travel - Out of State	2,300	4,000	3,000
Other Operating Exp.	308,800	398,000	422,400
Equipment	67,800	17,700	40,000
All Other Operating Exp.	481,000	533,900	644,500
OPERATION SUB-TOTAL	2,360,800	2,543,800	2,801,600
Nutrition Subventions	299,900	321,000	321,000 <sup>1/</sup>
Cystic Fibrosis	203,600	212,900	212,900 <sup>1/</sup>
Newborn Intensive Care	2,510,900	4,008,700	4,259,600 <sup>1/</sup>
Child Rehab. Services	3,834,900	6,201,900	6,659,200 <sup>1/</sup>
Information/Referral	39,600	50,000	50,000
Adult Sickle Cell Anemia	19,100	65,000	66,700 <sup>1/</sup>
Perinatal Health Care	2,687,200	1,652,400	252,400 <sup>1/</sup>
WIC Food Program	-0-	100,000	-0-
Hearing Loss Identification	-0-	75,000	-0-
TOTAL APPROPRIATIONS	11,956,000	15,230,700	14,623,400 <sup>2/</sup>

The approved amount includes \$58,600 in Personal Services and \$34,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a four percent vacancy factor and the transfer-in of six FTE positions from special line items: three Health Program Manager I's, one Nurse II, one Medical Social Services Representative and one Information Processing Specialist II; and, the deletion of three unspecified FTE positions.

(Continued)

<sup>1/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF HEALTH SERVICES - FAMILY HEALTH (Cont'd)  
GENERAL FUND

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Hearing Loss Identification - Funding of personnel for this program has been transferred to the operating budget.

Cystic Fibrosis - Provides care and treatment services for adult residents of the State suffering from cystic fibrosis.

Newborn Intensive Care - Provides for transport to and care for newborns in intensive care centers.

Child Rehabilitative Services - Provides for physicians, hospital care and ancillary services for children whose condition is diagnosed at the several divisional out-patient clinics.

Adult Sickle Cell Anemia - Provides funding for adults suffering from sickle cell anemia.

Perinatal Health Care - Provides funding for adequate prenatal care for women with incomes below the federal poverty level, but above the Arizona Health Care Cost Containment System (AHCCCS) eligibility cutoff.

Information/Referral - Provides funding for a statewide information and referral service for chronically ill and physically disabled children and a directory of services available from both the public and private sectors.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions <sup>1/</sup>	<u>44.0</u>	<u>32.0</u>	<u>179.0</u>
Personal Services	<u>1,190,300</u>	<u>1,055,800</u>	<u>4,156,500</u>
Employee Related Exp.	<u>233,800</u>	<u>211,000</u>	<u>934,700</u>
Prof. & Outside Services	5,400	8,500	526,400
Travel - State	23,700	22,900	40,900
Travel - Out of State	2,100	2,700	3,000
Other Operating Exp.	78,000	114,200	2,157,600
Equipment	31,000	6,800	11,000
All Other Operating Exp.	<u>140,200</u>	<u>155,100</u>	<u>2,738,900</u>
OPERATION SUB-TOTAL	1,564,300	1,421,900	7,830,100
Direct Grants to Counties	578,000	578,000	578,000 <sup>2/3/</sup>
Reimbursement to Counties	700,000	700,000	700,000 <sup>2/4/</sup>
Assistance to Health Systems Agency	<u>98,600</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>2,940,900</u>	<u>2,699,900</u>	<u>9,108,100</u> <sup>5/</sup>

The approved amount includes \$140,600 in Personal Services and \$82,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$14,100 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> The 15 Health Advising Committee members are not included in the number of full-time equivalent positions.
- <sup>2/</sup> This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>3/</sup> This appropriation provides for local health work and is to be divided equally among the 15 counties on a non-matching basis, with each county to employ one Public Health Nurse and one Sanitarian. All funds received by a county under this appropriation which are not used for the prescribed purposes shall revert to the State General Fund.
- <sup>4/</sup> This appropriation is to provide matching funds to counties for local health work on a fifty-fifty matching basis and shall be distributed to each county on an equal per capita basis as determined by the latest federal decennial census.
- <sup>5/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF HEALTH SERVICES - OFFICE OF THE DIRECTOR (Cont'd)  
GENERAL FUND

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Personal Services - The amount approved includes a four percent vacancy factor and the transfer-in of 150 FTE positions: 149 from the consolidation of the Division of Administration and the Office of the Director and one Administrative Services Officer III from Behavioral Health; and, the deletion of three unspecified FTE positions.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 255-1024)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	56.0	56.0	56.0
Personal Services	1,232,300	1,301,400	1,357,500
Employee Related Exp.	286,100	310,200	349,400
Prof. & Outside Services	3,300	8,800	8,800
Travel - State	12,600	17,500	17,500
Travel - Out of State	3,900	6,100	6,200
Other Operating Exp.	318,300	362,600	402,300
Equipment	70,000	82,000	100,000
All Other Operating Exp.	408,100	477,000	534,800
TOTAL APPROPRIATIONS	1,926,500	2,088,600	2,241,700 <sup>1/</sup>

The approved amount includes \$45,900 in Personal Services and \$26,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a four percent vacancy factor.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Stuart R. Brackney, Executive Director (Tel. 255-3323)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	4.0	3.0	3.0
Personal Services	77,300	81,100	83,600
Employee Related Exp.	16,700	18,000	20,600
Prof. & Outside Services	500	2,900	2,500
Travel - State	2,400	3,800	3,300
Other Operating Exp.	14,700	16,400	17,000
Equipment	-0-	1,400	400
All Other Operating Exp.	17,600	24,500	23,200
TOTAL APPROPRIATIONS	111,600	123,600	127,400 <sup>1/</sup>

The approved amount includes \$2,800 in Personal Services and \$1,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$300 in Employee Related Expenditures for the increased retirement contribution.

#### ADDITIONAL LEGISLATION

Telecommunication Devices - H.B. 2082 (Chapter 145) - Continues the tax levied on telephone services to finance the Telecommunication Devices for the Deaf program of the Council for the Hearing Impaired.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated by lump sum for the agency. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Flanders

Tony Machukay, Director (Tel. 255-3123)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>3.5</u>
Personal Services	<u>98,300</u>	<u>97,400</u>	<u>105,300</u>
Employee Related Exp.	<u>19,600</u>	<u>24,100</u>	<u>23,600</u>
Travel - State	5,300	9,600	7,700
Other Operating Exp.	<u>20,300</u>	<u>19,300</u>	<u>11,200</u>
All Other Operating Exp.	<u>25,600</u>	<u>28,900</u>	<u>18,900</u>
TOTAL APPROPRIATIONS	<u>143,500</u>	<u>150,400</u>	<u>147,800</u> <sup>1/</sup>

The approved amount includes \$3,500 in Personal Services and \$2,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects the deletion of one-half of an Administrative Secretary FTE position.

All Other Operating Expenditures - The amount approved reflects the elimination of agency rent paid to the Capital Outlay Stabilization Account for fiscal year 1989.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated by lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Blanton

Doris Marlowe, R.N. (Tel. Prescott 445-2181)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>110.0</u>	<u>110.0</u>	<u>110.0</u>
Personal Services	<u>1,845,900</u>	<u>1,928,800</u>	<u>2,002,500</u>
Employee Related Exp.	<u>481,700</u>	<u>535,300</u>	<u>564,300</u>
Food	<u>166,000</u>	<u>212,000</u>	<u>214,100</u>
TOTAL APPROPRIATIONS	<u>2,493,600</u>	<u>2,676,100</u>	<u>2,780,900</u> <sup>1/</sup>

The approved amount includes \$67,700 in Personal Services and \$39,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$6,800 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> In addition to the amounts appropriated, earnings on state lands and interest on the investment of the permanent land funds are appropriated for for the Pioneers' Home and the Hospital for Disabled Miners in compliance with the Enabling Act and the Constitution.

JLBC Analyst: Flanders

Honorable Rose Mofford, Governor (Tel. 255-4331)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Gov. - Az. Rangers' Pension	<u>14,400</u>	<u>15,600</u>	<u>16,200</u>
TOTAL APPROPRIATIONS	<u>14,400</u>	<u>15,600</u>	<u>16,200</u> <sup>1/</sup>

The appropriation includes a four percent adjustment for inflation, as per the provisions of 41-951.B, Arizona Revised Statutes. The pension for each of the two eligible recipients is \$675 per month.

<sup>1/</sup> Represents General Appropriation Act funds.

JLBC Analyst: Blanton

Norman O. Gallion, Director (Tel. 255-4713)

<u>GENERAL FUND AND VETERANS' GUARDIANSHIP FUND</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
<u>Program Summary</u>			
Veterans' Affairs	622,000	714,000	721,400
Veterans' Cemetery	163,000	-0-	-0-
Veterans' Conservatorship	262,900	313,000	363,100
<b>TOTAL APPROPRIATIONS</b>	<b>1,047,900</b>	<b>1,027,000</b>	<b>1,084,500</b>
<u>Expenditure Detail</u>			
FTE Positions	38.0	32.0	33.0
Personal Services	685,200	639,700	688,300
Employee Related Exp.	158,500	149,500	174,800
Travel - State	18,000	30,200	30,800
Travel - Out of State	1,300	1,900	1,900
Other Operating Exp.	130,600	131,900	136,000
Equipment	13,300	1,800	10,700
All Other Operating Exp.	163,200	165,800	179,400
<b>OPERATION SUB-TOTAL</b>	<b>1,006,900</b>	<b>955,000</b>	<b>1,042,500</b>
Special Line Items	41,000	72,000	42,000
<b>TOTAL APPROPRIATIONS</b>	<b>1,047,900</b>	<b>1,027,000</b>	<b>1,084,500</b>
<u>Fund Summary</u>			
General Fund	785,000	714,000	721,400
Veterans' Guardianship Fund	262,900	313,000	363,100
<b>TOTAL APPROPRIATIONS</b>	<b>1,047,900</b>	<b>1,027,000</b>	<b>1,084,500</b>

JLBC Analyst: Blanton

Norman O. Gallion, Director (Tel. 255-4713)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>20.0</u>	<u>20.0</u>	<u>20.0</u>
Personal Services	<u>402,100</u>	<u>432,000</u>	<u>452,000</u>
Employee Related Exp.	<u>87,100</u>	<u>95,100</u>	<u>110,400</u>
Travel - State	16,100	27,300	27,800
Travel - Out of State	600	1,900	1,900
Other Operating Exp.	67,100	85,700	87,300
Equipment	8,000	-0-	-0-
All Other Operating Exp.	<u>91,800</u>	<u>114,900</u>	<u>117,000</u>
OPERATION SUB-TOTAL	581,000	642,000	679,400
National Association of St. Dir. Conv.	5,000	-0-	-0-
Veterans' Organization Contracts	36,000	40,000	40,000
Native American Veterans' War Memorial	-0-	2,000	2,000 <sup>1/</sup>
Veterans Home Study	<u>-0-</u>	<u>30,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>622,000</u>	<u>714,000</u>	<u>721,400 <sup>2/</sup></u>

The approved amount includes \$15,300 in Personal Services and \$8,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,500 in Employee Related Expenditures for the increased retirement contribution.

Veterans' Organization Contracts - Provides funding for contracts with Arizona Veterans' organizations that hold charters granted by Congress for the beneficial interest of veterans. (A.R.S. 41-603.A).

<sup>1/</sup> This is a one time appropriation in support of S.B. 1451 (Chapter 185, Laws of 1987) and is exempt from provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items for the program. The objects of expenditure are for informational purposes only.

JLBC Analyst: Blanton

Norman O. Gallion, Director (Tel. 255-4713)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	6.0	0.0	0.0
Personal Services	96,600	-0-	-0-
Employee Related Exp.	26,600	-0-	-0-
Travel - Out of State	-0-	-0-	-0-
Other Operating Exp.	36,600	-0-	-0-
Equipment	3,200	-0-	-0-
All Other Operating Exp.	39,800	-0-	-0-
TOTAL APPROPRIATIONS	163,000	-0-	-0- <sup>1/</sup>

<sup>1/</sup> Passage of H.B. 2037 (Chapter 190, Laws of 1987) obviates the appropriation of funds for operation of the Cemetery.

JLBC Analyst: Blanton

Norman O. Gallion, Director (Tel. 255-4713)

VETERANS' GUARDIANSHIP FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	12.0	12.0	13.0
Personal Services	186,500	207,700	236,300
Employee Related Exp.	44,800	54,400	64,400
Travel - State	1,900	2,900	3,000
Travel - Out of State	700	-0-	-0-
Other Operating Exp.	26,900	46,200	48,700
Equipment	2,100	1,800	10,700
All Other Operating Exp.	31,600	50,900	62,400
<b>TOTAL APPROPRIATIONS</b>	<b>262,900</b>	<b>313,000</b>	<b>363,100</b> <sup>1/</sup>

The approved amount includes \$8,000 in Personal Services and \$4,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for one new FTE position: one Fiscal Unit Supervisor to assume full supervisory responsibility for the Conservatorship/Guardianship Division which is responsible for the affairs of approximately 600 wards with assets of \$13 million.

Equipment - The amount approved includes \$10,000 for the purchase of modular workstations.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Maxine McCarthy, Executive Secretary (Tel. 255-5989)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Position	3.0	4.0	4.0
Personal Services	72,000	88,900	116,000
Employee Related Exp.	14,200	16,700	25,300
Prof. & Outside Services	37,100	62,500	28,800
Travel - State	6,400	8,300	8,900
Other Operating Exp.	18,300	20,500	12,100
All Other Operating Exp.	61,800	91,300	49,800
<b>TOTAL APPROPRIATIONS</b>	<b>148,000</b>	<b>196,900</b>	<b>191,100 <sup>1/</sup></b>

The approved amount includes \$3,800 in Personal Services and \$2,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

The line item detail shown above for FY 1988 and FY 1989 reflects a shift of funds from Professional and Outside Services to Personal Services and Employee Related Expenditures. This shift, authorized in February 1988, enables the Board to treat the appointed General Counsel as a full-time regular position rather than a contracted consultant.

Personal Services - The approved amount includes a salary of \$35,000 for the General Counsel position.

Professional and Outside Services - The approved amount includes a reduction of \$42,100 (which was shifted to Personal Services and Employee Related Expenditures for the General Counsel position), removal of the remaining \$2,900 in contract funding for the General Counsel, and a \$3,700 reduction in funds available for hearing officers and other professional services.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. Objects of expenditure are shown for informational purposes only.



COMMISSION OF AGRICULTURE AND HORTICULTURE - SUMMARY

A.R.S. 3-101

JLBC Analyst: Naimark

Dr. Ivan J. Shields, Director (255-4373)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Office of the Director	545,800	595,300	721,600
Field Operations	4,722,200	4,951,000	5,131,500
Environmental Quality-Pesticide	199,400	353,200	-0-
State Chemist	383,100	475,200	533,000
Fruit & Veg. Standardization	707,900	744,800	746,600
<b>TOTAL APPROPRIATIONS</b>	<b>6,558,400</b>	<b>7,119,500</b>	<b>7,132,700</b>
<u>Expenditure Detail</u>			
FTE Positions	196.5	204.5	198.0 <sup>1/</sup>
Personal Services	4,062,600	4,364,300	4,357,200
Employee Related Exp.	966,800	974,100	1,134,100
Prof. & Outside Services	200,700	296,400	156,400
Travel - State	259,900	372,400	300,600
Travel - Out Of State	18,400	24,800	24,800
Other Operating Exp.	676,200	794,400	622,200
Equipment	274,000	216,600	139,000
All Other Operating Exp.	1,429,200	1,704,600	1,243,000
<b>OPERATION SUB-TOTAL</b>	<b>6,458,600</b>	<b>7,043,000</b>	<b>6,734,300</b>
Special Line Items	99,800	76,500	398,400
<b>TOTAL APPROPRIATIONS</b>	<b>6,558,400</b>	<b>7,119,500</b>	<b>7,132,700</b>
<u>Fund Summary</u>			
General Fund	5,467,400	5,899,500	5,853,100
Fertilizer Materials fund	90,400	117,700	150,600
Pesticide Fund	148,700	174,400	192,800
Commercial Feed Fund	144,000	183,100	189,600
Fruit & Vegetable Standard- ization Fund	610,900	645,400	654,900
Citrus Revolving Fund	97,000	99,400	91,700
<b>TOTAL APPROPRIATIONS</b>	<b>6,558,400</b>	<b>7,119,500</b>	<b>7,132,700</b>

LAND, BUILDINGS AND IMPROVEMENTS

Agricultural Laboratory - H.B. 2379 (Chapter 317) - Appropriates \$450,000 from the General Fund to the Department of Administration to refurbish the East Annex Building for the State Agricultural Laboratory.

<sup>1/</sup> The number shown does not include the FTE positions authorized in the special line items.

Dr. Ivan J. Shields, Director (255-4373)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	9.0	9.0	9.0 <sup>1/</sup>
Personal Services	209,300	228,000	233,700
Employee Related Exp.	39,400	41,300	50,600
Prof. & Outside Services	48,500	48,500	48,500
Travel - State	3,400	4,100	4,100
Travel - Out of State	4,400	3,800	3,800
Other Operating Exp.	192,900	227,100	121,100
Equipment	1,000	1,000	-0-
All Other Operating Exp.	250,200	284,500	177,500
OPERATION SUB-TOTAL	498,900	553,800	461,800
Noxious Weeds Eradication	10,000	-0-	-0-
Env. Quality - Director	-0-	-0-	221,000 <sup>2/</sup>
Market News Service	36,900	41,500	38,800
TOTAL APPROPRIATIONS	545,800	595,300	721,600 <sup>3/</sup>

The approved amount includes \$7,800 in Personal Services and \$4,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$800 in Employee Related Expenditures for the increased retirement contribution.

Environmental Quality - Director - The amount approved includes \$77,300 for payments on research contracts studying integrated pest management techniques. The approved amount includes \$2,600 in Personal Services and \$1,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$300 in Employee Related Expenditures for the increased retirement contribution.

Market News Service - The approved amount includes \$900 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

- <sup>1/</sup> The number shown does not include 4.0 FTE positions for the Environmental Quality-Director program or 2.2 FTE positions for the Market News Service.
- <sup>2/</sup> The Environmental Quality program is no longer shown as a separate division of the Commission. The funding and functions of this program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

JLBC Analyst: Naimark

Dr. Ivan J. Shields, Director (255-4373)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	155.5	160.5	158.0 <sup>1/</sup>
Personal Services	3,227,400	3,373,600	3,441,000
Employee Related Exp.	783,200	767,100	912,900
Prof. & Outside Services	44,600	44,700	44,700
Travel - State	122,800	195,700	152,300
Travel - Out of State	3,400	9,000	9,000
Other Operating Exp.	377,700	401,100	360,200
Equipment	163,100	159,800	132,800
All Other Operating Exp.	711,600	810,300	699,000
OPERATION SUB-TOTAL	4,722,200	4,951,000	5,052,900
Env. Quality - Field	-0-	-0-	78,600 <sup>2/</sup>
TOTAL APPROPRIATIONS	4,722,200	4,951,000	5,131,500 <sup>3/</sup>

The approved amount includes \$116,400 in Personal Services and \$67,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$11,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes the elimination of \$29,600 for 2.5 seasonal inspector aid positions, and incorporates a vacancy factor of three percent for a savings of \$103,800.

Travel - State - The approved amount includes an \$11,500 reduction to reflect lower Motor Pool rates and a \$30,000 reduction for a decrease in miles travelled.

Other Operating Expenditures - The amount approved includes a \$10,000 reduction in contingency funds available for repair and maintenance.

(Continued)

- <sup>1/</sup> The number shown does not include 2.0 FTE positions for the Environmental Quality - Field program.
- <sup>2/</sup> The Environmental Quality program is no longer shown as a separate division of the Commission. The funding and functions of this program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

COMMISSION OF AGRICULTURE AND HORTICULTURE-FIELD OPERATIONS (Cont'd)  
GENERAL FUND

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Equipment - The approved funding includes \$11,600 for replacement office equipment, \$34,500 for four replacement vehicles, and \$70,200 for replacement laboratory equipment. The appropriation also includes \$16,500 for the first lease/purchase payment on a dairy analysis machine which will be used to conduct tests for the contract with the Dairy Commissioner.

Environmental Quality - The approved amount includes \$1,400 in Personal Services and \$800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

JLBC Analyst: Naimark

Dr. Ivan J. Shields, Director (255-4373)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>
Personal Services	<u>43,500</u>	<u>114,100</u>	<u>-0-</u>
Employee Related Exp.	<u>9,300</u>	<u>26,300</u>	<u>-0-</u>
Prof. & Outside Services	81,300	145,000	-0-
Travel - State	23,700	12,000	-0-
Travel - Out of State	1,100	-0-	-0-
Other Operating Exp.	4,300	50,800	-0-
Equipment	36,200	5,000	-0-
All Other Operating Exp.	<u>146,600</u>	<u>212,800</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>199,400</u>	<u>353,200</u>	<u>-0- <sup>1/</sup></u>

<sup>1/</sup> This pesticide regulation program was first funded in FY 1987 through a partial-year appropriation in the Environmental Quality Act (Chapter 368, Laws of 1986). The General Appropriation Act for FY 1988 (Chapter 334, Laws of 1987) provided full-year funding for the program as a separate division of the Commission of Agriculture and Horticulture. For FY 1989, the program is no longer shown as a separate division. The funding and functions of the program have been divided between the Office of the Director and Field Operations, and appropriated as special line items.

JLBC Analyst: Naimark

Dr. Ivan J. Shields, Director (255-4373)

FERTILIZER MATERIALS, PESTICIDE, AND COMMERCIAL FEED FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
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Expenditure Detail

FTE Positions	9.5	9.5	11.0
Personal Services	230,200	249,300	295,300
Employee Related Exp.	51,800	54,300	74,000
Prof. & Outside Services	16,400	49,500	49,500
Travel - State	14,400	26,100	23,100
Travel - Out Of State	9,100	12,000	12,000
Other Operating Exp.	37,000	62,300	73,700
Equipment	24,200	21,700	5,400
All Other Operating Exp.	101,100	171,600	163,700
TOTAL APPROPRIATIONS	383,100	475,200	533,000 <sup>1/</sup>

Fund Summary

Fertilizer Materials Fund	90,400	117,700	150,600
Pesticide Fund	148,700	174,400	192,800
Commercial Feed Fund	144,000	183,100	189,600
TOTAL APPROPRIATIONS	383,100	475,200	533,000

The approved amount includes \$10,000 in Personal Services and \$5,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes an additional Environmental Specialist position to work on pesticide regulation programs. The appropriation also increases a half-time Inspector position in Yuma to full-time.

Other Operating Expenditures - The approved amount includes a \$2,700 increase for inflation, a \$6,100 increase for the Risk Management insurance premium, and a \$2,600 increase to support the new positions.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

COMMISSION OF AGRICULTURE AND HORTICULTURE -  
FRUIT AND VEGETABLE STANDARDIZATION

A.R.S. 3-481

JLBC Analyst: Naimark

Dr. Ivan J. Shields, Director (255-4373)

FRUIT AND VEGETABLE STANDARDIZATION AND CITRUS REVOLVING FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	16.5	19.5	20.0
Personal Services	352,200	399,300	387,200
Employee Related Exp.	83,100	85,100	96,600
Prof. & Outside Services	9,900	8,700	13,700
Travel - State	95,600	134,500	121,100
Travel - Out of State	400	-0-	-0-
Other Operating Exp.	64,300	53,100	67,200
Equipment	49,500	29,100	800
All Other Operating Exp.	219,700	225,400	202,800
OPERATION SUB-TOTAL	655,000	709,800	686,600
Cooperative Agreement	52,900	35,000	60,000
TOTAL APPROPRIATIONS	707,900	744,800	746,600 <sup>1/</sup>
<u>Fund Summary</u>			
Fruit & Veg. Standardization	610,900	645,400	654,900
Citrus Revolving	97,000	99,400	91,700
TOTAL APPROPRIATIONS	707,900	744,800	746,600

The approved amount includes \$13,100 in Personal Services and \$7,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a \$31,500 reduction to reflect actual current salaries, and a \$6,300 increase to fund a half-time Typist position.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

COMMISSION OF AGRICULTURE AND HORTICULTURE -  
FRUIT AND VEGETABLE STANDARDIZATION (Cont'd)  
FRUIT AND VEGETABLE STANDARDIZATION AND CITRUS REVOLVING FUNDS

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Professional and Outside Services - The amount approved includes \$5,000 to enhance automation of the Division's programs.

Travel - State - The amount approved includes a \$13,400 reduction to reflect lower Motor Pool rates and true travel needs.

Other Operating Expenditures - The amount approved includes a \$1,400 increase for inflation, a \$12,100 increase for the Risk Management insurance premium, and a total of \$18,600 for rent in private office space.

Cooperative Agreement - The approved amount includes a \$25,000 increase to cover inspection costs associated with anticipated growth in the melon crop.



JLBC Analyst: Flanders

Mary Short, Superintendent (Tel. 255-4421)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	63.0	79.0	79.0
Personal Services	1,389,500	1,937,900	2,000,100
Employee Related Exp.	275,800	362,900	407,200
Prof. & Outside Services	14,100	8,900	9,200
Travel - State	71,000	89,600	89,600
Travel - Out of State	16,500	33,700	18,900
Other Operating Exp.	219,600	210,700	245,200
Equipment	20,000	-0-	-0-
All Other Operating Exp.	341,200	342,900	362,900
OPERATION SUB-TOTAL	2,006,500	2,643,700	2,770,200
Receiverships	228,300	250,000	295,300
TOTAL APPROPRIATIONS	2,234,800	2,893,700	3,065,500 <sup>1/2/</sup>

The approved amount includes \$65,200 in Personal Services and \$39,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$6,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes vacancy savings of \$63,700. Also, an adjustment was made to reflect the transfer of payments for an Assistant Attorney General to the Banking Department revolving fund.

1/ The Department shall assess and set fees that will assure that funds deposited to the General Fund shall equal or exceed their expenditure from the General Fund.

2/ Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Don A. Reville, Director (Tel. 255-4072)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	67.0	68.0	70.0
Personal Services	1,444,800	1,627,800	1,680,500
Employee Related Exp.	301,300	332,100	398,000
Prof. & Outside Services	11,300	4,000	4,000
Travel - State	178,700	182,200	170,100
Travel - Out of State	8,900	9,400	9,400
Other Operating Exp.	255,700	324,000	334,700
Equipment	50,300	12,000	23,000
All Other Operating Exp.	504,900	531,600	541,200
OPERATION SUB-TOTAL	2,251,000	2,491,500	2,619,700
Fire Training School	17,600	18,000	24,000
TOTAL APPROPRIATIONS	2,268,600	2,509,500	2,643,700 <sup>1/</sup>

The approved amount includes \$56,800 in Personal Services and \$33,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation includes funding for two new Deputy Fire Marshal I FTE positions. The appropriation does not include funding for the Assistant Director for Administration and the Assistant Director for Manufactured Housing positions; these two positions are to remain vacant during fiscal year 1989. In addition, the appropriation includes vacancy savings of \$19,000.

Equipment - The approved amount includes funding for vehicles for the two new Deputy Fire Marshals.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

John White, Registrar (Tel. 255-1525)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	73.5	99.0	107.6
Personal Services	1,481,100	2,023,400	2,276,900
Employee Related Exp.	328,200	444,200	588,600
Prof. & Outside Services	14,300	89,600	100,900
Travel - State	106,000	146,500	215,100
Travel - Out of State	600	1,800	1,800
Other Operating Exp.	384,200	428,600	677,500
Equipment	40,600	231,900	234,500
All Other Operating Exp.	545,700	898,400	1,229,800
TOTAL APPROPRIATIONS	2,355,000	3,366,000	4,095,300 <sup>1/2/</sup>

The approved amount includes \$77,000 in Personal Services and \$44,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$7,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation includes funding for 11 new FTE positions necessary for the regulation of commercial contracting: six Investigators, four Inspectors, and one Systems and Programming Manager. The appropriation also includes a reduction of \$42,800 and 2.4 FTE positions to reflect the lack of funding for offices in Pinetop and Payson. In addition, the appropriation includes vacancy savings of \$85,000.

Professional and Outside Services - The amount approved includes funding for an accounting software package and additional computer memory software. In addition, \$50,000 is included for a construction specialist consulting contract.

Travel - State - The amount approved includes funding for the travel requirements of the new employees. Also, a deletion of \$4,500 for travel associated with the Pinetop and Payson offices is included.

Equipment - The amount approved includes funding for replacement equipment for the new Phoenix office, computer modems and memory upgrades, and vehicles and office furniture for the new employees.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

<sup>2/</sup> This appropriation does not include funding for offices in Pinetop and Payson.

JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

GENERAL FUND, UTILITY REGULATION

REVOLVING FUND AND PIPELINE SAFETY REVOLVING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
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Program Summary

Administration/Hearing Corporations	1,960,400	2,040,500	1,823,100
Securities	968,700	956,300	1,035,400
Railroad Safety	1,338,300	1,359,600	1,493,600
Utilities	360,700	472,200	530,100
Legal Division	3,851,000	4,039,500	4,396,500
	717,900	889,800	904,000
<b>TOTAL APPROPRIATIONS</b>	<b>9,197,000</b>	<b>9,757,900</b>	<b>10,182,700</b>

Expenditure Detail

FTE Positions	215.0	219.0	217.0
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Personal Services	5,349,400	5,703,900	5,961,800
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Employee Related Exp.	1,045,100	1,108,200	1,376,700
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Prof. & Outside Services	416,900	455,900	465,900
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Travel - State	166,000	273,600	266,000
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Travel - Out of State	62,500	95,200	95,200
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Other Operating Exp.	1,274,800	1,418,300	1,249,200
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Equipment	381,600	65,000	42,900
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All Other Operating Exp.	2,301,800	2,308,000	2,119,200
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<b>OPERATION SUB-TOTAL</b>	<b>8,696,300</b>	<b>9,120,100</b>	<b>9,457,700</b>
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Expert Testimony	-0-	-0-	25,000
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Railroad Warning System	19,700	137,800	200,000
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Utility Audits, Studies, Investigations & Rate Hearings	481,000	500,000	500,000
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<b>TOTAL APPROPRIATIONS</b>	<b>9,197,000</b>	<b>9,757,900</b>	<b>10,182,700</b>
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Fund Summary

General Fund	4,628,100	4,828,600	4,882,200
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Utility Regulation Revolving Fund	4,568,900	4,929,300	5,269,700
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Pipeline Safety Revolving Fund	-0-	-0-	30,800
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<b>TOTAL APPROPRIATIONS</b>	<b>9,197,000</b>	<b>9,757,900</b>	<b>10,182,700</b>
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JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	40.0	40.0	38.0
Personal Services	1,039,200	1,051,700	1,071,500
Employee Related Exp.	191,700	191,900	235,500
Prof. & Outside Services	249,100	197,300	197,300
Travel - State	9,700	7,200	6,800
Travel - Out of State	16,400	10,000	10,000
Other Operating Exp.	402,000	527,400	302,000
Equipment	52,300	55,000	-0-
All Other Operating Exp.	729,500	796,900	516,100
 TOTAL APPROPRIATIONS	 1,960,400	 2,040,500	 1,823,100 <sup>1/</sup>

The approved amount includes \$31,200 in Personal Services and \$20,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects the elimination of two data processing FTE positions, an Executive Consultant and a Programmer Analyst. In addition, the amount approved includes a one percent vacancy factor.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>37.0</u>	<u>37.0</u>	<u>37.0</u>
Personal Services	<u>586,800</u>	<u>612,500</u>	<u>644,100</u>
Employee Related Exp.	<u>139,000</u>	<u>141,200</u>	<u>174,000</u>
Prof. & Outside Services	14,700	8,400	8,400
Travel - State	500	100	100
Travel - Out of State	1,100	-0-	-0-
Other Operating Exp.	169,400	194,100	200,900
Equipment	57,200	-0-	7,900
All Other Operating Exp.	<u>242,900</u>	<u>202,600</u>	<u>217,300</u>
TOTAL APPROPRIATIONS	<u>968,700</u>	<u>956,300</u>	<u>1,035,400</u> <sup>1/</sup>

The approved amount includes \$21,800 in Personal Services and \$12,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a one percent vacancy factor.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	39.0	39.0	39.0
Personal Services	1,019,400	1,061,000	1,109,400
Employee Related Exp.	191,300	195,800	245,800
Prof. & Outside Services	43,600	16,000	26,000
Travel - State	4,600	5,700	5,400
Travel - Out of State	-0-	2,000	2,000
Other Operating Exp.	78,300	79,100	80,000
Equipment	1,100	-0-	-0-
All Other Operating Exp.	127,600	102,800	113,400
OPERATION SUB-TOTAL	1,338,300	1,359,600	1,468,600
Expert Testimony	-0-	-0-	25,000
TOTAL APPROPRIATIONS	1,338,300	1,359,600	1,493,600 <sup>1/</sup>

The approved amount includes \$37,500 in Personal Services and \$21,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a four percent vacancy factor.

Expert Testimony - The amount approved includes funding for expert witnesses and consulting services required to initiate and follow through with administrative and court proceedings.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	9.0	9.0	8.0
Personal Services	211,800	224,900	212,900
Employee Related Exp.	49,000	49,500	53,900
Prof. & Outside Services	300	-0-	-0-
Travel - State	41,800	35,000	34,100
Travel - Out of State	1,800	3,800	3,800
Other Operating Exp.	16,200	21,200	21,200
Equipment	20,100	-0-	4,200
All Other Operating Exp.	80,200	60,000	63,300
OPERATION SUB-TOTAL	341,000	334,400	330,100
Railroad Warning System	19,700	137,800	200,000 <sup>1/</sup>
TOTAL APPROPRIATIONS	360,700	472,200	530,100 <sup>2/</sup>

The approved amount includes \$7,200 in Personal Services and \$4,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes the transfer-out of one FTE position, an Administrative Secretary, to the Utilities division.

<sup>1/</sup> This appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.



JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

UTILITY REGULATION REVOLVING FUND AND PIPELINE SAFETY REVOLVING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>77.0</u>	<u>80.0</u>	<u>81.0</u>
Personal Services	<u>2,023,800</u>	<u>2,210,400</u>	<u>2,381,400</u>
Employee Related Exp.	<u>400,500</u>	<u>435,800</u>	<u>560,500</u>
Prof. & Outside Services	86,000	94,300	94,300
Travel - State	104,600	212,600	207,000
Travel - Out of State	30,700	58,400	58,400
Other Operating Exp.	515,800	519,900	564,100
Equipment	208,600	8,100	30,800
All Other Operating Exp.	<u>945,700</u>	<u>893,300</u>	<u>954,600</u>
OPERATION SUB-TOTAL	3,370,000	3,539,500	3,896,500
Utility Audits, Studies, Inves- tigations & Rate Hearings	<u>481,000</u>	<u>500,000</u>	<u>500,000</u> <sup>1/</sup>
TOTAL APPROPRIATIONS	<u>3,851,000</u>	<u>4,039,500</u>	<u>4,396,500</u> <sup>2/3/</sup>
<u>Fund Summary</u>			
Utility Regulation Revolving Fund	3,851,000	4,039,500	4,365,700
Pipeline Safety Revolving Fund	<u>-0-</u>	<u>-0-</u>	<u>30,800</u>
TOTAL APPROPRIATIONS	<u>3,851,000</u>	<u>4,039,500</u>	<u>4,396,500</u>

The approved amount includes \$80,500 in Personal Services and \$46,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$8,100 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> This appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.
- <sup>2/</sup> Three FTE (one Auditor authorized in FY 1986, and one Utility Consultant and one Investigator authorized in FY 1988) are for the primary use of the Small Water Companies Technical Assistance Program.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

CORPORATION COMMISSION - UTILITIES (Cont'd)  
UTILITY REGULATION REVOLVING FUND AND PIPELINE SAFETY REVOLVING FUND

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Personal Services - The amount approved includes the transfer-in of one FTE position, an Administrative Secretary, from the Railroad Safety division. In addition, the amount approved includes a three percent vacancy factor.

Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for the payment of rent to the Department of Administration.

Equipment - The amount approved includes funding from the Pipeline Safety Revolving Fund for the purchase of a new vehicle and computer equipment.

JLBC Analyst: Bellgardt

The Honorable Renz D. Jennings, Chairman (Tel. 255-3935)

UTILITY REGULATION REVOLVING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>13.0</u>	<u>14.0</u>	<u>14.0</u>
Personal Services	<u>468,400</u>	<u>543,400</u>	<u>542,500</u>
Employee Related Exp.	<u>73,600</u>	<u>94,000</u>	<u>107,000</u>
Prof. & Outside Services	23,200	139,900	139,900
Travel - State	4,800	13,000	12,600
Travel - Out of State	12,500	21,000	21,000
Other Operating Exp.	93,100	76,600	81,000
Equipment	42,300	1,900	-0-
All Other Operating Exp.	<u>175,900</u>	<u>252,400</u>	<u>254,500</u>
TOTAL APPROPRIATIONS	<u>717,900</u>	<u>889,800</u>	<u>904,000</u> <sup>1/</sup>

The approved amount includes \$18,300 in Personal Services and \$10,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,800 in Employee Related Expenditures for the increased retirement contribution.

Other Operating Expenditures - The amount approved includes funding for inflationary increases as well as funding for the payment of rent to the Department of Administration.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Roy Collier, Commissioner (Tel. 255-3021)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	8.0	8.0	7.5
Personal Services	195,700	225,200	215,600
Employee Related Exp.	45,200	52,100	52,600
Prof. & Outside Services	82,300	128,700	128,700
Travel - State	20,500	24,300	24,300
Travel - Out of State	4,200	4,000	4,000
Other Operating Exp.	40,400	37,000	41,700
Equipment	3,500	-0-	-0-
All Other Operating Exp.	150,900	194,000	198,700
TOTAL APPROPRIATIONS	391,800	471,300	466,900 <sup>1/</sup>

The approved amount includes \$6,000 in Personal Services and \$4,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects a decrease in funding for the elimination of a half-time FTE position, an Inspector.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87_ Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administration	1,767,300	1,519,000	1,933,900
Claims	2,136,000	2,839,800	2,923,700
Administrative Law Judge	2,634,000	2,828,800	3,174,900
Labor	258,900	275,800	341,600
Occupational Safety & Health	1,253,900	1,433,000	1,531,300
Special Fund	200,400	389,600	426,800
Legal Counsel	-0-	371,200	546,900
<b>TOTAL APPROPRIATIONS</b>	<b>8,250,500</b>	<b>9,657,200</b>	<b>10,879,100</b>
<u>Expenditure Detail</u>			
FTE Positions	217.0	218.0	245.0
Personal Services	4,539,500	5,029,600	5,687,100
Employee Related Exp.	952,900	1,100,800	1,357,400
Prof. & Outside Services	1,011,800	1,644,600	1,655,100
Travel - State	105,000	124,200	136,800
Travel - Out of State	4,400	5,800	5,800
Other Operating Exp.	1,447,200	1,577,200	1,827,600
Equipment	189,700	175,000	209,300
All Other Operating Exp.	2,758,100	3,526,800	3,834,600
<b>TOTAL APPROPRIATIONS</b>	<b>8,250,500</b>	<b>9,657,200</b>	<b>10,879,100</b>

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates \$20,000 from the Industrial Commission Special Fund to the Department of Administration for the maintenance and repair of state buildings.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	40.0	32.0	36.0
Personal Services	888,200	765,400	852,100
Employee Related Exp.	180,000	158,200	194,500
Prof. & Outside Services	71,000	74,800	101,100
Travel - State	18,600	15,300	15,100
Travel - Out of State	1,500	1,500	1,500
Other Operating Exp.	521,100	503,800	725,700
Equipment	86,900	-0-	43,900
SUB-TOTAL	699,100	595,400	887,300
TOTAL APPROPRIATIONS	1,767,300	1,519,000	1,933,900 <sup>1/</sup>

The approved amount includes \$27,500 in Personal Services and \$16,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for eight new FTE positions: one Attorney, two Claims Specialists and one Secretary to establish an ombudsman program; an Accounting Clerk and Storekeeper to accommodate increased clerical workloads; and, a Typist and a Research and Statistical Assistant to perform statistical analysis of workers' compensation claims. In addition, four FTE positions, a Data Entry Supervisor and three Data Entry Operators, were transferred to the Claims division.

Professional and Outside Services - The amount approved includes a transfer-in of funding from the Special Fund division for the provision of actuarial services.

Other Operating Expenditures - The amount approved includes funding for increased rental space costs.

Equipment - The amount approved includes funding for computer hardware.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	81.0	76.0	85.0
Personal Services	1,172,600	1,207,700	1,389,600
Employee Related Exp.	272,300	316,900	384,900
Prof. & Outside Services	273,200	741,500	630,300
Travel - State	6,500	3,000	4,900
Travel - Out of State	1,600	1,700	1,700
Other Operating Exp.	361,100	425,200	452,600
Equipment	48,700	143,800	59,700
All Other Operating Exp.	691,100	1,315,200	1,149,200
TOTAL APPROPRIATIONS	2,136,000	2,839,800	2,923,700 <sup>1/</sup>

The approved amount includes \$47,000 in Personal Services and \$27,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for four new FTE positions: two Claims Technicians and a Typist to monitor unfair claims processing, and a Typist to be located in the Tucson office. In addition, four FTE positions, a Data Entry Supervisor and three Data Entry Operators, were transferred from the Administration division, and one FTE position, a Clerk Typist, was transferred from the Special Fund division.

Professional and Outside Services - The amount approved reflects a decrease in funding for one-time programming costs in FY 1988.

Equipment - The amount approved reflects a decrease in funding for one-time computer equipment purchases in FY 1988.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	43.0	43.0	49.0
Personal Services	1,399,500	1,489,400	1,644,700
Employee Related Exp.	268,000	275,500	346,000
Prof. & Outside Services	622,500	705,500	810,300
Travel - State	9,900	9,100	11,500
Other Operating Exp.	305,300	336,800	312,100
Equipment	28,800	12,500	50,300
All Other Operating Exp.	966,500	1,063,900	1,184,200
TOTAL APPROPRIATIONS	2,634,000	2,828,800	3,174,900 <sup>1/</sup>

The approved amount includes \$55,600 in Personal Services and \$32,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for six new FTE positions: two Attorneys, two Legal Secretaries and two Typists. In addition, the amount approved reflects a 1.5 percent vacancy factor.

Professional and Outside Services - The amount approved includes an increase in funding for court reporting and professional witness fees.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	9.0	9.0	11.0
Personal Services	165,800	181,200	218,100
Employee Related Exp.	36,100	40,700	54,700
Prof. & Outside Services	400	1,600	1,600
Travel - State	4,700	4,700	7,900
Travel - Out of State	900	1,400	1,400
Other Operating Exp.	47,600	46,200	50,100
Equipment	3,400	-0-	7,800
All Other Operating Exp.	57,000	53,900	68,800
TOTAL APPROPRIATIONS	258,900	275,800	341,600 <sup>1/</sup>

The approved amount includes \$7,400 in Personal Services and \$4,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for two new FTE positions, a Labor Law Investigator and a Typist, for the investigation of child labor violations.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	37.0	36.0	36.0
Personal Services	794,400	879,800	932,400
Employee Related Exp.	171,700	198,300	226,300
Prof. & Outside Services	25,300	60,700	61,400
Travel - State	65,300	87,000	86,500
Travel - Out of State	400	700	700
Other Operating Exp.	182,300	187,800	203,000
Equipment	14,500	18,700	21,000
All Other Operating Exp.	287,800	354,900	372,600
TOTAL APPROPRIATIONS	1,253,900	1,433,000	1,531,300 <sup>1/</sup>

The approved amount includes \$31,500 in Personal Services and \$18,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for the reclassification of FTE positions.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	7.0	13.0	14.0
Personal Services	119,000	250,500	280,900
Employee Related Exp.	24,800	59,800	70,500
Prof. & Outside Services	19,400	35,700	19,100
Travel - State	-0-	3,000	3,900
Other Operating Exp.	29,800	40,600	43,800
Equipment	7,400	-0-	8,600
All Other Operating Exp.	56,600	79,300	75,400
TOTAL APPROPRIATIONS	200,400	389,600	426,800 <sup>1/</sup>

The approved amount includes \$9,500 in Personal Services and \$5,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for two new FTE positions, a Claims Specialist and a Typist, to process no-insurance claims. In addition, a Clerk Typist was transferred to the Claims division.

Professional and Outside Services - The amount approved reflects a transfer-out of funding to the Administration division for the provision of actuarial services.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Larry Etchechury, Director (Tel. 255-4411)

SPECIAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	-0-	9.0	14.0
Personal Services	-0-	255,600	369,300
Employee Related Exp.	-0-	51,400	80,500
Prof. & Outside Services	-0-	24,800	31,300
Travel - State	-0-	2,100	7,000
Travel - Out of State	-0-	500	500
Other Operating Exp.	-0-	36,800	40,300
Equipment	-0-	-0-	18,000
All Other Operating Exp.	-0-	64,200	97,100
TOTAL APPROPRIATIONS	-0- <sup>1/</sup>	371,200	546,900 <sup>2/</sup>

The approved amount includes \$12,500 in Personal Services and \$7,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for five new FTE positions: two Attorneys, two Legal Secretaries and a Typist.

<sup>1/</sup> The appropriation for Legal Counsel in FY 1987 was contained in the appropriation for the Administration division.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Susan Gallinger, Director (Tel. 255-5400)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	61.0	61.0	69.0
Personal Services	1,366,700	1,446,200	1,548,500
Employee Related Exp.	272,300	295,200	345,300
Prof. & Outside Services	28,100	33,600	19,300
Travel - State	6,200	7,800	10,200
Travel - Out of State	15,700	10,400	8,000
Other Operating Exp.	352,600	417,500	439,700
Equipment	22,300	6,500	24,800
All Other Operating Exp.	424,900	475,800	502,000
OPERATION SUB-TOTAL	2,063,900	2,217,200	2,395,800
Office Relocation	-0-	-0-	69,400
TOTAL APPROPRIATIONS	2,063,900	2,217,200	2,465,200 <sup>1/</sup>

The approved amount includes \$52,400 in Personal Services and \$30,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a 1.5 percent vacancy factor on existing positions for a savings of \$20,600. Full-year funding is included for seven new positions: four Insurance Analysts, one Examiner Technician, one Administrative Assistant, and one Clerical Assistant. The appropriation also includes two-month's funding for a Systems Project Manager to oversee the Department's computer system, scheduled to begin operating in May 1989.

Professional and Outside Services - The approved amount includes a reduction of \$10,000 for a temporary contract actuary since the Department has hired a permanent actuary on staff. The appropriation also includes a reduction of approximately \$5,000 for contract hearing officers which were required in FY 1988 for cases in which the Department had a conflict of interest.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF INSURANCE (Cont'd)  
GENERAL FUND

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Travel - State - The approved amount includes the addition of \$2,300 to reimburse members of the Consumer Advisory Board for their travel expenses (the Board was created by Chapter 136, Laws of 1987).

Other Operating Expenditures - The approved amount includes increased funding for: the telephone lease/purchase payment, repair and maintenance contracts, postage expenses, operating costs for the newly-authorized FTE positions, and office rent. The appropriation includes \$236,900 for the Department to rent private office space in a new location and \$3,900 for inflation.

Equipment - The amount approved includes \$8,000 for replacement equipment and \$16,800 to purchase furniture and equipment for the new positions.

Office Relocation - The approved amount includes \$10,900 for moving expenses and \$58,500 for the purchase of modular furniture.

ADDITIONAL LEGISLATION

S.B. 1360, (Chapter 259) - Transfers the first \$100,000 collected from the fire insurance premium tax to the fund manager of the Public Safety Personnel Retirement System, instead of depositing the collections into the local firefighters' relief and pension funds. The \$100,000 will support a study commission on cancer in professional firefighters.

JLBC Analyst: Naimark

Hugh Ennis, Superintendent (Tel. 255-5141)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	60.5	60.5	60.5
Personal Services	1,160,500	1,194,700	1,260,800
Employee Related Exp.	251,200	255,100	302,800
Prof. & Outside Services	39,900	85,800	53,400
Travel - State	83,100	113,200	105,800
Travel - Out of State	2,400	7,000	7,000
Other Operating Exp.	297,700	383,200	374,000
Equipment	56,400	10,800	43,200
All Other Operating Exp.	479,500	600,000	583,400
TOTAL APPROPRIATIONS	1,891,200	2,049,800	2,147,000 <sup>1/</sup>

The approved amount includes \$42,400 in Personal Services and \$24,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a 3.5 percent vacancy factor for a savings of \$42,000.

Professional and Outside Services - The approved amount includes a \$10,000 increase in funding for court reporting, a \$25,400 reduction in funding for computer programming, and the removal of \$16,000 for a temporary contract Enforcement Supervisor.

Other Operating Expenditures - The approved amount includes an increase of \$1 per square foot for rent in the Industrial Commission Building and a decrease for reduced rental space. The appropriation contains \$198,600 for rental payment on approximately 14,700 square feet of space.

Equipment - The amount approved includes \$21,600 for the Department to purchase a replacement mobile radio system.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

## ARIZONA LIVESTOCK BOARD - SUMMARY

A.R.S. 24-101

JLBC Analyst: Hernandez

Earl Kelly, Director (255-4196)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administrative Services	614,263	640,500	595,800
Animal Disease Control	169,679	138,300	168,200
Livestock Inspection	1,941,860	2,106,200	2,092,600
Meat and Poultry Inspection	782,859	841,800	891,600
<b>TOTAL APPROPRIATIONS</b>	<b>3,508,661</b>	<b>3,726,800</b>	<b>3,748,200</b>
<u>Expenditure Detail</u>			
FTE Positions	109.2	108.2	108.2
Personal Services	2,218,949	2,392,800	2,439,800
Employee Related Exp.	533,036	599,700	642,800
Prof. & Outside Services	68,798	57,000	49,000
Travel - State	225,623	283,500	266,600
Travel - Out of State	5,855	6,000	6,000
Other Operating Exp.	259,600	272,300	247,700
Equipment	121,800	40,500	21,300
All Other Operating Exp.	681,676	659,300	590,600
<b>OPERATION SUB-TOTAL</b>	<b>3,433,661</b>	<b>3,651,800</b>	<b>3,673,200</b>
Predator Control	75,000	75,000	75,000
<b>TOTAL APPROPRIATIONS</b>	<b>3,508,661</b>	<b>3,726,800</b>	<b>3,748,200</b> <sup>1/</sup>

ADDITIONAL LEGISLATION

Livestock Board Omnibus Bill - H.B. 2100 (Chapter 165) - is a comprehensive update of Chapter 24, which governs the activities of the Livestock Board. Provisions which have direct fiscal impact include:

- Changes equine inspection fees from \$3.50 per head plus a service charge of \$3.00 to a flat fee of \$5.00 per head.
- Increased the fee for an equine ownership and hauling certificate from \$3.50 to \$5.00 per head.
- Establishes a seasonal brand inspection certificate for exhibition livestock, for a fee of \$5.00 plus 50 cents per head in excess of ten.
- Establishes an equine trader permit, which will cost \$100 per year.
- Unencumbered funds in the Seizure Fund in excess of \$5,000 will revert to the General Fund.

<sup>1/</sup> Represents General Appropriation Act Funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Hernandez

Earl Kelly, Director (Tel. 255-4196)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	17.5	17.5	17.5
Personal Services	306,172	343,300	348,200
Employee Related Exp.	60,416	74,300	84,700
Prof. & Outside Services	58,968	50,000	36,000
Travel - State	4,280	6,200	5,600
Travel - Out of State	2,046	1,800	1,800
Other Operating Exp.	106,381	89,900	44,500
Equipment	1,000	-0-	-0-
All Other Operating Exp.	172,675	147,900	87,900
OPERATION SUB-TOTAL	539,263	565,500	520,800
Predator Control	75,000	75,000	75,000
TOTAL APPROPRIATIONS	614,263	640,500	595,800 <sup>1/</sup>

The approved amount includes \$11,600 in Personal Services and \$6,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,200 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Earl Kelly, Director (Tel. 255-4196)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>112,025</u>	<u>84,200</u>	<u>112,600</u>
Employee Related Exp.	<u>24,621</u>	<u>18,900</u>	<u>27,200</u>
Travel - State	13,176	15,300	13,500
Travel - Out of State	680	1,200	1,200
Other Operating Exp.	<u>19,177</u>	<u>18,700</u>	<u>13,700</u>
All Other Operating Exp.	<u>33,033</u>	<u>35,200</u>	<u>28,400</u>
TOTAL APPROPRIATIONS	<u>169,679</u>	<u>138,300</u>	<u>168,200</u> <sup>1/</sup>

The approved amount includes \$3,800 in Personal Services and \$2,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Earl Kelly, Director (Tel. 255-4196)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	62.0	61.0	61.0
Personal Services	1,243,103	1,370,100	1,359,300
Employee Related Exp.	319,593	363,100	370,800
Travel - State	153,145	201,000	186,500
Travel - Out of State	1,127	1,800	1,800
Other Operating Exp.	104,092	129,700	152,900
Equipment	120,800	40,500	21,300
All Other Operating Exp.	379,164	373,000	362,500
TOTAL APPROPRIATIONS	1,941,860	2,106,200	2,092,600 <sup>1/</sup>

The approved amount includes \$46,000 in Personal Services and \$26,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes a vacancy factor of 6.3 percent, which is equal to \$88,200.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Earl Kelly, Director (Tel. 255-4196)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>25.7</u>	<u>25.7</u>	<u>25.7</u>
Personal Services	<u>557,649</u>	<u>595,100</u>	<u>619,700</u>
Employee Related Exp.	<u>128,406</u>	<u>143,400</u>	<u>160,100</u>
Prof. & Outside Services	9,830	7,000	13,000
Travel - State	55,022	61,000	61,000
Travel - Out of State	2,002	1,200	1,200
Other Operating Exp.	<u>29,950</u>	<u>34,100</u>	<u>36,600</u>
All Other Operating Exp.	<u>96,804</u>	<u>103,300</u>	<u>111,800</u>
TOTAL APPROPRIATIONS	<u>782,859</u>	<u>841,800</u>	<u>891,600</u> <sup>1/</sup>

The approved amount includes \$21,000 in Personal Services and \$12,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,100 in Employee Related Expenditures for the increased retirement contribution.

This program operates under a 50 percent cost-sharing agreement with the United States Department of Agriculture. Federal funds will be deposited in the General Fund, and will reimburse the state for 50 percent of the "Total Appropriations" line.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Honorable Jim McCutchan, State Mine Inspector (Tel. 255-5971)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	16.0	16.0	16.0
Personal Services	410,000	441,900	447,100
Employee Related Exp.	84,600	92,700	104,100
Travel - State	64,100	72,300	61,700
Travel - Out of State	1,800	1,800	1,800
Other Operating Exp.	88,400	88,100	94,600
Equipment	43,100	40,300	2,200
All Other Operating Exp.	197,400	202,500	160,300
OPERATION SUB-TOTAL	692,000	737,100	711,500
Mine Safety Program	-0-	38,800	38,800
TOTAL APPROPRIATIONS	692,000	775,900	750,300 <sup>1/</sup>

The approved amount includes \$13,900 in Personal Services and \$8,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects a one percent vacancy factor.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

JLBC Analyst: Bellgardt

Jack Duncan, Chairman (Tel. 864-0893)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Personal Services	300	900	1,500
Employee Related Exp.	-0-	100	100
Prof. & Outside Services	6,000	5,800	1,300
Travel - State	100	200	300
Other Operating Exp.	-0-	100	100
All Other Operating Exp.	6,100	6,100	1,700
<b>TOTAL APPROPRIATIONS</b>	<b>6,400</b>	<b>7,100 <sup>1/</sup></b>	<b>3,300 <sup>2/3/</sup></b>

- 1/ Of the estimated expenditure, \$5,500 was appropriated and \$1,600 was expended from carry-forward funds.
- 2/ The appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing appropriations.
- 3/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Don Skov, Director (Tel. 255-5151)

GENERAL FUND AND COUNTY FAIR RACING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
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Program Summary

Commercial Racing	1,891,700	2,553,100	2,131,600
County Fair Racing	218,900	289,000	302,000
Arizona Racing Industry	12,200	13,700	15,300
<b>TOTAL APPROPRIATIONS</b>	<b>2,122,800</b>	<b>2,855,800</b>	<b>2,448,900</b>

FTE Positions	67.9	68.7	54.9
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Personal Services	1,222,700	1,680,500	1,368,000
Employee Related Exp.	236,600	302,400	284,400
Prof. & Outside Services	385,800	528,400	441,200
Travel - State	105,400	146,800	130,000
Travel - Out of State	2,500	9,000	8,500
Other Operating Exp.	139,000	173,300	215,400
Equipment	30,800	15,400	1,400
All Other Operating Exp.	663,500	872,900	796,500
<b>TOTAL APPROPRIATIONS</b>	<b>2,122,800</b>	<b>2,855,800</b>	<b>2,448,900</b>

Fund Summary

General Fund	1,903,900	2,566,800	2,146,900
County Fair Racing Fund	218,900	289,000	302,000
<b>TOTAL APPROPRIATIONS</b>	<b>2,122,800</b>	<b>2,855,800</b>	<b>2,448,900</b>

JLBC Analyst: Hernandez

Don Skov, Acting Director (Tel. 255-5151)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>61.0</u>	<u>61.8</u>	<u>48.0</u>
Personal Services	<u>1,113,900</u>	<u>1,528,000</u>	<u>1,210,200</u>
Employee Related Exp.	<u>219,600</u>	<u>270,800</u>	<u>248,700</u>
Prof. & Outside Services	360,700	507,400	420,200
Travel - State	48,600	67,200	49,400
Travel - Out of State	1,900	5,000	4,400
Other Operating Exp.	128,200	160,900	197,300
Equipment	<u>18,800</u>	<u>13,800</u>	<u>1,400</u>
All Other Operating Exp.	<u>558,200</u>	<u>754,300</u>	<u>672,700</u>
TOTAL APPROPRIATIONS	<u>1,891,700</u>	<u>2,553,100</u>	<u>2,131,600</u> <sup>1/2/</sup>

The approved amount includes \$40,900 in Personal Services and \$23,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects a reduction of \$139,500 and 5.2 FTE Steward positions, in accordance with an amendment of Arizona Revised Statutes section 5-106, subsection J, which reduced the number of state-employed stewards at each track from three to two. The approved amount also reduces the number of authorized FTE positions for Rillito Downs from 7.2 to 2.4, and eliminates \$73,400 and 3.8 FTE positions.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
- 2/ Included in the appropriation is \$77,100 (Personal Services \$51,800; Employee Related Expenditures \$10,800; and Professional and Outside Services \$14,500) for regulating and supervising racing at Rillito Downs. In the event that Rillito Downs does not open, the money appropriated for that track shall revert to the General Fund.



JLBC Analyst: Hernandez

Don Skov, Acting Director (Tel. 255-5151)

COUNTY FAIR RACING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	6.9	6.9	6.9
Personal Services	108,800	152,500	157,800
Employee Related Exp.	17,000	31,600	35,700
Prof. & Outside Services	21,700	18,100	18,100
Travel - State	55,700	77,800	79,000
Other Operating Exp.	4,100	7,400	11,400
Equipment	11,600	1,600	-0-
All Other Operating Exp.	93,100	104,900	108,500
TOTAL APPROPRIATIONS	218,900	289,000	302,000 <sup>1/</sup>

The approved amount includes \$5,300 in Personal Services and \$3,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$500 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated by as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Don Skov, Acting Director (Tel. 255-5151)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Prof. & Outside Services	3,400	2,900	2,900
Travel - State	1,100	1,800	1,600
Travel - Out of State	600	4,000	4,100
Other Operating Exp.	6,700	5,000	6,700
Equipment	400	-0-	-0-
All Other Operating Exp.	12,200	13,700	15,300
 TOTAL APPROPRIATIONS	 <u>12,200</u>	 <u>13,700</u>	 <u>15,300</u> <sup>1/</sup>

Funds are appropriated to the Arizona Racing Industry in support of the duties of the Arizona Racing Commission under the authority of Arizona Revised Statutes section 5-104.

Other Operating Expenditures - The approved amount includes \$1,700 for increased membership dues to the National Association of State Racing Commissioners.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Charles F. Tedford, Director (Tel. 255-4845)

GENERAL FUND AND OTHER FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Evaluation and Compliance	1,350,100	1,614,800	1,623,800
Med. Rad. Tech. Bd. of Exam.	82,200	83,300	99,000
<b>TOTAL APPROPRIATIONS</b>	<b>1,432,300</b>	<b>1,698,100</b>	<b>1,722,800</b>
<u>Expenditure Detail</u>			
FTE Positions	28.0	29.0	28.0
Personal Services	797,300	824,300	852,400
Employee Related Exp.	164,500	164,800	194,700
Prof. & Outside Services	10,700	22,200	24,900
Travel - State	30,900	35,600	35,100
Travel - Out of State	5,500	4,300	7,800
Other Operating Exp.	194,500	227,500	202,000
Equipment	32,000	-0-	98,100
All Other Operating Exp.	273,600	289,600	367,900
<b>OPERATION SUB-TOTAL</b>	<b>1,235,400</b>	<b>1,278,700</b>	<b>1,415,000</b> <sup>1/</sup>
Low-Level Waste Site	--	200,000	-0-
Nuclear Emergency Management	196,900	219,400	307,800
<b>TOTAL APPROPRIATIONS</b>	<b>1,432,300</b>	<b>1,698,100</b>	<b>1,722,800</b>
<u>Fund Summary</u>			
General Fund	1,153,200	1,195,400	1,316,000
Low-Level Radioactive Waste Fund	--	200,000 <sup>2/</sup>	-0-
Nuclear Emergency Mgt. Fund	196,900	219,400	307,800 <sup>3/</sup>
Rad. Tech. Cert. Fund	82,200	83,300	99,000
<b>TOTAL APPROPRIATIONS</b>	<b>1,432,300</b>	<b>1,698,100</b>	<b>1,722,800</b>

<sup>1/</sup> Represents General Appropriation Act funds. The appropriation format is lump sum by program. The objects of expenditure are shown for informational purposes only.

<sup>2/</sup> Appropriated from the General Fund to the Low-Level Radioactive Waste Fund in Chapter 369, Laws of 1987.

<sup>3/</sup> Appropriated from the General Fund to the Nuclear Emergency Management Fund in Chapter 59, Laws of 1988.

JLBC Analyst: Flanders

Charles F. Tedford, Director (Tel. 255-4845)

GENERAL FUND AND OTHER FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>26.0</u>	<u>27.0</u>	<u>26.0</u>
Personal Services	<u>745,700</u>	<u>771,500</u>	<u>797,800</u>
Employee Related Exp.	<u>152,600</u>	<u>151,500</u>	<u>180,700</u>
Prof. & Outside Services	9,700	21,200	21,200
Travel - State	28,300	33,000	32,500
Travel - Out of State	5,300	3,500	6,000
Other Operating Exp.	181,700	214,700	187,800
Equipment	<u>29,900</u>	<u>-0-</u>	<u>90,000</u>
All Other Operating Exp.	<u>254,900</u>	<u>272,400</u>	<u>337,500</u>
OPERATION SUB-TOTAL	1,153,200	1,195,400	1,316,000
Low-Level Waste Site	--	<u>200,000<sup>1/</sup></u>	<u>-0-</u>
Nuclear Emergency Management	<u>196,900</u>	<u>219,400<sup>1/</sup></u>	<u>--</u>
TOTAL	1,350,100	1,614,800	1,316,000 <sup>2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 59, Nuclear Emer. Mgt.	<u>--</u>	<u>--</u>	<u>307,800<sup>3/</sup></u>
TOTAL APPROPRIATIONS	<u>1,350,100</u>	<u>1,614,800</u>	<u>1,623,800</u>

The approved amount includes \$26,900 in Personal Services and \$15,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation reflects \$14,200 in vacancy savings.

(Continued)

- <sup>1/</sup> S.B. 1412 (Chapter 290) mandates the reversion of all remaining monies in the Low-Level Radioactive Waste Fund to the General Fund.
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
- <sup>3/</sup> Appropriated from the General Fund to the Nuclear Emergency Management Fund in Chapter 59, Laws of 1988.

RADIATION REGULATORY AGENCY -  
RADIATION EVALUATION AND COMPLIANCE (Cont'd)  
GENERAL FUND AND OTHER FUNDS

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Equipment - The appropriation includes funding to replace a sample analysis detector, an automatic sampler changer, and other laboratory equipment.

ADDITIONAL APPROPRIATIONS

Nuclear Emergency Appropriation - H.B. 2047 (Chapter 59) - Appropriates \$601,100 from the General Fund to the Nuclear Emergency Management Fund of which \$307,800 is allocated for use by the Radiation Regulatory Agency as follows: Personal Services - \$100,000; Employee Related Expenditures - \$22,800; Other Operating Expenditures - \$110,000; and Equipment - \$75,000.

RADIATION REGULATORY AGENCY -  
 MEDICAL RADIOLOGIC TECHNOLOGY BOARD OF EXAMINERS

A.R.S. 32-2802

JLBC Analyst: Flanders

Charles F. Tedford, Director (Tel. 255-4845)

RADIOLOGIC TECHNOLOGIST CERTIFICATION FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	2.0	2.0	2.0
Personal Services	51,600	52,800	54,600
Employee Related Exp.	11,900	13,300	14,000
Prof. & Outside Services	1,000	1,000	3,700
Travel - State	2,600	2,600	2,600
Travel - Out of State	200	800	1,800
Other Operating Exp.	12,800	12,800	14,200
Equipment	2,100	-0-	8,100
All Other Operating Exp.	18,700	17,200	30,400
<b>TOTAL APPROPRIATIONS</b>	<b>82,200</b>	<b>83,300</b>	<b>99,000</b> <sup>1/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	174,900	236,500	171,100
Add Revenues <sup>2/</sup>	143,800	17,900	152,900
<b>TOTAL FUNDS AVAILABLE</b>	<b>318,700</b>	<b>254,400</b>	<b>324,000</b>
Expenditures	82,200	83,300	99,000
Balance End of Fiscal Year	236,500	171,100	225,000

The approved amount includes \$1,800 in Personal Services and \$1,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$200 in Employee Related Expenditures for the increased retirement contribution.

Equipment - The approved amount includes funding for a personal computer workstation, a printer, and related software.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

<sup>2/</sup> The agency has a biennial licensing cycle.

JLBC Analyst: Flanders

Joe Sotello, Commissioner (Tel. 255-4697)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	69.0	73.0	73.0
Personal Services	1,356,500	1,566,100	1,626,200
Employee Related Exp.	297,600	358,000	375,700
Prof. & Outside Services	143,600	86,000	95,000
Travel - State	28,000	36,500	46,200
Travel - Out of State	4,900	7,600	7,600
Other Operating Exp.	376,700	452,600	490,800
Equipment	27,800	59,100	12,500
All Other Operating Exp.	581,000	641,800	652,100
<b>TOTAL APPROPRIATIONS</b>	<b>2,235,100</b>	<b>2,565,900</b>	<b>2,654,000</b> <sup>1/</sup>

The approved amount includes \$55,000 in Personal Services and \$32,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes vacancy savings of \$28,400.

Equipment - The approved amount includes funding for the purchase of a cash register, postage machine, and postage scale.

ADDITIONAL LEGISLATION

Publications Revolving Fund - H.B. 2291 (Chapter 103) - This bill establishes a publications revolving fund for the Real Estate Department. In the future, the agency will pay for publication of law and rule books from this fund instead of from the General Fund appropriation.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Ronald E. Mathis, Jr., Acting Director (Tel. 255-1431)

RESIDENTIAL UTILITY CONSUMER OFFICE REVOLVING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	10.0	10.0	12.25
Personal Services	355,500	384,700	391,300
Employee Related Exp.	60,800	73,000	75,500
Prof. & Outside Services	276,300	287,400	297,500
Travel - State	10,000	7,900	8,200
Travel - Out of State	5,300	7,500	7,800
Other Operating Exp.	76,900	73,600	80,500
Equipment	9,200	-0-	30,000
All Other Operating Exp.	377,700	376,400	424,000
TOTAL APPROPRIATIONS	794,000	834,100	890,800 <sup>1/</sup>

The approved amount includes \$13,100 in Personal Services and \$7,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes funding for a Clerk/Typist III to relieve present staff of some clerical duties. The number of FTE positions was increased by 1.25 to account for the time used by the agency's legal interns. This adjustment did not require a change in the funding level.

Other Operating Expenditures - The approved amount includes a one-time allocation of \$3,700 for moving expenses.

Equipment - The approved amount includes \$10,400 to buy out the lease-purchase contract on a photocopy machine; \$12,300 to purchase a new telephone system; and \$4,400 to furnish a new conference room.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Miller

Raymond H. Helmick, Director (Tel. 255-5211)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>26.0</u>	<u>36.0</u>	<u>36.0</u>
Personal Services	<u>570,400</u>	<u>819,800</u>	<u>828,800</u>
Employee Related Exp.	<u>124,700</u>	<u>170,700</u>	<u>191,600</u>
Prof. & Outside Services	1,000	42,100	42,100
Travel - State	103,200	145,500	147,300
Travel - Out of State	300	3,600	3,600
Other Operating Exp.	103,700	176,400	155,800
Equipment	<u>114,600</u>	<u>173,500</u>	<u>-0-</u>
All Other Operating Exp.	<u>322,800</u>	<u>541,100</u>	<u>348,800</u>
TOTAL	1,017,900	1,531,600	1,369,200 <sup>1/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 252, Clean Burning Use Fuel Tax	<u>--</u>	<u>--</u>	<u>365,200</u>
TOTAL APPROPRIATIONS	<u>1,017,900</u>	<u>1,531,600</u>	<u>1,734,400</u>

The approved amount includes \$28,000 in Personal Services and \$16,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,800 in Employee Related Expenditures for the increased retirement contribution.

#### ADDITIONAL APPROPRIATIONS

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates \$365,200 from the General Fund to the Department of Weights and Measures for sampling and testing of alternative fuels. This act also appropriates \$500,000 from the Air Quality Fund for the Department of Environmental Quality, the Department of Transportation, and the Department of Weights and Measures to prepare and conduct a campaign to educate the public about the program for the use of oxygenated gasoline blends established by this act.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Ruth Lee, Executive Director (Tel. 255-3648)

BOARD OF ACCOUNTANCY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	7.0	8.0	9.0
Personal Services	129,900	152,800	180,500
Employee Related Exp.	24,500	38,700	51,000
Prof. & Outside Services	134,300	183,700	208,800
Travel - State	4,900	6,300	11,800
Travel - Out Of State	2,200	2,000	2,900
Other Operating Exp.	83,500	94,500	154,300
Equipment	10,700	17,500	2,800
All Other Operating Exp.	235,600	304,000	380,600
<b>TOTAL APPROPRIATIONS</b>	<b>390,000</b>	<b>495,500</b>	<b>612,100</b> <sup>1/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	511,100	544,300	569,900
Add Revenues	423,200	521,100	631,400
<b>TOTAL FUNDS AVAILABLE</b>	<b>934,300</b>	<b>1,065,400</b>	<b>1,201,300</b>
Expenditures	390,000	495,500	612,100
Balance End of Fiscal Year	544,300	569,900	589,200

The approved amount includes \$5,900 in Personal Services and \$3,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for one new FTE position, an Accounting Clerk. In addition, the amount approved includes funding for the reclassification of FTE positions.

All Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for additional rental space costs.

<sup>1/</sup> Represents General Appropriations Act Funds. Appropriated as a lump sum for the agency. Objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Mario Herrera, Executive Director (Tel. 255-4498)

BOARD OF BARBER EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	3.0	3.0	3.0
Personal Services	74,100	76,500	80,100
Employee Related Exp.	15,400	15,300	20,700
Prof. & Outside Services	-0-	300	300
Travel - State	7,400	10,900	10,800
Travel - Out of State	700	1,200	1,600
Other Operating Exp.	15,900	16,800	20,400
All Other Operating Exp.	24,000	29,200	33,100
<b>TOTAL APPROPRIATIONS</b>	<b>113,500</b>	<b>121,000</b>	<b>133,900</b> <sup>1/</sup>
<b>RECEIPTS, EXPENDITURES AND BALANCES FORWARD</b>			
Balance Beg. of Fiscal Year	109,400	133,300	152,300
Add Revenues	137,400	140,000	144,000
<b>TOTAL FUNDS AVAILABLE</b>	<b>246,800</b>	<b>273,300</b>	<b>296,300</b>
Expenditures	113,500	121,000	133,900
Balance End of Fiscal Year	133,300	152,300	162,400

The approved amount includes \$2,700 in Personal Services and \$1,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$300 in Employee Related Expenditures for the increased retirement contribution.

All Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for the payment of rent to the Department of Administration.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

## BOXING COMMISSION

A.R.S. 5-221

JLBC Analyst: Hernandez

John Montano, Executive Secretary (Tel. 255-1417)

GENERAL FUND AND BOXING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1.0</u>	<u>1.0</u>	<u>1.5</u>
Personal Services	<u>20,400</u>	<u>24,000</u>	<u>37,600</u>
Employee Related Exp.	<u>4,400</u>	<u>4,000</u>	<u>11,100</u>
Prof. & Outside Services	-0-	2,100	2,100
Travel - State	800	2,000	2,000
Travel - Out of State	600	2,000	3,000
Other Operating Exp.	<u>10,900</u>	<u>10,900</u>	<u>7,400</u>
All Other Operating Exp.	<u>12,300</u>	<u>17,000</u>	<u>14,500</u>
<b>TOTAL APPROPRIATIONS</b>	<u><u>37,100</u></u>	<u><u>45,000</u></u>	<u><u>63,200</u></u> <sup>1/</sup>
<u>Fund Summary</u>			
General Fund	<u>30,200</u>	<u>36,800</u>	<u>37,400</u>
Boxing Fund	<u>6,900</u>	<u>8,200</u>	<u>25,800</u>
<b>TOTAL APPROPRIATIONS</b>	<u><u>37,100</u></u>	<u><u>45,000</u></u>	<u><u>63,200</u></u>
<u>BOXING FUND</u>			
<u>RECEIPTS, EXPENDITURES AND BALANCES FORWARD</u>			
Balance Beg. of Fiscal Year	<u>3,500</u>	<u>2,600</u>	<u>11,000</u>
Add Revenues	<u>6,000</u>	<u>16,600</u>	<u>21,600</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u>9,500</u>	<u>19,200</u>	<u>32,600</u>
Expenditures	<u>6,900</u>	<u>8,200</u>	<u>25,800</u> <sup>2/</sup>
Balance End of Fiscal Year	<u><u>2,600</u></u>	<u><u>11,000</u></u>	<u><u>6,800</u></u>

The approved amount includes \$1,100 in Personal Services and \$700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes funding to increase the Executive Secretary's position from half-time to full-time.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

<sup>2/</sup> \$17,000 from the Boxing Fund was intended for an additional half-time position, contingent upon passage of legislation which would increase the boxing event receipts tax. Since the legislation was not enacted, \$17,000 will revert to the Boxing Fund.

JLBC Analyst: Hernandez

Sylva Aldredge, Executive Director (Tel. 255-1444)

BOARD OF CHIROPRACTIC EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	3.0	3.0	4.0
Personal Services	57,800	68,300	85,900
Employee Related Exp.	11,100	17,300	23,500
Prof. & Outside Services	11,600	12,600	14,000
Travel - State	2,300	3,400	7,500
Travel - Out of State	3,200	2,300	2,600
Other Operating Exp.	41,100	51,300	53,200
Equipment	2,600	-0-	1,800
All Other Operating Exp.	60,800	69,600	79,100
<b>TOTAL APPROPRIATIONS</b>	<b>129,700</b>	<b>155,200</b>	<b>188,500 <sup>1/</sup></b>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	164,600	162,600	153,000
Add Revenues	127,700	145,600	276,100
<b>TOTAL FUNDS AVAILABLE</b>	<b>292,300</b>	<b>308,200</b>	<b>429,100</b>
Expenditures	129,700	155,200	188,500
Balance End of Fiscal Year	162,600	153,000	240,600

The approved amount includes \$2,700 in Personal Services and \$1,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides funding for two additional half-time positions: a Medical Investigator I and a Clerk-Typist II.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Sue Sansom, Executive Director (Tel. 255-5301)

BOARD OF COSMETOLOGY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>13.5</u>	<u>14.5</u>	<u>14.5</u>
Personal Services	<u>236,000</u>	<u>259,600</u>	<u>271,800</u>
Employee Related Exp.	<u>48,400</u>	<u>55,000</u>	<u>79,800</u>
Prof. & Outside Services	16,500	44,000	62,600
Travel - State	12,300	22,200	22,200
Travel - Out of State	2,700	1,300	1,300
Other Operating Exp.	75,000	73,000	86,700
Equipment	8,600	1,800	9,500
All Other Operating Exp.	<u>115,100</u>	<u>142,300</u>	<u>182,300</u>
TOTAL APPROPRIATIONS	<u>399,500</u>	<u>456,900</u>	<u>533,900</u> <sup>1/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	470,700	587,300	673,700
Add Revenues	<u>516,100</u>	<u>543,300</u>	<u>570,900</u>
TOTAL FUNDS AVAILABLE	986,800	1,130,600	1,244,600
Expenditures	<u>399,500</u>	<u>456,900</u>	<u>533,900</u>
Balance End of Fiscal Year	<u>587,300</u>	<u>673,700</u>	<u>710,700</u>

The approved amount includes \$9,100 in Personal Services and \$5,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$900 in Employee Related Expenditures for the increased retirement contribution.

All Other Operating Expenditures - The amount approved includes inflationary increases as well as funding for the payment of rent to the Department of Administration.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Mat Wheeler, Executive Director (Tel. 255-3696)

DENTAL BOARD FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	6.5	7.0	7.0
Personal Services	171,700	185,100	191,100
Employee Related Exp.	30,700	39,500	42,200
Prof. & Outside Services	30,000	26,100	29,900
Travel - State	4,200	9,000	8,000
Travel - Out Of State	3,200	7,100	6,600
Other Operating Exp.	101,800	104,800	108,300
All Other Operating Exp.	139,200	147,000	152,800
OPERATION SUB-TOTAL	341,600	371,600	386,100
Office Automation	-0-	-0-	20,800 <sup>1/</sup>
TOTAL APPROPRIATIONS	341,600	371,600	406,900 <sup>2/</sup>
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	320,200	265,100	280,500
Add Revenues	286,500	387,000	435,000
TOTAL FUNDS AVAILABLE	606,700	652,100	715,500
Expenditures	341,600	371,600	406,900
Balance End of Fiscal Year	265,100	280,500	308,600

The approved amount includes \$6,000 in Personal Services and \$3,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$600 in Employee Related Expenditures for the increased retirement contribution.

Professional and Outside Services - The amount approved includes a \$3,800 increase to fund additional court reporting and clinical evaluations associated with the growing number of investigations and hearings.

(Continued)

<sup>1/</sup> It is Legislative intent that the Board of Dental Examiners work together with the Board of Pharmacy to purchase and develop office automation systems.

<sup>2/</sup> Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

BOARD OF DENTAL EXAMINERS (Cont'd)

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Other Operating Expenditures - The amount approved includes \$1,200 in inflationary increases and \$34,800 in rent for private office space.

Office Automation - This special line appropriation includes funding for the purchase of personal computers and related equipment as well as funding for computer programming services, computer training, and start-up expenses for automating the license and investigation systems.



JLBC Analyst: Naimark

Carl R. Biehler, State Egg Inspector (Tel. 255-5741)

EGG INSPECTION FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	5.0	5.0	5.0
Personal Services	99,300	124,000	125,200
Employee Related Exp.	22,100	27,900	32,900
Travel - State	11,200	12,800	13,300
Other Operating Exp.	11,900	13,200	15,900
All Other Operating Exp.	23,100	26,000	29,200
TOTAL APPROPRIATIONS	144,500	177,900	187,300 <sup>1/</sup>
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	27,600	16,000	6,800
Add Revenues	132,900	168,700	211,200
TOTAL FUNDS AVAILABLE	160,500	184,700	218,000
Expenditures	144,500	177,900	187,300
Balance End of Fiscal Year	16,000	6,800	30,700

The approved amount includes \$4,200 in Personal Services and \$2,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

Other Operating Expenditures - The approved amount includes \$300 in inflationary increases and \$6,700 in State rent.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Jean Ellzey, Executive Director (Tel. 255-3095)

BOARD OF FUNERAL DIRECTORS AND EMBALMERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Personal Services	<u>38,600</u>	<u>52,000</u>	<u>53,700</u>
Employee Related Exp.	<u>6,800</u>	<u>10,000</u>	<u>12,500</u>
Prof. & Outside Services	25,300	39,400	40,500
Travel - State	9,100	11,600	11,800
Travel - Out of State	600	-0-	-0-
Other Operating Exp.	12,100	20,100	22,600
Equipment	900	-0-	300
All Other Operating Exp.	<u>48,000</u>	<u>71,100</u>	<u>75,200</u>
TOTAL APPROPRIATIONS	<u>93,400</u>	<u>133,100</u>	<u>141,400</u> <sup>1/2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. <sup>3/</sup> of Fiscal Year	14,900	63,000	22,800
Add Revenues	<u>141,500</u>	<u>92,900</u>	<u>202,300</u>
TOTAL FUNDS AVAILABLE	156,400	155,900	225,100
Expenditures	<u>93,400</u>	<u>133,100</u>	<u>141,400</u>
Balance End of Fiscal Year	<u>63,000</u>	<u>22,800</u>	<u>83,700</u>

The approved amount includes \$1,500 in Personal Services and \$1,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$200 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

- 1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
- 2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
- 3/ This agency has a biennial licensing cycle.

JLBC Analyst: Hernandez

John C. Reed, M.D., President (Tel. 255-3095)

BOARD OF HOMEOPATHIC MEDICAL EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Personal Services	<u>-0-</u>	<u>900</u>	<u>900</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Prof. & Outside Services	2,000	6,100	7,000
Travel - State	200	200	200
Other Operating Exp.	<u>400</u>	<u>900</u>	<u>900</u>
All Other Operating Exp.	<u>2,600</u>	<u>7,200</u>	<u>8,100</u>
TOTAL APPROPRIATIONS	<u>2,600</u>	<u>8,100</u>	<u>9,000</u> <sup>1/2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	4,300	13,000	20,800
Add Revenues	<u>11,300</u>	<u>15,900</u>	<u>19,300</u>
TOTAL FUNDS AVAILABLE	15,600	28,900	40,100
Expenditures	<u>2,600</u>	<u>8,100</u>	<u>9,000</u>
Balance End of Fiscal Year	<u>13,000</u>	<u>20,800</u>	<u>31,100</u>

The approved amount includes \$100 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

JLBC Analyst: Hernandez

Douglas Cerf, Executive Director (Tel. 255-3751)

BOARD OF MEDICAL EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>28.0</u>	<u>30.0</u>	<u>31.0</u>
Personal Services	<u>690,400</u>	<u>797,900</u>	<u>818,900</u>
Employee Related Exp.	<u>134,400</u>	<u>162,200</u>	<u>197,900</u>
Prof. & Outside Services	105,200	100,200	290,400
Travel - State	34,300	45,000	33,300
Travel - Out Of State	9,300	8,600	8,900
Other Operating Exp.	241,400	296,900	292,700
Equipment	<u>15,600</u>	<u>9,100</u>	<u>8,000</u>
All Other Operating Exp.	<u>405,800</u>	<u>459,800</u>	<u>633,300</u>
OPERATION SUB-TOTAL	1,230,600	1,419,900	1,650,100
AG Interagency Agreement	<u>110,000</u>	<u>131,000</u>	<u>134,400</u> <sup>1/</sup>
TOTAL APPROPRIATIONS	<u>1,340,600</u>	<u>1,550,900</u>	<u>1,784,500</u> <sup>2/</sup>
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	554,400	827,100	917,200
Add Revenues	<u>1,613,300</u>	<u>1,641,000</u>	<u>1,708,900</u>
TOTAL FUNDS AVAILABLE	2,167,700	2,468,100	2,626,100
Expenditures	<u>1,340,600</u>	<u>1,550,900</u>	<u>1,784,500</u>
Balance End of Fiscal Year	<u>827,100</u>	<u>917,200</u>	<u>841,600</u>

(Continued)

<sup>1/</sup> These funds are specifically designated to pay for the Personal Services and Employee Related Expenditures of the two assistant attorney general positions assigned to the Board of Medical Examiners. Any monies not expended for the purpose specified shall revert to the Board of Medical Examiners Fund.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

BOARD OF MEDICAL EXAMINERS  
BOARD OF MEDICAL EXAMINERS FUND (CONT'D)

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The approved amount includes \$26,800 in Personal Services and \$16,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,800 in Employee Related Expenditures for the increased retirement contribution. In addition, the special line item, "Attorney General Interagency Agreement," includes \$3,800 in Personal Services and \$2,600 for increased Employee Related Expenditures.

Personal Services - The approved amount includes funding for two licensing secretaries to reduce the Board's backlog, and deletes one investigator position. Funding for temporary positions was eliminated.

Professional and Outside Services - The approved amount includes \$196,000 to implement an Impaired Physician Program as authorized by Arizona Revised Statutes 32-1452.

ADDITIONAL LEGISLATION

Board Member Compensation - H.B. 2200 (Chapter 190) - Raises board member compensation from \$100 to \$150 per day.

JLBC Analyst: Hernandez

Rob Cagen, N.D., Chairman (Tel. 255-3095)

BOARD OF NATUROPATHIC PHYSICIANS EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Personal Services	<u>1,700</u>	<u>2,600</u>	<u>2,600</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Prof. & Outside Services	18,600	20,200	21,800
Travel - State	2,200	2,000	2,000
Travel - Out of State	600	600	600
Other Operating Exp.	<u>2,100</u>	<u>2,600</u>	<u>2,600</u>
All Other Operating Exp.	<u>23,500</u>	<u>25,400</u>	<u>27,000</u>
<b>TOTAL APPROPRIATIONS</b>	<u><u>25,200</u></u>	<u><u>28,000</u></u>	<u><u>29,600</u></u> <sup>1/2/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	12,400	9,600	9,900
Add Revenues	<u>22,400</u>	<u>28,300</u>	<u>25,300</u>
<b>TOTAL FUNDS AVAILABLE</b>	<b>34,800</b>	<b>37,900</b>	<b>35,200</b>
Expenditures	<u>25,200</u>	<u>28,000</u>	<u>29,600</u>
Balance End of Fiscal Year	<u><u>9,600</u></u>	<u><u>9,900</u></u>	<u><u>5,600</u></u>

The approved amount includes \$500 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

- 1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
- 2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

JLBC Analyst: Naimark

Fran Roberts, Executive Director (Tel. 255-5092)

BOARD OF NURSING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>19.2</u>	<u>19.2</u>	<u>21.2</u>
Personal Services	<u>411,400</u>	<u>436,700</u>	<u>496,500</u>
Employee Related Exp.	<u>75,900</u>	<u>87,900</u>	<u>115,000</u>
Prof. & Outside Services	56,200	108,200	69,100
Travel - State	17,200	17,700	16,700
Travel - Out Of State	10,400	7,100	7,400
Other Operating Exp.	149,500	163,200	186,400
Equipment	<u>7,900</u>	<u>6,000</u>	<u>1,300</u>
All Other Operating Exp.	<u>241,200</u>	<u>302,200</u>	<u>280,900</u>
OPERATION SUB-TOTAL	728,500	826,800	892,400
Board Relocation	<u>-0-</u>	<u>11,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>728,500</u>	<u>837,800</u>	<u>892,400</u> <sup>1/</sup>
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	830,000	882,000	444,200
Add Revenues <sup>2/</sup>	<u>780,500</u>	<u>400,000</u>	<u>1,050,500</u> <sup>3/</sup>
TOTAL FUNDS AVAILABLE	1,610,500	1,282,000	1,494,700
Expenditures	<u>728,500</u>	<u>837,800</u>	<u>892,400</u>
Balance End of Fiscal Year	<u>882,000</u>	<u>444,200</u>	<u>602,300</u>

The approved amount includes \$15,900 in Personal Services and \$9,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,700 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

<sup>2/</sup> The Board of Nursing has a biennial licensing cycle.

<sup>3/</sup> This amount includes estimated revenues resulting from Ch. 280, Laws of 1988 (H.B. 2222). The law establishes a \$10 surcharge on each renewal of a license that expires in 1988.

BOARD OF NURSING (Cont'd)  
BOARD OF NURSING FUND

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Professional and Outside Services - The approved amount removes approximately \$35,000 for compensation of an Acting Director, includes a \$5,600 increase for computer expenses, and includes a net decrease of \$10,200 in legal expenses.

Other Operating Expenditures - The approved amount includes \$7,100 for inflation and \$71,000 for rent in private office space. The approved amount restores the funding that was shifted to Professional and Outside Services in FY 1988.



JLBC Analyst: Hernandez

Judy Zingg, Executive Director (Tel. 255-3095)

BOARD OF NURSING CARE INSTITUTION ADMINISTRATORS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.5	0.5	0.7
Personal Services	13,700	15,000	20,400
Employee Related Exp.	2,800	3,200	4,300
Prof. & Outside Services	15,100	22,300	26,300
Travel - State	400	700	1,900
Other Operating Exp.	3,800	4,700	5,600
Equipment	-0-	200	1,400
All Other Operating Exp.	19,300	27,900	35,200
TOTAL APPROPRIATIONS	35,800	46,100	59,900 <sup>1/2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. <sup>3/</sup> of Fiscal Year	39,400	23,900	50,500
Add Revenues	20,300	72,700	30,600
TOTAL FUNDS AVAILABLE	59,700	96,600	81,100
Expenditures	35,800	46,100	59,900
Balance End of Fiscal Year	23,900	50,500	21,200

The approved amount includes \$600 in Personal Services and \$400 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$100 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$300 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

Personal Services - The approved amount provides funding to increase the Executive Director's position from 0.5 FTE position to 0.7 FTE position.

Equipment - The approved amount includes \$1,400 to purchase a CRT terminal.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.

JLBC Analyst: Hernandez

Cathy Feagan, Executive Director (Tel. 255-3095)

BOARD OF DISPENSING OPTICIANS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>
Personal Services	<u>22,300</u>	<u>24,200</u>	<u>24,900</u>
Employee Related Exp.	<u>2,900</u>	<u>2,300</u>	<u>3,400</u>
Prof. & Outside Services	13,200	16,100	16,700
Travel - State	600	3,400	3,400
Other Operating Exp.	5,100	5,100	5,900
Equipment	2,400	-0-	-0-
All Other Operating Exp.	<u>21,300</u>	<u>24,600</u>	<u>26,000</u>
TOTAL APPROPRIATIONS	<u>46,500</u>	<u>51,100</u>	<u>54,300</u> <sup>1/2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	16,100	11,700	5,600
Add Revenues	<u>42,100</u>	<u>45,000</u>	<u>58,100</u>
TOTAL FUNDS AVAILABLE	58,200	56,700	63,700
Expenditures	<u>46,500</u>	<u>51,100</u>	<u>54,300</u>
Balance End of Fiscal Year	<u>11,700</u>	<u>5,600</u>	<u>9,400</u>

The approved amount includes \$700 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$100 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$300 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

JLBC Analyst: Hernandez

Florence Moore, Executive Director (Tel. 255-3095)

BOARD OF OPTOMETRY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Personal Services	<u>40,100</u>	<u>42,600</u>	<u>44,700</u>
Employee Related Exp.	<u>8,800</u>	<u>8,700</u>	<u>10,900</u>
Prof. & Outside Services	14,500	26,600	27,700
Travel - State	3,500	6,300	6,300
Travel - Out of State	-0-	1,000	1,000
Other Operating Exp.	<u>2,700</u>	<u>5,900</u>	<u>6,800</u>
All Other Operating Exp.	<u>20,700</u>	<u>39,800</u>	<u>41,800</u>
TOTAL APPROPRIATIONS	<u>69,600</u>	<u>91,100</u>	<u>97,400</u> <sup>1/2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	84,800	37,700	98,900
Add Revenues <sup>3/</sup>	<u>22,500</u>	<u>152,300</u>	<u>30,100</u>
TOTAL FUNDS AVAILABLE	107,300	190,000	129,000
Expenditures	<u>69,600</u>	<u>91,100</u>	<u>97,400</u>
Balance End of Fiscal Year	<u>37,700</u>	<u>98,900</u>	<u>31,600</u>

The approved amount includes \$1,300 in Personal Services and \$800 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$200 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

- <sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
- <sup>2/</sup> This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
- <sup>3/</sup> This agency has a biennial licensing cycle.

JLBC Analyst: Hernandez

Mary Tucker, Executive Director (Tel. 255-1747)

BOARD OF OSTEOPATHIC EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4.0</u>	<u>4.5</u>	<u>4.5</u>
Personal Services	<u>110,900</u>	<u>118,700</u>	<u>129,400</u>
Employee Related Exp.	<u>21,400</u>	<u>24,300</u>	<u>28,800</u>
Prof. & Outside Services	900	1,350	5,700
Travel - State	5,600	5,400	6,800
Travel - Out of State	2,700	2,400	2,400
Other Operating Exp.	28,000	31,850	34,400
Equipment	3,200	100	-0-
All Other Operating Exp.	<u>40,400</u>	<u>41,100</u>	<u>49,300</u>
TOTAL APPROPRIATIONS	<u>172,700</u>	<u>184,100</u>	<u>207,500</u> <sup>1/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	102,350	119,950	137,700
Add Revenues	<u>190,300</u>	<u>201,850</u>	<u>228,000</u>
TOTAL FUNDS AVAILABLE	292,650	321,800	365,700
Expenditures	<u>172,700</u>	<u>184,100</u>	<u>207,500</u>
Balance End of Fiscal Year	<u>119,950</u>	<u>137,700</u>	<u>158,200</u>

The approved amount includes \$4,200 in Personal Services and \$2,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes an additional \$3,000 for the Executive Director's salary.

Professional and Outside Services - The approved amount includes \$4,000 to contract for the services of a hearing officer.

ADDITIONAL LEGISLATION

Board Member Compensation - H.B. 2309 (Chapter 105) - Raises board member compensation from \$100 to \$150 per day.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Llyn Lloyd, Executive Secretary (Tel. 255-5125)

BOARD OF PHARMACY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	10.0	11.0	11.0
Personal Services	304,700	362,100	352,300
Employee Related Exp.	59,900	73,000	76,700
Prof. & Outside Services	9,500	21,400	26,900
Travel - State	25,400	34,200	29,300
Travel - Out of State	3,200	3,000	3,000
Other Operating Exp.	79,700	77,500	80,100
Equipment	8,300	-0-	-0-
All Other Operating Exp.	126,100	136,100	139,300
OPERATION SUB-TOTAL	490,700	571,200	568,300
Office Automation	-0-	-0-	23,100 <sup>1/</sup>
TOTAL APPROPRIATIONS	490,700	571,200	591,400 <sup>2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	161,700	191,800	141,400
Add Revenues	520,800	520,800	670,000
TOTAL FUNDS AVAILABLE	682,500	712,600	811,400
Expenditures	490,700	571,200	591,400
Balance End of Fiscal Year	191,800	141,400	220,000

The approved amount includes \$11,300 in Personal Services and \$6,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a \$21,100 reduction to reflect salary changes in the eleven-position base.

(Continued)

<sup>1/</sup> It is Legislative intent that the Board of Pharmacy work together with the Board of Dental Examiners to purchase and develop office automation systems.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

BOARD OF PHARMACY (Cont'd)  
BOARD OF PHARMACY FUND

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Travel - State - The approved amount includes a \$1,600 reduction to reflect lower Motor Pool rates and a \$3,300 reduction to reflect a reduced number of miles travelled.

Other Operating Expenditures - The amount approved includes \$1,700 in inflationary increases and \$35,400 in rent for private office space.

Office Automation - This special line appropriation includes funding for the purchase of personal computers and related equipment as well as funding for computer programming services, computer training, and start-up expenses for automating the license and inspection systems.

JLBC Analyst: Hernandez

Patricia Plack, Executive Director (Tel. 255-3095)

BOARD OF PHYSICAL THERAPY EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Personal Services	<u>22,600</u>	<u>24,600</u>	<u>25,700</u>
Employee Related Exp.	<u>3,100</u>	<u>3,150</u>	<u>6,400</u>
Prof. & Outside Services	16,300	22,300	22,400
Travel - State	2,600	6,150	2,600
Travel - Out of State	1,100	1,900	1,100
Other Operating Exp.	4,100	5,600	7,700
Equipment	500	-0-	-0-
All Other Operating Exp.	<u>24,600</u>	<u>35,950</u>	<u>33,800</u>
TOTAL APPROPRIATIONS	<u>50,300</u>	<u>63,700</u>	<u>65,900</u> <sup>1/2/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. <sup>3/</sup> of Fiscal Year	31,300	69,000	37,700
Add Revenues—	<u>88,000</u>	<u>32,400</u>	<u>95,400</u>
TOTAL FUNDS AVAILABLE	119,300	101,400	133,100
Expenditures	<u>50,300</u>	<u>63,700</u>	<u>65,900</u>
Balance End of Fiscal Year	<u>69,000</u>	<u>37,700</u>	<u>67,200</u>

The approved amount includes \$800 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$100 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$300 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.

3/ This agency has a biennial licensing cycle.

JLBC Analyst: Hernandez

Stanton J. Cohen, D.P.N., President (Tel. 255-3095)

BOARD OF PODIATRY EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	0.0
Personal Services	2,700	2,700	4,500
Employee Related Exp.	-0-	-0-	-0-
Prof. & Outside Services	27,500	26,500	27,400
Travel - State	3,100	4,000	4,000
Other Operating Exp.	3,100	4,500	5,500
All Other Operating Exp.	33,700	35,000	36,900
<b>TOTAL APPROPRIATIONS</b>	<b>36,400</b>	<b>37,700</b>	<b>41,400</b> <sup>1/2/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	9,800	15,800	18,700
Add Revenues	42,400	40,600	43,700
<b>TOTAL FUNDS AVAILABLE</b>	<b>52,200</b>	<b>56,400</b>	<b>62,400</b>
Expenditures	36,400	37,700	41,400
Balance End of Fiscal Year	15,800	18,700	21,000

The approved amount includes \$700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.



JLBC Analyst: Lee

Dona M. Markley, Executive Director (Tel. 255-5709)

BOARD OF PRIVATE POSTSECONDARY EDUCATION FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>2.5</u>	<u>3.0</u>	<u>3.0</u>
Personal Services	<u>59,600</u>	<u>77,600</u>	<u>76,600</u>
Employee Related Exp.	<u>11,700</u>	<u>14,800</u>	<u>15,400</u>
Prof. & Outside Services	4,100	4,000	4,100
Travel - State	2,500	3,500	3,600
Travel - Out of State	-0-	800	900
Other Operating Exp.	12,100	15,600	19,000
Equipment	-0-	5,000	2,100
All Other Operating Exp.	<u>18,700</u>	<u>28,900</u>	<u>29,700</u>
TOTAL APPROPRIATIONS	<u>90,000</u>	<u>121,300</u>	<u>121,700</u> <sup>1/</sup>

## Receipts, Expenditures and Balances Forward

Balance Beg. of Fiscal Year	72,600	83,700	73,500
Add Revenues	<u>101,100</u>	<u>111,100</u>	<u>129,800</u>
Total Funds Available	173,700	194,800	203,300
Expenditures	<u>90,000</u>	<u>121,300</u>	<u>121,700</u>
Balance End of Fiscal Year	<u>83,700</u>	<u>73,500</u>	<u>81,600</u>

The approved amount includes \$2,400 in Personal Services and \$1,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes \$4,000 for the Executive Director's regrade adjustment.

All Other Operating - The amount approved includes a 3.5 percent inflation adjustment and \$8,500 for rent.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Hernandez

Peggy C. LaVoy, Executive Director (Tel. 255-3095)

BOARD OF PSYCHOLOGIST EXAMINERS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	1.0	1.0	1.0
Personal Services	25,600	29,200	30,100
Employee Related Exp.	5,600	5,900	6,800
Prof. & Outside Services	32,300	55,400	69,800
Travel - State	1,700	4,200	3,900
Travel - Out of State	2,200	1,200	900
Other Operating Exp.	6,800	11,500	12,700
Equipment	300	-0-	200
All Other Operating Exp.	43,300	72,300	87,500
<b>TOTAL APPROPRIATIONS</b>	<b>74,500</b>	<b>107,400</b>	<b>124,400</b> <sup>1/2/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	132,500	159,900	95,500
Add Revenues <sup>3/</sup>	101,900	43,000	126,700
<b>TOTAL FUNDS AVAILABLE</b>	<b>234,400</b>	<b>202,900</b>	<b>222,200</b>
Expenditures	74,500	107,400	124,400
Balance End of Fiscal Year	159,900	95,500	97,800

The approved amount includes \$900 in Personal Services and \$600 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$100 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

Professional and Outside Services - The approved amount includes \$10,000 to contract for the services of a psychologist consultant.

- 1/ Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
- 2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
- 3/ This agency has a biennial licensing cycle.

STRUCTURAL PEST CONTROL COMMISSION

A.R.S. 32-2302

JLBC Analyst: Flanders

Pat Stevens, Acting Director (Tel. 255-3664)

STR. PEST CONTROL COMM. FUND

AND STRUCTURAL PEST CONTROL  
COMM. INSPECTION SUPPORT FUND

	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	10.0	12.0	12.0
Personal Services	120,100	120,000	232,200
Employee Related Exp.	26,500	24,000	65,000
Prof. & Outside Services	15,400	15,000	14,400
Travel - State	12,700	12,500	31,300
Travel - Out Of State	800	900	3,100
Other Operating Exp.	44,400	37,600	66,200
Equipment	21,800	-0-	-0-
All Other Operating Exp.	95,100	66,000	115,000
<b>TOTAL APPROPRIATIONS</b>	<b>241,700</b>	<b>210,000</b>	<b>412,200 <sup>1/2/</sup></b>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	45,500	13,200	53,200
Add Revenues	209,400	250,000	400,000
<b>TOTAL FUNDS AVAILABLE</b>	<b>254,900</b>	<b>263,200</b>	<b>453,200</b>
Expenditures	241,700	210,000	412,200
Balance End of Fiscal Year	13,200	53,200	41,000

The approved amount includes \$7,800 in Personal Services and \$4,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$800 in Employee Related Expenditures for the increased retirement contribution.

ADDITIONAL LEGISLATION

Structural Pest Control Commission - H.B. 2347 (Chapter 348) - This legislation creates the new Structural Pest Control Commission, to replace the Structural Pest Control Board. The Structural Pest Control Commission Inspection Support Fund is established to pay for inspectors and inspection support services.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

2/ It is legislative intent that approximately \$149,000 of the appropriation shall be expended from the Structural Pest Control Commission Inspection Support Fund. However, if revenue collections for either this fund or the Structural Pest Control Commission Fund are less than expected, the agency may increase spending from the other fund as necessary to maintain total expenditures of \$412,200.

JLBC Analyst: Flanders

Ronald Dalrymple, Executive Director (Tel. 255-4055)

TECHNICAL REGISTRATION FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	14.0	14.0	15.0
Personal Services	261,100	272,900	295,200
Employee Related Exp.	47,900	68,800	77,500
Prof. & Outside Services	105,000	123,600	170,500
Travel - State	11,800	10,200	10,600
Travel - Out of State	6,300	5,200	6,000
Other Operating Exp.	106,400	115,400	129,100
Equipment	2,200	3,000	6,600
All Other Operating Exp.	231,700	257,400	322,800
OPERATION SUB-TOTAL	540,700	599,100	695,500
Test Validation	-0-	20,100	-0-
TOTAL APPROPRIATIONS	540,700	619,200	695,500 <sup>1/</sup>

## RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	446,600	484,600	503,800
Add Revenues	578,700	638,400	784,700
TOTAL FUNDS AVAILABLE	1,025,300	1,123,000	1,288,500
Expenditures	540,700	619,200	695,500
Balance End of Fiscal Year	484,600	503,800	593,000

The approved amount includes \$9,800 in Personal Services and \$5,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The appropriation includes funding for one additional Clerk-Typist II FTE position for the Investigations Section.

Other Operating Expenditures - The appropriation includes \$2,000 to fund a 3.5 percent general inflation adjustment.

Equipment - The appropriation includes funding for the purchase of a computer memory back-up system, laser printer, and printer sheet feeder.

<sup>1/</sup> Represents General Appropriations Act funds.

Vicki Conditt, Executive Director (Tel. 255-3095)

BOARD OF VETERINARY MEDICAL EXAMINING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1.5</u>	<u>1.5</u>	<u>2.0</u>
Personal Services	<u>42,700</u>	<u>45,600</u>	<u>63,300</u>
Employee Related Exp.	<u>8,900</u>	<u>9,500</u>	<u>14,700</u>
Prof. & Outside Services	28,700	33,100	34,200
Travel - State	7,500	8,600	9,900
Travel - Out of State	500	-0-	900
Other Operating Exp.	<u>9,500</u>	<u>9,300</u>	<u>11,400</u>
All Other Operating Exp.	<u>46,200</u>	<u>51,000</u>	<u>56,400</u>
<b>TOTAL APPROPRIATIONS</b>	<u><u>97,800</u></u>	<u><u>106,100</u></u>	<u><u>134,400</u></u> <sup>1/2/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	46,700	127,300	68,700
Add Revenues	<u>178,400</u>	<u>47,500</u>	<u>217,800</u> <sup>3/</sup>
<b>TOTAL FUNDS AVAILABLE</b>	225,100	174,800	286,500
Expenditures	<u>97,800</u>	<u>106,100</u>	<u>134,400</u>
Balance End of Fiscal Year	<u><u>127,300</u></u>	<u><u>68,700</u></u>	<u><u>152,100</u></u>

The approved amount includes \$1,900 in Personal Services and \$1,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, an increase of \$200 in Employee Related Expenditures for the increased retirement contribution, and an increase of \$700 in Professional and Outside Services to pay for increases in salaries and Employee Related Expenditures within the State Boards Office.

Personal Services - The approved amount provides funding to increase the agency's investigator position from half-time to full-time. The amount also includes a one-time allocation of \$2,200 to pay the investigator for accrued overtime work.

(Continued)

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
- 2/ This agency is housed within the State Boards Office of the Department of Administration. The amounts shown include a proportionate cost each board pays to the Special Services Revolving Fund for the services provided by the State Boards Office.
- 3/ This agency has a biennial licensing cycle.

VETERINARY MEDICAL EXAMINING BOARD (Cont'd)  
BOARD OF VETERINARY MEDICAL  
EXAMINING FUND

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ADDITIONAL LEGISLATION

Board Member Compensation - H.B. 2171 (Chapter 186) - Raises board member compensation from \$30 to \$50 per day. Raises fees for veterinary technician certificates.

JLBC Analyst: Neisent

Shelley M. Cohn, Executive Director (Tel. 255-5882)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	11.5	11.5	11.5
Personal Services	266,200	293,100	303,400
Employee Related Exp.	52,700	58,200	70,100
Travel - State	12,400	12,400	12,400
Travel - Out of State	700	800	800
Other Operating Exp.	71,700	75,200	86,000
Equipment	4,100	-0-	17,900
All Other Operating Exp.	88,900	88,400	117,100
OPERATION SUB-TOTAL	407,800	439,700	490,600
Community Service Projects	732,300	883,400	1,063,400
TOTAL APPROPRIATIONS	1,140,100	1,323,100	1,554,000 <sup>1/</sup>

The approved amount includes \$10,300 in Personal Services and \$6,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

All Other Operating - The approved amount for Other Operating includes an increase of \$9,000 for risk management and an increase of \$1,500 for rent of the Commission's office space, which is privately owned. The appropriation for Equipment includes \$1,800 for two electronic typewriters, \$2,700 for the lease/purchase of telephone equipment and \$13,400 for the replacement of a copier.

Community Service Projects - The approved amount provides \$180,000 in additional funding above the FY 1988 level. Community Service Project monies are grant monies made available to arts organizations and Arizona communities on a matching basis for such programs as Art in Arizona Towns, Artists in Education, Ticket Discount, Art in Public Places and Cultural Heritage.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

Wayne M. McGrath, Ed. D., Executive Director (Tel. 255-4037)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	8.0	8.0	9.0
Personal Services	312,900	323,900	359,800
Employee Related Exp.	56,900	56,600	74,300
Prof. & Outside Services	2,200	4,900	1,400
Travel - State	31,700	27,800	29,600
Travel - Out of State	-0-	1,000	3,000
Other Operating Exp.	54,200	54,900	57,800
Equipment	900	-0-	2,400
All Other Operating Exp.	89,000	88,600	94,200
OPERATION SUB-TOTAL	458,800	469,100	528,300
County Vocational Planning	40,000	40,000	40,000
Equalization Aid	3,365,500	3,681,800	4,298,200
State Aid To Community Colleges			
Operating Budget	52,110,500	56,793,300	62,581,500 <sup>1/</sup>
Capital Outlay	7,327,600	7,535,900	7,756,200
TOTAL APPROPRIATIONS	63,302,400	68,520,100	75,204,200 <sup>2/</sup>

The approved amount includes \$11,800 in Personal Services and \$7,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$13,200 for an additional Accounting Clerk III position to assist with the increased volume of financial record keeping associated with the annual "Single Audit" and the monitoring of State Aid appropriations. The appropriation also includes \$5,900 to raise the salary of the Associate Director of Research to the maximum level of Grade 23. The position is an exempt uncovered position.

All Other Operating - The approved amount for Other Operating includes \$6,300 for risk management and \$6,700 for the lease/rental of a copier. The approved amount for Equipment includes \$1,200 for a personal computer, \$600 for a printer, \$500 for a secretarial desk and \$100 for a file cabinet.

(Continued)

<sup>1/</sup> The approved amount includes an additional \$415,000 to reflect the 0.34 percent increase required for full funding of employer contributions to the State Retirement System for Community College personnel.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.



STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES (Cont'd)  
 GENERAL FUND

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County Vocational Planning - The appropriation is provided in support of the county planning process for vocational education as specified in sections 15-1425 and 15-1446, Arizona Revised Statutes.

Equalization Aid - The approved amount includes \$4,024,600 for Graham County Community College District and \$273,600 for Cochise County Community College District. Equalization Aid is determined pursuant to section 15-1468, Arizona Revised Statutes.

State Aid To Community Colleges - Operating Budget - The approved amount for Operating State Aid represents 25 percent of total community college operational funding as specified in sections 15-1401 and 15-1466, Arizona Revised Statutes. The lump sum appropriation is based upon the following estimated amounts for each community college district:

Cochise County Community College District	\$ 5,079,200
Graham County Community College District	3,574,200
Maricopa County Community College District	26,569,800
Mohave County Community College District	2,087,300
Navajo County Community College District	2,777,700
Pima County Community College District	11,835,800
Pinal County Community College District	4,022,800
Yavapai County Community College District	3,585,300
Yuma County Community College District	<u>3,049,400</u>
Total	<u>\$ 62,581,500</u>

State Aid To Community Colleges - Capital Outlay - The approved amount for Capital Outlay State Aid represents full funding of the Capital Outlay formula as specified in section 15-1464, Arizona Revised Statutes. The State Board of Directors for Community Colleges will allocate capital outlay funds to each community college district based on its actual 1984-85 full-time student equivalent enrollment. The lump sum appropriation is based on the following estimated amounts for each community college district.

Cochise County Community College District	\$ 399,600
Graham County Community College District	347,300
Maricopa County Community College District	3,994,100
Mohave County Community College District	190,300
Navajo County Community College District	280,700
Pima County Community College District	1,476,300
Pinal County Community College District	395,900
Yavapai County Community College District	325,600
Yuma County Community College District	<u>346,400</u>
Total	<u>\$ 7,756,200</u>

(Continued)

STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES (Cont'd)  
GENERAL FUND

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H.B. 2112 (Chapter 234) - Clarifies the definition of "operational expenses" as the term relates to the Community College Operating State Aid formula and defines "Operational Expense Budget" as the budget adopted by a district governing board pursuant to section 15-1461, Arizona Revised Statutes. The definition changes are effective retroactive to July 1, 1986. The bill also deletes the requirement that Additional Short-Term Classes and Open Entry, Open Exit Classes be vocational or technical in nature. In addition, it allows State Aid funding for summer term Additional Short-Term Classes. These changes are effective after September 30, 1988. The bill also deletes the statutory provision that the per diem compensation of State Board members cannot exceed \$700 in any year.

SCHOOL FOR THE DEAF AND THE BLIND - SUMMARY

A.R.S. 15-1301

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
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Program Summary

Arizona Diagnostic Treatment and Education Center	1,288,500	1,099,300	1,176,600
Phoenix Day School	1,693,900	1,636,900	1,923,000
Tucson Campus	5,987,500	6,763,700	7,893,200
<b>TOTAL APPROPRIATIONS</b>	<b>8,969,900</b>	<b>9,499,900</b>	<b>10,992,800</b>

Expenditure Detail

FTE Positions	420.0	427.4	431.9
Personal Services	8,661,800	9,046,600	10,112,500
Employee Related Exp.	1,785,200	1,935,600	2,210,300
Prof. & Outside Services	333,500	279,800	239,000
Travel - State	28,200	27,300	29,300
Travel - Out of State	700	-0-	-0-
Other Operating Exp.	1,276,400	1,293,700	1,358,500
Food	143,600	148,300	166,300
Equipment	184,900	265,000	423,200
All Other Operating Exp.	1,967,300	2,014,100	2,216,300
<b>OPERATION SUB-TOTAL</b>	<b>12,414,300</b>	<b>12,996,300</b>	<b>14,539,100</b>
Special Education			
Institutional Voucher Fund	(3,444,400)	(3,496,400)	(3,546,300)
<b>TOTAL APPROPRIATIONS</b>	<b>8,969,900</b>	<b>9,499,900</b>	<b>10,992,800</b> <sup>1/</sup>

S.B. 1374 (Chapter 237) - Amends several sections of statute relating to the operation of the Arizona School for the Deaf and the Blind (ASDB). Also provides that the Department of Administration (DOA), in consultation with the Department of Education (ADE), and ASDB's Board of Directors shall conduct salary equity studies for teachers, credentialed specialists and other personnel unique to the school. The bill provides for a full study once every five years analyzing salary structures for similar personnel in school districts. Interim salary adjustments shall be tied to the average salary increases awarded similar positions in three school districts selected by DOA, ADE and ASDB's Board. Also provides for reclassification studies for all other personnel. The results of the studies are to be used by the Joint Legislative Budget Committee (JLBC) in making recommendations for funding existing personnel services. The results of the first equity study are to be reported by DOA on or before October 15, 1988.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for each program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>67.1</u>	<u>56.6</u>	<u>56.6</u>
Personal Services	<u>1,110,800</u>	<u>987,300</u>	<u>1,081,800</u>
Employee Related Exp.	<u>224,900</u>	<u>186,300</u>	<u>257,700</u>
Prof. & Outside Services	9,000	9,100	9,100
Travel - State	1,000	400	400
Travel - Out of State	200	-0-	-0-
Other Operating Exp.	12,600	55,000	55,300
Equipment	4,000	-0-	-0-
All Other Operating Exp.	<u>26,800</u>	<u>64,500</u>	<u>64,800</u>
OPERATION SUB-TOTAL	1,362,500	1,238,100	1,404,300
Special Education			
Institutional Voucher Fund	<u>(74,000)</u>	<u>(138,800)</u>	<u>(227,700)</u>
TOTAL APPROPRIATIONS	<u>1,288,500</u>	<u>1,099,300</u>	<u>1,176,600</u> <sup>1/</sup>

The approved amount includes \$36,600 in Personal Services and \$21,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$32,000 to provide inequity salary adjustments, averaging nine percent, for teachers. The nine percent inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with a representative sample of teachers' salaries in both urban and rural school districts throughout the state. The appropriation also includes \$23,200 to reinstitute the Accountability Pay Plan (Career Ladder Plan) and to transition credentialed specialists into the Plan. In addition, \$500 is included to provide compensation to teachers who monitor or provide instruction for extracurricular activities. A vacancy factor of one percent, or \$10,000, was deducted when the approved amount was computed.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	102.0	97.4	97.4
Personal Services	2,130,800	2,075,400	2,380,700
Employee Related Exp.	438,500	450,100	484,200
Prof. & Outside Services	20,000	18,900	33,000
Travel - State	2,000	6,300	6,300
Other Operating Exp.	329,100	325,400	358,000
Food	24,800	30,100	32,400
Equipment	46,100	99,600	90,600
All Other Operating Exp.	422,000	480,300	520,300
OPERATION SUB-TOTAL	2,991,300	3,005,800	3,385,200
Special Education			
Institutional Voucher Fund	(1,297,400)	(1,368,900)	(1,462,200)
TOTAL APPROPRIATIONS	1,693,900	1,636,900	1,923,000 <sup>1/</sup>

The approved amount includes \$80,500 in Personal Services and \$46,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$8,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$109,400 to provide inequity salary adjustments, averaging nine percent, for teachers. The nine percent inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with a representative sample of teachers' salaries in both urban and rural school districts throughout the state. The appropriation also includes \$73,400 to reinstitute the Accountability Pay Plan (Career Ladder Plan) and to transition credentialed specialists into the Plan. In addition, \$12,300 is included to provide compensation to teachers who monitor or provide instruction for extracurricular activities.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

SCHOOL FOR THE DEAF AND THE BLIND - PHOENIX DAY SCHOOL (Cont'd)  
GENERAL FUND

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All Other Operating - The approved amount for Professional and Outside Services includes an increase of \$7,400 for tuition to enable Phoenix Day School students to attend vocational training classes and special academic classes at local high schools and community colleges offering such classes. An additional \$6,700 is also provided for occupational therapy services. The approved amount for Other Operating includes an increase of \$3,900 for utilities, an increase of \$1,000 for the lease/rental of a vehicle for the Driver's Education program and an increase of \$22,000 for operating supplies. The Equipment appropriation provides \$32,000 for the first year lease/purchase payment for three school buses, \$29,400 for the second year lease/purchase payment for three buses and \$29,200 for the final lease/purchase payment for three school buses.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill appropriates \$660,000 from the State General Fund for the final lease/purchase payment for 2.7 acres of land and approximately 26,000 square feet of building space. The three year lease/purchase agreement is for church property situated adjacent to Phoenix Day School. The Capital Outlay Bill also appropriates \$23,300 for payment of ASDB's assessment for street improvements made by the City of Phoenix to Morten Avenue, which runs along the southern boundary of the Phoenix Day School campus.

Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	250.9	273.4	277.9
Personal Services	5,420,200	5,983,900	6,650,000
Employee Related Exp.	1,121,800	1,299,200	1,468,400
Prof. & Outside Services	304,500	251,800	196,900
Travel - State	25,200	20,600	22,600
Travel - Out of State	500	-0-	-0-
Other Operating Exp.	934,700	913,300	945,200
Food	118,800	118,200	133,900
Equipment	134,800	165,400	332,600
All Other Operating Exp.	1,518,500	1,469,300	1,631,200
OPERATION SUB-TOTAL	8,060,500	8,752,400	9,749,600
Special Education			
Institutional Voucher Fund	(2,073,000)	(1,988,700)	(1,856,400)
TOTAL APPROPRIATIONS	5,987,500	6,763,700	7,893,200 <sup>1/</sup>

The approved amount includes \$224,900 in Personal Services and \$131,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$22,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$222,600 to provide inequity salary adjustments, averaging nine percent, for teachers. The nine percent inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with a representative sample of teachers' salaries in both urban and rural school districts throughout the state. The appropriation also includes \$146,700 to reinstitute the Accountability Pay Plan (Career Ladder Plan) and to transition credentialed specialists into the plan. In addition, \$25,600 is included to provide compensation to teachers who monitor or provide instruction for extracurricular activities. The approved amount provides funding for an additional 4.5 FTE positions. Included in the appropriation is \$29,400 for four half-time Bus Driver positions and a .50 Automotive Service Attendant position to allow the agency to assume the in-house operation of the entire Tucson Campus transportation program. The appropriation allows ASDB to assume the operation

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

SCHOOL FOR THE DEAF AND THE BLIND - TUCSON CAMPUS (Cont'd)  
GENERAL FUND

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of four day-transportation routes currently provided through contract services. The approved amount also provides for two new positions to staff one of the three regions to be established through the Cooperative Services Program initiated in FY 1988. Funding of \$58,200 is included for one Regional Program Coordinator and one Secretary. A vacancy factor of 1.5 percent, or \$90,500, was deducted when the approved amount was computed.

All Other Operating - The appropriation for Professional and Outside Services includes increases of \$4,600 for medical, dental and ophthalmological services, \$19,100 for audiological services, \$7,600 for occupational and physical therapy services, \$12,200 for parent advisor services, \$6,400 for transportation services and \$2,600 for a gas line survey. Also, an additional \$15,000 is provided for audiological, vision, speech, physical therapy and occupational therapy screening and evaluation services to be implemented through the establishment of the first region of the Cooperative Services Program. The approved amount includes a decrease of \$122,400 for the elimination of contract bus services currently provided for four day-transportation routes. Funding for personnel and equipment has been provided for ASDB to assume the operation of the bus routes. The approved amount for In-State Travel includes an additional \$2,000 for travel associated with the opening of the first region of the Cooperative Services Program. The appropriation for Other Operating includes the restoration of all cuts taken in S.B. 1119 to achieve the FY 1988 budget reduction. In addition, the approved amount for Other Operating includes increases of \$7,500 for risk management, \$4,000 for utilities, \$1,500 for postage, \$5,900 for fuel and supplies for the transportation program and \$3,000 for costs associated with the opening of the first region of the Cooperative Services Program. The approved amount for Equipment includes \$47,500 for non-educational replacement equipment, \$151,400 for specialized educational replacement equipment, \$11,100 for the second year lease/purchase payment for one bus, \$118,600 for the first year lease/purchase payment for nine buses and \$4,000 for equipment, including a personal computer, printer, and office set-up, for the new region to be established through the Cooperative Services Program.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill appropriates \$159,400 from the State General Fund for costs associated with the widening of Speedway Boulevard, which runs along the southern boundary of ASDB's Tucson Campus. Included in the appropriation is \$35,400 for the expansion and reconfiguration of the ADTEC parking lot, \$7,500 for the extension of the brick wall separating Speedway Boulevard from the ASDB Campus and \$88,900 for landscaping the ASDB frontage along Speedway Boulevard. The Capital Outlay Bill also appropriates \$24,000 for the installation of a 10,000 gallon underground fuel tank to be used by the school transportation department and \$25,800 for the demolition of the Tucson Campus auditorium. The auditorium has been closed since August 1987 due to structural problems.

(Continued)



SCHOOL FOR THE DEAF AND THE BLIND - TUCSON CAMPUS (Cont'd)  
GENERAL FUND

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S.B. 1123 (Chapter 10) - Provides that the Department of Administration (DOA) shall proceed immediately with planning related to the construction of a food service facility at ASDB's Tucson Campus, and that available architectural and engineering monies appropriated to DOA shall be used to ensure a construction bid date before September 1, 1989. Provides that DOA shall utilize lease-purchase financing for the project pursuant to section 41-791.02, Arizona Revised Statutes, to allow construction to commence by November 1, 1989.

DEPARTMENT OF EDUCATION - SUMMARY

A.R.S. 15-201

JLBC Analyst: Neisent

Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
State Board of Education	105,300	623,600	4,691,400
General Services Administration	7,300,900	7,764,600	8,344,500
Vocational Education	1,093,200	1,106,700	1,208,900
Assistance to Schools	<u>983,363,100</u>	<u>1,020,478,300</u>	<u>1,143,428,600</u>
TOTAL APPROPRIATIONS	<u>991,862,500</u>	<u>1,029,973,200</u>	<u>1,157,673,400</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>179.8</u>	<u>179.8</u>	<u>180.8</u>
Personal Services	<u>4,762,800</u>	<u>4,902,800</u>	<u>5,210,000</u>
Employee Related Exp.	<u>942,000</u>	<u>938,300</u>	<u>1,165,700</u>
Prof. & Outside Services	988,900	467,400	489,900
Travel - State	133,900	83,500	86,800
Travel - Out of State	18,400	20,900	21,400
Other Operating Exp.	1,128,100	1,270,400	961,500
Equipment	<u>167,900</u>	<u>-0-</u>	<u>188,900</u>
All Other Operating Exp.	<u>2,437,200</u>	<u>1,842,200</u>	<u>1,748,500</u>
OPERATION SUB-TOTAL	8,142,000	7,683,300	8,124,200 <sup>2/</sup>
Achievement Testing	-0-	932,700	970,000
Special Education Audit	184,900	199,400	217,500
Teachers' Retirement	138,400	138,400	138,400
Education Commission of the States	34,100	36,100	37,700
SLIAG Administration	-0-	-0-	207,000
Assistance to Schools	983,363,100	1,020,478,300	1,087,152,600
Additional Appropriations	<u>-0-</u>	<u>505,000</u> <sup>1/</sup>	<u>-0-</u>
TOTAL	991,862,500	1,029,973,200	1,096,847,400
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 9, Budget Reductions	--	--	56,276,000
Ch. 308, Spec. Acad. Assistance	<u>--</u>	<u>--</u>	<u>4,550,000</u>
TOTAL APPROPRIATIONS	<u>991,862,500</u>	<u>1,029,973,200</u>	<u>1,157,673,400</u>

<sup>1/</sup> Of this amount, \$325,000 was appropriated from the Corrections Fund pursuant to Chapter 307, Laws of 1987.

<sup>2/</sup> The State Board of Education and Vocational Education programs have been appropriated as lump sums. The General Services Administration program has been appropriated as a modified lump sum. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Neisent

Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions <sup>1/</sup>	2.5	2.5	2.5
Personal Services	41,500	45,900	49,600
Employee Related Exp.	9,000	9,500	14,300
Prof. & Outside Services	19,500	19,700	22,900
Travel - State	5,800	7,600	7,800
Travel - Out of State	-0-	4,900	4,900
Other Operating Exp.	29,100	31,000	38,000
Equipment	400	-0-	3,900
All Other Operating Exp.	54,800	63,200	77,500
TOTAL	105,300	118,600	141,400 <sup>2/</sup>
Additional Appropriations - 38th Leg., 1st Reg. Session			
Ch. 307, Illegal Drugs	--	325,000 <sup>* colln F.D.</sup>	-0-
Ch. 316, Property Tax Repayment	--	180,000	-0-
38th Leg., 2nd Reg. Session			
Ch. 308, Special Academic Assistance	--	--	4,550,000
TOTAL APPROPRIATIONS	105,300	623,600	4,691,400

The approved amount includes \$1,700 in Personal Services and \$900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$200 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> The number of full-time equivalent positions does not include the nine members of the State Board of Education.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure included in the lump sum are shown for informational purposes only.

DEPARTMENT OF EDUCATION - STATE BOARD OF EDUCATION (Cont'd)  
GENERAL FUND

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All Other Operating - The approved amount for Professional and Outside Services includes an additional \$1,200 for legal fees and an additional \$2,000 for expenses associated with textbook evaluation committees. The approved amount for Other Operating includes an additional \$700 for postage and an additional \$6,000 to fully fund the National Association of State Boards of Education (NASBE) dues. The appropriation for Equipment includes \$3,400 for two typewriters and \$500 for a secretarial desk and chair.

ADDITIONAL APPROPRIATIONS

Special Academic Assistance - H.B. 2217 (Chapter 308) - Appropriates to the State Board of Education for FY 1989 the following amounts: \$3,000,000 for establishing a pilot project of grants to school districts for at risk students in kindergarten through third grade programs; \$1,500,000 for establishing a pilot project of grants to school districts for secondary level at risk pupil drop-out prevention programs; and, \$50,000 for establishing an Academic Contests Fund. The State Board may allocate up to \$300,000 of the \$3,000,000 appropriation and \$150,000 of the \$1,500,000 appropriation to the Department of Education for technical support, personnel services and monitoring and evaluation of the demonstration programs. The \$1,500,000 appropriation and the \$50,000 appropriation are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations.

The bill establishes a four year pilot project of academic assistance grants to school districts for Fiscal Years 1989 through 1992 for at risk students in kindergarten through third grade programs. The monies are to be disbursed by the State Board to school districts having large percentages of pupils in kindergarten through third grade programs who are at risk of not succeeding in the educational system. The districts must meet the selection criteria established by the State Board. Provides that the Department of Education shall review the annual reports submitted by school districts relative to monies expended on kindergarten through third grade special academic assistance programs and shall notify districts of noncompliance and of technical assistance available to them from the Department. The bill also establishes a four year pilot project of grants to school districts identified as having large percentages of pupils in grades seven through twelve who are at risk of dropping out of school prior to completing high school graduation requirements. The pilot project is established for Fiscal Years 1989 through 1992. The monies are to be disbursed by the State Board to school districts which specifically address the needs of secondary at risk pupils through alternative programs which provide academic and vocational training as well as support services for dropouts and potential dropouts. The districts must meet the selection criteria established by the State Board.

The bill also establishes an Academic Contests Fund consisting of monies appropriated by the Legislature or received by the State Board as grants or gifts. The monies are to be used for the purpose of sending state level winners of academic contests and their chaperons to the national levels of these contests.

JLBC Analyst: Neisent

Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>151.0</u>	<u>151.0</u>	<u>152.0</u> <sup>1/</sup>
Personal Services	<u>3,920,800</u>	<u>4,027,100</u>	<u>4,273,400</u>
Employee Related Exp.	<u>777,100</u>	<u>779,800</u>	<u>958,400</u>
Prof. & Outside Services	918,000	382,800	402,100
Travel - State	122,300	66,000	69,100
Travel - Out of State	18,400	16,000	16,500
Other Operating Exp.	1,019,700	1,186,300	869,400
Equipment	<u>167,200</u>	<u>-0-</u>	<u>185,000</u>
All Other Operating Exp.	<u>2,245,600</u>	<u>1,651,100</u>	<u>1,542,100</u>
OPERATION SUB-TOTAL	6,943,500	6,458,000	6,773,900
Achievement Testing	-0-	932,700	970,000
Special Education Audit	184,900	199,400	217,500
Teachers' Retirement	138,400	138,400	138,400
Education Commission of the States	34,100	36,100	37,700
SLIAG Administration	<u>-0-</u>	<u>-0-</u>	<u>207,000</u> <sup>3/</sup>
TOTAL APPROPRIATIONS	<u>7,300,900</u>	<u>7,764,600</u>	<u>8,344,500</u> <sup>4/</sup>

The approved amount includes \$142,800 in Personal Services and \$84,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$14,500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> The number shown does not include the five FTE positions in the Special Education Audit program.
- <sup>2/</sup> This appropriation is made to enable the state to carry out the provisions of section 38-747, Arizona Revised Statutes.
- <sup>3/</sup> These funds shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is Legislative intent that the General Fund be fully reimbursed for this appropriation.
- <sup>4/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF EDUCATION - GENERAL SERVICES ADMINISTRATION (Cont'd)  
 GENERAL FUND

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Personal Services - The approved amount includes \$32,000 for one additional EDP Programmer/Analyst III position to serve as the micro-computer network coordinator for the school finance section and to assist in the analysis of school finance and State Aid data. If time permits, this position will also assist with the automation of the Department's accounting section. A vacancy factor of two percent, or \$83,600, was deducted when the approved amount was computed.

All Other Operating - The approved amount for Professional and Outside Services includes an increase of \$8,800 for data processing services, an increase of \$400 for legal services and an increase of \$7,600 for the Communications Service Center. The approved amount for In-State Travel includes an increase of \$3,100 above the FY 1988 Estimate. The approved amount for Other Operating includes an increase of \$11,200 for postage, an increase of \$54,700 for risk management and a decrease of \$32,600 for miscellaneous expenses. The approved amount for Equipment includes \$35,000 to complete the replacement of telephones and switching gear on the second and third floors of the Education Building and \$150,000 to automate the Department's accounting, teacher certification and school finance sections. The appropriation provides \$46,000 to automate the accounting section and \$44,000 to automate the school finance section through the purchase of micro-computers, printers, network servers, hardware supplements and software. In addition, \$58,000 is provided for memory/processor upgrades and a disk drive controller for the Department's mini-computer. The upgrades will assist in the automation of the teacher certification and school finance sections. The approved amount also includes \$2,000 for equipment for the new EDP Programmer/Analyst III position authorized for the school finance section.

Special Education Audit - The approved amount is based on the following objects of expenditure:

FTE Positions	5.0
Personal Services	\$138,300
Employee Related Expenditures	30,800
Prof. & Outside Services	15,000
Travel - State	7,500
Other Operating Expenditures	25,900
Equipment	-0-
TOTAL	<u>\$217,500</u>

The approved amount includes \$4,700 in Personal Services and \$2,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

DEPARTMENT OF EDUCATION - GENERAL SERVICES ADMINISTRATION (Cont'd)  
GENERAL FUND

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Achievement Testing - The appropriation provides full funding for the testing of all grades on nationally norm-referenced achievement tests. H.B. 2111 (Chapter 216) provides that the Department of Education may sample test grades one and twelve on the norm-referenced achievement tests administered by the Department yearly, except that individual school districts may request the testing of all their pupils in grades one or twelve, or both. In addition, the bill requires the Department of Education to develop and pilot measures to assess state essential skills in the goal areas adopted by the Joint Legislative Committee on Goals for Arizona Educational Excellence, to conduct a study on how school districts use the results of the norm-referenced achievement tests, and to analyze the limitations of the current testing program. The bill also provides that monies appropriated for norm-referenced testing which are not used for this purpose be used to conduct the required studies prescribed by the act.

SLIAG (State Legalization Impact Assistance Grants) Administration - The approved amount represents funding required for the administrative costs associated with the SLIAG grant monies (see Assistance to Schools program). The state General Fund will be reimbursed by the federal SLIAG grants for this "up-front" funding. The SLIAG grant monies are provided to applying states which provide educational services to certain illegal aliens who have become legal residents of the United States under the amnesty program established by Congress in 1986. All payments for educational services, whether provided by state and local education agencies or by private non-profit organizations, must go through the state Department of Education.

JLBC Analyst: Neisent

Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>26.3</u>	<u>26.3</u>	<u>26.3</u>
Personal Services	<u>800,500</u>	<u>829,800</u>	<u>887,000</u>
Employee Related Exp.	<u>155,900</u>	<u>149,000</u>	<u>193,000</u>
Prof. & Outside Services	51,400	64,900	64,900
Travel - State	5,800	9,900	9,900
Other Operating Exp.	79,300	53,100	54,100
Equipment	300	-0-	-0-
All Other Operating Exp.	<u>136,800</u>	<u>127,900</u>	<u>128,900</u>
TOTAL APPROPRIATIONS	<u>1,093,200</u>	<u>1,106,700</u>	<u>1,208,900</u> <sup>1/2/3/</sup>

The approved amount includes \$30,000 in Personal Services and \$17,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,000 in Employee Related Expenditures for the increased retirement contribution.

- 1/ The above appropriation is made to enable the State to cooperate with the federal government in carrying out the provisions of an act of Congress approved February 23, 1917 and acts amendatory and supplementary thereto, providing for the promotion and development of cooperative vocational education.
- 2/ The appropriation represents 50 percent of the total cost of the Vocational Education Program which is required to be funded by the State of Arizona under Public Law 94-482.
- 3/ Represents General Appropriations Act funds. Appropriated as a lump sum for the program. The objects of expenditure included in the lump sum are shown for informational purposes only.



JLBC Analyst: Neisent

Honorable C. Diane Bishop, Superintendent (Tel. 255-4361)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Statutory Formula Programs</u>			
Basic State Aid Entitlement	849,311,700	871,190,000 <sup>1/</sup>	883,535,400 <sup>2/</sup>
Additional State Aid to Schools	116,906,200	129,542,400	170,176,100
Assistance to School Districts	83,300	300,000	331,900
Cert. of Ed. Convenience	5,686,400	6,567,300	6,200,000
Permanent Special Ed. Voucher	1,181,800	1,425,500	1,700,000
Perm. Spec. Ed. Inst. Voucher	3,634,500	3,900,000	4,200,000
<u>Non-Formula Programs</u>			
Adult Education Assistance	928,900	1,050,000	1,050,000
Vocational Educ. Assistance	2,673,800	2,835,000	2,835,000
Vocational Education Program Support	930,000	1,000,000	1,000,000
Preschool Handicapped	972,700	1,100,000	1,100,000
Academic Decathlon	35,600	50,100	81,700
Arizona Principal's Institute	37,200	40,000	40,000
Teacher Residency Program	412,800	443,800	446,300
Chemical Abuse	348,200	377,400	422,100
ASSET	220,000	234,000	234,000
Special Educ. Tuition	-0-	70,000	100
Jobs for Arizona Graduates	-0-	352,800	-0-
SLIAG Adult Education	-0-	-0-	12,500,000 <sup>3/</sup>
SLIAG K-12	-0-	-0-	1,300,000 <sup>3/</sup>
<b>TOTAL APPROPRIATIONS</b>	<u>983,363,100</u>	<u>1,020,478,300</u>	<u>1,087,152,600</u> <sup>4/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 9, Budget Reductions	--	--	56,276,000
<b>TOTAL APPROPRIATIONS</b>	<u>983,363,100</u>	<u>1,020,478,300</u>	<u>1,143,428,600</u>

(Continued)

<sup>1/</sup> The FY 1988 Estimate reflects a reduction of \$30,000,000 from the original FY 1988 appropriated level of \$901,190,000, pursuant to S.B 1119 (Chapter 9), Laws of 1988.

<sup>2/</sup> The approved amount includes an additional \$4,719,800 to reflect the 0.34 percent increase required for full funding of employer contributions to the State Retirement System for school district personnel.

<sup>3/</sup> These funds shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants (SLIAG), authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is legislative intent that the general fund be fully reimbursed for this appropriation.

<sup>4/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for each program.

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)  
 GENERAL FUND

ADDITIONAL APPROPRIATIONS

Budget Reductions - S.B. 1119 (Chapter 9) - Requires the State Board of Education to reduce on a pro rata basis the June FY 1988 apportionment of Basic State Aid and Additional State Aid by \$56,100,000. This amount reflects: a \$30,000,000 reduction in Basic State Aid; a \$13,100,000 shortfall in Basic State Aid; and, a \$13,000,000 shortfall in Additional State Aid. S.B. 1119 reappropriates \$56,100,000 in FY 1989 for the FY 1988 reduction, with the amount to be disbursed on July 1, 1988. In addition, the bill appropriates \$176,000 to the State Board of Education for distribution, on July 1, 1988, to school districts if the districts incurred interest expenses in FY 1988 associated with the registering of warrants related to the FY 1988 apportionment reduction.

STATUTORY FORMULA PROGRAMS

Basic State Aid Entitlement - The General Fund appropriation, when combined with the General Fund appropriation made pursuant to Chapter 260, Second Regular Session, Laws of 1988, reflects the major portion of the estimated \$1,006,535,400 total requirement for basic state support aid. The difference between the estimated total amount required and the General Fund amount appropriated will be funded by expendable income derived from the Permanent State Common School Fund together with receipts derived from any other source and will be expended, whenever possible, prior to expenditure of General Fund monies. The General Fund appropriation, when combined with other monies in the State School Fund, provides basic state support to school districts for maintenance and operation, transportation and capital outlay funding as provided by section 15-973, Arizona Revised Statutes. This aid is based upon a weighted student count and a qualifying tax rate upon the assessed valuation of the districts.

The approved amount is based on an increase of 3.0 percent in the G.N.P. Price Deflator, bringing the Base Level to \$2,206.00. It is also based on an FY 1988 student count of 563,209.285 (401,569.792 elementary Average Daily Membership (A.D.M.) and 161,639.493 secondary A.D.M.) and an increase in 1988 overall assessed valuation of approximately 9.2 percent. The approved amount is based on the following computation:

FY 1989 Equalization Requirement	\$1,106,935,400
Add:	
Sudden Growth	25,000,000
CEC - Unorganized Districts	1,100,000
Total Equalization Requirement	<u>1,133,035,400</u>
Deduct:	
County Equalization	96,000,000
Public Law 81-874	7,500,000
Endowments	<u>43,000,000</u>
Required Funding	986,535,400
Less Other Legislation:	
H.B. 2345 (Chapter 221)	3,000,000 $\frac{1}{2}$
S.B. 1261 (Chapter 271)	20,000,000 $\frac{2}{2}$
S.B. 1018 (Chapter 296)	80,000,000 $\frac{3}{2}$
FY 1989 General Fund Appropriation	<u><u>\$ 883,535,400</u></u>

(Footnotes From the Preceding Page)

- 1/ H.B. 2345 (Chapter 221) - Allows the State Superintendent of Public Instruction to redetermine State Aid for school districts if it is determined that any calculations, within the previous five years, did not conform to statutory requirements. The corrections may be made to the current year's State Aid payments or to payments made in the budget year. The \$3,000,000 reduction to the FY 1989 General Fund appropriation reflects corrections for net overpayments of Basic State Aid made in FY 1986 and FY 1987 due to errors in the calculation of the Capital Levy Revenue Limit (CLRL) section of the State Aid formula.
- 2/ S.B. 1261 (Chapter 271) - Amends section 15-971, Arizona Revised Statutes, by providing for the inclusion of Salt River Project (SRP) assessed valuation, used to determine voluntary contributions collected pursuant to Title 48, Chapter 1, Article 8, in the total assessed valuation used in the determination of equalization assistance payments. The approved amount for Basic State Aid includes a reduction of \$10,000,000 to reflect the addition of the SRP valuation. The bill provides for the phase-in of tax rate increases to residential property, resulting from the inclusion of SRP valuation, by limiting annual increases to 50¢ per \$100 of assessed value. The bill also amends section 42-227, Arizona Revised Statutes, by providing that the 1987 assessment ratios for Property Classes 1, 2 and 6 shall also apply for tax years 1988 and 1989. The approved amount for Basic State Aid includes a reduction of \$10,000,000 to reflect the effect of holding the assessment ratios for these three classes of property at the 1987 levels. The bill also provides for levying the Qualifying Tax Rate (QTR) in unorganized school districts and provides for the phase-in of the tax on residential property by limiting annual increases to 50¢ per \$100 of assessed value, beginning in 1988.
- 3/ S.B. 1018 (Chapter 296) - Provides that the State Board of Education shall reduce, on a pro rata basis, the June 15, 1989 apportionment of Basic State Aid and Additional State Aid required pursuant to section 15-973, Arizona Revised Statutes, by a total of \$80,000,000. Also allows school districts to budget in FY 1990 for interest expenses associated with the registering of warrants related to the FY 1989 apportionment reduction. S.B. 2142 (Chapter 260) appropriates \$80,000,000 in FY 1990 for the FY 1989 apportionment reduction, with the funds to be disbursed on July 1, 1989 in amounts equal to the reductions taken in the June FY 1989 apportionment payment. The bill also appropriates \$250,000 in FY 1990 to the State Board of Education for distribution, on July 1, 1989, to school districts if the districts incurred interest expenses in FY 1989 associated with the registering of warrants related to the FY 1989 apportionment reduction.

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)  
GENERAL FUND

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Additional State Aid to Schools - This appropriation is made to enable the state to carry out the requirements of section 15-972, Arizona Revised Statutes. The Additional State Aid for education provided by this appropriation shall be apportioned as provided in section 15-973, Arizona Revised Statutes.

The approved amount is based on an increase of 10 percent in Class Five (residential) assessed valuation in 1988 and an average increase of nine percent in school district tax rates. S.B. 1261 (Chapter 271) amends section 15-972, Arizona Revised Statutes, by providing that the maximum state reduction in property taxes for any residential parcel shall not exceed \$500.

Assistance to Public School Districts for Children of State Employees - For the assistance of school districts in educating the children of certain state employees as prescribed by section 15-976, Arizona Revised Statutes.

Certificates of Educational Convenience - For the reimbursement of school districts that have students enrolled on certificates of educational convenience as provided by section 15-825, Arizona Revised Statutes.

The approved amount is based on an FY 1989 estimated A.D.M. of 1,391.523 and an estimated average cost of \$4,455.55 per A.D.M.

Permanent Special Education Voucher Fund - For special education costs of students placed in private institutions by the Department of Economic Security, Department of Corrections or the Juvenile Courts, as provided by section 15-1182, Arizona Revised Statutes.

The approved amount is based on the following student counts and FY 1989 rates per A.D.M.:

	A.D.M.	Rate
Emotionally Handicapped	292.038	\$5,665.01
Trainable Mentally Handicapped	3.580	6,860.66
Multiply Handicapped	2.776	7,579.81

Permanent Special Education Institutional Voucher Fund - For special education costs of students attending the Arizona School for the Deaf and the Blind and developmentally disabled programs operated by the Department of Economic Security in accordance with section 15-1202, Arizona Revised Statutes.

The approved amount is based on the following student counts and FY 1989 rates per A.D.M.:

	A.D.M.	Rate
Visually Handicapped	89.911	\$8,753.41
Hearing Handicapped	398.628	7,456.28
Multiply Handicapped	58.140	7,579.81

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)  
GENERAL FUND

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NON-FORMULA PROGRAMS

Adult Education Assistance - For classes in adult basic education, general education development and citizenship on a statewide basis.

Vocational Education Assistance - For assistance to school districts offering vocational education as provided by section 15-787, Arizona Revised Statutes.

Vocational Education Program Support - The approved amount is in addition to the \$2.8 million in state assistance for vocational education programs. These monies shall be available to local school districts with an emphasis on entry-level skill preparation, and based upon established standards of program quality.

Preschool Handicapped - The approved amount provides funding for preschool programs for handicapped children ages three to five who due to physical, mental or emotional characteristics need special instruction or special ancillary services to achieve at levels commensurate with their abilities. Initial funding of \$500,000 was provided for the program in FY 1985 with the enactment of H.B. 2200 (Chapter 272), Laws of 1984. The FY 1989 appropriation will provide services for an estimated 407 children at an approximate cost of \$2,700 per child. H.B. 2226 (Chapter 281) provides for the inclusion of preschool handicapped children, ages three to five, in the Group A support level category in the State Aid formula and allows school districts to begin budgeting for such pupils in FY 1990.

Academic Decathlon - The amount appropriated shall be used solely for the purpose of paying administrative and material costs incurred in support of the Academic Decathlon and other academic events. The appropriation is based on the following objects of expenditure:

FTE Positions	<u>1.0</u>
Personal Services	\$ 46,300
Employee Related Expenditures	10,400
Prof. & Outside Services	1,800
Travel - State	2,000
Travel - Out of State	1,000
Other Operating Expenditures	20,200
TOTAL	<u>\$ 81,700</u>

The approved amount includes \$1,600 in Personal Services and \$900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$200 in Employee Related Expenditures for the increased retirement contribution.

Arizona Principals' Institute - The approved amount continues funding in support of the Institute as established by S.B. 1226 (Chapter 348), Laws of 1984. Monies are to be used for the costs of administering the Principals' Institute and for the instructional or program costs of the Institute.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)  
 GENERAL FUND

Teacher Residency Program - The appropriation is made to provide a comprehensive, skill-based program of on-the-job training and observation for graduates of colleges of education. The appropriation is based on the following objects of expenditure:

FTE Positions	<u>1.0</u>
Personal Services	\$ 44,100
Employee Related Expenditures	9,900
Prof. & Outside Services	5,600
Travel - State	2,500
Travel - Out of State	1,000
Other Operating Expenditures	39,700
Assistance to School Districts	<u>343,500</u>
TOTAL	<u>\$446,300</u>

The approved amount includes \$1,500 in Personal Services and \$900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

Chemical Abuse - The approved amount continues funding in support of the Chemical Abuse program as established by S.B. 1248 (Chapter 242), Laws of 1985. Monies are to be used to assist school districts with the costs of programs designed to prevent chemical abuse by pupils in kindergarten programs and grades one through twelve. The appropriation is based on the following objects of expenditure:

FTE Positions	<u>2.0</u>
Personal Services	\$ 64,800
Employee Related Expenditures	14,700
Prof. & Outside Services	11,700
Travel - State	3,000
Travel - Out of State	1,000
Other Operating Expenditures	9,400
Assistance to School Districts	<u>317,500</u>
TOTAL	<u>\$422,100</u>

The approved amount includes \$2,200 in Personal Services and \$1,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$200 in Employee Related Expenditures for the increased retirement contribution.

ASSET (Arizona School Services through Educational Technology) - The approved amount provides funding to assist districts in enhancing educational instruction through television coursework. The appropriation provides \$152,000 for the payment of transmission costs and \$82,000 for the shipping and distribution of printed materials.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)  
GENERAL FUND

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Special Education Tuition - The aim of the program is to provide funding for assistance in mainstreaming students who are placed in private special education schools into the public schools on a part-time basis. Initial funding of \$70,000 was provided for the program in FY 1987 with the enactment of H.B. 2014 (Chapter 337), Laws of 1986. An appropriation of \$70,000 was also provided for FY 1988. Due to problems with the implementation of administrative rules and regulations under which the program would operate, both the FY 1987 and FY 1988 appropriations reverted. The Legislature approved only a token appropriation for FY 1989 to maintain the line item for possible future legislative action.

Jobs for Arizona Graduates - The FY 1988 appropriation for the Jobs for Arizona Graduates (JAG) program carried the following footnote:

"It is legislative intent that the Auditor General prepare an evaluation of the Jobs for Arizona Graduates program to be submitted to the Legislature by January 31, 1988, with recommendations relating to the organization and management, program content, student selection criteria, program placement results and cost effectiveness of the program."

The Auditor General's report recommended terminating the JAG program because it is not successful in placing high school seniors in jobs and because the cost of placing students through the JAG program is high. The Legislature did not approve funding for the program for FY 1989.

SLIAG (State Legalization Impact Assistance Grants) Adult Education and K-12 - The appropriated amounts for these line items represent funding required for the adult education and K-12 education costs associated with the SLIAG grant monies. The state General Fund will be reimbursed by the federal SLIAG grants for this "up-front" funding. The SLIAG grant monies are provided to applying states which provide educational services to certain illegal aliens who have become legal residents of the United States under the amnesty program established by Congress in 1986. All payments for educational services, whether provided by state and local education agencies or by private non-profit organizations, must go through the state Department of Education.

JLBC Analyst: Bellgardt

Don Bufkin, Acting Director (Tel. Tucson 628-5774)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>46.3</u>	<u>46.3</u>	<u>46.3</u>
Personal Services	<u>973,700</u>	<u>1,032,300</u>	<u>1,031,600</u>
Employee Related Exp.	<u>201,600</u>	<u>204,400</u>	<u>238,700</u>
Prof. & Outside Services	46,000	33,400	33,800
Travel - State	7,800	8,600	8,600
Travel - Out of State	1,700	-0-	-0-
Other Operating Exp.	367,100	429,200	500,200
Equipment	<u>13,100</u>	<u>17,400</u>	<u>33,600</u>
All Other Operating Exp.	<u>435,700</u>	<u>488,600</u>	<u>576,200</u> <sup>1/</sup>
OPERATION SUB-TOTAL	1,611,000	1,725,300	1,846,500
Journal of Arizona History	5,000	5,000	5,000
Historical Society Grants	30,000	30,000	30,000
Library Acquisitions	<u>500</u>	<u>1,500</u>	<u>1,500</u>
TOTAL APPROPRIATIONS	<u>1,646,500</u>	<u>1,761,800</u>	<u>1,883,000</u> <sup>2/</sup>

The approved amount includes \$34,900 in Personal Services and \$20,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a two percent vacancy factor.

Equipment - The amount approved includes funding for the replacement of auditorium chairs and computer equipment.

(Continued)

<sup>1/</sup> Of the \$576,200 appropriated for All Other Operating Expenditures, \$6,000 is to be used exclusively for grants to three local historical societies.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The objects of expenditure are shown for informational purposes only.



ARIZONA HISTORICAL SOCIETY (Cont'd)  
GENERAL FUND

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LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 3, appropriates \$10,000 for architectural and engineering fees for a sprinkler system in the Tucson museum.

S.B. 1123 (Chapter 10) - Authorizes the Arizona Historical Society to proceed immediately with lease-purchase financing for the new museum facility to be located in Papago Park, Tempe. Construction for the facility is to begin by November 1, 1988.

JLBC Analyst: Bellgardt

Kenneth Kimsey, Ph.D., Museum Director (Tel. Prescott 445-3122)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	14.5	14.5	14.5
Personal Services	278,100	302,800	314,400
Employee Related Exp.	68,700	70,600	81,200
Prof. & Outside Services	3,100	3,200	3,200
Travel - State	100	300	300
Other Operating Exp.	46,400	58,300	69,500
Equipment	1,500	13,700	800
All Other Operating Exp.	51,100	75,500	73,800
<b>TOTAL APPROPRIATIONS</b>	<b>397,900</b>	<b>448,900</b>	<b>469,400 <sup>1/</sup></b>

The approved amount includes \$10,600 in Personal Services and \$6,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,100 in Employee Related Expenditures for the increased retirement contribution.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 3, appropriates \$25,000 for the lease purchase payment for land located adjacent to the Sharlot Hall Museum, and \$7,600 for the replacement of sidewalk bordering the recently purchased property.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Lee

Andrew M. Goldner, Ph.D., Vice Chairman of the Board (Tuc. Tel. 626-7145)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Medical Student Loans	<u>84,000</u>	<u>75,000</u>	<u>10,000</u>

Medical Student Loans - The amount appropriated to the Board shall be deposited in the Medical Student Loan Fund as prescribed by Section 15-1725, Arizona Revised Statutes. The appropriated amount along with the available student loan fund will provide funding for 16 medical students. These loans are available to Arizona residents who agree to provide medical services in medically underserved areas of the State. Loans are limited to \$6,000 per year per student, and can not exceed a period of four years.

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Estimate
Balance Beg. of Fiscal Year	12,400	42,200	104,700
Add: Loan Collections	20,800	125,500	36,900
General Fund	84,000	75,000	10,000
Total Funds Available	<u>117,200</u>	<u>242,700</u>	<u>151,600</u>
Medical Student Loans	<u>75,000</u>	<u>138,000</u>	<u>96,000</u>
Balance End of Fiscal Year	<u>42,200</u>	<u>104,700</u>	<u>55,600</u>

BOARD OF REGENTS - REGENTS, STAFF AND  
 WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE),  
 AND COMMISSION FOR POSTSECONDARY EDUCATION

A.R.S. 15-1621

JLBC Analyst: Lee

Margaret C. Broad, Executive Director (Tel. 255-4082)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>34.75</u>	<u>34.75</u>	<u>39.75</u>
Personal Services	<u>1,263,800</u>	<u>1,281,400</u>	<u>1,508,000</u>
Employee Related Exp.	<u>229,300</u>	<u>222,200</u>	<u>317,200</u>
Prof. & Outside Services	9,700	-0-	-0-
Travel - State	19,600	20,800	20,800
Other Operating Exp.	138,300	186,200	208,100
Equipment	<u>9,000</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>176,600</u>	<u>207,000</u>	<u>228,900</u>
OPERATION SUB-TOTAL	1,669,700	1,710,600	2,054,100
Statewide Planning	132,900	200,000	-0-
WICHE Office	56,000	59,000	62,000
WICHE Student Subsidies	1,763,300	1,806,100	1,351,600 <sup>1/</sup>
St. Student Incentive Grant	247,700	1,143,000	1,293,000 <sup>2/3/</sup>
Course Equivalency Guide	6,300	12,100	12,100
Postsecondary Data Project	<u>17,400</u>	<u>19,100</u>	<u>-0-</u>
TOTAL	<u>3,893,300</u>	<u>4,949,900</u>	<u>4,772,800</u> <sup>4/5/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 305, Teacher Loan Forgiveness Program	<u>--</u>	<u>--</u>	<u>100,000</u>
TOTAL APPROPRIATIONS	<u>3,893,300</u>	<u>4,949,900</u>	<u>4,872,800</u>

(Continued)

<sup>1/</sup> An additional \$485,700 is appropriated to the State's three universities to fund 35 new students' subsidies.

<sup>2/</sup> This amount is to be used to make grants under the Arizona State Student Incentive Grant Program administered by the Arizona Commission for Postsecondary Education. Grants may be made to Arizona residents who demonstrate financial need and who are attending, on at least a half-time basis, an approved program at a properly accredited Arizona postsecondary educational institution according to the provisions of applicable federal and state laws and regulations relating to this program.

(Footnotes Continued on Following Page)

BOARD OF REGENTS - REGENTS, STAFF AND  
 WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE),  
 AND COMMISSION FOR POSTSECONDARY EDUCATION (Cont'd)  
 GENERAL FUND

The approved amount includes \$50,800 in Personal Services and \$29,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for an Associate Director for Capital Development/Human Relations, a Strategic Planning/Data Base Specialist, a Budget Analyst and two Secretary positions.

Statewide Planning - The on-going strategic planning activities are funded through the operating line items with three positions (Associate Director for Capital Development/Human Relations, a Strategic Planning/Data Base Specialist and a Secretary).

WICHE Office Expenses - The appropriated amount provides for Arizona's annual pro rata share of administrative expenses for the Western Interstate Commission for Higher Education.

(Continued)

(Footnotes Continued From Previous Page)

3/ Each participating institution, public or private, in order to be eligible to receive state matching funds under the State Student Incentive Grant Program for grants to students, shall provide an amount of institutional matching funds which shall be equal to the amount of funds provided by the State to the institution for the SSIG program. Administrative expenses may be paid from nonfederal program funds provided such payment does not reduce state appropriated matching funds necessary to receive the maximum federal SSIG funds.

4/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items for the agency. The objects of expenditure are shown for informational purposes only.

5/ In addition to the General Fund amount shown, it is anticipated that \$452,100 will be available for operating expenditures from local funds which include \$275,200 from indirect cost revenues and \$176,900 from institutional SSIG funds. In addition to the SSIG federal and institutional matches, the operating budget of the local funds is based upon the following objects of expenditures:

	Indirect Cost Revenues	SSGI	Total
FTE Positions	1.0	4.0	5.0
Personal Services	\$ 45,500	\$ 128,300	\$ 173,800
Employee Related Exp.	8,200	19,200	27,400
All Other Operating Exp.	221,500	29,400	250,900
OPERATION SUB-TOTAL	275,200	176,900	452,100
SSIG Federal Match	-0-	1,237,600	1,237,600
SSIG Institutional Match	-0-	1,060,700	1,060,700
TOTAL	\$ 275,200	\$ 2,475,200	\$ 2,750,400

BOARD OF REGENTS - REGENTS, STAFF AND  
 WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE),  
 AND COMMISSION FOR POSTSECONDARY EDUCATION (Cont'd)  
 GENERAL FUND

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WICHE Student Subsidies - The amount approved provides funding for subsidies to 99 continuing WICHE students. In addition to the \$1,351,600 appropriated to the Arizona Board of Regents, \$485,700 is appropriated to the state's three universities to fund 35 new WICHE students in the fields of study shown below:

<u>Field of Study</u>	<u>Continuing Students</u>	<u>New Students</u>	<u>Amount</u>
Osteopathy	9	2	\$ 113,300
Dentistry	20	9	360,400
Veterinary Medicine	52	18	1,225,000
Occupational Therapy	4	3	31,500
Optometry	14	3	107,100
TOTAL	<u>99</u>	<u>35</u>	<u>\$ 1,837,300</u>

State Student Incentive Grant Program - The amount approved is to match federal funds for scholarships to students who attend accredited post-secondary educational institutions in the State and who demonstrate financial need.

Course Equivalency Guide - The amount approved provides funding for the publishing of the Course Equivalency Guide to help community college students become familiar with courses and identify transfer requirements to 4-year institutions.

ADDITIONAL APPROPRIATIONS

Teacher Loan Forgiveness Program - H.B. 2108 (Chapter 305) - Sections two and five provide the following:

- The Board of Regents shall establish a loan forgiveness incentive program to encourage students in the three universities under the jurisdiction of the Board to prepare for teaching positions and seek employment in school districts in this state which are identified as having high proportions of economically disadvantaged and at risk pupils.
- The sum of \$100,000 is appropriated for fiscal year 1988-1989 from the State General Fund to the Board of Regents for deposit in the Teacher Loan Forgiveness Fund for the purpose of implementing a teacher loan forgiveness program. Up to ten percent of these monies may be used by the Board of Regents to cover the costs of administering and evaluating of the program.

ADDITIONAL LEGISLATION

H.B. 2093 (Chapter 343) - Authorizes the Board of Regents to establish a separate Collegiate Number Plate Fund for each university and provides the following:

- The Board of Regents shall require each university to submit a plan for approval of the expenditure of monies in the appropriate fund. All monies in the fund shall only be used for academic scholarships. Each university shall annually report to the Board of Regents the percentage of monies that were expended on behalf of minority applicants.

(Continued)

BOARD OF REGENTS - REGENTS, STAFF AND  
 WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE),  
 AND COMMISSION FOR POSTSECONDARY EDUCATION (Cont'd)  
 GENERAL FUND

---

- The Board of Regents may delegate to a state university foundation, approved by each university, the right to market and promote the purchase of collegiate number plates. No dues, fees or charges except those specified in section 28-308.01, Arizona Revised Statutes, may be levied or collected by a state university foundation in connection with collegiate number plates.
- The funds established are exempt from section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. The State Treasurer may invest inactive monies in the fund. The State Treasurer shall credit all interest earned on the fund monies to the fund.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates \$5,187,700 from the General Fund to the Board of Regents for major maintenance and repair activities to be allocated by the Board of Regents to the three state universities. The \$5,187,700 appropriation includes \$1,999,300 for Arizona State University, \$828,000 for Northern Arizona University and \$2,360,400 for the University of Arizona.

This appropriation is contingent on approval by the Board of the following contributions from University monies:

Arizona State University	\$1,713,700
Northern Arizona University	424,000
University of Arizona	<u>1,325,300</u>
 TOTAL	 <u>\$3,463,000</u>

The Board shall require each university to establish a major maintenance and repair account for deposit of their matching contribution and any amounts allocated to the university from the appropriation made to the Board. Amounts deposited in the account shall be audited annually by the Board.

S.B. 1212 (Chapter 299) - Section two authorizes the Arizona Board of Regents to issue revenue bonds in one or more series but not exceeding in the aggregate \$263,900,000 for and on behalf of the universities, and further provides:

- The Arizona Board of Regents, on the basis of the system of building facilities priorities, shall determine the amount and timing of the bond authorization for the universities under its jurisdiction. The Board shall base its determination on the priorities of the system of building facilities, need and the ability of the university for which bonds are issued to meet the necessary debt service on the bonds from revenues available for the payment of the bonds and any interest on the bonds.
- The Arizona Board of Regents shall not issue revenue bonds as authorized by this act for any project unless the project is first approved by the Joint Committee on Capital Review.

(Continued)

BOARD OF REGENTS - REGENTS, STAFF AND  
WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE),  
AND COMMISSION FOR POSTSECONDARY EDUCATION (Cont'd)  
GENERAL FUND

---

Section three establishes a Legislative University Capital Improvement Study Committee, which consists of three members of the House of Representatives and three members of the Senate, and further provides the following:

- The Committee shall study
  1. The impact of the universities' capital project five year plan.
  2. The current and projected space utilization rates at the universities.
  3. The impact on the state general fund of bond debt service.
  4. The adequacy of tuition assistance for low and middle income students.
  5. Whether projected enrollments and new program offerings justify implementing the proposed capital projects which are funded with revenue bonds.
- The committee shall present a report of its findings to the Speaker of the House of Representatives and the President of the Senate on or before December 31, 1989.



JLBC Analyst: Lee

J. Russell Nelson, Ph.D., President (Tel. 965-9606)

GENERAL FUND SUMMARY	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4,349.1</u>	<u>4,471.4</u>	<u>4,613.4</u>
Personal Services	<u>118,959,200</u>	<u>131,871,800</u>	<u>139,600,100</u> 1/
Employee Related Exp.	<u>20,318,300</u>	<u>23,115,900</u>	<u>28,177,000</u>
Prof. & Outside Services	2,295,000	1,251,900	1,299,400
Travel - State	154,200	271,100	286,900
Travel - Out of State	745,000	652,800	709,900
Other Operating Exp.	23,538,200	27,910,600	30,479,300
Equipment	8,865,200	8,093,800	10,868,300
Library Acquisitions	<u>4,215,900</u>	<u>4,148,900</u>	<u>4,148,900</u>
All Other Operating Exp.	<u>39,813,500</u>	<u>42,329,100</u>	<u>47,792,700</u>
WICHE Student Subsidies	<u>-0-</u>	<u>-0-</u>	<u>161,900</u> 2/
TOTAL EXP. AUTHORITY	179,091,000	197,316,800	215,731,700 3/
Collections	(39,376,600)	(44,604,200)	(46,894,200)
Other Receipts	(942,100)	(1,177,800)	(942,100)
Balances Forward	-0-	-0-	(48,800)
SUB-TOTAL	<u>(40,318,700)</u>	<u>(45,782,000)</u>	<u>(47,885,100)</u>
TOTAL	<u>138,772,300</u>	<u>151,534,800</u>	<u>167,846,600</u> 4/5/6/
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 305, University Recruitment and Retention Program	<u>--</u>	<u>--</u>	<u>1,144,300</u>
TOTAL APPROPRIATIONS	<u>138,772,300</u>	<u>151,534,800</u>	<u>168,990,900</u>

(Continued)

- 1/ The amount appropriated includes funding for faculty positions based on three-year weighted average changes in student enrollment and employs a student-faculty ratio of 22:1. The Board of Regents shall ensure that the amount appropriated is expended by the universities in a manner consistent with this method of funding faculty positions.
- 2/ This amount shall be transferred to the Arizona Board of Regents on July 1, 1988, to fund 35 new WICHE students.
- 3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the university. The objects of expenditure are shown for informational purposes only.
- 4/ The appropriated monies are not to be used for scholarships.

(Footnotes Continued on Following Page)

ARIZONA STATE UNIVERSITY - MAIN CAMPUS (Cont'd)  
 GENERAL FUND

The approved amount includes \$4,720,800 in Personal Services and \$2,751,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$256,600 in Employee Related Expenditures for the increased retirement contribution.

Program Information - The approved expenditure authority was based upon the following program distribution:

<u>Program</u>	<u>FTE</u>	<u>Operating Budget</u>
Instruction	2,581.60	\$115,469,900
Organized Research	174.50	7,776,500
Public Service	47.40	1,944,000
Academic Support	599.80	30,563,000
Student Services and Administration	371.50	11,431,500
Institutional Support	838.60	40,817,600
Salary Adjustment	0.00	7,729,200
Total	<u>4,613.40</u>	<u>\$215,731,700</u>

Personal Services - The amount approved includes funding for 26 faculty and 13 secretary/support staff positions based upon the 22:1 student to faculty ratio funding formula and for 103 new positions associated with eight program changes.

Funded Enrollment - The approved amount is based upon a three-year weighted average enrollment of 34,205 full-time equivalent students during the following fall semesters:

Fall of 1986 (Actual)	- 33,631;	at 25% =	8,408
Fall of 1987 (Estimate)	- 34,205;	at 50% =	17,102
Fall of 1988 (Projection)	- 34,780;	at 25% =	8,695
Total			<u>34,205</u>

(Continued)

(Footnotes Continued From Previous Page)

5/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the university during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.

6/ Except for the local fund budget of \$275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.

ARIZONA STATE UNIVERSITY - MAIN CAMPUS (Cont'd)  
 GENERAL FUND

The full-time equivalent student counts are calculated by using 15 semester credit hours for lower division undergraduates, 12 semester credit hours for upper division undergraduates, and 10 semester credit hours for graduate students.

Program Change - The program changes approved are shown below:

<u>Description</u>	<u>Program</u>	<u>FTE</u>	<u>Amount</u>
Engineering Excellence II - Balance of Unfunded FY 1988, 3rd Year	Instruction	0.0	\$ 250,100
New Facilities Support - Unfunded FY 1988	Institutional Support	10.5	387,600
College of Fine Arts Technical Support	Instruction	20.0	334,700
Engineering Excellence II - 4th Year	Instruction	16.0	1,118,700
New Facilities Support - FY 1989	Institutional Support	35.5	679,300
New Nonresident Admissions Policy Support	Student Services and Admin.	4.0	95,400
Science & Engineering of Materials	Org. Research	10.0	600,600
Disabled Students' Access Learning Lab & Testing Center	Student Services and Admin.	7.0	112,100

ADDITIONAL APPROPRIATIONS

University Recruitment and Retention Program - H.B. 2108 (Chapter 305) - Sections one and four provide the following:

- The three State universities shall each establish a comprehensive plan to initiate new programs and expand existing student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.
- The universities shall submit their comprehensive plans to the Board of Regents by September 1, 1988. The Board shall review and approve each plan by October 15, 1988, prior to the expenditure of monies appropriated by this act.
- Monies appropriated for this program shall not be used to support remedial coursework.
- Students admitted to the universities must meet the admission criteria established by the Board of Regents.
- The sum of \$1,144,300 is appropriated for this program to Arizona State University.
- Appropriations for succeeding years shall become part of the continuation budget.

JLBC Analyst: Lee

J. Russell Nelson, Ph.D., President (Tel. 965-9606)

GENERAL FUND SUMMARY	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>153.9</u>	<u>217.9</u>	<u>255.9</u>
Personal Services	<u>3,464,300</u>	<u>5,298,500</u>	<u>6,763,400</u>
Employee Related Exp.	<u>578,500</u>	<u>1,008,800</u>	<u>1,444,500</u>
Prof. & Outside Services	92,000	67,100	167,100
Travel - State	32,800	41,900	54,800
Travel - Out of State	25,400	77,200	107,300
Other Operating Exp.	1,008,500	748,100	1,277,900
Equipment	372,100	574,300	587,600
Library Acquisitions	381,800	397,800	1,397,800
All Other Operating Exp.	<u>1,912,600</u>	<u>1,906,400</u>	<u>3,592,500</u>
Sundome Programs	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
TOTAL EXP. AUTHORITY	6,205,400	8,463,700	12,050,400 <sup>1/</sup>
Collections	(1,034,900)	(1,000,000)	(1,000,000)
Other Receipts	(700)	-0-	-0-
Balances Forward	(800)	-0-	(8,500)
SUB-TOTAL	<u>(1,036,400)</u>	<u>(1,000,000)</u>	<u>(1,008,500)</u>
TOTAL APPROPRIATIONS	<u>5,169,000</u>	<u>7,463,700</u>	<u>11,041,900</u> <sup>2/3/4/</sup>

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

2/ The appropriated monies are not to be used for scholarships.

3/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the university during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the accounts enumerated above.

4/ Except for the local fund budget of \$275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.

ARIZONA STATE UNIVERSITY - WEST (Cont'd)  
GENERAL FUND SUMMARY

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The approved amount includes \$228,700 in Personal Services and \$133,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$12,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for 38 new positions.

Sundome Programs - The amount approved provides for programs associated with the Sundome.

Funded Enrollment - The projected enrollment is 1,214 full-time equivalent students during the fall semester of 1988.

Program Change - The program changes approved are listed below:

<u>Description</u>	<u>FTE</u>	<u>Amount</u>
Lease/Purchase Planning Expense	0.0	\$ 80,000
FY 1988 Facilities Support	3.0	312,600
Basic Support	30.0	2,033,400
FY 1989 Facilities Support	5.0	399,200

LAND, BUILDINGS AND IMPROVEMENTS

S.B. 1123 (Chapter 10) - Authorizes the Arizona Board of Regents to proceed with further construction at the Arizona State University West Campus utilizing lease-purchase financing.

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Section 5, requires that \$2,000,000, appropriated pursuant to Chapter 335, Laws of 1987, revert to the General Fund on December 31, 1988.

JLBC Analyst: Lee

Eugene M. Hughes, Ph.D., President (Tel. Flagstaff 523-3232)

GENERAL FUND SUMMARY	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>1,492.0</u>	<u>1,530.0</u>	<u>1,606.5</u>
Personal Services	<u>39,189,400</u>	<u>42,340,900</u>	<u>46,114,700</u> <sup>1/</sup>
Employee Related Exp.	<u>7,139,800</u>	<u>7,803,400</u>	<u>10,545,200</u>
Prof. & Outside Services	386,500	465,000	490,000
Travel - State	329,200	453,000	463,000
Travel - Out of State	192,300	227,000	239,000
Other Operating Exp.	9,537,500	11,413,000	11,648,000
Equipment	2,554,900	2,050,000	2,581,800
Library Acquisitions	<u>1,389,500</u>	<u>1,463,000</u>	<u>1,538,000</u>
All Other Operating Exp.	<u>14,389,900</u>	<u>16,071,000</u>	<u>16,959,800</u>
WICHE Student Subsidies	<u>-0-</u>	<u>-0-</u>	<u>161,900</u> <sup>2/</sup>
TOTAL EXP. AUTHORITY	60,719,100	66,215,300	73,781,600 <sup>3/</sup>
Collections	(10,198,000)	(11,109,800)	(12,100,000)
Other Receipts	(388,600)	(490,000)	(400,000)
Balances Forward	(600,900)	(100,000)	(100,000)
SUB-TOTAL	<u>(11,187,500)</u>	<u>(11,699,800)</u>	<u>(12,600,000)</u>
TOTAL	<u>49,531,600</u>	<u>54,515,500</u>	<u>61,181,600</u> <sup>4/5/6/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 305, University Recruitment and Retention Program	<u>--</u>	<u>--</u>	<u>386,400</u>
TOTAL APPROPRIATIONS	<u>49,531,600</u>	<u>54,515,500</u>	<u>61,568,000</u>

(Continued)

- <sup>1/</sup> The amount appropriated includes funding for faculty positions based on three-year weighted average changes in student enrollment and employs a student-faculty ratio of 22:1. The Board of Regents shall ensure that the amount appropriated is expended by the universities in a manner consistent with this method of funding faculty positions.
- <sup>2/</sup> This amount shall be transferred to the Arizona Board of Regents on July 1, 1988, to fund 35 new WICHE students.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the university. The objects of expenditure are shown for informational purposes only.
- <sup>4/</sup> The appropriated monies are not to be used for scholarships.

(Footnotes Continued on Following Page)

NORTHERN ARIZONA UNIVERSITY - (Cont'd)  
 GENERAL FUND SUMMARY

The approved amount includes \$1,559,400 in Personal Services and \$909,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$105,700 in Employee Related Expenditures for the increased retirement contribution.

Program Information - The approved expenditure authority was based upon the following program distribution:

<u>Program</u>	<u>FTE</u>	<u>Operating Budget</u>
Instruction	818.50	\$ 35,608,600
Organized Research	50.00	2,203,900
Public Service	21.75	820,600
Academic Support	191.25	10,213,700
Student Services and Administration	172.50	5,406,900
Institutional Support	352.50	16,953,800
Salary Adjustments	0.00	2,574,100
<b>TOTAL</b>	<b>1,606.50</b>	<b>\$ 73,781,600</b>

Personal Services - The amount approved includes funding for 10 new faculty and 5 secretary/support staff positions based upon the 22:1 student to faculty funding formula for enrollment changes and for 61.5 new positions associated with program changes.

Funded Enrollment - The approved amount is based upon a three-year weighted average enrollment of 11,996 full-time equivalent students during the following fall semesters:

Fall of 1986 (Actual)	- 11,874;	at 25%	= 2,968
Fall of 1987 (Estimate)	- 11,978;	at 50%	= 5,989
Fall of 1988 (Projection)	- 12,156;	at 25%	= 3,039
<b>Total</b>			<b>11,996</b>

(Continued)

(Footnotes Continued From Previous Page)

5/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the University during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.

6/ Except for the local fund budget of \$275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.

NORTHERN ARIZONA UNIVERSITY - (Cont'd)  
GENERAL FUND SUMMARY

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The full-time equivalent student counts are calculated by using 15 semester credit hours for lower division undergraduates, 12 semester credit hours for upper division undergraduates, and 10 semester credit hours for graduate students.

Program Change - The program changes approved are shown below:

<u>Description</u>	<u>Program</u>	<u>FTE</u>	<u>Amount</u>
NAYuma	Instruction	16.0	\$ 690,000
Computer Services	Academic Support	18.0	542,200
Library Services	Academic Support	27.5	700,000

ADDITIONAL APPROPRIATIONS

University Recruitment and Retention Program - H.B. 2108 (Chapter 305) - Sections one and four provide the following:

- The three State universities shall each establish a comprehensive plan to initiate new programs and expand existing student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.
- The three universities shall submit their comprehensive plans to the Board of Regents by September 1, 1988. The Board shall review and approve each plan by October 15, 1988, prior to the expenditure of monies appropriated by this act.
- Monies appropriated for this program shall not be used to support remedial coursework.
- Students admitted to the universities must meet the admission criteria established by the Board of Regents.
- The sum of \$386,400 is appropriated for this program to Northern Arizona University.
- Appropriations for succeeding years shall become part of the continuation budget.



Henry Koffler, Ph.D., President (Tel. Tucson 621-5511)

GENERAL FUND SUMMARY	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions <sup>1/</sup>	<u>4,690.8</u>	<u>4,868.2</u>	<u>4,995.74</u>
Personal Services	<u>114,240,700</u>	<u>121,654,300</u>	<u>130,646,000</u> <sup>2/</sup>
Employee Related Exp.	<u>19,014,400</u>	<u>20,740,300</u>	<u>26,664,400</u>
Prof. & Outside Services	1,707,800	1,196,300	1,211,300
Travel - State	286,600	578,900	614,900
Travel - Out of State	297,500	505,400	558,000
Other Operating Exp.	23,051,000	23,003,900	25,124,200
Equipment	7,439,400	8,747,000	8,810,200
Library Acquisitions	4,148,100	4,266,100	4,266,100
All Other Operating Exp.	<u>36,930,400</u>	<u>38,297,600</u>	<u>40,584,700</u>
Agriculture	30,120,400	33,281,300	35,742,300
WICHE Student Subsidies	-0-	-0-	161,900 <sup>3/</sup>
Mexican-American Research Center	<u>-0-</u>	<u>-0-</u>	<u>30,000</u>
TOTAL EXP. AUTHORITY	200,305,900	213,973,500	233,829,300 <sup>4/</sup>
Collections	(35,366,000)	(38,005,400)	(41,636,700)
Other Receipts	(4,429,200)	(4,296,000)	(4,196,100)
Balances Forward	(2,241,800)	(318,300)	(668,400)
SUB-TOTAL	<u>(42,037,000)</u>	<u>(42,619,700)</u>	<u>(46,501,200)</u>
TOTAL	158,268,900	171,353,800	187,328,100 <sup>5/6/7/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 305, University Recruitment and Retention Program	<u>--</u>	<u>--</u>	<u>969,300</u>
TOTAL APPROPRIATIONS	<u>158,268,900</u>	<u>171,353,800</u>	<u>188,297,400</u>

(Continued)

<sup>1/</sup> Includes the FTE positions within the Agriculture program.<sup>2/</sup> The amount appropriated includes funding for faculty positions based on three-year weighted average changes in student enrollment and employs a student-faculty ratio of 22:1. The Board of Regents shall ensure that the amount appropriated is expended by the universities in a manner consistent with this method of funding faculty positions.<sup>3/</sup> This amount shall be transferred to the Arizona Board of Regents on July 1, 1988, to fund 35 new WICHE students.

(Footnotes Continued on Following Page)

UNIVERSITY OF ARIZONA - MAIN CAMPUS (Cont'd)  
 GENERAL FUND

The approved amount includes \$4,418,000 in Personal Services and \$2,575,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$312,600 in Employee Related Expenditures for the increased retirement contribution.

In addition, the amount approved for the Agriculture program includes \$844,700 in Personal Services and \$492,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$59,600 in Employee Related Expenditures for the increased retirement contribution.

Program Information - The approved expenditure authority was based upon the following program distribution:

<u>Program</u>	<u>FTE</u>	<u>Operating Budget</u>
Instruction	2,165.60	\$ 98,912,900
Organized Research	329.64	17,427,300
Public Service	41.70	1,415,600
Academic Support	495.00	23,604,900
Student Services and Administration	350.30	11,325,400
Institutional Support	811.40	38,095,100
Agriculture	802.10	34,345,600
Salary Adjustments	0.00	8,702,500
Total	<u>4,995.74</u>	<u>\$ 233,829,300</u>

Personal Services - The amount approved includes funding for 56 new faculty and 28 secretary/support staff positions based upon the 22:1 student to faculty funding formula for student enrollment changes and for 54.9 new positions associated with the approved program changes.

(Continued)

(Footnotes Continued From Previous Page)

- 4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the university. The objects of expenditure are shown for informational purposes only.
- 5/ The appropriated monies are not to be used for scholarships.
- 6/ Any unencumbered balances remaining in the collections account on June 30, 1988 and all collections received by the university during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.
- 7/ Except for the local fund budget of \$275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.

UNIVERSITY OF ARIZONA - MAIN CAMPUS (Cont'd)  
 GENERAL FUND

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In addition, the approved amount reflects a funding transfer for 11.36 FTE positions to the Arizona Geological Survey.

Mexican-American Research Center - The amount approved provides funds for a demonstration project to educate Mexican-American men and women on the educational opportunities for their children.

Agriculture - The amount approved was based upon the following line item allocation of funds:

FTE Positions	<u>802.10</u>
Personal Services	\$24,978,300
Employee Related Exp.	<u>5,062,600</u>
Prof. & Outside Services	152,300
Travel - State	671,000
Travel - Out of State	165,300
Other Operating Exp.	3,133,600
Equipment	1,579,200
All Other Operating Exp.	<u>\$ 5,701,400</u>
 TOTAL EXP. AUTHORITY	 35,742,300
Collections	\$(2,194,700)
Other Receipts	(3,146,100)
Balances Forward	<u>(99,000)</u>
 TOTAL	 <u>\$30,302,500</u>

Funded Enrollment - The approved amount is based upon a three-year weighted average enrollment of 29,093 full-time equivalent students during the following fall semesters:

Fall of 1986 (Actual)	- 27,790;	at 25%	=	6,948
Fall of 1987 (Estimate)	- 29,043;	at 50%	=	14,522
Fall of 1988 (Projection)	- 30,490;	at 25%	=	<u>7,623</u>
Total				<u><u>29,093</u></u>

The full-time equivalent student counts are calculated by using 15 semester credit hours for lower division undergraduates, 12 semester credit hours for upper division undergraduates, and 10 semester credit hours for graduate students.

(Continued)

UNIVERSITY OF ARIZONA - MAIN CAMPUS (Cont'd)  
 GENERAL FUND

Program Change - The program changes approved are shown below:

<u>Description</u>	<u>Program</u>	<u>FTE</u>	<u>Amount</u>
Sierra Vista Center	Instruction	11.0	\$ 537,900 <sup>1/</sup>
Materials for Electronics, Phase II	Instruction/Org. Research	6.0	740,600
Optical Data Storage Center	Org. Research	8.0	574,800
Undergraduate Major in Optical Engineering	Instruction	10.5	407,700
Undergraduate Major in Computer Science, Phase I	Instruction	6.0	823,600
Maintenance of New Buildings	Institutional Support	13.4	464,700
Mexican-American Research Center	Instruction	0.0	30,000

<sup>1/</sup> Includes \$348,900 from the General Fund and \$189,000 from tuition/fee collections.

ADDITIONAL APPROPRIATIONS

University Recruitment and Retention Program - H.B. 2108 (Chapter 305) - Sections one and four provide the following:

- The three State universities shall each establish a comprehensive plan to initiate new programs and expand existing student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.
- The three universities shall submit their comprehensive plans to the Board of Regents by September 1, 1988. The Board shall review and approve each plan by October 15, 1988, prior to the expenditure of monies appropriated by this act.
- Monies appropriated for this program shall not be used to support remedial coursework.
- Students admitted to the universities must meet the admission criteria established by the Board of Regents.
- The sum of \$969,300 is appropriated for this program to the University of Arizona.
- Appropriations for succeeding years shall become part of the continuation budget.

JLBC Analyst: Lee

Henry Koffler, Ph.D., President (Tel. Tucson 621-5511)

GENERAL FUND SUMMARY	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions <sup>1/</sup>	<u>526.8</u>	<u>582.7</u>	<u>591.7</u>
Personal Services	<u>19,641,700</u>	<u>22,081,500</u>	<u>23,318,300</u>
Employee Related Exp.	<u>2,943,800</u>	<u>3,555,500</u>	<u>4,440,800</u>
Prof. & Outside Services	775,600	83,100	83,100
Travel - State	48,500	108,000	108,000
Travel - Out of State	17,600	22,900	22,900
Other Operating Exp.	4,831,000	5,552,300	5,168,500
Equipment	449,000	516,600	698,300
Library Acquisitions	543,900	544,100	544,100
All Other Operating Exp.	<u>6,665,600</u>	<u>6,827,000</u>	<u>6,624,900</u>
Clinical Teaching Support	<u>8,733,300</u>	<u>8,849,900</u>	<u>9,109,000</u>
TOTAL EXP. AUTHORITY	37,984,400	41,313,900	43,493,000 <sup>2/</sup>
Collections	(1,509,300)	(1,565,300)	(1,736,500)
Other Receipts	(1,000)	(50,000)	(1,000)
Balances Forward	(602,500)	-0-	(236,800)
SUB-TOTAL	<u>(2,112,800)</u>	<u>(1,615,300)</u>	<u>(1,974,300)</u>
TOTAL APPROPRIATIONS	<u>35,871,600</u>	<u>39,698,600</u>	<u>41,518,700</u> <sup>3/4/</sup>

The approved amount includes \$788,500 in Personal Services and \$459,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$40,500 in Employee Related Expenditures for the increased retirement contribution.

In addition, the approved amount for the <sup>PS \$1,581,000 @ 969,100</sup> Clinical Teaching Support line item includes \$153,900 in Personal Services and \$89,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$15,500 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> Does not include FTE positions within the Clinical Teaching Support expenditure category.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum. The objects of expenditure are shown for informational purposes only.

(Footnotes Continued on Following Page)

UNIVERSITY OF ARIZONA - COLLEGE OF MEDICINE (Cont'd)  
 GENERAL FUND

Program Information - The approved expenditure authority was based upon the following program distribution:

<u>Program</u>	<u>FTE</u>	<u>Operating Budget</u>
Instruction	405.70	\$22,675,200
Academic Support	73.00	12,195,900
Institutional Support	113.00	7,074,200
Salary Adjustments	0.00	1,547,700
	<u>591.70</u>	<u>\$43,493,000</u>

Personal Services - The appropriated amount includes funding for 9 new positions associated with two program changes approved.

Clinical Teaching Support - These funds provide for the cost of hospital training for Clinical Assistants, Medical Students and other health care residents and interns. The College of Medicine will contract with the University Hospital, and possibly other community hospitals, for necessary training. The approved amount was based upon the following components:

Cost of Clinical Assistants at the University Hospital	\$ 5,097,400
Pharmacy Interns/Residents and Nursing Students	236,900
Teaching Costs for Third and Fourth Year Medical Students	3,515,600
Salary Adjustments	259,100
	<u>\$ 9,109,000</u>

Program Change - The approved amount includes \$210,800 with six new positions for Medical Molecular Genetics and \$118,200 with three new positions for Bone Marrow Transplant Program.

(Footnotes Continued From Previous Page)

- 3/ Any unencumbered balances remaining in the collections account on June 30, 1988, and all collections received by the University during the fiscal year, when paid into the State Treasury are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the Enabling Act and the Constitution. No part of this appropriation shall be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions, but are excluded from the amounts enumerated above.
- 4/ Except for the local fund budget of \$275,200 and the administrative expenses associated with the State Student Incentive Grant Program to be allocated to the Arizona Board of Regents, it is legislative intent that monies appropriated by this subdivision, whether they are actual monies or in support of in-kind services, shall not be used for any new activities of the Arizona Board of Regents.

## DEPARTMENT OF CORRECTIONS - SUMMARY

A.R.S. 41-1602

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 255-5497)

GENERAL FUND/CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Adult Institutions	129,416,700	141,498,600	158,262,200
Juvenile Services	22,383,700	25,054,200	29,222,100
Adult Community Services	7,306,700	7,967,500	9,370,836
Human Resources/Develop.	19,216,000	21,943,900	28,097,500
Administration	9,929,400	10,888,700	13,140,900
Correctional Industries	1,760,400	2,143,200	2,208,700
<b>TOTAL APPROPRIATIONS</b>	<b>190,012,900</b>	<b>209,496,100</b>	<b>240,302,236</b>
<u>Expenditure Detail</u>			
FTE Positions	5,711.2	5,634.7	6,052.2
Personal Services	99,810,400	111,094,000	125,384,200
Employee Related Exp.	25,932,900	28,607,300	36,139,700
Prof. & Outside Services	11,021,100	11,664,100	14,342,400
Travel - State	348,600	401,500	478,500
Travel - Out of State	59,900	80,100	84,400
Other Operating Exp.	27,130,400	30,930,700	36,803,500
Equipment	7,620,100	2,829,000	3,188,400
All Other Operating Exp.	46,180,100	45,905,400	54,897,200
<b>OPERATION SUB-TOTAL</b>	<b>171,923,400</b>	<b>185,606,700</b>	<b>216,421,100</b>
Food	10,448,600	12,061,600	13,609,400
Purchase of Care-Community Placement and Treatment	4,928,100	4,481,300	4,372,000
Purchase of Care-Secure Female Beds	-0-	1,261,200	350,800
Work Incentive Pay Plan	2,374,800	2,795,500	3,465,100
Discharge Expense	260,000	216,800	216,800
Ex-Offenders' Stipends	78,000	78,000	80,700
Arizona State Prison-Yuma, Caretaker Expense	-0-	289,400	72,300
<b>TOTAL</b>	<b>190,012,900</b>	<b>206,790,500</b>	<b>238,588,200</b> <sup>1/2/</sup>
Additional Appropriations	--	2,705,600	1,714,036
<b>TOTAL APPROPRIATIONS</b>	<b>190,012,900</b>	<b>209,496,100</b>	<b>240,302,236</b>
<u>Fund Summary</u>			
General Fund	183,493,600	209,496,100	240,302,236
Corrections Fund	6,519,300	-0-	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>190,012,900</b>	<b>209,496,100</b>	<b>240,302,236</b>

(Continued)

Footnotes are shown on the following page.

DEPARTMENT OF CORRECTIONS - SUMMARY (Cont'd)  
 GENERAL FUND/CORRECTIONS FUND

The approved amount includes \$4,213,300 in Personal Services and \$2,468,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$120,300 in Employee Related Expenditures for the increased retirement contribution.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - There is \$21,500,000 appropriated from the Corrections Fund in the 1988-89 fiscal year and \$18,513,000 in the 1989-90 fiscal year for the construction of 1,200 adult male medium prison beds. These appropriations are made to the Department of Administration who is responsible for all prison construction. The amounts appropriated, as contained in this legislation, are shown below by location:

<u>Location</u>	<u>No. of Beds</u>	<u>Appropriation</u>		
		<u>FY 1989</u>	<u>FY 1990</u>	<u>Total</u>
Winslow	400	\$ 8,830,000	\$ 4,610,000	\$13,440,000
Florence	800	12,670,000	13,903,000	26,573,000
Total	1,200	\$21,500,000	\$18,513,000	\$40,013,000

The amounts appropriated provide for basic prison housing units, as well as, necessary support buildings, security systems and the related infrastructure. Support buildings include administration, warehouses, dining, infirmaries and correctional industries facilities. Plans for the Winslow facility include a vocational training building and a multipurpose building. A 40 bed lockup facility is planned for the Florence unit. The housing units will be built with improved prototypical designs of the last facilities built at Tucson and Winslow. The cost per bed, based upon the amount appropriated, is \$33,600 at Winslow and \$33,216 at Florence.

Footnotes from the preceding page.

1/ Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with section 25 of the Enabling Act and the Constitution to be used for the support of state penal institutions and reformatories. (Estimated endowment funds available for fiscal year 1987-88 are \$1,234,700; and \$1,209,700 for fiscal year 1988-89.)

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for each program. The objects of expenditure are shown for informational purposes only.



Samuel A. Lewis, Director (Tel. 255-5497)

GENERAL FUND/CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	4,311.7	4,088.7	4,344.7 <sup>2/</sup>
Personal Services	70,567,400	77,577,600	86,304,800
Employee Related Exp.	19,080,300	20,839,000	26,156,900
Prof. & Outside Services	3,405,000	3,128,200	3,275,000
Travel - State	98,500	110,800	142,400
Travel - Out of State	41,000	45,700	50,000
Other Operating Exp.	18,095,400	21,147,400	23,873,800
Equipment	6,242,800	1,820,800	2,183,700
All Other Operating Exp.	27,882,700	26,252,900	29,524,900 <sup>3/</sup>
OPERATION SUB-TOTAL	117,530,400	124,669,500	141,986,600
Food	9,505,700	11,064,900	12,293,600
Discharge Expense	197,500	216,800	216,800
Work Incentive Pay Plan	2,183,100	2,552,400	3,150,900
ASP-Yuma, Caretaker Expense	-0-	289,400	72,300
TOTAL	129,416,700	138,793,000	157,720,200 <sup>4/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 319, Housing Inmates in County Jails	--	2,705,600 <sup>1/</sup>	-- <sup>5/</sup>
Ch. 311, Shock Incarceration	--	--	542,000
TOTAL APPROPRIATIONS	129,416,700	141,498,600	158,262,200
Fund Summary			
General Fund	123,820,800	141,498,600	158,262,200
Corrections Fund	5,595,900	-0-	-0-
TOTAL APPROPRIATIONS	129,416,700	141,498,600	158,262,200

(Continued)

- <sup>1/</sup> This appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that any monies remaining unexpended or unencumbered on December 31, 1988 shall revert to the General Fund.
- <sup>2/</sup> Does not include the 21 FTE positions authorized by Chapter 311, for the Shock Incarceration program.
- <sup>3/</sup> Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>4/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
- <sup>5/</sup> This appropriation is exempt from Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

DEPARTMENT OF CORRECTIONS - ADULT INSTITUTIONS (Cont'd)  
GENERAL FUND/CORRECTIONS FUND

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The approved amount includes \$2,894,300 in Personal Services and \$1,698,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$38,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount represents a net increase of \$8,727,200 as compared with Estimated Expenditures for the 1987-88 fiscal year. This includes \$1,427,700 and 62.0 additional positions for the Special Management Unit located at the Arizona State Prison Complex - Florence. There is \$465,700 to annualize the cost of positions added last year but only funded for a partial year. The balance of the increase, \$962,000, and the additional positions are for the 192 bed addition which is expected to open in September of 1988. These additional positions are funded for 11 months. There is also an increase of \$2,829,700 for the Arizona State Prison Complex - Winslow. This includes the authorization of 41.0 additional positions. The Winslow minimum facility is funded for the full fiscal year. Funding is scheduled so that 200 medium beds can be opened in September of 1988 and the remaining 200 medium beds are to be opened in December of 1988. Funds for the medium beds were approved so that the staff could be hired two months prior to the scheduled opening dates. The Arizona State Prison - Yuma, a 250 bed minimum facility, is scheduled to open in December of 1988. The amount approved includes \$1,277,900 and authorization of 99.0 additional positions for the Yuma facility. The staffing cost is based upon funding for nine months. Also approved were 55 additional security officers at an estimated cost of \$877,800. The approved amount includes \$2,894,300 for the general salary adjustment. Offsetting the increases is the transfer of one position and \$23,300 to the Human Resources and Development program. A negative base adjustment of \$556,900 was also imposed. The approved amount includes \$854,100 for overtime and \$717,500 for hazardous duty pay. A 5.0 percent vacancy factor, in the amount of \$4,364,800, was deducted when the approved amount was computed.

Employee Related Expenditures - Included in the amount approved is \$1,507,600 for uniform allowances. The authorized uniform allowance is payable at the rate of \$40 per month to those positions classified within the Correctional Service Officer series.

Professional and Outside Services - The amount approved provides a net increase of \$146,800 as compared with Estimated Expenditures for the 1987-88 fiscal year. This includes the addition of \$392,400 for costs associated with the projected increase in the adult population during the 1988-89 fiscal year, \$10,400 for price adjustments and \$44,000 to restore the reduction imposed during the 1987-88 fiscal year. These increases were offset by a \$300,000 reduction in the amount to be paid for maintenance of prisoners in county jails. (This change is exclusive of the \$2.7 million supplemental appropriation - Chapter 319 - enacted late in the session.) The approved amount for FY 89 provides a total of \$410,000 for payments to counties for the maintenance of prisoners awaiting admission to the Department of Corrections. In addition to the maintenance of prisoners, Professional and Outside Services are used for legal costs, contracts with community colleges, testing and counseling services and religious services.

(Continued)

DEPARTMENT OF CORRECTIONS - ADULT INSTITUTIONS (Cont'd)  
GENERAL FUND/CORRECTIONS FUND

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Other Operating Expenditures - As compared with Estimated Expenditures for the 1987-88 fiscal year, the approved amount provides an increase of \$2,726,400. The approved increase includes \$1,016,800 for costs associated with the additional adult inmates projected to be in the custody of the Department of Corrections during the 1988-89 fiscal year. Specific cost increases totaling \$234,600 were included for the anticipated impact of higher utility and postage rates. The increase approved allows: \$430,900 for the Special Management Unit at the Arizona State Prison Complex - Florence, \$853,300 for the Arizona State Prison Complex - Winslow, and, \$210,600 for the Arizona State Prison - Yuma. The amounts approved for Yuma, Winslow and the expansion of the Special Management Unit are based upon the Department of Corrections' activation plan and will require annualization during the following fiscal year. Added, also, was \$32,300 to support the additional 55 Correctional Service Officers added for enhanced security. Offsetting these increases was a negative base adjustment of \$52,100. Included in that reduction was \$23,400 for Clothing and Uniforms - Staff. Such expenditures have not been approved in the past.

Equipment - The approved amount provides \$1,920,800 for replacement equipment and \$192,700 to equip the 192 bed addition to the Special Management Unit at the Arizona State Prison Complex - Florence. Approved also was \$70,200 for additional security equipment at the Florence Complex and the Arizona State Prison - Fort Grant.

Food - The approved amount provides funding for the increased adult population projected for the 1988-89 fiscal year. Approved also was funding for the purchase of food to be provided to employees. All collections for meals purchased are to be deposited to the State General Fund.

Work Incentive Pay Plan - The \$598,500 increase approved for the 1988-89 fiscal year is for payment of additional adult inmates projected to be in the custody of the Department of Corrections.

Arizona State Prison - Yuma, Caretaker Expense - The amount approved is for security, operations and maintenance expenses until this facility is activated. Activation is scheduled for December 1988.

Population - The 1988-89 fiscal year appropriation is based upon funding for an estimated average daily adult population of 12,014 inmates which is 1,924 more than the 10,090 estimated for the 1987-88 fiscal year.

ADDITIONAL APPROPRIATIONS

Housing Inmates in County Jails - H.B. 2393 (Chapter 319) - Provides a supplemental appropriation of \$2,705,600 to the Department of Corrections to pay the cost of housing inmates in county jails during the 1987-88 fiscal year.

Shock Incarceration - H.B. 2241 (Chapter 311) - This legislation establishes a shock incarceration program, as a condition of probation, for selected offenders. The amount appropriated provides 21 additional FTE positions, \$401,900 for Personal Services, \$121,000 for Employee Related Expenditures, \$3,600 for Other Operating Expenditures and \$15,500 for Equipment. The program will consist of 150 beds. Plans now indicate that the program will be located at the Arizona State Prison Complex - Florence.

Samuel A. Lewis, Director (Tel. 255-5497)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>532.0</u>	<u>625.0</u>	<u>734.0</u>
Personal Services	<u>11,002,900</u>	<u>11,830,700</u>	<u>14,773,500</u>
Employee Related Exp.	<u>2,737,000</u>	<u>2,938,700</u>	<u>3,968,600</u>
Prof. & Outside Services	454,400	518,400	766,200
Travel - State	78,100	87,900	110,600
Travel - Out of State	6,900	7,500	7,500
Other Operating Exp.	2,059,700	2,234,800	2,819,700
Equipment	242,500	750,600	722,300
All Other Operating Exp.	<u>2,841,600</u>	<u>3,599,200</u>	<u>4,426,300</u> <sup>1/2/</sup>
OPERATION SUB-TOTAL	16,581,500	18,368,600	23,168,400
Food	750,500	764,200	1,080,900
Purchase of Care - Community Placement and Treatment	4,928,100	4,481,300	4,372,000 <sup>3/4/</sup>
Purchase of Care - Secure Female Beds	-0-	1,261,200	350,800 <sup>3/</sup>
Work Incentive Pay Plan	<u>123,600</u>	<u>178,900</u>	<u>250,000</u>
TOTAL APPROPRIATIONS	<u>22,383,700</u>	<u>25,054,200</u>	<u>29,222,100</u> <sup>5/</sup>

The approved amount includes \$497,200 in Personal Services and \$290,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$42,400 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> Of this amount \$200,000 is specifically for sex offender treatment for youth offenders committed to the Department of Corrections.
- <sup>2/</sup> Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>3/</sup> Purchase of Care is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>4/</sup> This appropriation is to be used exclusively for community based alternative placement and treatment programs, for male or female juvenile wards of the Department of Corrections. Expenditures may include the cost of any service required as a condition of placement. Funds provided by this appropriation shall not be used for the support or treatment of any juvenile ward who is detained or incarcerated within a school, institution, camp, or other facility operated by the Department of Corrections.
- <sup>5/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF CORRECTIONS - JUVENILE SERVICES (Cont'd)  
 GENERAL FUND

Personal Services - The approved amount provides a net increase of \$2,942,800 as compared with Estimated Expenditures for the 1987-88 fiscal year. This includes the restoration of \$259,500 deleted as a result of the 1987-88 fiscal year expenditure reduction program. Approved also was \$700,900 to annualize the cost of staffing the Pinal Mountain Juvenile Institution near Globe. The approved increase also provides \$1,539,400 and 109.0 FTE positions for the Black Canyon Juvenile Institution. This is a new 120 bed facility, for juvenile females, located north of Phoenix. Construction of the facility is to be completed in August of 1988 and the staff is funded for a ten month period during the 1988-89 fiscal year. A functional summary of the new positions is shown below:

<u>Function</u>	<u>FTE</u>	<u>Amount</u>
Administration	18.0	\$ 232,400
Security	53.0	728,100
Program	16.0	241,400
Education	8.0	134,000
Diagnostics and Treatment	4.0	77,200
Institutional Support	10.0	126,300
TOTAL	<u>109.0</u>	<u>\$1,539,400</u>

Other increases approved include \$71,300 for Hazardous Duty Pay and the general salary adjustment of \$497,200. The increases were offset by a reduction of \$83,900 as funding for the Education Bureau was deleted. The Personal Services base was also reduced \$41,600. A 5.0 percent vacancy factor, in the amount of \$751,400, was deducted when the approved amount was computed. The approved amount includes \$58,000 for overtime.

Employee Related Expenditures - The approved amount includes \$137,100 for uniform allowances. The funded level for uniform allowances is based upon the authorized rate of \$40 per month for employees classified within the Correctional Service Officer series.

Professional and Outside Services - The approved amount includes increases of \$200,000 for sex offender treatment, \$10,800 to annualize the amount previously allowed for the Pinal Mountain Juvenile Institution and \$49,100 to provide services at the Black Canyon Institution for girls. Funding for the Black Canyon Institution is based upon an eight month period during the 1988-89 fiscal year. This new facility is expected to open in November of 1988. There was a deduction of \$14,500 because the Education Bureau was not funded for the 1988-89 fiscal year. Within the total amount approved there is \$235,300 for psychological services, \$223,700 for sex offender treatment, \$90,500 for substance abuse counseling and \$41,000 to support the Interstate Compact.

Travel - State - The approved amount includes an increase of \$20,000 to restore expenditure authority reduced during the 1987-88 fiscal year as a result of the expenditure reduction program. Added, also, was \$3,000 to annualize the expenditures level previously approved for the Pinal Mountain Juvenile Institution. There was \$1,600 added for costs associated with the Black Canyon Institution. That amount is based upon funding for an eight month period. A \$1,900 deduction was imposed as the Education Bureau was not funded for the 1988-89 fiscal year.

(Continued)

DEPARTMENT OF CORRECTIONS - JUVENILE SERVICES (Cont'd)  
GENERAL FUND

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Other Operating Expenditures - As compared with Estimated Expenditures for the 1987-88 fiscal year, the approved amount represents a net increase of \$584,900. Increases include \$128,000 to annualize costs for the Pinal Mountain Institution and \$330,700 for operation of the Black Canyon Institution. The amount approved for the Black Canyon Institution is based upon funding for an eight month period, and includes \$109,800 for start up costs, which are nonrecurring expenses. Also approved was the restoration of \$131,900 deleted during the 1987-88 fiscal year as part of the expenditure reduction program. There was \$23,700 added for price adjustments of utilities, postage, and medical expenses. A \$17,500 reduction is reflected because the Education Bureau was discontinued. There was also a base reduction of \$11,900 for Clothing and Uniforms - Staff. Such expenditures have not been approved in the past.

Equipment - The approved amount includes \$483,800 to furnish and equip the new Black Canyon Institution. The balance of these funds are for replacement equipment. This allows \$134,000 for the Adobe Mountain Institution, \$65,500 for the Catalina Mountain Institution, \$18,900 for New Dawn, \$15,800 for Alamo, and \$4,300 for Ironwood.

Food - Within the amount approved there is \$92,200 to annualize the cost of providing meals for youth offenders at the Pinal Mountain Institution and \$209,500 to fund the anticipated growth in the youth population. In addition, \$15,000, a nonrecurring expense, was added for the initial food inventory at the Black Canyon Institution. The approved amount includes funding for the purchase of food to be provided to employees. All collections for meals purchased are to be deposited to the State General Fund.

Purchase of Care - Community Placement and Treatment - The approved amount is to be used exclusively for community based placement and treatment programs for youth offenders. Funds may be expended for any service which is required for placement or treatment of a youth offender. These funds may not be used for the support or treatment of any youth offender who is detained or incarcerated within a school, institution, camp or other facility operated by the Department of Corrections. The amount approved includes an additional \$43,300 that is a special cost adjustment for contract providers of care. This increase was approved by the Legislature so that providers can be granted an average increase of 2.8 percent.

Purchase of Care - Secure Female Beds - The amount approved is based upon funding for 30 beds. It is anticipated that these contract beds will not be necessary when the Black Canyon Institution is opened in November of 1988. Included in the amount approved is \$9,600 for payment of a special cost adjustment to contract providers. This increase was approved by the Legislature so that providers can be granted an average increase of 2.8 percent.

Work Incentive Pay Plan - The approved amount provides an increase of \$71,100 as compared with Estimated Expenditures for the 1987-88 fiscal year. This will allow \$45,000 to annualize expenditures previously approved for the Pinal Mountain Institution. In addition, \$23,200 is provided for the first eight months of operation at the Black Canyon Institution. There was also \$2,900 included for population increases.

(Continued)

DEPARTMENT OF CORRECTIONS - JUVENILE SERVICES (Cont'd)  
GENERAL FUND

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Population - The 1988-89 fiscal year appropriation is based upon funding for an estimated average daily population of 986 youth offenders committed to state operated institutions and 105 offenders assigned to state operated community programs. It was estimated that during the 1987-88 fiscal year there would be an average daily population of 824 offenders within the institutions and 105 assigned to the community programs.

ADDITIONAL LEGISLATION

Waiver of Confinement Guidelines, S.B. 1069 (Chapter 64) - Provides that the Department of Corrections shall not waiver confinement guidelines for youth offenders after June 30, 1991 because of the capacity of secure confinement facilities. This legislation also allows the Department of Corrections to require community service for a youth offender issued an absolute discharge or release.

Educational Rehabilitation, S.B. 1142 (Chapter 46) - This act provides for the readmission of a juvenile, subject to the supervision of a probation officer or the Department of Corrections, to a school. Further, it allows for programs related to a Juvenile's behavior and educational performance.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 255-5497)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>175.5</u>	<u>178.5</u>	<u>178.5</u> <sup>1/</sup>
Personal Services	<u>3,985,900</u>	<u>4,166,100</u>	<u>4,302,900</u>
Employee Related Exp.	<u>964,400</u>	<u>1,035,400</u>	<u>1,134,500</u>
Prof. & Outside Services	823,900	1,014,000	1,054,100
Travel - State	55,400	126,400	76,000
Other Operating Exp.	1,054,000	1,196,200	1,228,800
Equipment	22,100	54,700	22,700
All Other Operating Exp.	<u>1,955,400</u>	<u>2,391,300</u>	<u>2,381,600</u> <sup>2/</sup>
OPERATION SUB-TOTAL	6,905,700	7,592,800	7,819,000
Food	192,400	232,500	234,900
Discharge Expense	62,500	-0-	-0-
Work Incentive Pay Plan	68,100	64,200	64,200
Ex-Offenders' Stipends	<u>78,000</u>	<u>78,000</u>	<u>80,700</u>
TOTAL	7,306,700	7,967,500	8,198,800 <sup>3/4/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 311, Home Arrest	<u>--</u>	<u>--</u>	<u>1,172,036</u>
TOTAL APPROPRIATIONS	<u>7,306,700</u>	<u>7,967,500</u>	<u>9,370,836</u>

The approved amount includes \$145,500 in Personal Services and \$84,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> Does not include the 21 FTE positions authorized by Chapter 311, for Home Arrest.
- <sup>2/</sup> Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
- <sup>4/</sup> It is the intent of the Legislature that the Department of Corrections continue to operate the Northern Arizona Correctional Release Center and the Southern Arizona Correctional Release Center throughout the fiscal year and maintain an average daily population at these two facilities which is consistent with the population served in prior fiscal years.



DEPARTMENT OF CORRECTIONS - ADULT COMMUNITY SERVICES (Cont'd)  
GENERAL FUND

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Personal Services - The amount approved reflects a five percent vacancy factor in the amount of \$231,000.

Employee Related Expenditures - The amount approved includes \$17,300 for uniform allowances payable to employees assigned to the Correctional Services Officer series. The uniform allowance is based on an authorized rate of \$40 per month.

Professional and Outside Services - The amount approved allows \$314,300 for psychological counseling, \$503,400 for substance abuse counseling and \$236,400 to purchase temporary residential programs for adult male and females who are released into the community. There is a special increase of \$6,400 included in the amount for temporary residential placements. This increase was approved by the Legislature so that providers could be granted an average increase of 2.8 percent.

Travel - State - The amount approved reflects a reduction of \$50,400 as compared with the Estimated Expenditures for the 1987-88 fiscal year. The reduction was made so that the approved amount would more accurately reflect the amounts that have actually been expended over the past several years.

Other Operating Expenditures - The approved amount includes funding for the anticipated effect of increased utility rates.

Ex-Offenders' Stipends - This is a financial aid program for released offenders who have an immediate need for financial resources.

ADDITIONAL APPROPRIATIONS

Home Arrest - H.B. 2241 (Chapter 311) - This is an alternative to incarceration and provides early parole opportunities for selected prisoners. Under provisions of the "Home Arrest" program a prisoner is under active electronic monitoring for a minimum term of one year or until eligible for general parole. The prisoner must maintain employment and submit to alcohol and drug tests as required. Persons participating in this program must remain at their residence except for authorized periods of absence. The Board of Pardons and Paroles determines which prisoners will be released to this program. The \$1,172,036 appropriated is based upon an authorization of 21 FTE positions and includes necessary support for operations and equipment. In addition to the amount appropriated, it is expected that persons participating in this program will pay one-half the cost of the electronic monitoring equipment and a supervision fee of up to \$30 per month. Initially it is estimated that the supervision fees will return approximately \$43,200 to the program. The estimated cost for electronic monitoring devices to be paid by the supervisees is \$244,500. The legislation requires that there shall be one Correctional Officer to supervise each 15 participants in the program. The amount appropriated is based on an estimated population of 200 supervisees.

Samuel A. Lewis, Director (Tel. 255-5497)

GENERAL FUND/CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	442.0	456.5	504.0
Personal Services	9,182,000	11,061,500	13,269,500
Employee Related Exp.	2,050,900	2,419,000	3,285,100
Prof. & Outside Services	5,748,300	6,285,500	8,722,100
Travel - State	67,800	36,600	88,600
Travel - Out of State	6,000	9,100	9,100
Other Operating Exp.	1,503,500	2,069,200	2,492,700
Equipment	657,500	63,000	230,400
All Other Operating Exp.	7,983,100	8,463,400	11,542,900 <sup>1/</sup>
TOTAL APPROPRIATIONS	19,216,000	21,943,900	28,097,500 <sup>2/</sup>
<u>Fund Summary</u>			
General Fund	18,614,300	21,943,900	28,097,500
Corrections Fund	601,700	-0-	-0-
TOTAL APPROPRIATIONS	19,216,000	21,943,900	28,097,500

The approved amount includes \$448,700 in Personal Services and \$261,600 in Employee Related Expenditures for salary increases and higher insurance premiums, and an increase of \$20,800 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount represents a net increase of \$2,208,000 as compared with Estimated Expenditures for the 1987-88 fiscal year. The increase approved includes \$267,100 to restore funds that were deleted as a result of the 1987-88 fiscal year expenditure reduction program and other base adjustments. The increase further reflects the addition of \$77,000 to annualize the cost of positions authorized last year for the Pinal Mountain Juvenile Institution, but only funded for a partial year. Added also was \$266,000 for the Arizona State Prison Complex - Winslow. This includes \$102,500 and 4.5 additional employees to support the 250 bed minimum custody facility. To support the 192 bed addition to the Special Management unit at the Arizona State

(Continued)

<sup>1/</sup> Professional and Outside Services used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF CORRECTIONS - HUMAN RESOURCES AND DEVELOPMENT (Cont'd)  
GENERAL FUND/CORRECTIONS FUND

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Prison Complex - Florence there was \$174,700 approved and 9.0 FTE positions were authorized. Six FTE positions and \$88,500 were added for operation of the Arizona State Prison - Yuma. That new prison is expected to open in December of 1988. The staff, however, was funded for a nine month period in order to allow time for training and orientation. The Black Canyon Juvenile Institution, located north of Phoenix, is expected to open in November of 1988. There were 11.0 FTE positions and \$215,200 approved for that facility. These positions are funded for a ten month period. Also approved were 17.0 FTE positions and \$402,500 to enhance medical and mental care services provided within the Department of Corrections. These additional positions include two Psychiatrists, three Psychologist II's, six Psychiatric Nurses, two Pharmacy Technicians, two Medical Records Librarians and two Secretary II's. The approved amount also includes \$332,600 for nursing salary adjustments authorized during the 1987-88 fiscal year, but not funded. The general salary adjustment added \$448,700. An interprogram transfer accounts for an increase of \$5,400. The approved amount reflects a reduction of \$69,700 related to several authorized positions which were not funded. These positions were not specifically identified. The number of authorized positions, however, were not reduced. A five percent vacancy factor, amounting to \$663,500, was deducted when the approved amount was computed.

Employee Related Expenditures - The approved amount includes \$6,200 for uniform allowances. The funded level for uniform allowances is based upon an authorized payment of \$40 per month for employees classified within the Correctional Services Officer series.

Professional and Outside Services - The approved amount provides an increase of \$2,436,600 as compared with the Estimated Expenditures for the 1987-88 fiscal year. This provides a specific cost increase of \$291,400 for anticipated changes in the cost of health care services and \$853,500 to meet the added costs associated with the additional inmates projected to be in the custody of the Department of Corrections. The approved amount also provides an additional \$1,338,400 to compensate for increased medical costs throughout the Department. This adjustment was required because of the increased utilization of outside medical specialists and provider hospitals. Offsetting the increases was a reduction of \$46,700. The demand for pre-employment physical and psychological examinations is expected to decrease during the 1988-89 fiscal year. In total, the approved amount provides \$8,275,500 for health care services and \$446,600 for all other programmatic activities. Other programmatic activities include \$247,000 for the Correctional Officers Training Academy and \$172,400 for pre-employment physical and psychological examinations.

Travel - State - Included in the approved amount is \$51,200 to restore funds that were deleted as a result of the 1987-88 fiscal year expenditure reduction program and \$800 for travel costs associated with the new institutions to be opened during the fiscal year.

Other Operating Expenditures - The amount approved provides an increase of \$423,500 as compared with the Estimated Expenditures for the 1987-88 fiscal year. The increase provides \$92,000 for anticipated price changes and \$209,600 to fund the projected population increase. Approved also was \$121,900 to restore spending authority deleted during the 1987-88 fiscal year as a result of the expenditure reduction program.

(Continued)

DEPARTMENT OF CORRECTIONS - HUMAN RESOURCES AND DEVELOPMENT (Cont'd)  
GENERAL FUND/CORRECTIONS FUND

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Equipment - The approved amount provides \$67,100 for the Black Canyon Juvenile Institution and \$11,800 for the addition to the Special Management Unit at the Arizona State Prison Complex - Florence. Included also is \$151,500 for replacement equipment. Of that amount \$68,000 was specifically approved to allow the Department of Corrections to enhance its capability to provide acceptable levels of health care services.

Samuel A. Lewis, Director (Tel. 255- 5497)

GENERAL FUND/CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>164.0</u>	<u>204.0</u>	<u>209.0</u>
Personal Services	<u>3,739,300</u>	<u>4,708,600</u>	<u>4,943,100</u>
Employee Related Exp.	<u>788,300</u>	<u>981,500</u>	<u>1,176,300</u>
Prof. & Outside Services	589,500	718,000	525,000
Travel - State	48,800	39,800	60,900
Travel - Out of State	6,000	17,800	17,800
Other Operating Exp.	4,417,800	4,283,100	6,388,500
Equipment	339,700	139,900	29,300
All Other Operating Exp.	<u>5,401,800</u>	<u>5,198,600</u>	<u>7,021,500</u>
TOTAL APPROPRIATIONS	<u>9,929,400</u>	<u>10,888,700</u>	<u>13,140,900</u> <sup>1/</sup>
<u>Fund Summary</u>			
General Fund	9,723,200	10,888,700	13,140,900
Corrections Fund	<u>206,200</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>9,929,400</u>	<u>10,888,700</u>	<u>13,140,900</u>

The approved amount includes \$167,100 in Personal Services and \$97,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$11,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount provides an increase of \$69,000 for five additional positions. Four of the additional positions will be allocated to the Inspections and Investigations Division. Included are three Investigator III's and a Secretary. The fifth position is an Executive Secretary transferred from the Human Resources and Development program. Approved also was \$36,700 to annualize the cost of Inspections and Investigations positions authorized last year, but only partially funded. A vacancy factor of three percent, or \$152,600, was deducted when the approved amount was computed. There were a number of positions not funded during the 1988-89 fiscal year. This includes five positions allocated to the Communications Section, three positions in the Inspections and Investigations Division and other unspecified positions. Although these positions are not funded, no action was taken to reduce the authorized number of FTE positions within this program. The approved amount includes \$5,000 for overtime and \$2,900 for hazardous duty pay.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF CORRECTIONS - ADMINISTRATION (Cont'd)  
GENERAL FUND/CORRECTIONS FUND

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Employee Related Expenditures - The approved amount includes \$1,000 for uniform allowances. The funded level for uniform allowances is based upon an authorized payment of \$40 per month for employees classified within the Correctional Services Officer series.

Professional and Outside Services - The approved amount allows \$358,200 for data processing services which will be provided by the Department of Administration; \$113,800 for interagency communication agreements; \$33,000 for legal services; and, \$20,000 for financial consultants who are completing the installation of an automated accounting system. As the automated accounting system is nearly complete, the allowance for consulting fees was reduced \$201,000 from the level funded during the 1987-88 fiscal year.

Travel - State - The approved amount provides \$19,300 to restore expenditure authority reduced as a result of the 1987-88 fiscal year expenditure reduction program. There was also \$1,800 added to support the additional positions authorized.

Other Operating Expenditures - The approved amount includes \$5,736,400 for insurance payable to the Risk Management Division of the Department of Administration. This represents an increase of \$2,942,200 as compared with insurance expenses incurred during the 1987-88 fiscal year. Approved also was an increase of \$8,700 to provide support for the new positions authorized, and other price increases. Offsetting these increases was a reduction of \$845,500. Of that amount, \$799,600 represents the charge for rental of office space in state owned facilities. The remaining reduction impacted funding for evaluation of outside contracts, aerial photography and reflects a base adjustment of \$25,300.

Equipment - The approved amount includes \$12,800 for replacement of portable radios, \$6,600 for a copy machine and \$1,200 for other furniture and office equipment. In addition \$8,700 was approved to provide equipment for the additional positions authorized.

ADDITIONAL LEGISLATION

Prison Mail, H.B. 2184 (Chapter 132) - Requires that all mail written by a prisoner committed to the State Department of Corrections shall be marked by the Department indicating that the mail was sent from a prison maintained by the State of Arizona.

Victim Notification, H.B. 2020 (Chapter 98) - Requires that the Department of Corrections notify the victim or the victim's family on an inmates death, escape or release from a secure institution. It also prohibits the Department from disclosing the address of a victim or a victim's immediate family without written consent.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 255-5497)

<u>GENERAL FUND/CORRECTIONS FUND</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
FTE Positions	<u>86.0</u>	<u>82.0</u>	<u>82.0</u>
Personal Services	<u>1,332,900</u>	<u>1,749,500</u>	<u>1,790,400</u>
Employee Related Exp.	<u>312,000</u>	<u>393,700</u>	<u>418,300</u>
Equipment	<u>115,500</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,760,400</u>	<u>2,143,200</u>	<u>2,208,700</u>

Fund Summary

General Fund	<u>1,644,900</u>	<u>2,143,200</u>	<u>2,208,700</u> <sup>1/</sup>
Corrections Fund	<u>115,500</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,760,400</u>	<u>2,143,200</u>	<u>2,208,700</u>

The approved amount includes \$60,500 in Personal Services and \$35,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount represents a net increase of \$40,900 as compared with Estimated Expenditures for the 1987-88 Fiscal Year. This includes an addition to the base of \$73,900 and the general salary adjustment of \$60,500. These increases were reduced by a 5.0 percent vacancy factor in the amount of \$93,500.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program.

JLBC Analyst: Morris

Peter Hayes, Executive Director (Tel. 255-1928)

ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND/ CORRECTIONS FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>2.0</u>	<u>4.0</u>	<u>5.0</u> <sup>1/</sup>
Personal Services	<u>71,900</u>	<u>130,200</u>	<u>161,700</u>
Employee Related Exp.	<u>12,000</u>	<u>27,200</u>	<u>33,000</u>
Prof. & Outside Services	20,300	2,000	52,000
Travel - State	800	3,500	4,000
Travel - Out of State	3,100	3,200	3,300
Other Operating Exp.	11,100	21,000	34,800
Equipment	5,500	3,600	4,400
All Other Operating Exp.	<u>40,800</u>	<u>33,300</u>	<u>98,500</u>
OPERATION SUB-TOTAL	124,700	190,700	293,200
Federal Anti-Drug Abuse Act Administration Matching	-0-	82,600	29,200
Drug Enforcement Account	-0-	7,000,000	2,500,000
Cannabis and Controlled Substance Tax and Fine Enforcement	<u>-0-</u>	<u>-0-</u>	<u>40,200</u> <sup>3/</sup>
TOTAL APPROPRIATIONS	<u>124,700</u>	<u>7,273,300</u>	<u>2,862,600</u>
<u>Fund Summary</u>			
Arizona Commission on Criminal Justice Fund	124,700	273,300	362,600
Corrections Fund	<u>-0-</u>	<u>7,000,000</u> <sup>2/</sup>	<u>2,500,000</u> <sup>4/</sup>
TOTAL APPROPRIATIONS	<u>124,700</u>	<u>7,273,300</u>	<u>2,862,600</u> <sup>5/</sup>

ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	652,900	761,800	733,500
Add Revenues	<u>233,600</u>	<u>245,000</u>	<u>260,000</u>
TOTAL FUNDS AVAILABLE	886,500	1,006,800	993,500
Expenditures	<u>124,700</u>	<u>273,300</u>	<u>362,600</u>
Balance End of Fiscal Year	<u>761,800</u>	<u>733,500</u>	<u>630,900</u>

(See Footnotes on Following Page)



ARIZONA CRIMINAL JUSTICE COMMISSION (Cont'd)  
ARIZONA COMMISSION ON  
CRIMINAL JUSTICE FUND/  
CORRECTIONS FUND

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The approved amount includes \$5,500 in Personal Services and \$3,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$26,900 for an Electronic Data Processing Analyst. This added position was approved to administer the data management responsibilities assigned to the Commission by statute.

All Other Operating Expenditures - The approved amount includes \$52,000 for Professional and Outside Services. Of that amount \$2,000 is for court reporters and \$50,000, a nonrecurring amount, is for a statewide survey of drug use. The drug use survey is required under the provisions of Chapter 307, Laws of 1987. The total cost of the survey is estimated to be \$130,000. It is expected that federal funds will provide about \$80,000 of the estimated cost. The amount approved for All Other Operating Expenditures includes \$16,000 for office rent and \$5,900 to support the newly authorized position. Support for the new position allows \$500 for Travel - State, \$1,000 for Other Operating Expenditures and \$4,400 for the purchase of necessary office equipment, including a personal computer. These increases were offset by a \$5,500 reduction for nonrecurring equipment purchases and other minor changes.

Federal Anti-Drug Abuse Act Administration Matching - The approved amount allows matching for federal funds available to administer the Anti-Drug Abuse Act, P.L. 99-570, subtitle K.

(Continued)

(Footnotes From Previous Page)

- 1/ Does not include one FTE position authorized by the appropriation for Cannabis and Controlled Substance Tax and Fine Enforcement.
- 2/ This appropriation is exempt from the provisions of Arizona Revised Statutes Section 35-190, relating to the lapsing of appropriation, except that any monies remaining unexpended or unencumbered on June 30, 1997 shall revert to the Corrections Fund.
- 3/ The Arizona Criminal Justice Commission shall submit a quarterly report to the Chairmen of the Senate and House of Representatives Appropriations Committees and the Staff Director of the Joint Legislative Budget Committee relative to the investigation and the collection of license fees and taxes on cannabis and controlled substances, as provided for by Title 42, Chapter 7, Article 1, Arizona Revised Statutes, as well as other fees, fines, surcharges, penalty assessments and costs devoted to criminal justice and related purposes.
- 4/ Notwithstanding the limitations of section 41-1651, Arizona Revised Statutes, relating to the expenditure of monies for corrections facilities, this appropriation is to be administered by the Criminal Justice Commission pursuant to section 41-2402, Arizona Revised Statutes, for the purpose of enhancing efforts to investigate, prosecute, adjudicate and punish drug offenders.
- 5/ Represents General Appropriation Act funds. Appropriated as a lump sum with special line items. The objects of expenditure included in the lump sum are shown for informational purposes only.

ARIZONA CRIMINAL JUSTICE COMMISSION (Cont'd)  
ARIZONA COMMISSION ON  
CRIMINAL JUSTICE FUND/  
CORRECTIONS FUND

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Drug Enforcement Account - There is \$2,500,000 appropriated from the Corrections Fund to the Drug Enforcement Account, of the Criminal Justice Enhancement Fund, to be administered by the Criminal Justice Commission. The Drug Enforcement Account is established pursuant to Arizona Revised Statutes § 41-2402 for the purpose of enhancing efforts to investigate, prosecute, adjudicate and punish drug offenders.

Cannabis and Controlled Substance Tax and Fine Enforcement - The approved amount provides funding for one FTE position and necessary support costs. The purpose of this appropriation is to increase revenue collections through coordinated investigations of license fees and taxes on cannabis and controlled substances. Cannabis is defined in Arizona Revised Statutes § 36-2501 as marijuana and all parts of any plant of the Cannabis family, or derivatives thereof. Controlled substances are also defined in the same section. The appropriation includes: Personal Services \$26,900; Employee Related Expenditures \$5,800; Travel - State \$1,500; Other Operating Expenditures \$2,500, and Equipment \$3,500. The amount approved for Other Operating Expenditures includes \$1,500 for computer software. A personal computer, estimated to cost \$2,500, is to be funded with monies approved for equipment. The approved amount includes \$900 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

ADDITIONAL LEGISLATION

Data System Policy Board, S.B. 1148 (Chapter 268) - This act eliminates the Comprehensive Data Systems Policy Board and transfers the powers and duties of that board to the Arizona Criminal Justice Commission. The Commission will prescribe the rules and regulations for the criminal justice information system and central repository that is operated by the Department of Public Safety. This legislation also increases the membership of the Criminal Justice Commission from 17 members to 19 members. One of the additional members is the Administrative Director of the Supreme Court and the other will be a Chief Probation Officer appointed by the Governor. The act became effective on July 1, 1988.

JLBC Analyst: Flanders

Donald Owens, Adjutant General (Tel. 267-2710)

GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
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Program Summary

Military Affairs	3,004,700	3,137,400	3,265,200
Emergency Services	<u>570,600</u>	<u>766,800</u>	<u>978,900</u>
<b>TOTAL APPROPRIATIONS</b>	<b><u>3,575,300</u></b>	<b><u>3,904,200</u></b>	<b><u>4,244,100</u></b>

Expenditure Detail

FTE Positions	<u>58.0</u>	<u>62.0</u>	<u>62.0</u>
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Personal Services	<u>1,293,200</u>	<u>1,439,800</u>	<u>1,477,700</u>
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Employee Related Exp.	<u>279,300</u>	<u>292,900</u>	<u>365,500</u>
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Travel-State	20,100	32,400	30,300
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Travel - Out of State	3,800	11,000	9,700
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Other Operating Exp.	952,600	1,059,800	1,093,300
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Equipment	<u>10,700</u>	<u>10,400</u>	<u>12,600</u>
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All Other Operating Exp.	<u>987,200</u>	<u>1,113,600</u>	<u>1,145,900</u>
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<b>OPERATION SUB-TOTAL</b>	<b>2,559,700</b>	<b>2,846,300</b>	<b>2,989,100</b>
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Reimbursable State Active Duty	--	--	50,000
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Service Contracts	686,400	686,400	686,400
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Education Reimbursement	30,900	31,000	47,000
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Guardsmen to State Active Duty	9,900	10,100	5,100
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Uniform Allowance	35,300	40,000	48,000
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Unit Allowance	34,000	17,000	10,000
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Civil Air Patrol	76,000	82,600	80,100
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Hazardous Materials Program	-0-	30,000	22,500
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Nuclear Emergency Management	143,100	160,800 ✓	185,900
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Emergency Response Commission	--	--	<u>120,000</u>
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<b>TOTAL APPROPRIATIONS</b>	<b><u>3,575,300</u></b>	<b><u>3,904,200</u></b>	<b><u>4,244,100</u></b>
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Fund Summary

General Fund	3,432,200	3,743,400	4,058,200
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Nuclear Emer. Mgt. Fund	<u>143,100</u>	<u>160,800</u> ✓	<u>185,900</u> <sup>1/</sup>
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<b>TOTAL APPROPRIATIONS</b>	<b><u>3,575,300</u></b>	<b><u>3,904,200</u></b>	<b><u>4,244,100</u></b>
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<sup>1/</sup> Appropriated from the General Fund to the Nuclear Emergency Management Fund in H.B. 2047 (Chapter 59).

JLBC Analyst: Flanders

Donald Owens, Adjutant General (Tel. 267-2710)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	49.0	49.0	49.0
Personal Services	1,031,800	1,103,000	1,102,700
Employee Related Exp.	225,800	226,300	274,800
Travel - State	17,700	25,400	20,600
Travel - Out of State	2,100	3,000	3,000
Other Operating Exp.	920,100	984,800	1,005,000
Equipment	10,700	10,400	12,600
All Other Operating Exp.	950,600	1,023,600	1,041,200
OPERATION SUB-TOTAL	2,208,200	2,352,900	2,418,700
Reimbursable State Active Duty	--	--	50,000 <sup>1/</sup>
Service Contracts	686,400	686,400	686,400
Education Reimbursement	30,900	31,000	47,000
Guardsmen to State Active Duty	9,900	10,100	5,100
Uniform Allowance	35,300	40,000	48,000
Unit Allowance	34,000	17,000	10,000
TOTAL APPROPRIATIONS	3,004,700	3,137,400	3,265,200 <sup>2/</sup>

The approved amount includes \$35,400 in Personal Services and \$21,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes vacancy savings of \$25,500.

Equipment - The amount approved includes funding for a personal computer for the 161st Air Refueling Group at Sky Harbor Airport.

Uniform Allowance - Provides reimbursement, as specified by section 26-157, Arizona Revised Statutes, to officers and warrant officers of the Arizona National Guard for uniform and equipment expenditures.

Unit Allowance - The amount appropriated is to be distributed to the units of the Arizona National Guard for morale purposes.

<sup>1/</sup> All expenditures from this appropriation shall be reimbursed to the General Fund by the Department of Emergency and Military Affairs, in accordance with section 35-142.01, Arizona Revised Statutes.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Donald Owens, Adjutant General (Tel. 267-2710)

GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>9.0</u>	<u>13.0</u>	<u>13.0</u>
Personal Services	<u>261,400</u>	<u>336,800</u>	<u>375,000</u>
Employee Related Exp.	<u>53,500</u>	<u>66,600</u>	<u>90,700</u>
Travel - State	2,400	7,000	9,700
Travel - Out of State	1,700	8,000	6,700
Other Operating Exp.	<u>32,500</u>	<u>75,000</u>	<u>88,300</u>
All Other Operating Exp.	<u>36,600</u>	<u>90,000</u>	<u>104,700</u>
OPERATION SUB-TOTAL	351,500	493,400	570,400
Civil Air Patrol	76,000	82,600	80,100
Hazardous Materials Program	-0-	30,000 <sup>1/</sup>	22,500
Nuclear Emergency Management	<u>143,100</u>	<u>160,800</u>	<u>--</u>
TOTAL	<u>570,600</u>	<u>766,800</u>	<u>673,000 <sup>2/</sup></u>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 59, Nuclear Emer. Mgt.	--	--	185,900 <sup>3/</sup>
Ch. 292, Emergency Response Commission	<u>--</u>	<u>--</u>	<u>120,000</u>
TOTAL APPROPRIATIONS	<u>570,600</u>	<u>766,800</u>	<u>978,900</u>

The approved amount includes \$12,700 in Personal Services and \$7,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,300 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> The Hazardous Materials Program was originally appropriated as a special line item for FY 88 in the amount of \$153,500. The total shown here reflects the manner in which the appropriation was distributed within the agency. The estimated breakdown of this distribution was Personal Services - \$65,800, Employee Related Expenditures - \$13,300, Travel (State) - \$3,100, Travel (Out of State) - \$4,300, Other Operating Expenditures - \$20,700, Hazardous Materials Program (below the line) - \$30,000, Reversion - \$12,200, S.B. 1119 Reduction - \$4,100.
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with special line items for the program. The objects of expenditure included in the lump sum are shown for informational purposes only.
- <sup>3/</sup> Appropriated from the General Fund to the Nuclear Emergency Management Fund in H.B. 2047 (Chapter 59).

DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS - EMERGENCY SERVICES (Cont'd)  
GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND

ADDITIONAL APPROPRIATIONS

Nuclear Emergency Management - H.B. 2047 (Chapter 59) - Appropriates \$601,100 from the State General Fund to the Nuclear Emergency Management Fund, pursuant to Section 26-306.01, Arizona Revised Statutes, for administering and enforcing the state plan for off-site response to an emergency caused by an accident at a commercial nuclear generating station. An amount of \$601,100, plus interest at the rate of ten percent per year, is assessed against each consortium constructing or operating a commercial nuclear generating station in this State. The assessment shall be deposited into the General Fund.

Specifically, the following amounts are appropriated from the State General Fund:

1. Division of Emergency Services, Department of Emergency and Military Affairs:

Personal Services	\$ 112,700
Employee Related Exp.	26,100
Other Operating Exp.	<u>47,100</u>
TOTAL	<u>\$ 185,900</u>

2. Radiation Regulatory Agency:

Personal Services	\$ 100,000
Employee Related Exp.	22,800
Other Operating Exp.	110,000
Equipment	<u>75,000</u>
TOTAL	<u>\$ 307,800</u>

3. For disbursement by the Division of Emergency Services, Department of Emergency and Military Affairs, to departments and agencies of Maricopa County that are assigned responsibilities under the state off-site nuclear emergency response plan:

Personal Services	\$ 100,900
Other Operating Exp.	<u>6,500</u>
TOTAL	<u>\$ 107,400</u>

The appropriations made by this act are exempt from Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, but any such monies remaining unexpended or unencumbered on June 30, 1989 shall be used to reduce the assessment in Fiscal Year 1990 against the consortium from which the monies were collected.

Emergency Response Commission - H.B. 2305 (Chapter 292) - Appropriates \$120,000 from the General Fund to the Division of Emergency Services, Department of Emergency and Military Affairs. The Division and the Arizona Emergency Response Commission shall use the funding to supervise, coordinate and assist local emergency planning committees.

JLBC Analyst: Morris

Patricia Veliz Gilbert, Chairman (Tel. 255-5656)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	39.0	40.0	40.0
Personal Services	1,086,800	1,074,700	1,088,900
Employee Related Exp.	222,200	224,300	245,200
Travel - State	39,500	40,600	40,600
Travel - Out of State	-0-	-0-	-0-
Other Operating Exp.	192,900	209,000	108,400
Equipment	-0-	-0-	-0-
All Other Operating Exp.	232,400	249,600	149,000
<b>TOTAL APPROPRIATIONS</b>	<b>1,541,400</b>	<b>1,548,600</b>	<b>1,483,100</b> <sup>1/</sup>

The approved amount includes \$26,200 in Personal Services and \$20,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount includes \$315,000 for the seven Board members who are full-time employees. A vacancy factor of two percent was imposed on all staff salaries, exclusive of Board members. The vacancy factor deduction was \$15,500.

All Other Operating Expenditures - Included in the amount approved is \$33,500 for insurance charges payable to the Risk Management Division of the Department of Administration. The major difference between the approved amount and the FY 88 estimate relates to rent and insurance charges. In FY 88 rental expense was estimated to be \$96,400. The amount approved for FY 1989 does not include rental expense for state owned buildings. It is also anticipated that insurance charges in FY 1989 will be \$5,100 less than the amount estimated for FY 88.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF PUBLIC SAFETY - SUMMARY

A.R.S. 41-1711

JLBC Analyst: Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Criminal Investigation	10,718,800	11,493,200	12,030,000
Highway Patrol	28,083,600	29,239,800	31,301,700
Administration	14,849,900	15,665,000	16,816,200
Criminal Justice Support	7,984,100	8,801,700	9,020,000
Telecommunications	12,241,300	12,653,900	13,886,600
<b>TOTAL APPROPRIATIONS</b>	<b>73,877,700</b>	<b>77,853,600</b>	<b>83,054,500</b>
<u>Expenditure Detail</u>			
FTE Positions	1,593.0	1,620.0	1,620.0
Personal Services	48,009,300	51,037,900	53,323,500
Employee Related Exp.	8,576,200	9,245,900	10,767,400
Prof. & Outside Services	233,000	260,700	361,200
Travel - State	425,000	656,200	546,000
Travel - Out of State	169,900	167,200	137,700
Other Operating Exp.	11,813,600	12,886,900	13,486,800
Equipment	4,184,600	3,179,200	3,922,900
All Other Operating Exp.	16,826,100	17,150,200	18,454,600
<b>OPERATION SUB-TOTAL</b>	<b>73,411,600</b>	<b>77,434,000</b>	<b>82,545,500</b>
Special Line Items	466,100	419,600	509,000
<b>TOTAL APPROPRIATIONS</b>	<b>73,877,700</b>	<b>77,853,600</b>	<b>83,054,500</b> <sup>2/</sup>
<u>Fund Summary</u>			
General Fund	56,728,900	76,178,900	81,232,500
Arizona Highway Patrol Fund <sup>1/</sup>	400,000	400,000	496,000 <sup>2/</sup>
State Highway Fund	16,748,800	1,274,700	1,326,000
<b>TOTAL APPROPRIATIONS</b>	<b>73,877,700</b>	<b>77,853,600</b>	<b>83,054,500</b> <sup>3/</sup>

<sup>1/</sup> The Arizona Highway Patrol Fund contains miscellaneous Department revenues and fund transfers pursuant to Arizona Revised Statutes, Section 28-1891. The Highway Patrol Fund no longer contains any monies allocated from the Highway User Revenue Fund (see Arizona Revised Statutes Section 28-1598, paragraph B, #2).

<sup>2/</sup> In addition to the funds appropriated above, any balance and receipts received under Section 28-1891, Arizona Revised Statutes, are appropriated to the Department of Public Safety.

<sup>3/</sup> The amounts appropriated from each fund shall be deposited in a joint account for the purposes shown within the Program Summary. Any funds remaining in the Department of Public Safety joint account on June 30, 1989 shall revert to the funds from which they were appropriated. The reverted funds shall be returned in direct proportion to the amounts appropriated.



JLBC Analyst: Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	247.0	255.0	255.0
Personal Services	8,351,300	9,063,500	9,398,300
Employee Related Exp.	1,324,900	1,443,200	1,760,600
Prof. & Outside Services	9,900	11,800	15,800
Travel - State	108,800	163,500	134,700
Travel - Out of State	28,900	40,000	33,000
Other Operating Exp.	525,700	309,000	309,000
Equipment	369,300	462,200	378,600
All Other Operating Exp.	1,042,600	986,500	871,100
TOTAL APPROPRIATIONS	10,718,800	11,493,200	12,030,000 <sup>1/</sup>

The approved amount includes \$317,800 in Personal Services and \$175,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a one percent vacancy factor for a savings of \$85,800.

Travel - State - The amount approved includes a \$28,800 reduction.

Travel - Out of State - The amount approved includes a \$7,000 reduction.

Equipment - The amount approved includes \$248,400 for 23 replacement undercover vehicles - this is a reduction of 20 vehicles from the current services level. The appropriation also includes funding for 200 upgraded weapons, 70 upgraded bullet-proof vests, miscellaneous investigative equipment, and two replacement printers.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>700.0</u>	<u>713.0</u>	<u>718.0</u>
Personal Services	<u>21,251,400</u>	<u>22,520,400</u>	<u>23,797,200</u>
Employee Related Exp.	<u>3,851,400</u>	<u>4,196,700</u>	<u>4,855,700</u>
Prof. & Outside Services	11,100	6,500	8,300
Travel - State	186,500	277,300	230,500
Travel - Out of State	51,000	30,000	24,700
Other Operating Exp.	229,000	242,900	266,100
Equipment	<u>2,503,200</u>	<u>1,966,000</u>	<u>2,119,200</u>
All Other Operating Exp.	<u>2,980,800</u>	<u>2,522,700</u>	<u>2,648,800</u>
TOTAL APPROPRIATIONS	<u>28,083,600</u>	<u>29,239,800</u>	<u>31,301,700</u> <u>1/2/3/4</u>

The approved amount includes \$804,700 in Personal Services and \$454,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$11,800 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- 1/ Of this appropriation \$2,119,200 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriations, provided that purchase orders covering replacement of highway patrol enforcement vehicles have been placed prior to June 30, 1989.
- 2/ Included in this amount is \$816,300 from the State Highway Fund to support the Commercial Vehicle Weight Enforcement and School Bus Inspection programs. Both of these programs have historically been operated by the Arizona Department of Transportation with appropriations from the State Highway Fund; these programs were transferred to the Department of Public Safety in FY 1988.
- 3/ Included in this amount is \$496,000 from the Arizona Highway Patrol Fund. This total is based on \$96,000 of new revenue being deposited into the Fund from the sale of 96 Department vehicles: 30 from the Highway Patrol Bureau, 20 from the Administration Bureau, and 46 from the Criminal Justice Support Bureau.
- 4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF PUBLIC SAFETY - HIGHWAY PATROL BUREAU (Cont'd)  
DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT

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Personal Services - The approved amount includes funding for five new Officer I FTE positions to patrol the new freeways in Maricopa County and to help meet increased patrol demand due to the growth in highway traffic. The appropriation incorporates a .25 percent vacancy factor for a savings of \$55,000.

Travel - State - The amount approved includes an increase of \$2,400 for the new officer positions and a \$49,200 reduction.

Travel - Out of State - The amount approved includes a \$5,300 reduction.

Other Operating Expenditures - The approved amount includes a \$26,000 increase to support the five new officer positions.

Equipment - The approved amount provides funding for 159 replacement patrol vehicles as well as five new vehicles, radios, and support equipment for the newly-authorized officer positions.

JLBC Analyst: Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	209.0	211.0	209.0
Personal Services	6,205,800	6,495,200	6,699,100
Employee Related Exp.	1,130,800	1,187,900	1,416,100
Prof. & Outside Services	107,900	140,600	135,300
Travel - State	60,000	79,200	63,500
Travel - Out of State	58,400	50,600	41,600
Other Operating Exp.	7,120,600	7,578,300	8,294,700
Equipment	114,900	76,500	109,200
All Other Operating Exp.	7,461,800	7,925,200	8,644,300
OPERATION SUB-TOTAL	14,798,400	15,608,300	16,759,500
Blood Alcohol Program	51,500	56,700	56,700
TOTAL APPROPRIATIONS	14,849,900 <sup>1/</sup>	15,665,000	16,816,200 <sup>2/3/</sup>

The approved amount includes \$226,600 in Personal Services and \$130,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$14,200 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved incorporates a one percent vacancy factor for a savings of \$63,800. The appropriation eliminates one FTE position which is authorized and funded in the Law Enforcement Merit System Council and eliminates one Law Enforcement Instructor position.

(Continued)

<sup>1/</sup> Included in this amount is \$251,300 expended from the State Highway Fund for the Governor's Office of Highway Safety. This Office has historically been operated by the Arizona Department of Transportation (ADOT), and financed with appropriations from the State Highway Fund. During FY 1987, the Department of Public Safety administered the Office through an inter-agency agreement with ADOT. The Office was fully transferred to the Department of Public Safety in FY 1988.

<sup>2/</sup> Included in this amount is \$342,800 from the State Highway Fund to support the Governor's Office of Highway Safety.

<sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF PUBLIC SAFETY - ADMINISTRATION (Cont'd)  
DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT

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Travel - State - The approved amount includes a \$15,700 reduction.

Travel - Out of State - The approved amount includes a \$9,000 reduction.

Other Operating Expenditures - The approved amount includes a \$955,100 increase to cover the Risk Management insurance payment which is \$3,207,200 for FY 1989. The appropriation retains a FY 1988 reduction of \$161,000 in fuel funding and includes a reduction of \$260,000 in rent to reflect current lease expenses. The approved amount also includes a \$63,000 reduction in vehicle maintenance and fuel funding to reflect lower operating costs from the sale of 96 Department cars and the purchase of 20 fewer replacement undercover sedans.

Equipment - The amount approved includes funding for four replacement vehicles and 29 upgraded weapons as well as miscellaneous equipment for office operations, fleet repair shops, and facilities maintenance.

JLBC Analyst: Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>154.0</u>	<u>157.0</u>	<u>154.0</u>
Personal Services	<u>5,063,300</u>	<u>5,475,800</u>	<u>5,578,700</u>
Employee Related Exp.	<u>892,100</u>	<u>987,500</u>	<u>1,074,600</u>
Prof. & Outside Services	42,000	46,400	146,400
Travel - State	32,400	40,500	38,400
Travel - Out of State	20,000	32,200	26,500
Other Operating Exp.	1,529,600	2,107,600	1,883,200
Equipment	404,700	111,700	272,200
All Other Operating Exp.	<u>2,028,700</u>	<u>2,338,400</u>	<u>2,366,700</u>
TOTAL APPROPRIATIONS	<u>7,984,100</u>	<u>8,801,700</u>	<u>9,020,000</u> <sup>1/2/</sup>

The approved amount includes \$188,600 in Personal Services and \$107,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$10,400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a three percent vacancy factor for a savings of \$163,000 and includes the elimination of three fixed-wing pilot positions.

Professional and Outside Services - The approved amount includes an increase of \$100,000 to hire contract pilots, when necessary, to substitute for the eliminated in-house pilots.

Travel - State - The approved amount includes a base reduction of \$7,100 and an increase of \$5,000 for additional ground transportation to substitute for some of the eliminated air travel.

Travel - Out of State - The approved amount includes a base reduction of \$5,700.

(Continued)

1/ Included in this amount is \$166,900 from the State Highway Fund to support the Intoxilyzer Maintenance Program.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF PUBLIC SAFETY - CRIMINAL JUSTICE SUPPORT BUREAU (Cont'd)  
DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT

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Other Operating Expenditures - The approved amount retains the mid-year FY 1988 reduction of \$157,800 in aircraft operating funds and includes a further reduction of \$78,700. The appropriation also includes a reduction of approximately \$145,000 to reflect the one remaining lease/purchase payment for the Department's rescue helicopters.

Equipment - The approved amount includes \$130,000 for replacement equipment in the crime laboratories, \$98,600 for nine replacement vehicles and five replacement mobile radios, \$11,600 for three replacement copy machines, and \$32,000 for a replacement printing press and a replacement incinerator.

JLBC Analyst: Naimark

Ralph T. Milstead, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>283.0</u>	<u>284.0</u>	<u>284.0</u>
Personal Services	<u>7,137,500</u>	<u>7,483,000</u>	<u>7,850,200</u>
Employee Related Exp.	<u>1,377,000</u>	<u>1,430,600</u>	<u>1,660,400</u>
Prof. & Outside Services	62,100	55,400	55,400
Travel - State	37,300	95,700	78,900
Travel - Out of State	11,600	14,400	11,900
Other Operating Exp.	2,408,700	2,649,100	2,733,800
Equipment	<u>792,500</u>	<u>562,800</u>	<u>1,043,700</u>
All Other Operating Exp.	<u>3,312,200</u>	<u>3,377,400</u>	<u>3,923,700</u>
OPERATION SUB-TOTAL	11,826,700	12,291,000	13,434,300
Arizona Criminal Justice System Line Costs	<u>414,600</u>	<u>362,900</u>	<u>452,300</u>
TOTAL APPROPRIATIONS	<u>12,241,300</u>	<u>12,653,900</u>	<u>13,886,600</u> <sup>1/</sup>

The approved amount includes \$265,500 in Personal Services and \$153,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$26,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount incorporates a one percent vacancy factor for a savings of \$75,800.

Travel - State - The amount approved includes a base reduction of \$16,800.

Travel - Out of State - The amount approved includes a base reduction of \$2,500.

Other Operating Expenditures - The approved amount restores the mid-year FY 1988 operating reduction.

Equipment - The approved amount includes \$401,800 for replacement communications consoles in Flagstaff, \$244,600 for standard replacement communications equipment, and \$397,300 for 187 replacement mobile radios.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.



Charles L. Miller, Director (Tel. 255-7226)

SUMMARY OF STATE HIGHWAY  
FUND, STATE AVIATION FUND  
AND GENERAL FUND

	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Director's Staff	390,900	416,400	439,900
Highways Division	88,793,700	94,082,100	101,353,800
Transportation Planning	3,573,200	3,520,600	3,703,200
Public Transit Division	51,600	59,200	257,700
Administrative Services	21,655,500	24,117,500	29,650,600
Motor Vehicle Division	26,224,000	25,041,500	26,798,600
Aeronautics Division	524,900	709,500	1,180,900
Special Support Group	3,002,000	3,306,800	3,530,900
<b>TOTAL APPROPRIATIONS</b>	<u>144,215,800</u>	<u>151,253,600</u>	<u>166,915,600</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>3,092.0</u>	<u>3,065.0</u>	<u>3,199.5</u> <sup>1/</sup>
Personal Services	<u>54,950,200</u>	<u>57,645,400</u>	<u>61,505,200</u>
Employee Related Exp.	<u>11,536,300</u>	<u>11,721,500</u>	<u>14,029,900</u>
Prof. & Outside Services	857,200	1,079,500	751,500
Travel - State	1,028,700	1,487,300	1,559,200
Travel - Out of State	90,900	110,500	115,400
Other Operating Exp.	13,793,000	16,944,500	20,434,400
Equipment	2,610,800	1,246,300	1,833,700
All Other Operating Exp.	<u>18,380,600</u>	<u>20,868,100</u>	<u>24,694,200</u>
<b>OPERATION SUB-TOTAL</b>	<b>84,867,100</b>	<b>90,235,000</b>	<b>100,229,300</b>
Highway Maintenance	48,283,000	52,135,300	55,787,700
Special Line Items	11,065,700	8,224,800	10,698,600
Additional Appropriations	-0-	658,500	200,000
<b>TOTAL APPROPRIATIONS</b>	<u>144,215,800</u>	<u>151,253,600</u>	<u>166,915,600</u>
<u>Fund Summary</u>			
State Highway Fund	143,626,800	150,458,800	165,450,000
State Aviation Fund	524,900	709,500	1,180,900
General Fund	64,100	85,300	84,700
Air Quality Fund	-0-	-0-	200,000
<b>TOTAL APPROPRIATIONS</b>	<u>144,215,800</u>	<u>151,253,600</u>	<u>166,915,600</u>

(Continued)

<sup>1/</sup> Includes 821.5 FTE positions funded under highway maintenance.

DEPARTMENT OF TRANSPORTATION  
SUMMARY OF STATE HIGHWAY FUND, STATE AVIATION FUND AND GENERAL FUND (CONT'D)

LAND, BUILDINGS AND IMPROVEMENTS

S.B. 2442 (Chapter 275) - The Capital Outlay Bill, Sec. 2, appropriates \$866,000 from the State Highway Fund and \$18,080 from the State Aeronautics Fund to the Department of Administration for major maintenance and repair activities for state buildings, including repairs, reworking or upgrading of systems of a building, which will result in maintaining the buildings' expected useful life.

Section 3 of the Capital Outlay Bill, appropriates \$4,271,750 from the State Highway Fund for the following projects:

Renovation of Smith pipe and steel building	\$ 584,000
Tucson regional service center	1,834,450
Yuma maintenance yard relocation	395,600
Modular wall systems - headquarters buildings	443,000
Nogales maintenance yard relocation	69,000
Prescott maintenance yard asphalt tanks	130,000
Payson maintenance yard asphalt tanks	30,000
Cordes Junction maintenance yard asphalt tanks	30,000
Yuma shop, new equipment facility	384,000
Tracy maintenance yard foundation	22,000
Page maintenance yard water system	125,000
Yuma traffic signal shop	60,000
Agua Fria equipment storage	164,700
	<u>\$4,271,750</u>

Section 3 of the Capital Outlay Bill also appropriates \$180,386,000 from the State Highway Fund as follows:

For the construction planning and construction of State highways, including (a) the national system of interstate highways within Arizona, (b) the State primary system, (c) the State secondary system, (d) the county secondary or primary system, and (e) urban area routes; the acquisition of rights-of-way; and the cost of field administration and field engineering on construction projects: \$180,386,000

From the state aviation fund, the following is appropriated:

For construction planning and the construction, development and improvement of State, county, city or town airports as determined by the Transportation Board: \$ 6,916,000

Total Appropriation -  
 Department of Transportation \$192,457,830

H.B. 2077 (Chapter 284) - Appropriates \$200,000 from the state general fund to the State Highway Fund for the purpose of improvements to federal aid secondary highway number 274 located in Graham County.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Personal Services	<u>297,900</u>	<u>318,100</u>	<u>333,600</u>
Employee Related Exp.	<u>41,000</u>	<u>45,000</u>	<u>52,300</u>
Travel - State	7,300	19,500	19,600
Travel - Out of State	14,800	10,100	10,400
Other Operating Exp.	29,200	23,200	24,000
Equipment	700	500	-0-
All Other Operating Exp.	<u>52,000</u>	<u>53,300</u>	<u>54,000</u>
TOTAL APPROPRIATIONS	<u>390,900</u>	<u>416,400</u>	<u>439,900</u> <sup>1/</sup>

The approved amount includes \$11,300 in Personal Services and \$6,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,100 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions <sup>1/</sup>	<u>1,774.0</u>	<u>1,806.0</u>	<u>1,858.5</u>
Personal Services	<u>26,944,900</u>	<u>28,949,300</u>	<u>30,774,300</u>
Employee Related Exp.	<u>5,529,600</u>	<u>5,732,000</u>	<u>6,786,700</u>
Prof. & Outside Services	43,400	42,100	7,500
Travel - State	762,700	1,087,800	1,106,900
Travel - Out of State	25,200	21,300	21,600
Other Operating Exp.	2,615,600	3,245,700	5,553,500
Equipment	<u>1,302,700</u>	<u>455,300</u>	<u>900,400</u>
All Other Operating Exp.	<u>4,749,600</u>	<u>4,852,200</u>	<u>7,589,900</u>
OPERATION SUB-TOTAL	37,224,100	39,533,500	45,150,900
Highway Maintenance	48,283,000	52,135,300	55,787,700 <sup>2/</sup>
Equipment Revolving Fund	1,477,400	2,000,000	-0-
Radio Communications	399,400	413,300	415,200
Computer Aided Drafting & Design	<u>1,409,800</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>88,793,700</u>	<u>94,082,100</u>	<u>101,353,800</u> <sup>3/</sup>

The approved amount includes \$1,040,700 in Personal Services and \$606,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$104,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> Included in the FTE total are two unfunded FTE's which are funded through an IASG with State Parks Board.
- <sup>2/</sup> The amount appropriated includes \$570,700 for construction/maintenance of rest areas.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF TRANSPORTATION - HIGHWAYS DIVISION (CONT'D)  
STATE HIGHWAY FUND

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Personal Services - The amount approved includes a 1.5 percent vacancy factor, funding for 34 new FTE positions for Highway Administration: one Librarian II, one Administrative Services Officer I, one Administrative Assistant II, one Transportation Engineer I, one Clerk Typist III, one Transportation Traffic Studies Analyst, one Transportation Engineering Specialist, one Transportation Quality control Technician III, one Storekeeper, three Transportation Engineering Managers, three Administrative Secretaries, one Administrative Secretary I, one Transportation Engineer I Team Leader, two Transportation Engineer I's, one Clerk Typist III, three Transportation Construction Operations Technicians, one Transportation Engineering Permits Technician II, one Traffic Signals/Lighting Crew Supervisor II, one Traffic Signals/Lighting Crew Supervisor I, three Traffic Signals/Lighting Technician II's, one Real Property Appraiser II, two Right of Way Agent I's, one Building Maintenance Worker II, one Transportation Traffic Studies Analyst; and 17.5 FTE positions for Highway Maintenance: 16.5 Highway Maintenance Workers and one Administrative Services Officer I; the transfer-in of one Dispatcher from the Motor Vehicle Division; and, the shift of one Transportation Engineering Specialist to Highway Maintenance from the Highways Division.

Highway Maintenance - The approved amount includes \$601,600 in Personal Services and \$350,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$60,500 in Employee Related Expenditures for the increased retirement contribution.

PS = 17,790,200  
GMS = 3,481,500

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND AND GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	98.0	92.0	92.0
Personal Services	2,682,300	2,616,000	2,638,100
Employee Related Exp.	530,100	496,000	563,600
Travel - State	79,300	80,200	87,200
Travel - Out of State	10,300	15,900	16,200
Other Operating Exp.	254,300	274,200	316,500
Equipment	4,400	12,200	54,600
All Other Operating Exp.	348,300	382,500	474,500
OPERATION SUB-TOTAL	3,560,700	3,494,500	3,676,200
Other Transit Planning (General Fund)	12,500	26,100	27,000
TOTAL APPROPRIATIONS	3,573,200	3,520,600	3,703,200 <sup>1/</sup>

The approved amount includes \$89,200 in Personal Services and \$52,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$9,000 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a 1.5 percent vacancy factor, funding for two new FTE positions: two Transportation Traffic Field Data Technicians; and, the transfer-out of two FTE positions, one Planner II to the Special Support Group and one Planner III to the Administrative Services Division.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	2.0	2.0	2.0
Personal Services	40,500	44,100	43,500
Employee Related Exp.	6,900	9,800	9,100
Travel - State	600	1,000	1,000
Travel - Out of State	600	2,200	1,500
Other Operating Exp.	3,000	2,100	1,700
Equipment		-0-	900
All Other Operating Exp.	4,200	5,300	5,100
TOTAL	51,600	59,200	57,700 <sup>1/2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 252, Clean Burning Use Fuel Tax	--	--	200,000
TOTAL APPROPRIATIONS	51,600	59,200	257,700
Fund Source			
General	51,600	59,200	57,700
(Air Quality Fund / <i>Gen. Fd.</i> )	-0-	-0-	200,000
TOTAL APPROPRIATIONS	51,600	59,200	257,700

The approved amount includes \$1,500 in Personal Services and \$900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

#### ADDITIONAL LEGISLATION

Clean Burning Use Fuel Tax - H.B. 2206 (Chapter 252) - Appropriates the sum of two hundred thousand dollars from the Air Quality Fund established by Section 49-551, Arizona Revised Statutes, to the Department of Transportation during fiscal year 1988-1989 for the purposes of funding the studies and reports required by Sections 49-404, 49-405, and 49-406, Arizona Revised Statutes, as added by this act.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.
- 2/ Excluding matching fund requirement, any reimbursement for expenditure of these funds shall be deposited in the State General Fund.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	281.0	283.0	302.0
Personal Services	6,858,400	7,213,700	7,749,700
Employee Related Exp.	1,362,300	1,418,600	1,705,100
Prof. & Outside Services	395,900	405,700	171,800
Travel - State	5,700	8,300	13,700
Travel - Out of State	6,900	10,600	12,700
Other Operating Exp.	8,079,900	9,616,300	10,381,600
Equipment	920,700	569,000	468,600
All Other Operating Exp.	9,409,100	10,609,900	11,048,400
OPERATION SUB-TOTAL	17,629,800	19,242,200	20,503,200
Insurance Surcharge	4,025,700	4,875,300	9,147,400
TOTAL APPROPRIATIONS	21,655,500	24,117,500	29,650,600 <sup>1/</sup>

The approved amount includes \$262,100 in Personal Services and \$152,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$26,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a three percent vacancy factor, and funding for 18 new FTE positions: one Fiscal Services Specialist III, one Fiscal Services Specialist IV, one Fiscal Services Manager, four Programmer Analyst III's, one Architect, one Duplicating Equipment Operator III, two Communications Analysts, one Storekeeper, one Fiscal Services Specialist, one Program and Project Specialist II, one Information Processing Specialist II, one Administrative Services Officer III, one Program and Project Specialist II, one Clerk Typist III and the transfer-in of one Planner III from the Transportation Planning Division.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>841.0</u>	<u>786.0</u>	<u>831.0</u>
Personal Services	<u>15,579,200</u>	<u>15,722,700</u>	<u>16,811,700</u>
Employee Related Exp.	<u>3,579,400</u>	<u>3,524,200</u>	<u>4,251,100</u>
Prof. & Outside Services	243,300	321,100	259,100
Travel - State	140,900	244,900	280,800
Travel - Out of State	12,100	22,600	23,000
Other Operating Exp.	2,647,400	3,539,900	3,751,300
Equipment	327,000	178,800	395,600
All Other Operating Exp.	<u>3,370,700</u>	<u>4,307,300</u>	<u>4,709,800</u>
OPERATION SUB-TOTAL	22,529,300	23,554,200	25,772,600
License Plates and Tabs	1,149,900	748,800	943,000 <sup>1/</sup>
Medical Advisory Board	80,000	80,000	83,000
Revenue Tracking System	<u>2,464,800</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	<u>26,224,000</u>	<u>24,383,000</u>	<u>26,798,600</u> <sup>2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 332, Vehicle License Plates	<u>--</u>	<u>658,500</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>26,224,000</u>	<u>25,041,500</u>	<u>26,798,600</u>

The approved amount includes \$568,500 in Personal Services and \$331,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$57,200 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

- <sup>1/</sup> The amount appropriated provides funding for the issuance of a single license plate per vehicle effective July 1, 1988.
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

DEPARTMENT OF TRANSPORTATION - MOTOR VEHICLE DIVISION  
STATE HIGHWAY FUND (CONT'D)

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Personal Services - The amount approved includes a 1.5 percent vacancy factor and funding for 47 new FTE positions: sixteen Hearing Officer II's, fourteen Clerk Typist II's, one Examiner Technician II, two Examiner Technician I's, four Examiner Technician II's, three Motor Vehicle Operations Clerk II's, one Motor Vehicle Operations Clerk I, three Auditor III's, three Auditor II's; and, the transfer-out of one Dispatcher to the Highways Division and one Training Specialist to the Special Support Group.

License Plates and Tabs - Provides funding for the purchase of license plates and tabs.

Medical Advisory Board - Provides funding for a board of medical experts to assist the agency in formulating standards for mental and physiological limitations relative to driver licensing.

ADDITIONAL APPROPRIATIONS

Vehicle License Plates - S.B. 1199 (Chapter 332) - Provides for the issuance of a single license plate for motor vehicles and appropriates \$658,500 from the state Highway Fund for FY 1987-1988 to cover the cost of issuing two number plates per vehicle in FY 1988. The appropriation is exempt from the provisions of Section 35-190. Any monies remaining unexpended or unencumbered on June 30, 1989 shall revert to the state Highway Fund.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE AVIATION FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	15.0	15.0	28.0
Personal Services	339,900	388,100	663,800
Employee Related Exp.	68,600	74,900	143,600
Prof. & Outside Services	8,000	67,400	70,700
Travel - State	7,700	16,000	18,800
Travel - Out of State	7,500	10,000	10,800
Other Operating Exp.	54,200	87,600	205,400
Equipment	7,100	-0-	-0-
All Other Operating Exp.	84,500	181,000	305,700
OPERATION SUB-TOTAL	493,000	644,000	1,113,100
Reimbursement to Highway Fund	31,900	65,500	67,800
TOTAL APPROPRIATIONS	524,900	709,500	1,180,900 <sup>1/</sup>

The approved amount includes \$22,400 in Personal Services and \$13,000 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,300 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes funding for 13 new FTE positions: one Airport Development Team Leader, one Program/Projects Specialist II, one Administrative Secretary II, one Administrative Services Officers II, two Building Maintenance Supervisor II's, five Building Maintenance Worker II's, one Custodial Worker II, and one Administrative Secretary I.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	75.0	75.0	80.0
Personal Services	2,207,100	2,393,400	2,490,500
Employee Related Exp.	418,400	421,000	518,400
Prof. & Outside Services	166,600	243,200	242,400
Travel - State	24,500	29,600	31,200
Travel - Out of State	13,500	17,800	19,200
Other Operating Exp.	109,400	156,600	200,400
Equipment	48,200	30,500	13,600
All Other Operating Exp.	362,200	477,700	506,800
OPERATION SUB-TOTAL	2,987,700	3,292,100	3,515,700
Education & Training	14,300	14,700	15,200
TOTAL APPROPRIATIONS	3,002,000	3,306,800	3,530,900 <sup>1/</sup>

The approved amount includes \$84,200 in Personal Services and \$49,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$8,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved includes a two percent vacancy factor, funding for three new FTE positions: one Special Agent IV, one Senior Research Specialist and one Legal Secretary III; and, the transfer-in of a Planner II from the Transportation Planning Division, and one Training Specialist I from the Motor Vehicle Division.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Alicia Bristow, Director (Tel. 255-2102)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>
Personal Services	<u>58,000</u>	<u>63,200</u>	<u>65,800</u>
Employee Related Exp.	<u>13,700</u>	<u>18,000</u>	<u>18,400</u>
Prof. & Outside Services	1,000	-0-	-0-
Travel - State	1,100	4,800	4,700
Travel - Out of State	-0-	500	500
Other Operating Exp.	28,500	39,000	25,400
Equipment	<u>8,500</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>39,100</u>	<u>44,300</u>	<u>30,600</u>
TOTAL APPROPRIATION	<u>110,800</u>	<u>125,500</u>	<u>114,800</u> <sup>1/</sup>

The approved amount includes \$2,200 in Personal Services and \$1,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$200 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

SUMMARY OF APPROPRIATED FUNDS	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administrative & Field Services	11,703,900	12,564,000	14,027,800
Waterfowl Conservation	-0-	-0-	3,400
Watercraft	901,600	1,023,200	1,295,800
Game, Non-Game, Fish, and Endangered Species	<u>263,100</u>	<u>294,000</u>	<u>279,800</u>
TOTAL APPROPRIATIONS	<u>12,868,600</u>	<u>13,881,200</u>	<u>15,606,800</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>264.0</u>	<u>268.0</u>	<u>278.0</u>
Personal Services	<u>5,978,600</u>	<u>6,334,800</u>	<u>6,829,900</u>
Employee Related Exp.	<u>1,584,900</u>	<u>1,682,900</u>	<u>2,025,700</u>
Prof. & Outside Services	221,600	254,500	268,500
Travel - State	233,000	360,100	376,000
Travel - Out of State	15,400	18,600	19,300
Other Operating Exp.	2,771,300	2,828,500	3,113,900
Equipment	<u>453,100</u>	<u>756,100</u>	<u>1,065,000</u>
All Other Operating Exp.	<u>3,694,400</u>	<u>4,217,800</u>	<u>4,842,700</u>
OPERATION SUB-TOTAL	11,257,900	12,235,500	13,698,300
Commissioners' Reserve	2,100	35,000	35,000
Commercial Fisheries	5,000	6,700	-0-
Cooperative Wildlife and Fish Research	30,000	30,000	30,000
Dingell-Johnson Act	833,300	700,000	617,800
Pittman-Robertson Act	611,400	735,000	851,200
Reimbursement to Game and Fish Fund	125,000	125,000	359,500
Cost Transfer	<u>3,900</u>	<u>14,000</u>	<u>15,000</u>
TOTAL APPROPRIATIONS	<u>12,868,600</u>	<u>13,881,200</u>	<u>15,606,800</u>
<u>Fund Summary</u>			
Game and Fish Fund	11,703,900	12,564,000	14,027,800
Watercraft Licensing Fund	901,600	1,023,200	1,295,800
Game, Non-Game, Fish and Endangered Species Fund	263,100	294,000	279,800
Waterfowl Conservation Fund	<u>-0-</u>	<u>-0-</u>	<u>3,400</u>
TOTAL APPROPRIATIONS	<u>12,868,600</u>	<u>13,881,200</u>	<u>15,606,800</u>

(Continued)

GAME AND FISH DEPARTMENT (Cont'd)  
SUMMARY OF APPROPRIATED FUNDS

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LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2442 (Chapter 275) - The Capital Outlay Bill, Section 2, appropriates \$85,000 from the Game and Fish Fund to the Department of Administration for allocation to the Game and Fish Department for building renewal maintenance and repairs.

The Capital Outlay Bill, Section 3, also appropriates \$115,000 from the Game and Fish Fund for the following projects:

Facilities Maintenance and Repair (not covered under the building renewal formula)	\$100,000
Shooting Range Development and Improvement	<u>15,000</u>
TOTAL	<u>\$115,000</u>

The Capital Outlay Bill, Section 3, also appropriates \$450,000 from the Game and Fish Capital Improvement Fund for hatchery improvements and renovations and for Deer Valley North Office complex improvements.

In addition, the Capital Outlay Bill, Section 3, appropriates \$675,000 from the Waterfowl Conservation Fund to acquire or develop migratory waterfowl habitat.

GAME AND FISH DEPARTMENT - ADMINISTRATIVE AND FIELD SERVICES A.R.S. 17-201  
 JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

GAME AND FISH FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>231.5</u>	<u>235.50</u>	<u>248.50</u>
Personal Services	<u>5,459,900</u>	<u>5,743,100</u>	<u>6,298,800</u>
Employee Related Exp.	<u>1,455,300</u>	<u>1,529,400</u>	<u>1,875,700</u>
Prof. & Outside Services	168,400	165,300	174,300
Travel - State	210,100	336,100	355,100
Travel - Out of State	12,300	13,900	13,900
Other Operating Exp.	2,484,200	2,542,100	2,756,100
Equipment	<u>431,900</u>	<u>727,400</u>	<u>1,019,900</u>
All Other Operating Exp.	<u>3,306,900</u>	<u>3,784,800</u>	<u>4,319,300</u>
OPERATION SUB-TOTAL	10,222,100	11,057,300	12,493,800
Commissioners' Reserve	2,100	35,000	35,000
State Matching Funds:			
Commercial Fisheries	5,000	6,700	-0-
Cooperative Wildlife and Fish Research	30,000	30,000	30,000 <sup>1/</sup>
Dingell-Johnson Act	833,300	700,000	617,800 <sup>1/</sup>
Pittman-Robertson Act	<u>611,400</u>	<u>735,000</u>	<u>851,200</u> <sup>1/</sup>
TOTAL APPROPRIATIONS	<u>11,703,900</u>	<u>12,564,000</u>	<u>14,027,800</u> <sup>2/</sup>
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	2,464,300	3,347,700	3,611,900
Add Revenues	<u>12,691,800</u>	<u>13,171,600</u>	<u>13,688,900</u>
TOTAL FUNDS AVAILABLE	15,156,100	16,519,300	17,300,800
Expenditures:			
Operating Expenditures	11,703,900	12,564,000	14,027,800
Capital Expenditures	<u>104,500</u>	<u>343,400</u>	<u>200,000</u> <sup>3/</sup>
SUB-TOTAL	<u>11,808,400</u>	<u>12,907,400</u>	<u>14,227,800</u>
Balance End of Fiscal Year	<u>3,347,700</u>	<u>3,611,900</u>	<u>3,073,000</u>

(Continued)

- <sup>1/</sup> Any part of this appropriation may be used for the purpose of matching federal and apportionment funds.
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.
- <sup>3/</sup> Includes \$85,000 appropriated from the Game and Fish Fund to the Department of Administration for Game and Fish Department building renewal.



GAME AND FISH DEPARTMENT - ADMINISTRATIVE AND FIELD SERVICES (Cont'd)  
GAME AND FISH FUND

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The approved amount includes \$210,600 in Personal Services and \$133,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$11,500 in Employee Related Expenditures for the increased retirement contribution.

The Game and Fish Department has undertaken a reorganization designed to allow more of its employees to be assigned to field, rather than office, duties. As a part of the reorganization, the Department requested that the Administrative Services and Field Services programs be combined into one appropriation. In previous years, these two programs were given separate appropriations. For FY 89, the Legislature has combined the programs. In the above table, the FY 87 and FY 88 totals also have been combined for comparison purposes.

Personal Services - The amount approved includes six new FTE positions paid for by a cost transfer from federal funds, and seven new FTE positions paid for by a cost transfer from the Watercraft Licensing Fund. All of the positions are Wildlife Managers, and will perform game management, boating law enforcement and wildlife research duties. The amount approved also includes vacancy savings of \$55,100.

Professional and Outside Services - The amount approved includes \$9,000 for increased data processing costs.

Travel - State - The amount approved includes \$19,000 in costs associated with the new employees.

Other Operating Expenses - The amount approved includes a 3.5 percent adjustment for inflation.

Equipment - The amount approved includes replacement equipment funding for 56 pickup trucks, five sedans, two house trailers, two boats, and one fish transport tank. In addition, three pickup trucks and three radios are funded for use by the new employees.

JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

WATERFOWL CONSERVATION FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
Travel - State	--	-0-	400
Other Operating Exp.	--	-0-	3,000
All Other Operating Exp.	--	-0-	3,400
<b>TOTAL APPROPRIATIONS</b>	<b>--</b>	<b>-0-</b>	<b>3,400</b> <sup>1/</sup>
<b>RECEIPTS, EXPENDITURES AND BALANCES FORWARD</b>			
Balance Beg. of Fiscal Year	--	-0-	604,000
Add Revenues	--	604,000	181,000
<b>TOTAL FUNDS AVAILABLE</b>	<b>--</b>	<b>604,000</b>	<b>785,000</b>
<b>Expenditures</b>			
Operating Expenditures	--	-0-	3,400
Capital Expenditures	--	-0-	675,000
<b>SUB-TOTAL</b>	<b>--</b>	<b>-0-</b>	<b>678,400</b>
Balance End of Fiscal Year	--	604,000	106,600

All Other Operating Expenditures - The appropriation is for expenses associated with research to increase the number of migratory waterfowl in the state. Chapter 313, Laws of 1986, established the Waterfowl Conservation Fund consisting of monies received from selling waterfowl stamps and associated artwork. The Game and Fish Commission may spend these monies, subject to appropriation, to develop the migratory waterfowl habitat in the state.

<sup>1/</sup> Represents General Appropriation Act Funds. Appropriated as one line, "All Other Operating Expenditures", for the program.

JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

WATERCRAFT LICENSING FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>27.5</u>	<u>27.5</u>	<u>25.5</u>
Personal Services	<u>402,100</u>	<u>464,600</u>	<u>418,600</u>
Employee Related Exp.	<u>99,900</u>	<u>122,400</u>	<u>120,500</u>
Prof. & Outside Services	16,100	24,200	29,200
Travel - State	11,200	17,300	13,800
Travel - Out of State	1,000	1,900	2,600
Other Operating Exp.	235,300	239,100	306,500
Equipment	<u>11,000</u>	<u>28,700</u>	<u>45,100</u>
All Other Operating Exp.	<u>274,600</u>	<u>311,200</u>	<u>397,200</u>
OPERATION SUB-TOTAL	776,600	898,200	936,300
Reimbursement to Game and Fish Fund	<u>125,000</u>	<u>125,000</u>	<u>359,500</u>
TOTAL APPROPRIATIONS	<u>901,600</u>	<u>1,023,200</u>	<u>1,295,800</u> <sup>1/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	456,100	485,900	650,700
Add Revenues	<u>931,400</u>	<u>1,188,000</u>	<u>1,198,000</u>
TOTAL FUNDS AVAILABLE	1,387,500	1,673,900	1,848,700
Expenditures:			
Operating Expenditures	901,600	1,023,200	1,295,800
Capital Expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
SUB-TOTAL	<u>901,600</u>	<u>1,023,200</u>	<u>1,295,800</u>
Balance End of Fiscal Year	<u>485,900</u>	<u>650,700</u>	<u>552,900</u>

The approved amount includes \$14,200 in Personal Services and \$8,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,100 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line item for the program. The objects of expenditure are shown for informational purposes only.

GAME AND FISH DEPARTMENT - WATERCRAFT (Cont'd)  
WATERCRAFT LICENSING FUND

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Personal Services - The approved amount reflects the transfer of four FTE positions to programs funded by the Game and Fish Fund, and the addition of two new FTE positions, a Boating Training Specialist and a Clerk-Typist II. The four transferred FTE positions are Wildlife Managers specializing in boating law enforcement. Under the agency's reorganization plan, the FTE hours will continue to be applied to boating law enforcement, but the four employees will be integrated into the overall Game and Fish Department field organization. The Boating Training Specialist and the Clerk-Typist II will be assigned to work on boating safety programs mandated by Chapter 228, Laws of 1987. The approved amount includes vacancy savings of \$4,600.

Professional and Outside Services - The approved amount includes \$5,000 for artist and layout design services for new boating education materials.

Travel - State - The approved amount includes a \$4,000 increase for the new Training Specialist and a \$7,500 decrease associated with the four transferred FTE positions.

Other Operating Expenses - The approved amount includes \$13,800 associated with the new employees; \$50,500 to print new boating education information; and a decrease of \$10,000 for costs associated with the transferred FTE positions.

Equipment - The approved amount includes funding for the purchase of a Suburban-type vehicle and an 18-foot boat for the new Training Specialist, audio-video equipment for the new employees, and computer port hook-ups for the regional offices.

Reimbursement to Game and Fish Fund - The approved amount includes \$134,500 to pay for the expenses of the four transferred FTE positions. Also, \$225,000 is appropriated for other boating law enforcement purposes.

GAME AND FISH DEPARTMENT -  
 GAME, NON-GAME, FISH AND ENDANGERED SPECIES

A.R.S. 17-201

JLBC Analyst: Flanders

Temple A. Reynolds, Director (Tel. 942-3000)

GAME, NON-GAME, FISH AND ENDANGERED SPECIES FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	5.0	5.0	4.0
Personal Services	116,600	127,100	112,500
Employee Related Exp.	29,700	31,100	29,500
Prof. & Outside Services	37,100	65,000	65,000
Travel - State	11,700	6,700	6,700
Travel - Out of State	2,100	2,800	2,800
Other Operating Exp.	51,800	47,300	48,300
Equipment	10,200	-0-	-0-
All Other Operating Exp.	112,900	121,800	122,800
OPERATION SUB-TOTAL	259,200	280,000	264,800
Cost Transfer	3,900	14,000	15,000
TOTAL APPROPRIATIONS	263,100	294,000	279,800 <sup>1/</sup>

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	404,500	369,100	290,800
Add Revenues	244,600	235,000	235,000
TOTAL FUNDS AVAILABLE	649,100	604,100	525,800
Expenditures:			
Operating Expenditures	263,100	294,000	279,800
Capital Expenditures	16,900	19,300	-0-
SUB-TOTAL	280,000	313,300	279,800
Balance End of Fiscal Year	369,100	290,800	246,000

The approved amount includes \$3,800 in Personal Services and \$2,200 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the deletion of one FTE position and \$25,700. This position, a Wildlife Specialist II, was transferred to a federally funded program.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line item for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Lee

Larry D. Fellows, Ph.D., Director (Tel. 621-7906)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	0.0	0.0	13.25
Personal Services	-0-	-0-	337,100
Employee Related Exp.	-0-	-0-	76,100
Travel - State	-0-	-0-	5,900
Travel - Out of State	-0-	-0-	4,500
Other Operating Exp.	-0-	-0-	93,900
Equipment	-0-	-0-	14,200
All Other Operating Exp.	-0-	-0-	118,500
<b>TOTAL APPROPRIATIONS</b>	<b>-0- <sup>1/</sup></b>	<b>-0- <sup>2/</sup></b>	<b>531,700 <sup>3/4/</sup></b>

The approved amount includes \$11,400 in Personal Services and \$6,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,100 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved provides funds for 13.25 FTE positions which includes the State Geologist, an Associate Research Geologist, two Assistant Research Geologists, an Administrative Assistant I, an Associate Editor, a Graphic Artist III, a Research Assistant II, a Research Equipment Technician, a Secretary II, 1.6 FTE Graduate Assistants, a Clerk Typist II, 0.25 Custodial Worker and 0.4 FTE position for temporary and student wages.

All Other Operating - The amount appropriated includes \$57,600 for lease and \$6,500 for utilities. Funds for insurance are included in the budget for the University of Arizona.

- 1/ The University of Arizona budget includes \$398,000 for the Arizona Geological Survey.
- 2/ The University of Arizona budget includes \$415,800 for the Arizona Geological Survey.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.
- 4/ Chapter 158, Laws of 1987, establishes the Arizona Geological Survey as an independent agency beginning July 1, 1988.

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND SUMMARY	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
<u>Program Summary</u>			
Administrative Services	1,967,400	2,095,000	1,554,400
Board of Appeals	36,400	43,300	42,500
Contracts and Records	722,300	824,300	981,600
Forestry Management	608,100	648,800	648,300
Natural Resources Management	1,794,100	1,773,600	1,802,100
Resource Analysis	880,700	934,100	976,500
Urban & Commercial Development	1,414,300	1,443,400	1,492,700
<b>TOTAL APPROPRIATIONS</b>	<b>7,423,300</b>	<b>7,762,500</b>	<b>7,498,100</b>
<u>Expenditure Detail</u>			
FTE Positions	159.0	155.0	153.0
Personal Services	3,942,700	4,121,200	4,183,800
Employee Related Exp.	791,000	797,800	939,100
Prof. & Outside Services	515,000	523,500	478,600
Travel - State	166,500	190,300	161,900
Travel - Out of State	3,900	2,400	2,400
Other Operating Exp.	1,117,400	1,152,100	1,129,100
Equipment	75,500	51,700	102,700
All Other Operating Exp.	1,878,300	1,920,000	1,874,700
<b>OPERATION SUB-TOTAL</b>	<b>6,612,000</b>	<b>6,839,000</b>	<b>6,997,600</b>
CAP User Fees	-0-	78,100	78,100
Water Rights Litigation	433,900	453,800	54,500
Water Right Fees	77,000	36,300	64,500
Litigation Expenses	17,900	70,000	45,000
Natural Resource Conservation Districts	145,000	149,800	134,800
Conservation Education	30,000	30,000	30,000
ADOT Mapping Services	40,500	40,500	-0-
Coyote Creek Watershed Matching Fund	67,000	-0-	75,000
Illegal Dump Supervision	-0-	25,600	18,600
Geological Subsidence Mapping	-0-	39,400	-0-
<b>TOTAL APPROPRIATIONS</b>	<b>7,423,300</b>	<b>7,762,500</b>	<b>7,498,100</b>

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	20.5	21.0	19.0
Personal Services	587,500	593,000	509,000
Employee Related Exp.	101,500	112,400	107,000
Prof. & Outside Services	600	-0-	-0-
Travel - State	20,200	22,900	21,200
Travel - Out of State	1,500	2,400	2,400
Other Operating Exp.	706,700	723,500	716,100
Equipment	20,600	2,600	11,100
All Other Operating Exp.	749,600	751,400	750,800
OPERATION SUB-TOTAL	1,438,600	1,456,800	1,366,800
Water Litigation Expenses	433,900	453,800	-0-
CAP User Fees	-0-	78,100	78,100
Water Right Fees	77,000	36,300	64,500
Litigation Expenses	17,900	70,000 <sup>1/</sup>	45,000
TOTAL APPROPRIATIONS	1,967,400	2,095,000	1,554,400 <sup>2/</sup>

The approved amount includes \$17,200 in Personal Services and \$10,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The amount approved reflects the transfer-out of a Natural Resources Manager III and \$27,300 to the Natural Resources Management Division, and a Natural Resources Manager III, a Natural Resources Manager II, a Title Examiner II, and \$78,900 to the Contracts and Records Division. The amount approved also reflects the transfer-in of a Legislative Liaison and \$29,100 from the Natural Resources Management Division, and a Clerk Typist II and \$12,500 from the Contracts and Records Division. In addition, vacancy savings of \$2,800 are included.

Equipment - The amount approved includes funding for the purchase of a word processor and other replacement items.

(Continued)

- <sup>1/</sup> Includes \$50,000 transferred into this line item in S.B. 1119 for litigation concerning the Streambed Act (Chapter 127, Laws of 1987).
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line items for the program. The objects of expenditure are shown for informational purposes only.



STATE LAND DEPARTMENT - ADMINISTRATIVE SERVICES (Cont'd)  
GENERAL FUND

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Water Litigation Expenses - This function has been transferred out of the Administrative Services Division. Of the 14 FTE positions previously associated with this function, 10 are now located in the Department of Law - Civil Division, two are now located in the Natural Resources Management Division of the State Land Department, and two have been eliminated.

Litigation Expenses - For fiscal year 1989, the appropriation includes \$25,000 for continuing litigation over the Streambed Act (Chapter 127, Laws of 1987).

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	1.0	1.0	1.0
Personal Services	24,300	26,900	27,700
Employee Related Exp.	5,200	5,700	6,400
Prof. & Outside Services	-0-	5,300	3,000
Travel - State	5,800	4,400	4,400
Other Operating Expenses	400	1,000	1,000
Equipment	700	-0-	-0-
All Other Operating Exp.	6,900	10,700	8,400
TOTAL APPROPRIATIONS	36,400	43,300	42,500 <sup>1/</sup>

The approved amount includes \$900 in Personal Services and \$500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$100 in Employee Related Expenditures for the increased retirement contribution.

Professional and Outside Services - The approved amount reflects a \$3,000 reduction from the original FY 88 appropriation.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	30.0	28.0	30.0
Personal Services	561,900	628,200	756,500
Employee Related Exp.	114,200	121,100	175,500
Prof. & Outside Services	4,300	18,500	7,900
Travel - State	8,000	6,900	9,000
Travel - Out of State	400	-0-	-0-
Other Operating Exp.	21,200	21,600	22,700
Equipment	12,300	28,000	10,000
All Other Operating Exp.	46,200	75,000	49,600
TOTAL APPROPRIATIONS	722,300	824,300	981,600 <sup>1/</sup>

The approved amount includes \$25,600 in Personal Services and \$14,900 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the transfer-in of a Title Examiner II FTE position, a Natural Resources Manager III FTE position, a Natural Resources Manager II FTE position and \$78,900 from the Administrative Services Division, and an Appraiser IV FTE position and \$46,500 from the Urban and Commercial Division. The approved amount also reflects the transfer-out of an Examiner Technician I FTE position and \$18,100 to the Natural Resources Management Division, and a Clerk Typist II FTE position and \$12,500 to the Administrative Services Division. In addition, vacancy savings of \$3,200 are included.

Professional and Outside Services - The approved amount includes a \$10,600 reduction for court reporting and engineering consultant services.

Equipment - The approved amount includes funding for a word processor and other office replacement items.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	18.0	18.0	16.0
Personal Services	499,400	518,800	493,200
Employee Related Exp.	108,700	112,500	114,300
Travel - State	-0-	5,100	4,700
Other Operating Exp.	-0-	12,400	6,400
Equipment	-0-	-0-	29,700
All Other Operating Exp.	-0-	17,500	40,800
<b>TOTAL APPROPRIATIONS</b>	<b>608,100</b>	<b>648,800</b>	<b>648,300</b> <sup>1/</sup>

The approved amount includes \$16,700 in Personal Services and \$9,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,700 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the deletion of two FTE positions, a Natural Resources Manager I and a Natural Resources Technician. In addition, vacancy savings of \$2,600 are included.

Other Operating Expenditures - The approved amount includes a reduction of \$6,000 for expenses associated with the two deleted positions.

Equipment - The approved amount includes funding for a pickup truck and other replacement items.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>45.5</u>	<u>43.0</u>	<u>40.0</u> <sup>1/</sup>
Personal Services	<u>1,133,700</u>	<u>1,114,900</u>	<u>1,066,900</u>
Employee Related Exp.	<u>238,300</u>	<u>215,600</u>	<u>246,500</u>
Prof. & Outside Services	4,200	4,500	4,500
Travel - State	114,600	123,200	98,700
Travel - Out of State	900	-0-	-0-
Other Operating Exp.	53,000	69,400	63,100
Equipment	<u>7,400</u>	<u>1,200</u>	<u>9,500</u>
All Other Operating Exp.	<u>180,100</u>	<u>198,300</u>	<u>175,800</u>
OPERATION SUB-TOTAL	1,552,100	1,528,800	1,489,200
Water Litigation Expenses	-0-	-0-	54,500
Natural Resource Conservation Districts	145,000	149,800	134,800
Geological Subsidence Mapping	-0-	39,400	-0-
Conservation Education	30,000	30,000	30,000
Illegal Dump Supervision	-0-	25,600	18,600
Coyote Creek Watershed Matching Fund	<u>67,000</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	<u>1,794,100</u>	<u>1,773,600</u>	<u>1,727,100</u> <sup>2/</sup>
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 285, Coyote Creek Watershed	<u>--</u>	<u>--</u>	<u>75,000</u>
TOTAL APPROPRIATIONS	<u>1,794,100</u>	<u>1,773,600</u>	<u>1,802,100</u>

The approved amount includes \$36,100 in Personal Services and \$21,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$3,600 in Employee Related Expenditures for the increased retirement contribution.

(Continued)

<sup>1/</sup> Does not include the two FTE positions authorized for the Water Litigation Expenses line item.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

STATE LAND DEPARTMENT - NATURAL RESOURCES MANAGEMENT (Cont'd)  
GENERAL FUND

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Personal Services - The approved amount reflects the transfer-out of an Engineering Land Mapping Supervisor FTE position, two Engineering Land Mapping Technician FTE positions, and \$74,300 to the Resource Analysis Division; a Public Information officer FTE position and \$20,500 to the Urban and Commercial Division; and a Legislative Liaison FTE position and \$29,100 to the Administrative Services Division. The approved amount also reflects the transfer-in of a Natural Resource Manager II FTE position and \$27,300 from the Administrative Services Division, and an Examiner Technician I FTE position and \$18,100 from the Contracts and Records Division. In addition, vacancy savings of \$5,600 are included.

Equipment - The approved amount includes funding to replace the division's two-way high-band radios and other equipment items.

Water Litigation - Two members of the Water Rights Adjudication Team have been transferred into the Natural Resources Management Division from the Administrative Services Division. The budget for the team for fiscal year 1989 is Personal Services - \$41,500, Employee Related Expenditures - \$11,000, and All Other Operating Expenditures - \$2,000. This amount includes \$2,400 to fund the general salary adjustment and the changes in health insurance premiums and the retirement contribution that were approved by the Legislature.

ADDITIONAL APPROPRIATIONS

S.B. 1126 (Chapter 285) - Appropriates \$75,000 from the General Fund to the State Land Department for disbursement to the Apache Natural Resource Conservation District. The district shall use the funds for administration of cost-share assistance to state land permittees within the Coyote Creek Watershed. The assistance shall be matched by a proportional contribution by the state land permittee. Erosion control priorities and related natural resource conservation management priorities shall be established and reevaluated by the Apache Natural Resource Conservation District on an annual basis and a cost-share contribution schedule prepared accordingly. In providing its proportional contribution, the state land permittee may include monies provided to it by any federal cost-share program. The state contribution shall not exceed ninety-five per cent nor be less than thirty-five per cent of the total for the erosion control or the resource management measure undertaken by the state land permittee. The maximum amount of the state cost-share monies available to a state land permittee within a single fiscal year is ten thousand dollars. The appropriation shall not lapse until the purposes for which the appropriation is made are accomplished or abandoned, except that any monies remaining unexpended or unencumbered on June 30, 1999 revert to the state general fund.

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	15.0	16.0	19.0
Personal Services	359,400	389,500	483,000
Employee Related Exp.	75,700	77,400	112,500
Prof. & Outside Services	189,200	178,000	84,000
Travel - State	100	900	1,900
Travel - Out of State	900	-0-	-0-
Other Operating Exp.	210,800	246,700	252,700
Equipment	4,100	1,100	42,400
All Other Operating Exp.	405,100	426,700	381,000
OPERATION SUB-TOTAL	840,200	893,600	976,500
ADOT Mapping Services	40,500	40,500	-0-
TOTAL APPROPRIATIONS	880,700	934,100	976,500 <sup>1/</sup>

The approved amount includes \$16,300 in Personal Services and \$9,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,600 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the transfer-in of an Engineering Land Mapping Supervisor FTE position, two Engineering Land Mapping Technician FTE positions, and \$74,300 from the Natural Resources Management Division. In addition, vacancy savings of \$2,000 are included.

Professional and Outside Services - The approved amount includes \$84,000 for consulting contracts concerning the modernization of the Land Department's data processing systems. In fiscal year 1988, the cost of these consulting contracts was \$174,000.

Equipment - The approved amount includes funding for the purchase of a 1.2 gigabyte disk drive and controller for the new data processing system.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

M. J. Hassell, State Land Commissioner (Tel. 255-4621)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>29.0</u>	<u>28.0</u>	<u>28.0</u>
Personal Services	<u>776,500</u>	<u>849,900</u>	<u>847,500</u>
Employee Related Exp.	<u>147,400</u>	<u>153,100</u>	<u>176,900</u>
Prof. & Outside Services	316,700	317,200	379,200
Travel - State	17,800	26,900	22,000
Travel - Out of State	200	-0-	-0-
Other Operating Exp.	125,300	77,500	67,100
Equipment	<u>30,400</u>	<u>18,800</u>	<u>-0-</u>
All Other Operating Exp.	<u>490,400</u>	<u>440,400</u>	<u>468,300</u>
TOTAL APPROPRIATIONS	<u>1,414,300</u>	<u>1,443,400</u>	<u>1,492,700</u> <sup>1/</sup>

The approved amount includes \$28,700 in Personal Services and \$16,700 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$2,900 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects the transfer-out of an Appraiser IV FTE position and \$46,500 to the Contracts and Records Division, and the transfer-in of a Public Information Officer II and \$20,500 from the Natural Resources Management Division. In addition, vacancy savings of \$4,200 are included.

Professional and Outside Services - The approved amount includes an increase of \$64,000 for contract appraisals.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The objects of expenditure are shown for informational purposes only.



JLBC Analyst: Bellgardt

Leroy E. Kissinger, Director (Tel. 255-3791)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	11.5	11.5	11.5
Personal Services	318,500	339,300	345,100
Employee Related Exp.	65,000	67,400	77,900
Travel - State	5,300	8,800	7,800
Travel - Out of State	-0-	1,500	1,500
Other Operating Exp.	34,100	34,800	32,900
Equipment	-0-	800	2,900
All Other Operating Exp.	39,400	45,900	45,100
TOTAL APPROPRIATIONS	422,900	452,600	468,100 <sup>1/</sup>

The approved amount includes \$11,700 in Personal Services and \$6,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,200 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Bellgardt

Daniel J. Brennan, Ph.D., Director (Tel. 255-5161)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>114,200</u>	<u>127,500</u>	<u>123,300</u>
Employee Related Exp.	<u>22,500</u>	<u>24,900</u>	<u>25,700</u>
Prof. & Outside Services	100	400	400
Travel - State	6,500	7,500	7,100
Travel - Out of State	400	600	2,500
Other Operating Exp.	21,000	24,500	29,100
Equipment	-0-	1,600	1,500
All Other Operating Exp.	<u>28,000</u>	<u>34,600</u>	<u>40,600</u>
TOTAL APPROPRIATIONS	<u>164,700</u>	<u>187,000</u>	<u>189,600</u> <sup>1/</sup>

The approved amount includes \$4,200 in Personal Services and \$2,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a lump sum for the agency. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Kenneth E. Travous, Director (Tel. 255-4174)

GENERAL FUND, STATE LAKE IMPROVEMENT

<u>FUND AND LAW ENFORCEMENT AND BOATING SAFETY FUND</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
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Program Summary

Administrative and Support Services	4,799,200	5,293,700	5,698,000
Outdoor Recreation Coordinating Commission	3,162,700	2,513,400	3,268,800
<b>TOTAL APPROPRIATIONS</b>	<b>7,961,900</b>	<b>7,807,100</b>	<b>8,966,800</b>

Expenditure Detail

FTE Positions	153.85	153.85	154.85
Personal Services	2,864,400	3,196,100	3,292,400
Employee Related Exp.	706,600	780,400	945,000
Prof. & Outside Services	28,600	118,000	58,100
Travel - State	47,200	46,000	46,200
Travel - Out of State	2,900	1,500	1,500
Other Operating Exp.	1,114,400	1,393,600	1,420,100
Equipment	331,300	141,800	231,400
All Other Operating Exp.	1,524,400	1,700,900	1,757,300
<b>OPERATION SUB-TOTAL</b>	<b>5,095,400</b>	<b>5,677,400</b>	<b>5,994,700</b>
Boating Law Enforcement	400,000	375,000	394,000
State Lake Imp. Fund	2,466,500	1,654,700	2,508,000
Statewide Lake Planning	--	100,000	-0-
Kartchner Caverns	--	--	55,100
Gatlin State Park	--	--	15,000
<b>TOTAL APPROPRIATIONS</b>	<b>7,961,900</b>	<b>7,807,100</b>	<b>8,966,800</b> <sup>1/</sup>
<u>Fund Summary</u>			
General Fund	4,799,200	5,293,700	5,698,000
State Lake Improvement Fund	2,762,700	2,138,400	2,874,800
Law Enforcement and Boating Safety Fund	400,000	375,000	394,000
<b>TOTAL APPROPRIATIONS</b>	<b>7,961,900</b>	<b>7,807,100</b>	<b>8,966,800</b>

<sup>1/</sup> Represents General Appropriation Act funds. The appropriation format varies by program. The objects of expenditure are shown for informational purposes only.

JLBC Analyst: Flanders

Kenneth E. Travous, Director (Tel. 255-4174)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	147.35	147.35	148.35
Personal Services	2,689,800	2,990,400	3,098,500
Employee Related Exp.	669,800	740,100	899,400
Prof. & Outside Services	24,900	80,000	5,000
Travel - State	34,600	34,600	34,700
Travel - Out of State	2,600	1,500	1,500
Other Operating Exp.	1,047,300	1,305,300	1,357,400
Equipment	330,200	141,800	231,400
All Other Operating Exp.	1,439,600	1,563,200	1,630,000
OPERATION SUB-TOTAL	4,799,200	5,293,700	5,627,900
Kartchner Caverns	--	--	55,100
Gatlin State Park	--	--	15,000
TOTAL APPROPRIATIONS	4,799,200	5,293,700	5,698,000 <sup>1/</sup>

The approved amount includes \$104,800 in Personal Services and \$61,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$10,500 in Employee Related Expenditures for the increased retirement contribution.

Personal Services - The approved amount reflects vacancy savings of \$92,600.

Kartchner Caverns - The approved amount includes funding for one new FTE position, a Park Operations Officer. This position is reflected in the FTE total in the above table.

#### ADDITIONAL LEGISLATION

Purchase of J.A.K. Property - S.B. 1188 (Chapter 29) - This legislation directs the State Parks Board to purchase and develop the Kartchner Caverns property with funds from the State Parks Acquisition and Development Fund. Hereafter, all collections of park user fees and concession fees shall be deposited in the State Parks Acquisition and Development Fund, instead of the State General Fund. For fiscal year 1989, such collections are expected to be approximately \$1.87 million.

<sup>1/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

STATE PARKS BOARD - ARIZONA OUTDOOR RECREATION  
COORDINATING COMMISSION

A.R.S. 41-511.25

JLBC Analyst: Flanders

Kenneth E. Travous, Director (Tel. 255-4174)

STATE LAKE IMPROVEMENT FUND AND LAW ENFORCEMENT AND BOATING SAFETY FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>6.5</u>	<u>6.5</u>	<u>6.5</u>
Personal Services	<u>174,600</u>	<u>205,700</u>	<u>193,900</u>
Employee Related Exp.	<u>36,800</u>	<u>40,300</u>	<u>45,600</u>
Prof. & Outside Services	3,700	38,000	53,100
Travel - State	12,600	11,400	11,500
Travel - Out of State	300	-0-	-0-
Other Operating Exp.	67,100	88,300	62,700
Equipment	1,100	-0-	-0-
All Other Operating Exp.	<u>84,800</u>	<u>137,700</u>	<u>127,300</u>
OPERATION SUB-TOTAL	296,200	383,700	366,800
Boating Law Enforcement	400,000	375,000	394,000 <sup>1/</sup>
State Lake Imp. Fund	2,466,500	1,654,700	2,508,000 <sup>2/</sup>
Statewide Lake Planning	--	100,000	-0-
TOTAL APPROPRIATIONS	<u>3,162,700</u>	<u>2,513,400</u>	<u>3,268,800</u> <sup>3/</sup>

The approved amount includes \$6,600 in Personal Services and \$3,800 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$700 in Employee Related Expenditures for the increased retirement contribution.

Professional and Outside Services - The approved amount includes funding for a River Corridor Study and for the development of a Rivers and Streams Guide.

(Continued)

- <sup>1/</sup> All monies distributed to the Law Enforcement and Boating Safety Fund during FY 1989 in excess of the amount shown above, are appropriated to the Arizona State Parks Board for the purposes established in Section 5-383, Arizona Revised Statutes.
- <sup>2/</sup> The appropriation is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations.
- <sup>3/</sup> Represents General Appropriation Act funds. Appropriated as a lump sum with detailed special line items for the program. The objects of expenditure are shown for informational purposes only.

STATE PARKS BOARD - ARIZONA OUTDOOR RECREATION  
COORDINATING COMMISSION (Cont'd)  
STATE LAKE IMPROVEMENT FUND  
AND LAW ENFORCEMENT AND  
BOATING SAFETY FUND

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State Lake Improvement Fund - The approved amount provides funding for the following projects recommended by the Arizona Outdoor Recreation Coordinating Commission:

Havasu Parking and Boat Ramp	\$ 209,825
Patagonia Lake Marina	269,100
Alamo Lake Ramp Extension II	240,600
Boulder Creek Picnic Site Rehab.	266,000
Pena Blanca Lake Boat Ramp	99,190
Lake Pleasant Patrol Boats	71,500
Granite Basin Lake	246,000
Beasley Flat River Access	205,613
Arrowhead Meadows Lake	277,720
Patria Flats Day Use Area	110,740
Becker Lake Restroom Facility	60,500
Central Park Picnic Area	128,196
Bartlett, Canyon, Saguaro Imp.	112,477
Encanto Park Restroom/Picnic Fac.	142,240
Luna Lake Campground	<u>68,275</u>
TOTAL	<u>\$2,507,976</u>

JLBC Analyst: Miller

Larry Linser, Acting Director (Tel. 255-1553)

<u>GENERAL FUND SUMMARY</u>	<u>Fiscal 87 Actual</u>	<u>Fiscal 88 Estimate</u>	<u>Fiscal 89 Approved</u>
<u>Program Summary</u>			
Administration	3,084,000	4,045,200	3,541,100
Engineering	2,606,600	3,251,000	3,103,000
Water Management	4,415,800	4,799,700	4,932,900
<b>TOTAL APPROPRIATIONS</b>	<b>10,106,400</b>	<b>12,095,900</b>	<b>11,577,000</b>
<u>Expenditure Detail</u>			
FTE Positions	217.2	223.2	223.2
Personal Services	5,436,900	5,864,400	6,101,400
Employee Related Exp.	1,107,400	1,124,100	1,425,800
Prof. & Outside Services	306,700	786,700	786,700
Travel - State	196,700	218,900	206,800
Travel - Out of State	21,400	25,000	25,400
Other Operating Exp.	1,657,500	2,091,500	2,017,700
Equipment	160,500	26,100	2,700
All Other Operating Exp.	2,342,800	3,148,200	3,039,300
<b>OPERATION SUB-TOTAL</b>	<b>8,887,100</b>	<b>10,136,700</b>	<b>10,566,500</b>
Special Line Items <sup>1/</sup>	1,219,300	1,369,200	1,010,500
<b>TOTAL</b>	<b>10,106,400</b>	<b>11,505,900</b>	<b>11,577,000</b>
Additional Appropriations	--	590,000	--
<b>TOTAL APPROPRIATIONS</b>	<b>10,106,400</b>	<b>12,095,900</b>	<b>11,577,000</b>

The approved amount includes \$219,700 in Personal Services and \$128,100 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$22,100 in Employee Related Expenditures for the increased retirement contribution.

<sup>1/</sup> The detail of these amounts is shown by program on the following pages.

JLBC Analyst: Miller

Larry Linser, Acting Director (Tel. 255-1553)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	47.0	47.0	47.0
Personal Services	1,288,300	1,302,500	1,388,200
Employee Related Exp.	242,800	234,200	309,600
Prof. & Outside Services	67,600	106,800	106,800
Travel - State	11,200	12,300	10,900
Travel - Out of State	3,000	7,000	7,400
Other Operating Exp.	1,426,500	1,792,400	1,718,200
Equipment	44,600	-0-	-0-
All Other Operating Exp.	1,552,900	1,918,500	1,843,300
TOTAL	3,084,000	3,455,200	3,541,100
Additional Appropriations - 38th Leg., 2nd Reg. Session			
Ch. 125, Supplemental Approp.	--	590,000	--
TOTAL APPROPRIATIONS	3,084,000	4,045,200	3,541,100 <sup>1/</sup>

The approved amount includes \$46,900 in Personal Services and \$27,400 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$4,700 in Employee Related Expenditures for the increased retirement contribution.

#### ADDITIONAL APPROPRIATIONS

Supplemental Appropriation - S.B. 1244 (Chapter 125) - This act appropriates \$590,000 from the General Fund to the Department of Water Resources for completion of the Capital Centre office building.

<sup>1/</sup> Represents General Appropriations Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.



DEPARTMENT OF WATER RESOURCES - ENGINEERING

A.R.S. 45-102

JLBC Analyst: Miller

Larry Linser, Acting Director (Tel. 255-1553)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	58.5	58.5	58.5 <sup>1/</sup>
Personal Services	1,464,000	1,546,900	1,641,300
Employee Related Exp.	299,700	297,400	390,800
Prof. & Outside Services	14,700	32,000	32,000
Travel - State	85,500	101,200	97,800
Travel - Out of State	10,600	8,500	8,500
Other Operating Exp.	73,900	73,200	98,400
Equipment	54,400	-0-	-0-
All Other Operating Exp.	239,100	214,900	236,700
OPERATION SUB-TOTAL	2,002,800	2,059,200	2,268,800
USGS Cooperative Agreement	299,900	299,900	219,600
Early Flood Warning System	89,200	100,000	100,000
Flood Control Plans Dev.	49,100	60,000	60,000
Pima - FCD	-0-	300,000	-0-
Apache County - FCD	21,600	-0-	-0-
Environmental Quality	144,000	431,900	454,600
TOTAL APPROPRIATIONS	2,606,600	3,251,000	3,103,000 <sup>2/</sup>

The approved amount includes \$55,500 in Personal Services and \$32,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$5,600 in Employee Related Expenditures for the increased retirement contribution.

*15 = 280,900 ; one 56,200*  
Environmental Quality - The approved amount includes \$9,500 in Personal Services and \$5,500 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$1,000 in Employee Related Expenditures for the increased retirement contribution.

LAND, BUILDINGS AND IMPROVEMENTS

H.B. 2151 (Chapter 291) - This act appropriates \$1,000,000 from the State General Fund to the Department of Water Resources for a flood control zone in Pima County for the Santa Cruz River Bank Protection Project.

S.B. 1157 (Chapter 287) - This act appropriates \$150,000 from the State General Fund to the Department of Water Resources for disbursement to the Apache County Flood Control District to repair and stabilize the river reservoir number 3 dam on the Little Colorado River and the Lyman Dam.

- <sup>1/</sup> Does not include ten FTE positions for Environmental Quality.
- <sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

1,150

JLBC Analyst: Miller

Larry Linser, Acting Director (Tel. 255-1553)

GENERAL FUND	Fiscal 87 Actual	Fiscal 88 Estimate	Fiscal 89 Approved
FTE Positions	<u>111.7</u>	<u>117.7</u>	<u>117.7</u> <sup>1/</sup>
Personal Services	<u>2,684,600</u>	<u>3,015,000</u>	<u>3,071,900</u>
Employee Related Exp.	<u>564,900</u>	<u>592,500</u>	<u>725,900</u>
Prof. & Outside Services	224,400	647,900	647,900
Travel - State	100,000	105,400	98,100
Travel - Out of State	7,800	9,500	9,500
Other Operating Exp.	157,100	225,900	201,100
Equipment	61,500	26,100	2,700
All Other Operating Exp.	<u>550,800</u>	<u>1,014,800</u>	<u>959,300</u>
OPERATION SUB-TOTAL	3,800,300	4,622,300	4,757,100
Water Logging Problems	122,900	17,000	-0-
Groundwater Recharge	70,000	160,400	175,800
Groundwater Exportation	97,600	-0-	-0-
Rio Salado	<u>325,000</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>4,415,800</u>	<u>4,799,700</u>	<u>4,932,900</u> <sup>2/</sup>

The approved amount includes \$103,900 in Personal Services and \$60,600 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$10,400 in Employee Related Expenditures for the increased retirement contribution.

Groundwater Recharge - The approved amount includes \$3,900 in Personal Services and \$2,300 in Employee Related Expenditures for salary increases and higher health insurance premiums, and an increase of \$400 in Employee Related Expenditures for the increased retirement contribution. *15-115,300 also 23,000*

<sup>1/</sup> Does not include four FTE positions for Groundwater Recharge.

<sup>2/</sup> Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The objects of expenditure are shown for informational purposes only.

GENERAL FUND

SUMMARY COSTS OF EMPLOYEE PAY PACKAGE  
AND INCREASED RETIREMENT CONTRIBUTION

FISCAL YEAR 1989

GENERAL FUND

	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>OVER (UNDER)</u>
General Salary Adjustment (3.5%):			
Personal Services	\$26,804,000	\$27,099,300	\$ 295,300
Employee Related Expenditures	3,752,600	3,454,900	(297,700)
TOTAL - GENERAL ADJUSTMENT	<u>30,556,600</u>	<u>30,554,200</u>	<u>(2,400)</u>
Health Insurance Increase	<u>12,500,000</u>	<u>12,430,800</u>	<u>(69,200)</u>
TOTAL PAY PACKAGE	43,056,600	42,985,000	(71,600)
Retirement Contribution Increase - 0.34%			
State Employees	1,869,700	1,844,400	(25,300)
Teachers (including Community Colleges)	<u>5,134,800</u>	<u>5,134,800</u>	<u>-0-</u>
TOTAL - RETIREMENT CONTRIBUTION INCREASE	7,004,500	6,979,200	(25,300)
Inequity Adjustments	<u>2,241,800</u>	<u>2,241,800</u>	<u>-0-</u>
TOTAL COST	<u>\$52,302,900</u>	<u>\$52,206,000</u>	<u>\$ (96,900)</u>

GENERAL FUND  
APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989

Agency/Program	PERSONAL SERVICES		EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<b>GENERAL GOVERNMENT</b>							
<b>DEPARTMENT OF ADMINISTRATION</b>							
Office of the Director	9,500	1,200	4,300	1,000	6,500	16,000	
Hearing Office*	900	100	400	100	600	1,500	
Executive Budget Office	19,900	2,500	9,100	2,000	13,600	33,500	
Data Management	44,300	5,600	20,200	4,500	30,300	74,600	
Personnel	100,900	12,900	46,000	10,100	69,000	169,900	
Finance	72,700	9,300	33,100	7,300	49,700	122,400	
GAAP*	10,500	1,300	4,800	1,100	7,200	17,700	
SLIAG*	1,200	100	600	100	800	2,000	
Facilities Management	153,900	19,600	70,100	15,500	105,200	259,100	
<b>TOTAL - DEPARTMENT OF ADMINISTRATION</b>	<b>413,800</b>	<b>52,600</b>	<b>188,600</b>	<b>41,700</b>	<b>282,900</b>	<b>696,700</b>	
PERSONNEL BOARD	2,600	300	1,200	300	1,800	4,400	
<b>ATTORNEY GENERAL - DEPT. OF LAW</b>							
Administration	50,000	6,400	23,800	5,300	35,500	85,500	
Special Litigation*	6,200 - 18,330	800	2,800	600	4,200	10,400	
Elderly Abuse Project*	1,100 - 52,150	100	500	100	700	1,800	
Antitrust	8,900	1,100	4,100	900	6,100	15,000	
Civil	81,700	10,400	37,300	8,200	55,900	137,600	
Water Litigation Expense*	21,000 - 621,000	2,700	9,600	2,100	14,400	35,400	
Environmental Quality*	6,800 - 201,100	900	3,100	700	4,700	11,500	
Civil Rights	13,400	1,700	6,100	1,400	9,200	22,600	
Criminal	46,500	5,900	21,200	4,700	31,800	78,300	
Financial Fraud	54,800	7,000	24,900	5,500	37,400	92,200	
Organized Crime	54,700	7,000	24,900	5,500	37,400	92,100	
Environmental Quality*	8,300 - 245,400	1,100	3,800	800	5,700	14,000	
Solicitor General	7,300	1,000	3,300	700	5,000	12,300	
Special Investigations	51,800	6,600	23,600	5,200	35,400	87,200	
Tax	32,000	4,100	14,600	3,200	21,900	53,900	
<b>TOTAL - ATTORNEY GENERAL - DEPARTMENT OF LAW</b>	<b>444,500</b>	<b>56,800</b>	<b>203,600</b>	<b>44,900</b>	<b>305,300</b>	<b>749,800</b>	
COURT OF APPEALS - DIVISION I	74,200	9,500	47,700	10,500	67,700	141,900	
COURT OF APPEALS - DIVISION II	29,000	3,700	19,900	4,400	28,000	57,000	
<b>SUPERIOR COURTS</b>							
Probation-State Aid*	-0-	-0-	56,000	-0-	56,000	56,000	
Probation Enhancement*	47,100	6,000	21,400	4,700	32,100	79,200	
I.P.S. - Adult*	201,800	25,700	91,900	20,300	137,900	339,700	
JIPS*	141,600	18,100	64,500	14,200	96,800	238,400	
	72,300	9,200	32,900	7,300	49,400	121,700	
<b>TOTAL - SUPERIOR COURTS</b>	<b>462,800</b>	<b>59,000</b>	<b>266,700</b>	<b>46,500</b>	<b>372,200</b>	<b>835,000</b>	

\* Represents special line item appropriation.

(Continued)

GENERAL FUND  
 APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
 (Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<u>GENERAL GOVERNMENT (Cont'd)</u>						
SUPREME COURT	80,200	10,200	42,400	9,300	61,900	142,100
FOSTER CARE REVIEW BOARD	15,800	2,000	7,200	1,600	10,800	26,600
OFFICE OF THE GOVERNOR	59,500	7,600	27,100	6,000	40,700	100,200
GOVERNOR - OFFICE OF AFFIRMATIVE ACTION	5,000	600	2,300	500	3,400	8,400
DEPARTMENT OF COMMERCE	43,800	5,600	19,900	4,400	29,900	73,700
Rural Community Development*	12,100	1,500	5,600	1,200	8,300	20,400
TOTAL - DEPARTMENT OF COMMERCE	55,900	7,100	25,500	5,600	38,200	94,100
TOURISM, OFFICE OF	14,800	1,900	6,700	1,500	10,100	24,900
LAW ENFORCEMENT MERIT SYSTEM COUNCIL	900	100	400	100	600	1,500
SENATE	80,200	10,200	36,500	8,100	54,800	135,000
HOUSE OF REPRESENTATIVES	81,900	10,500	37,300	8,200	56,000	137,900
LEGISLATIVE COUNCIL	37,400	4,800	17,000	3,800	25,600	63,000
JOINT LEGISLATIVE BUDGET COMMITTEE	15,000	1,500	16,300	3,600	21,400	36,400
AUDITOR GENERAL	156,100	19,900	71,100	15,700	106,700	262,800
LIBRARY, ARCHIVES & PUBLIC RECORDS	74,900	9,600	34,100	7,500	51,200	126,100
DEPARTMENT OF REVENUE						
Director's Office	14,700	1,900	6,600	1,500	10,000	24,700
Administrative Services	58,100	7,400	26,500	5,800	39,700	97,800
Data Management	169,300	21,600	77,100	17,000	115,700	285,000
Tax Policy	40,800	5,200	18,600	4,100	27,900	68,700
Tax Compliance	156,900	20,000	71,400	15,800	107,200	264,100
Revenue Enforcement	155,300	19,800	70,700	15,600	106,100	261,400
Property Valuation	64,100	8,200	29,200	6,400	43,800	107,900
TOTAL - DEPARTMENT OF REVENUE	659,200	84,100	300,100	66,200	450,400	1,109,600
DEPARTMENT OF STATE - SECRETARY OF STATE	18,200	2,300	9,100	2,000	13,400	31,600
STATE BOARD OF TAX APPEALS	7,600	1,000	4,000	900	5,900	13,500

(Continued)

345

\* Represents special line item appropriation.

GENERAL FUND  
APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
(Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<b>GENERAL GOVERNMENT (Cont'd)</b>						
STATE TREASURER	25,900	3,300	12,500	2,800	18,600	44,500
COMMISSION ON UNIFORM STATE LAWS	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL - GENERAL GOVERNMENT</b>	<u>2,815,400</u>	<u>358,600</u>	<u>1,377,300</u>	<u>291,700</u>	<u>2,027,600</u>	<u>4,843,000</u>
<b>HEALTH &amp; WELFARE</b>						
COUNCIL FOR THE HEARING IMPAIRED	2,800	400	1,200	300	1,900	4,700
<b>DEPARTMENT OF ECONOMIC SECURITY</b>						
Administration	290,200	37,000	132,200	29,200	198,400	488,600
Developmental Disabilities	445,800	56,800	203,100	44,800	304,700	750,500
Long Term Care	207,000	26,400	94,300	20,800	141,500	348,500
Family Support	443,400	56,500	201,900	44,600	303,000	746,400
Social Services	436,600	55,700	198,800	43,900	298,400	735,000
Employment and Rehabilitation Services	52,400	6,700	23,900	5,300	35,900	88,300
<b>TOTAL - DEPARTMENT OF ECONOMIC SECURITY</b>	<u>1,875,400</u>	<u>239,100</u>	<u>854,200</u>	<u>188,600</u>	<u>1,281,900</u>	<u>3,157,300</u>
DEPARTMENT OF ENVIRONMENTAL QUALITY	217,800	27,800	99,200	21,900	148,900	366,700
<b>DEPARTMENT OF HEALTH SERVICES</b>						
Emergency Medical Services	68,800	8,800	31,300	6,900	47,000	115,800
Disease Control	55,700	7,100	25,400	5,600	38,100	93,800
Family Health	58,600	7,500	26,600	5,900	40,000	98,600
Behavioral Health	717,200	91,500	326,600	72,100	490,200	1,207,400
Transitional Living*	10,200	1,300	4,700	1,000	7,000	17,200
Office of the Director	140,600	17,900	64,100	14,100	96,100	236,700
Laboratory	45,900	5,900	20,900	4,600	31,400	77,300
<b>TOTAL - DEPARTMENT OF HEALTH SERVICES</b>	<u>1,097,000</u>	<u>140,000</u>	<u>499,600</u>	<u>110,200</u>	<u>749,800</u>	<u>1,846,800</u>
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	304,500	38,800	138,700	30,600	208,100	512,600
COMMISSION ON INDIAN AFFAIRS	3,500	400	1,600	400	2,400	5,900
PIONEER HOME	67,700	8,600	30,900	6,800	46,300	114,000
<b>VETERAN'S SERVICES COMMISSION</b>						
Veterans' Affairs	15,300	1,900	7,000	1,500	10,400	25,700
<b>TOTAL - HEALTH AND WELFARE</b>	<u>3,584,000</u>	<u>457,000</u>	<u>1,632,400</u>	<u>360,300</u>	<u>2,449,700</u>	<u>6,033,700</u>

\* Represents special line item appropriation.

(Continued)

GENERAL FUND  
APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
(Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<u>INSPECTION AND REGULATION</u>						
DEPARTMENT OF WEIGHTS AND MEASURES	28,000	3,600	12,800	2,800	19,200	47,200
AGRICULTURAL EMPLOYMENT RELATIONS BOARD	3,800	500	1,800	400	2,700	6,500
<u>COMMISSION OF AGRICULTURAL &amp; HORTICULTURE</u>						
Office of the Director	7,800	1,000	3,600	800	5,400	13,200
Market News Service*	900 <i>76,600</i>	100	400	100	600	1,500
Environmental Quality*	2,600 <i>76,500</i>	300	1,200	300	1,800	4,400
Field Operations	116,400	14,800	53,000	11,700	79,500	195,900
Environmental Quality*	1,400 <i>41,400</i>	200	600	100	900	2,300
TOTAL - COMMISSION OF AGRICULTURAL & HORT.	129,100	16,400	58,800	13,000	88,200	217,300
RADIATION REGULATORY AGENCY: Evaluation and Compliance	26,900	3,400	12,300	2,700	18,400	45,300
BANKING DEPARTMENT	65,200	8,300	30,800	6,800	45,900	111,100
REGISTRAR OF CONTRACTORS	77,000	9,800	35,100	7,700	52,600	129,600
<u>CORPORATION COMMISSION</u>						
Administration	31,200	4,000	16,500	3,600	24,100	55,300
Corporations	21,800	2,800	9,900	2,200	14,900	36,700
Securities	37,500	4,700	17,100	3,800	25,600	63,100
Railroad Safety	7,200	900	3,300	700	4,900	12,100
TOTAL - CORPORATION COMMISSION	97,700	12,400	46,800	10,300	69,500	167,200
DAIRY COMMISSIONER	6,000	800	3,300	700	4,800	10,800
DEPARTMENT OF INSURANCE	52,400	6,700	23,800	5,300	35,800	88,200
DEPARTMENT OF LIQUOR LICENSES & CONTROL	42,400	5,400	19,400	4,300	29,100	71,500
<u>LIVESTOCK BOARD</u>						
Administrative Services	11,600	1,500	5,300	1,200	8,000	19,600
Animal Disease Control	3,800	500	1,700	400	2,600	6,400
Livestock Inspection	46,000	5,900	20,900	4,600	31,400	77,400
Meat and Poultry Inspection	21,000	2,700	9,500	2,100	14,300	35,300
TOTAL - LIVESTOCK BOARD	82,400	10,600	37,400	8,300	56,300	138,700
STATE MINE INSPECTOR	13,900	1,800	6,900	1,500	10,200	24,100

(Continued)

\* Represents special line item appropriation.

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GENERAL FUND  
 APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
 (Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<u>INSPECTION AND REGULATION (Cont'd)</u>						
DEPARTMENT OF BUILDING & FIRE SAFETY	56,800	7,200	25,900	5,700	38,800	95,600
DEPARTMENT OF RACING Commercial Racing	40,900	5,200	18,700	4,100	28,000	68,900
REAL ESTATE DEPARTMENT	55,000	7,000	25,100	5,500	37,600	92,600
BOXING COMMISSION	1,100	100	600	100	800	1,900
<b>TOTAL - INSPECTION AND REGULATION</b>	<b>778,600</b>	<b>99,200</b>	<b>359,500</b>	<b>79,200</b>	<b>537,900</b>	<b>1,316,500</b>
<u>EDUCATION</u>						
ARIZONA BOARD OF REGENTS	50,800	6,500	23,200	5,100	34,800	85,600
UNIVERSITY OF ARIZONA						
Main Campus	4,418,000	563,300	2,011,900	312,600	2,887,800	7,305,800
Agriculture*	844,700	107,700	384,700	59,600	552,000	1,396,700
College of Medicine	788,500	100,500	359,100	40,500	500,100	1,288,600
Clinical Teaching Support*	153,900	19,600	70,100	15,500	105,200	259,100
<b>TOTAL - UNIVERSITY OF ARIZONA</b>	<b>6,205,100</b>	<b>791,100</b>	<b>2,825,800</b>	<b>428,200</b>	<b>4,045,100</b>	<b>10,250,200</b>
ARIZONA STATE UNIVERSITY						
Main Campus	4,720,800	601,900	2,149,900	256,600	3,008,400	7,729,200
West Campus	228,700	29,200	104,100	12,000	145,300	374,000
<b>TOTAL - ARIZONA STATE UNIVERSITY</b>	<b>4,949,500</b>	<b>631,100</b>	<b>2,254,000</b>	<b>268,600</b>	<b>3,153,700</b>	<b>8,103,200</b>
NORTHERN ARIZONA UNIVERSITY	1,559,400	198,800	710,200	105,700	1,014,700	2,574,100
COMMUNITY COLLEGES BOARD						
Operating Budget	11,800	1,500	5,600	1,200	8,300	20,100
State Aid	-0-	-0-	-0-	415,000	415,000	415,000
<b>TOTAL - COMMUNITY COLLEGES BOARD</b>	<b>11,800</b>	<b>1,500</b>	<b>5,600</b>	<b>416,200</b>	<b>423,300</b>	<b>435,100</b>
DEPARTMENT OF EDUCATION						
State Board of Education	1,700	200	700	200	1,100	2,800
General Services Administration	142,800	18,200	65,800	14,500	98,500	241,300
Special Education Audit*	4,700	600	2,100	500	3,200	7,900
Vocational Education	30,000	3,800	13,700	3,000	20,500	50,500
Assistance to Schools						
Basic State Aid*	-0-	-0-	-0-	4,719,800	4,719,800	4,719,800
Chemical Abuse*	2,200	300	1,000	200	1,500	3,700
Arizona Teacher Residency Program*	1,500	200	700	100	1,000	2,500
Academic Decathlon*	1,600	200	700	200	1,100	2,700
<b>TOTAL - DEPARTMENT OF EDUCATION</b>	<b>184,500</b>	<b>23,500</b>	<b>84,700</b>	<b>4,738,500</b>	<b>4,846,700</b>	<b>5,031,200</b>

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4551,000

139,000

15,100  
10,400  
4,700



GENERAL FUND  
APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
(Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<u>EDUCATION (Cont'd)</u>						
SCHOOL FOR THE DEAF AND THE BLIND	80,500	10,300	36,600	8,100	55,000	135,500
Phoenix Day School	36,600	4,600	16,700	3,700	25,000	61,600
ADTEC	224,900	28,700	102,400	22,600	153,700	378,600
Tucson Campus						
TOTAL - SCHOOL FOR THE DEAF & THE BLIND	342,000	43,600	155,700	34,400	233,700	575,700
ARIZONA COMMISSION ON THE ARTS	10,300	1,300	4,700	1,000	7,000	17,300
ARIZONA HISTORICAL SOCIETY	34,900	4,400	15,900	3,500	23,800	58,700
PRESCOTT HISTORICAL SOCIETY	10,600	1,400	4,800	1,100	7,300	17,900
TOTAL - EDUCATION	<u>13,358,900</u>	<u>1,703,200</u>	<u>6,084,600</u>	<u>6,002,300</u>	<u>13,790,100</u>	<u>27,149,000</u>
<u>PROTECTION AND SAFETY</u>						
349 DEPARTMENT OF CORRECTIONS	2,894,300	369,000	1,329,100	38,300	1,736,400	4,630,700
Adult Institutions	448,700	57,200	204,400	20,800	282,400	731,100
Human Resources and Development	497,200	63,400	227,500	42,400	333,300	830,500
Juvenile Services	167,100	21,300	76,100	11,900	109,300	276,400
Administration	60,500	7,700	27,600	3,300	38,600	99,100
Correctional Industries	145,500	18,500	66,300	3,600	88,400	233,900
Adult Community Services						
TOTAL - DEPARTMENT OF CORRECTIONS	4,213,300	537,100	1,931,000	120,300	2,588,400	6,801,700
DEPARTMENT OF EMERGENCY & MILITARY AFFAIRS						
Emergency Services	12,700	1,600	5,800	1,300	8,700	21,400
Military Affairs	35,400	4,500	17,000	3,700	25,200	60,600
TOTAL - DEPARTMENT OF EMER. & MIL. AFFAIRS	48,100	6,100	22,800	5,000	33,900	82,000
BOARD OF PARDONS & PAROLES	26,200	3,300	16,800	3,700	23,800	50,000
DEPARTMENT OF PUBLIC SAFETY:						
Criminal Investigation Bureau	317,800	40,500	135,400	5,000	180,900	498,700
Highway Patrol Bureau	787,200	100,400	343,600	10,900	454,900	1,242,100
Administration Bureau	220,100	28,100	98,600	13,900	140,600	360,700
Criminal Justice Support Bureau	185,800	23,700	82,100	10,300	116,100	301,900
Telecommunications Bureau	265,500	33,900	119,600	26,700	180,200	445,700
TOTAL - DEPARTMENT OF PUBLIC SAFETY	1,776,400	226,600	779,300	66,800	1,072,700	2,849,100
TOTAL - PROTECTION AND SAFETY	<u>6,064,000</u>	<u>773,100</u>	<u>2,749,900</u>	<u>195,800</u>	<u>3,718,800</u>	<u>9,782,800</u>

(Continued)

\* Represents special line item appropriation.

GENERAL FUND  
 APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
 (Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<b>TRANSPORTATION</b>						
DEPARTMENT OF TRANSPORTATION						
Public Transit Division	1,500	200	700	100	1,000	2,500
TOTAL - TRANSPORTATION	1,500	200	700	100	1,000	2,500
<b>NATURAL RESOURCES</b>						
ARIZONA GEOLOGICAL SURVEY	11,400	1,500	5,200	1,100	7,800	19,200
COMMISSION ON THE ARIZONA ENVIRONMENT	2,200	300	1,000	200	1,500	3,700
<b>STATE LAND DEPARTMENT</b>						
Administrative Services	17,200	2,200	7,900	1,700	11,800	29,000
Board of Appeals	900	100	400	100	600	1,500
Contracts and Records	25,600	3,300	11,600	2,600	17,500	43,100
Forestry Management	16,700	2,100	7,600	1,700	11,400	28,100
Natural Resources Management	36,100	4,600	16,500	3,600	24,700	60,800
Water Litigation Transfer*	1,400	200	700	100	1,000	2,400
Resource Analysis	16,300	2,100	7,500	1,600	11,200	27,500
Urban and Commercial	28,700	3,600	13,100	2,900	19,600	48,300
TOTAL - STATE LAND DEPARTMENT	142,900	18,200	65,300	14,300	97,800	240,700
DEPARTMENT OF MINES & MINERAL RESOURCES	11,700	1,500	5,300	1,200	8,000	19,700
OIL & GAS CONSERVATION COMMISSION	4,200	600	1,900	400	2,900	7,100
<b>STATE PARKS BOARD</b>						
Administration & Support Services	104,800	13,400	47,700	10,500	71,600	176,400
<b>DEPARTMENT OF WATER RESOURCES</b>						
Administration	46,900	6,000	21,400	4,700	32,100	79,000
Engineering	55,500	7,100	25,200	5,600	37,900	93,400
Environmental Quality*	9,500	1,200	4,300	1,000	6,500	16,000
Water Management	103,900	13,300	47,300	10,400	71,000	174,900
Groundwater Recharge*	3,900	500	1,800	400	2,700	6,600
TOTAL - DEPARTMENT OF WATER RESOURCES	219,700	28,100	100,000	22,100	150,200	369,900
TOTAL - NATURAL RESOURCES	496,900	63,600	226,400	49,800	339,800	836,700
TOTAL - GENERAL FUND	27,099,300	3,454,900	12,430,800	6,979,200	22,864,900	49,964,200

\* Represents special line item appropriation.

OTHER FUNDS  
SUMMARY COSTS OF EMPLOYEE PAY PACKAGE  
AND INCREASED RETIREMENT CONTRIBUTION  
FISCAL YEAR 1989

	<u>OTHER FUNDS</u>		
	<u>ESTIMATED</u>	<u>ACTUAL</u>	<u>OVER (UNDER)</u>
General Salary Adjustment (3.5%):			
Personal Services	\$ 3,518,300	\$ 3,465,600	\$ (52,700)
Employee Related Expenditures	492,600	451,800	(40,800)
TOTAL - GENERAL ADJUSTMENT	<u>4,010,900</u>	<u>3,917,400</u>	<u>(93,500)</u>
Health Insurance Increase	<u>1,638,500</u>	<u>1,582,400</u>	<u>(56,100)</u>
351 TOTAL PAY PACKAGE	5,649,400	5,499,800	(149,600)
Retirement Contribution Increase - 0.34%	341,800	337,600	(4,200)
Inequity Adjustments	<u>200,000</u>	<u>200,000</u>	<u>-0-</u>
TOTAL COST	<u>\$ 6,191,200</u>	<u>\$ 6,037,400</u>	<u>\$(153,800)</u>

OTHER FUNDS  
APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<u>GENERAL GOVERNMENT</u>						
STATE RETIREMENT SYSTEM	46,700	6,000	21,200	4,700	31,900	78,600
TOTAL GENERAL GOVERNMENT	46,700	6,000	21,200	4,700	31,900	78,600
<u>HEALTH AND WELFARE</u>						
<u>DEPARTMENT OF ECONOMIC SECURITY</u>						
Child Protective Services Training Administration	4,200	500	2,000	400	2,900	7,100
Public Assistance Collections*	1,900	200	900	200	1,300	3,200
TOTAL - DEPARTMENT OF ECONOMIC SECURITY	6,100	700	2,900	600	4,200	10,300
<u>VETERANS' SERVICE COMMISSION</u>						
Veteran's Conservatorship	8,000	1,000	3,700	800	5,500	13,500
TOTAL - HEALTH AND WELFARE	14,100	1,700	6,600	1,400	9,700	23,800
<u>INSPECTION AND REGULATION</u>						
<u>COMMISSION OF AGRICULTURE AND HORTICULTURE</u>						
State Chemist	10,000	1,300	4,500	1,000	6,800	16,800
Fruit and Vegetable Standardization	13,100	1,700	5,900	1,300	8,900	22,000
TOTAL - COMMISSION OF AGRICULTURE AND HORT.	23,100	3,000	10,400	2,300	15,700	38,800
<u>RADIATION REGULATORY AGENCY:</u>						
Medical Radiologic Technology Bd. of Examiner	1,800	200	900	200	1,300	3,100
<u>CORPORATION COMMISSION</u>						
Utilities	80,500	10,300	36,600	8,100	55,000	135,500
Legal Division	18,300	2,300	8,400	1,800	12,500	30,800
TOTAL - CORPORATION COMMISSION	98,800	12,600	45,000	9,900	67,500	166,300
<u>INDUSTRIAL COMMISSION</u>						
Administration	27,500	3,500	13,100	2,900	19,500	47,000
Claims	47,000	6,000	21,400	4,700	32,100	79,100
Administrative Law Judge	55,600	7,100	25,300	5,600	38,000	93,600
Labor	7,400	900	3,400	700	5,000	12,400
Occupational Safety and Health	31,500	4,000	14,300	3,200	21,500	53,000
Special Fund	9,500	1,200	4,300	1,000	6,500	16,000
Legal	12,500	1,600	5,600	1,300	8,500	21,000
TOTAL - INDUSTRIAL COMMISSION	191,000	24,300	87,400	19,400	131,100	322,100

\* Represents special line item appropriation.

(Continued)

OTHER FUNDS  
APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
(Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
INSPECTION AND REGULATION (Cont'd)						
RESIDENTIAL UTILITY CONSUMER OFFICE	13,100	1,700	6,000	1,300	9,000	22,100
PRIVATE POSTSECONDARY EDUCATION BOARD	2,400	300	1,100	300	1,700	4,100
BOARD OF ACCOUNTANCY	5,900	800	2,800	600	4,200	10,100
BOARD OF BARBER EXAMINERS	2,700	300	1,300	300	1,900	4,600
CHIROPRACTIC EXAMINERS BOARD	2,700	400	1,300	300	2,000	4,700
BOARD OF COSMETOLOGY	9,100	1,200	4,200	900	6,300	15,400
BOARD OF DENTAL EXAMINERS	6,000	800	3,000	600	4,400	10,400
EKG INSPECTION BOARD	4,200	600	1,900	400	2,900	7,100
BOARD OF FUNERAL DIRECTORS AND EMBALMERS	1,500	200	800	200	1,200	2,700
Central Boards Office	400	100	200	-0-	300	700
TOTAL - FUNERAL DIRECTORS & EMBALMERS BOARD	1,900	300	1,000	200	1,500	3,400
HOMEOPATHIC MEDICAL EXAMINERS BOARD	-0-	-0-	-0-	-0-	-0-	-0-
Central Boards Office	100	-0-	-0-	-0-	-0-	100
TOTAL - HOMEOPATHIC MEDICAL EXAMINERS BOARD	100	-0-	-0-	-0-	-0-	100
MEDICAL EXAMINERS BOARD	26,800	3,400	12,600	2,800	18,800	45,600
AG Interagency Agreement*	<del>3,800</del>	500	1,700	400	2,600	6,400
TOTAL - MEDICAL EXAMINERS BOARD	30,600	3,900	14,300	3,200	21,400	52,000
NATUROPATHIC PHYSICIANS EXAM. BOARD	-0-	-0-	-0-	-0-	-0-	-0-
Central Boards Office	300	100	100	-0-	200	500
TOTAL - NATUROPATHIC PHYSICIANS EXAM. BOARD	300	100	100	-0-	200	500
BOARD OF NURSING	15,900	2,000	7,700	1,700	11,400	27,300
NURSING CARE INST. ADMIN. BOARD	600	100	300	100	500	1,100
Central Boards Office	200	-0-	100	-0-	100	300
TOTAL - NURSING CARE INST. ADMIN. BOARD	800	100	400	100	600	1,400

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(Continued)

\* Represents special line item appropriation.

OTHER FUNDS  
 APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
 (Continued)

Agency/Program	PERSONAL SERVICES		EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88		General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
INSPECTION AND REGULATION (Cont'd)							
BOARD OF DISPENSING OPTICIANS	700		100	400	100	600	1,300
Central Boards Office	<u>200</u> <i>5,900 ✓</i>		<u>-0-</u>	<u>100</u>	<u>-0-</u>	<u>100</u>	<u>300</u>
TOTAL - BOARD OF DISPENSING OPTICIANS	900		100	500	100	700	1,600
BOARD OF OPTOMETRY	1,300		100	700	200	1,000	2,300
Central Boards Office	<u>400</u> <i>11,800 ✓</i>		<u>100</u>	<u>200</u>	<u>-0-</u>	<u>300</u>	<u>700</u>
TOTAL - OPTOMETRY BOARD	1,700		200	900	200	1,300	3,000
OSTEOPATHIC EXAMINERS BOARD	4,200		500	2,100	400	3,000	7,200
BOARD OF PHARMACY	11,300		1,400	5,500	1,200	8,100	19,400
PHYSICAL THERAPY EXAMINERS BOARD	800		100	400	100	600	1,400
Central Boards Office	<u>200</u> <i>5,900 ✓</i>		<u>-0-</u>	<u>100</u>	<u>-0-</u>	<u>100</u>	<u>300</u>
TOTAL - PHYSICAL THERAPY EXAMINERS BOARD	1,000		100	500	100	700	1,700
PODIATRY EXAMINERS BOARD	-0-		-0-	-0-	-0-	-0-	-0-
Central Boards Office	<u>400</u> <i>11,800 ✓</i>		<u>100</u>	<u>100</u>	<u>100</u>	<u>300</u>	<u>700</u>
TOTAL - PODIATRY BOARD	400		100	100	100	300	700
PSYCHOLOGIST EXAMINERS BOARD	900		100	500	100	700	1,600
Central Boards Office	<u>400</u> <i>11,800 ✓</i>		<u>100</u>	<u>200</u>	<u>-0-</u>	<u>300</u>	<u>700</u>
TOTAL - PSYCHOLOGIST EXAMINERS BOARD	1,300		200	700	100	1,000	2,300
STRUCTURAL PEST CONTROL BOARD	7,800		1,000	3,600	800	5,400	13,200
BOARD OF TECHNICAL REGISTRATION	9,800		1,300	4,500	1,000	6,800	16,600
VETERINARY MEDICAL EXAMINERS BOARD	1,900		200	1,000	200	1,400	3,300
Central Boards Office	<u>400</u> <i>11,800 ✓</i>		<u>100</u>	<u>200</u>	<u>-0-</u>	<u>300</u>	<u>700</u>
TOTAL - VETERINARY MEDICAL EXAMINERS BOARD	2,300		300	1,200	200	1,700	4,000
DEPARTMENT OF RACING							
County Fair Racing	<u>5,300</u>		<u>700</u>	<u>2,400</u>	<u>500</u>	<u>3,600</u>	<u>8,900</u>
TOTAL - INSPECTION AND REGULATION	<u>456,400</u>		<u>58,500</u>	<u>210,800</u>	<u>46,400</u>	<u>315,700</u>	<u>772,100</u>

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\* Represents special line item appropriation.

(Continued)

OTHER FUNDS  
 APPROVED SALARY AND EMPLOYEE RELATED EXPENDITURES ADJUSTMENTS - FISCAL YEAR 1989  
 (Continued)

Agency/Program	PERSONAL SERVICES	EMPLOYEE RELATED EXPENDITURES (ERE)				TOTAL INCREASE
	General Adjustment - 3.5% a/o 7-1-88	General Adjustment a/o 7-1-88	Increased Health Ins. a/o 7-1-88	Increased Retirement Contribution	Net ERE Adjustments	
<b>PROTECTION AND SAFETY</b>						
<b>DEPARTMENT OF PUBLIC SAFETY</b>						
Highway Patrol Bureau	17,500	2,200	8,000	900	11,100	28,600
Administration Bureau	6,500	800	3,000	300	4,100	10,600
Criminal Justice Support Bureau	2,800	400	1,300	100	1,800	4,600
TOTAL - DEPARTMENT OF PUBLIC SAFETY	26,800	3,400	12,300	1,300	17,000	43,800
<b>ARIZONA CRIMINAL JUSTICE COMMISSION</b>						
Controlled Substance - Tax/Fine*	5,500	700	2,500	500	3,700	9,200
	900	100	400	100	600	1,500
TOTAL - ARIZONA CRIMINAL JUSTICE COMMISSION	6,400	800	2,900	600	4,300	10,700
TOTAL - PROTECTION AND SAFETY	33,200	4,200	15,200	1,900	21,300	54,500
<b>TRANSPORTATION</b>						
<b>DEPARTMENT OF TRANSPORTATION</b>						
Director's Staff	11,300	1,400	5,200	1,100	7,700	19,000
Transportation Planning	89,200	11,400	40,600	9,000	61,000	150,200
Administrative Services Division	262,100	33,400	119,400	26,300	179,100	441,200
Special Support Group	84,200	10,700	38,400	8,500	57,600	141,800
Motor Vehicle Division	568,500	72,400	258,900	57,200	388,500	957,000
Highways Division	1,040,700	132,700	473,900	104,600	711,200	1,751,900
Highway Maintenance*	601,600	76,700	274,000	60,500	411,200	1,012,800
Aeronautics	22,400	2,900	10,100	2,300	15,300	37,700
TOTAL - TRANSPORTATION	2,680,000	341,600	1,220,500	269,500	1,831,600	4,511,600
<b>NATURAL RESOURCES</b>						
<b>GAME AND FISH DEPARTMENT</b>						
Administrative & Field Services	210,600	36,300	97,000	11,500	144,800	355,400
Watercraft	14,200	2,200	6,400	1,100	9,700	23,900
Game, Non-Game, Fish & Endangered Species	3,800	500	1,700	400	2,600	6,400
TOTAL - GAME & FISH DEPARTMENT	228,600	39,000	105,100	13,000	157,100	385,700
<b>STATE PARKS BOARD</b>						
ACRCC - Project Administration	6,600	800	3,000	700	4,500	11,100
TOTAL - NATURAL RESOURCES	235,200	39,800	108,100	13,700	161,600	396,800
TOTAL - OTHER FUNDS	3,465,600	451,800	1,582,400	337,600	2,371,800	5,837,400

\* Represents special line item appropriation.

## THE UNITED STATES ECONOMY

The National Economy in FY 1988 was surprisingly strong, showing an increase of 3.8 percent in Real Gross National Product and it now appears that the October stock market crash was a non-event as a significant deterrent to the national economic growth.

The stock market crash was the most startling economic event in FY 1988, with a paper loss in excess of \$900 billion. It now seems clear that the sharp drop in the market was simply a correction for the speculation bubble that developed during late 1986 and 1987, as the rise in the market far outpaced the growth in the real economy. It is also clear that the prospect of higher interest rates in the U.S. and abroad was the single biggest factor in bursting the market bubble. In its effect on the U.S. economy, both the direct wealth effect and the indirect effect on consumer and business confidence were short-lived. The impact of the crash on household wealth and on consumer spending was modest; consumer spending slowed in the final quarter of 1987 but rose in early 1988. Consumer confidence rebounded to pre-crash levels and business investment, particularly on equipment, has been little affected.

357 For the fiscal year, Real Consumption Expenditures (approximately two-thirds of the Real Gross National Product) grew a modest 1.8 percent. Real Gross Private Domestic Investment, however, showed strong growth at 9.5 percent. Real Net Exports also performed favorably and, unlike FY 1987, Real Exports increased faster than Real Imports with growth rates of 16.9 percent and 9.1 percent respectively. Although the 9.1 percent in Real Imports is lower than the percentage increase in Real Exports, it is still excessive. Real Net Exports increased from a negative \$145.3 billion in FY 1987 to a negative \$127.9 billion in FY 1988.

As a result of a fairly strong FY 1988 performance, fears of a recession have receded - for the short term. However, inflation has become the most pressing concern of policymakers. Tight labor and raw materials markets as well as a lower dollar are the forces exerting upward pressure on prices. As a result, interest rates have started to rise. While this will have a negative effect on consumer and business spending, it should not push the economy into recession in the short term. However, if the Federal Reserve decides (and it appears to have done so) to restrict credit in response to inflationary expectations and government spending is reduced simultaneously, then aggregate spending could be squeezed enough to start a recession. According to the JLBC Staff forecast, a recession is expected to materialize in the last half of 1989 and early 1990 - early in the next presidential administration (similar to the timing in 1981 after the 1980 election).

Thus, the JLBC Staff forecast calls for continued surprisingly strong economic growth nationally during FY 1989. Thereafter, however, a mild economic recession is forecast for FY 1990, precipitated by rising interest rates and inflation.



U.S. ECONOMIC FORECAST

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Real Gross National Product	2.3%	3.7%	3.5%
Consumer Price Index	2.2	4.1	4.8
Federal Funds Rate	6.3	6.8	9.2
AAA Bond Rate	8.8	9.8	11.4
Unemployment Rate	6.6	5.7	5.2

## THE ARIZONA ECONOMY

Arizona's economy continued to lose momentum as calendar 1987 drew to a close. In December 1987, the important Goods Producing Sector 1/ showed a 2.7 percent decline in employment from December 1986. In December 1986, this sector had shown a decline of 1.2 percent from the prior December. To a lesser degree, the broadly defined Service Providing Sector 2/ also showed some loss of momentum, increasing 4.9 percent in December 1987 after increasing 5.6 percent in December 1986.

Probably the best that can be said of the Arizona economy during FY 1988 is that it was a period of subdued growth, but with a recession in the Construction industry. For FY 1989 the forecast is a mixed bag. Initially, we expect an improving economy with some declines in the latter part of the fiscal year as we approach the projected national economic recession in FY 1990.

The Manufacturing Sector was again in the doldrums during FY 1988, with average growth in employment of only 1.0 percent. This followed a lackluster performance in FY 1987 when growth averaged 2.2 percent. The "high tech" industry (computer, semiconductor and electronics manufacturers) finally resumed its upward growth in FY 1988. Because of the federal budget cutting, employment in defense related industries has been declining and this is expected to continue in FY 1989. In general, we expect the Manufacturing Sector to show strength in FY 1989 but with some slowing of growth in the latter part of FY 1989 as we enter the projected recession in FY 1990.

In FY 1988, almost 10,000 construction jobs were lost, continuing the decline of FY 1987, when the number of construction jobs declined by almost 7,000. We expect the recession in the Construction industry to continue in FY 1989.

The Mining Sector, which at one time employed over 27,000 persons was down to 11,600 in December 1987. This sector has recovered some of its vigor and the December 1987 employment represents growth of 4.5 percent over the previous December. For FY 1989, we expect this strength to continue.

The Service Providing Sector 2/ accounts for over three-quarters of the employment in Arizona and historically has shown robust growth. In recent years, this sector has shown a declining rate of growth, averaging 7.2 percent in FY 1986, 5.2 percent in FY 1987 and 4.7 percent in FY 1988. For FY 1989 we expect growth to be comparable to that in FY 1988.

THE ARIZONA ECONOMY  
(Continued)

- Exhibits II and III summarize the staff view of significant positive and negative factors for fiscal years 1988 and 1989. In FY 1989, we expect the Manufacturing Sector to resume its upward growth, but the Construction recession during the year will be a damper on all sectors. We expect a recession to take place in FY 1990.
- Exhibit IV shows the staff forecast for five key Arizona variables. We expect growth in Arizona personal income, in constant dollar terms, to decline over the forecast period.
- Retail sales are expected to be weak in FY 1989.
- Population growth is expected to decline throughout the forecast period.
- Chart I is a bar chart which compares growth rates for current and constant dollar Arizona personal income for FY 1974 through FY 1989.
- Chart II is a bar chart which compares growth rates for U.S. and Arizona nominal personal income for FY 1974 through FY 1989.
- Chart III is a bar chart which compares growth rates for U.S. and Arizona real income for FY 1974 through FY 1989.

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1/ Includes manufacturing, construction, and mining.

2/ Includes transportation, communications, public utilities, trade, insurance, real estate, services, and government.

ARIZONA OUTLOOK - FY 1988

FY 1988 Summary: A period of sluggish growth characterized by little growth in the Manufacturing Sector and a recession in the Construction Sector.

FY 1988 :

Positive Factors	Negative Factors
1) Resumption of growth in computer and semi-conductor industries.	1) Continued decline in growth rate of defense related employment.
2) More foreign and American tourists due to declining value of U.S. dollar.	2) Continued decline in Construction employment.
3) Increased competitiveness of Arizona industries due to reduced value of U.S. dollar.	3) Decline in in-migration to Arizona.
	4) Slow growth in Retail Sales.

ARIZONA OUTLOOK - FY 1989

FY 1989 Summary: Stronger growth in the Manufacturing Sector with some slowing prior to a national economic recession in FY 1990. The Construction Sector will still be in recession throughout most, if not all, of FY 1989.

FY 1989:

Positive Factors	Negative Factors
<ol style="list-style-type: none"> <li>1) Resumption of growth in Manufacturing Sector.</li> <li>2) Increased competitiveness of Arizona industries due to reduced value of U.S. dollar.</li> <li>3) Continued strong growth in tourism.</li> </ol>	<ol style="list-style-type: none"> <li>1) Resumption of growth in inflation.</li> <li>2) Continuation of recession in Construction industry.</li> <li>3) Continuation of decline in defense related employment.</li> <li>4) Continued slow in-migration to Arizona.</li> <li>5) The impending recession in FY 1990 will be preceded by some weakness in the Arizona economy in the latter part of FY 1989.</li> </ol>

FORECAST OF KEY  
ARIZONA ECONOMIC INDICATORS

	<u>FY 1987 Actual</u>	<u>FY 1988 Forecast</u>	<u>FY 1989 Forecast</u>
Personal Income - Current Dollars <sup>1/</sup>	7.5%	7.0%	7.3%
- Constant Dollars <sup>1/</sup>	4.6	3.7	2.9
Retail Sales <sup>1/</sup>	3.9	5.1	2.9
Population <sup>1/2/</sup>	4.4 <sup>3/</sup>	3.2	2.7
Unemployment Rate	6.7	5.8	6.8

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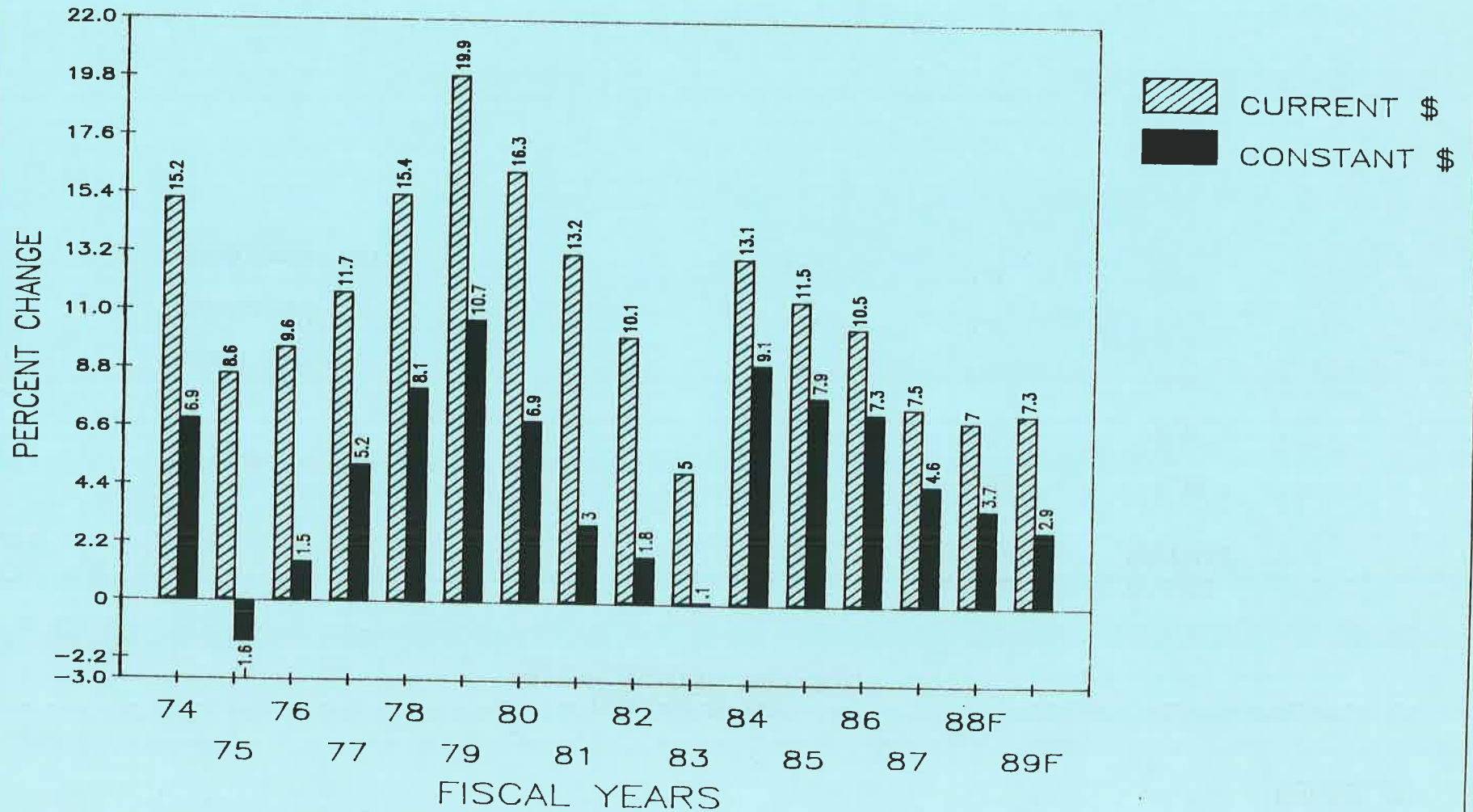
<sup>1/</sup> Rates of change.

<sup>2/</sup> Population as of July 1, the start of the fiscal year.

<sup>3/</sup> Forecast.

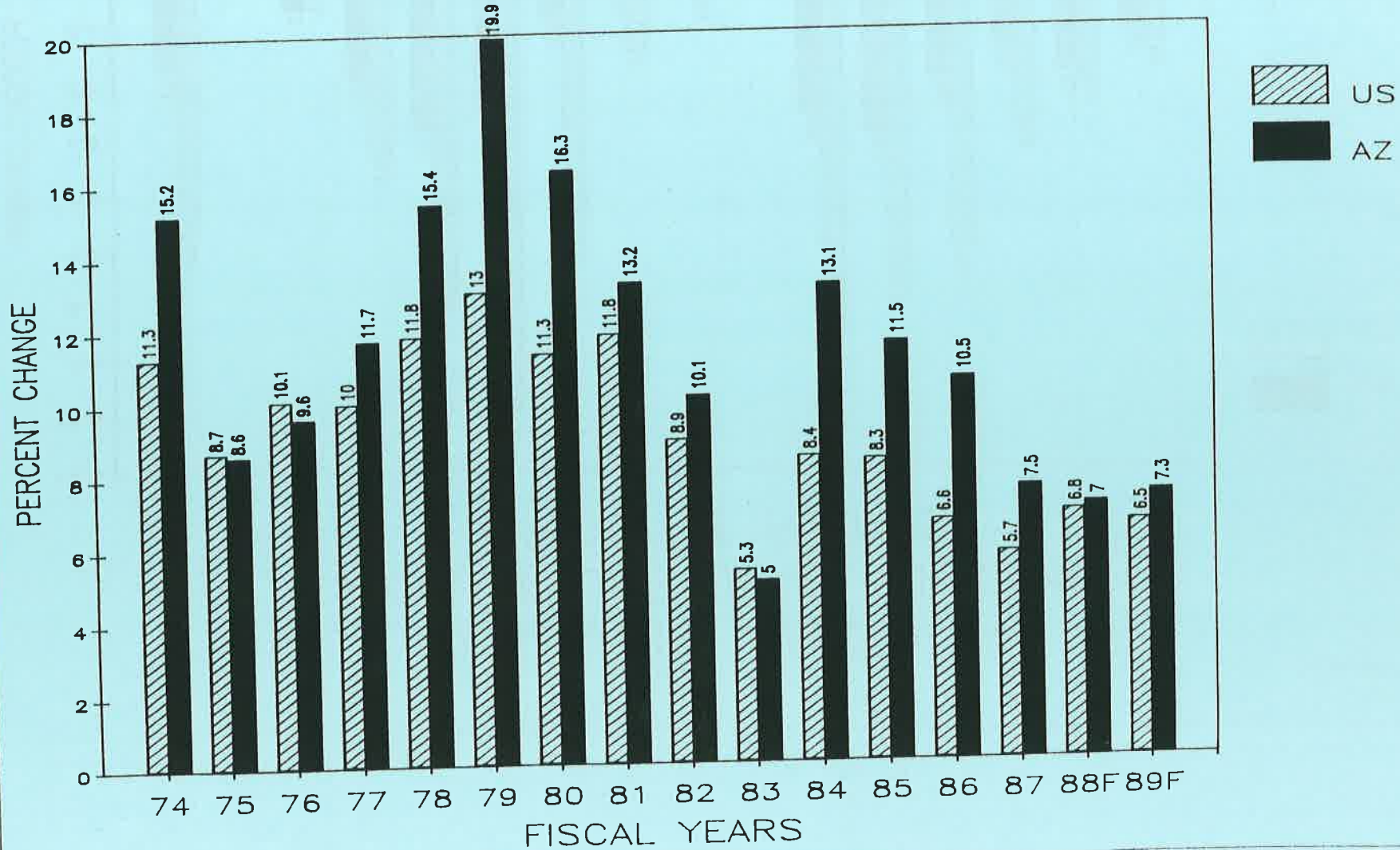
# ARIZONA PERSONAL INCOME CURRENT AND CONSTANT DOLLAR GROWTH RATES

79C



# U.S. AND ARIZONA NOMINAL PERSONAL INCOME GROWTH RATES

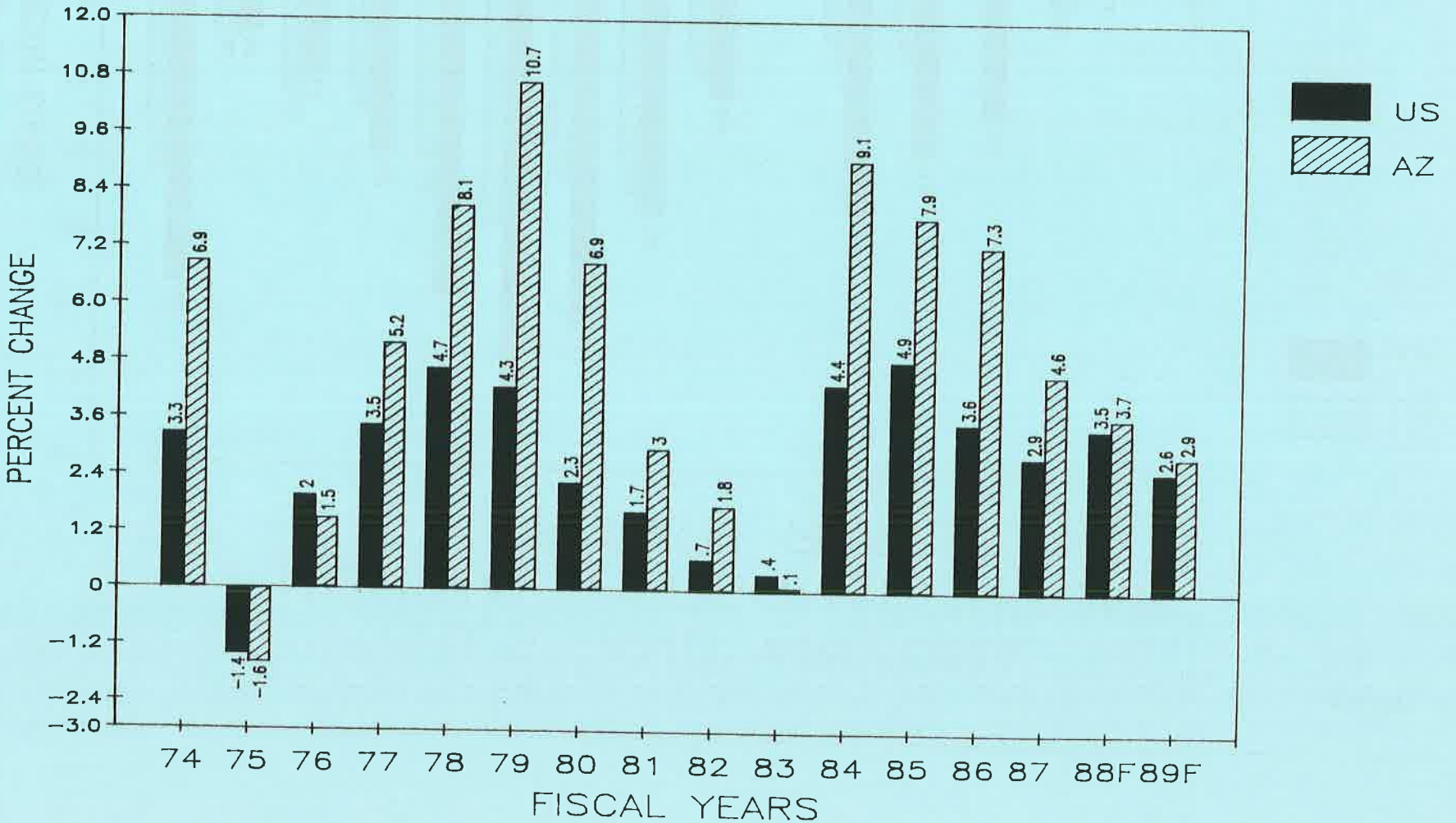
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# U.S. AND ARIZONA REAL PERSONAL INCOME GROWTH RATES

99C



## GENERAL FUND REVENUE

The General Fund Revenue Forecast for FY 1989 reflects the anticipated slowing of Arizona economic activity in calendar 1989 as well as the slowing of revenue collections experienced in recent years. Prior to adding the revenue increase resulting from legislation passed during the recent session, Total New Revenue is forecast to be 3.0 percent higher than FY 1988, (see Exhibit V), the smallest increase in over twenty years. Legislation which will increase General Fund revenue by \$197.9 million was passed during the session. Details of these enhancements are shown in Exhibit VI.

Before enhancements, the Sales and Use Tax category is forecast to increase by only 4.1 percent in FY 1989 down from the expected 4.5 percent increase in FY 1988. Enhancements aggregating \$29.3 million were added to this category during the session. The Sales Tax has been, and will continue to be, inhibited by the recession in the Construction industry.

Income Tax collections, before enhancements, are forecast to increase by only 2.2 percent, with the Individual Income Tax up only 3.0 percent in FY 1989 compared with an expected growth of 14.9 percent in FY 1988. The Corporation Income Tax, before enhancements, is forecast to increase by 4.9 percent over FY 1988 collections. Corporation Income Tax collections during FY 1988 were hurt by massive unanticipated refunds. Enhancements passed during the recent session aggregated \$44.1 million for Individual Income Tax and \$29.6 for Corporation Income Tax.

Property Tax collections, before enhancements, show growth rates of 12.0 percent and 8.0 percent in FY 1988 and FY 1989 respectively. Enhancements aggregating \$28.2 million were passed during the recent session.

Growth in the Luxury Tax has slowed in recent years, particularly in FY 1987, when the increase was only 0.1 percent. We expect the increase in FY 1989 to be 1.4 percent compared with 1.3 percent in FY 1988.

Growth in Insurance Premium Tax collections, before enhancements, is forecasted to increase by 7.4 percent in FY 1989, down from the 9.0 percent growth expected for FY 1988. Enhancements for FY 1989 passed during the session aggregate \$6.0 million.

Growth in the Motor Vehicle License Tax, before enhancements and before deduction of the HURF Transfer, are expected to increase by only 3.8 percent in FY 1989 compared with growth of 8.9 percent in FY 1988. Chapter 271 (S.B. 1261) returned to the General Fund a share of this tax which had been diverted to the Highway Fund. This enhancement is expected to be \$17.1 million in FY 1989.

GENERAL FUND REVENUE  
(Continued)

Estate Tax collections have surged in the last two years to what may be an unsustainable level. Because of this, our FY 1989 forecast has been reduced, but to a level that is still high by earlier standards.

A second weekly drawing has been added to the Lottery "Pick Game" which will add \$16.0 million to the General Fund. Lottery revenues are distributed to (1) Local Transportation Assistance Fund (\$23 million), (2) County Assistance Fund (\$7.65 million), and (3) the remaining balance to the General Fund.

The following exhibits and charts follow this narrative:

- Exhibit V, STATEMENT OF PROJECTED BASE REVENUE, LEGISLATIVE STAFF ESTIMATE has been discussed previously in some detail. Essentially, the exhibit compares each of the three years shown with the preceding year. Revenue for FY 1989 is shown before addition of revenue enhancements passed during the session.
- Exhibit VI, BILLS HAVING A SIGNIFICANT FY 1989 REVENUE IMPACT, summarizes revenue enhancements passed during the recent session.
- Chart IV shows, in graphic form, the percent growth in FY 1989 over FY 1988 for significant categories of General Fund revenue based on Legislative Staff estimates. Growth percents are based on FY 1989 amounts which include enhancements.
- Chart V shows, for FY 1989, major categories of General Fund revenue as a percent of total New Revenue. Revenue used includes enhancements.
- Chart VI shows, for 14 years, dollars of General Fund revenue as a bar chart and percent change as a line graph. In terms of percent change, Arizona has had strong years and years which exhibited very low or negative growth. Fortunately, years of the latter category are rare in Arizona. It should be noted that the Fiscal Years 1979 through 1982 were years when the CPI showed double-digit or near double-digit inflation.

STATE OF ARIZONA  
GENERAL FUND  
STATEMENT OF PROJECTED BASE REVENUE  
LEGISLATIVE STAFF ESTIMATE 1/  
(\$ Thousands)

Exhibit V

	Actual FY 1987		Forecast FY 1988		Forecast FY 1989 <sup>2/</sup>	
	Amount	% Change	Amount	% Change	Amount	% Change
<u>Taxes</u>	\$1,199,559.8	4.3%	\$1,253,000.0	4.5%	\$1,304,000.0	4.1%
Sales and Use	760,764.6	8.3	874,000.0	14.9	900,000.0	3.0
Income - Individual	198,948.6	17.9	142,500.0	(28.4)	149,500.0	4.9
- Corporation	(124,212.2)	24.7	(130,653.5)	5.2	(143,955.0)	10.2
- Urban Revenue Sharing	59,285.3	6.3	66,400.0	12.0	71,700.0	8.0
Property	69,568.7	0.1	70,500.0	1.3	71,500.0	1.4
Luxury	70,475.5	16.2	76,800.0	9.0	82,500.0	7.4
Insurance Premium	55,094.9	(3.7)	60,000.0	8.9	62,300.0	3.8
Motor Vehicle License - Regular	(10,204.9)	80.8	(12,421.6)	21.7	(12,343.2)	(0.6)
- HURF Transfer	6,717.8	(17.5)	6,400.0	(4.7)	6,500.0	1.6
Pari Mutuel	25,692.9	95.1	32,000.0	24.5	25,000.0	(21.9)
Estate	5,827.1	23.5	4,510.0	(22.6)	2,410.0	(46.6)
Other Taxes						
Sub-Total - Taxes	<u>2,317,518.1</u>	6.1	<u>2,443,034.9</u>	5.4	<u>2,519,111.8</u>	3.1
<u>Other Revenues</u>	20,000.0	42.9	35,000.0 <sup>3/</sup>	75.0	35,000.0	0.0
Lottery	30,633.3	18.8	33,900.0	10.7	37,300.0	10.0
Licenses, Fees and Permits	20,401.3	(2.8)	27,600.0	35.3	25,100.0	(9.1)
Interest	7,505.9	7.2	7,700.0	2.6	7,800.0	1.3
Sales and Services	13,347.4	4.9	19,300.0	44.6	24,800.0	(28.5)
Other Miscellaneous	12,909.7	50.9	14,000.0	8.4	10,000.0	(28.6)
Transfers and Reimbursements						
Sub-Total - Other Revenues	<u>104,797.6</u>	17.7	<u>137,500.0</u>	31.2	<u>140,000.0</u>	1.8
<u>Total Base Revenue</u>	<u>\$2,422,315.7</u>	6.5%	<u>\$2,580,534.9</u>	6.5%	<u>\$2,659,111.8</u>	3.0%

<sup>1/</sup> Legislative Staff estimate as of April 1988.

<sup>2/</sup> Does not reflect enhancements brought about by new legislation as shown in Exhibit VII.

<sup>3/</sup> Includes \$3.8 million for additional Lottery drawing which started in May 1988.

THIRTY EIGHTH LEGISLATURE  
SECOND REGULAR SESSION  
BILLS HAVING A SIGNIFICANT FY 1989 GENERAL FUND REVENUE IMPACT

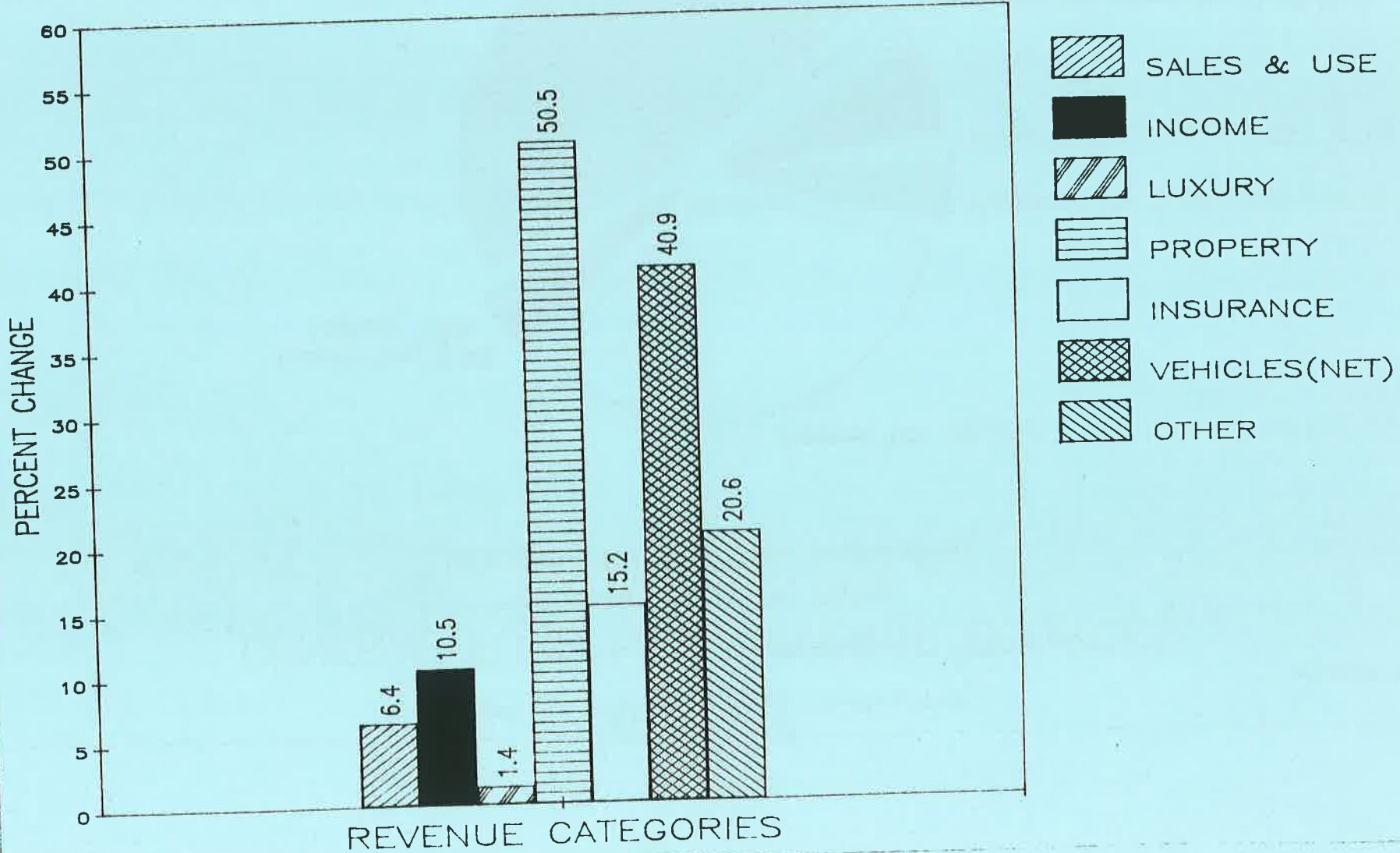
Exhibit VI

	<u>Property</u>	<u>Sales and Use</u>	<u>Individual Income</u>	<u>Corporation Income</u>	<u>Other</u>	<u>Total</u>
1. Ch. 4 (H.B. 2081) additional Lottery drawing.						
2. Ch. 10 (S.B. 1123) Repayment of appropriated amount from proceeds of lease-purchase financing.					\$16,000,000	\$ 16,000,000
					3,200,000	3,200,000
3. Ch. 29 (S.B. 1188) Parks Board collections which were formerly deposited in the General Fund will be deposited in State Parks Acquisition and Development Fund.					(1,866,300)	(1,866,300)
4. Ch. 108 (S.B. 1055) Certain Bingo collections which formerly were used for administration expenses will now be deposited in the General Fund.					270,000	270,000
5. Ch. 260 (H.B. 2142) Commitment by Department of Revenue for additional revenue to be generated by increased enforcement resources.		\$ 6,160,400	\$ 8,731,300	\$ 608,300		15,500,000
6. Ch. 271 (S.B. 1261)						
A. Assessment ratio freeze at 1987 levels.	\$ 1,600,000					
B. Qualifying tax rate in unorganized districts with homeowners capped at 50¢ for 1988.	9,300,000					1,600,000
C. State education rate set at 9¢.	17,300,000					9,300,000
D. Accounting allowance capped at \$500.				3,000,000		17,300,000
E. Repeal of semi-conductor exemption.				1,700,000		3,000,000
F. Taxation of casual commercial rentals.				3,300,000		1,700,000
G. Hotel/Motel Tax rate raised to 5½% and \$2.0 million transferred to Tourism Fund.				4,200,000		3,300,000
H. Rental of Real Property Tax rate raised to 5%.		10,900,000				4,200,000
I. Special Corporation Capital Gains Tax Rate eliminated.					14,000,000	10,900,000
J. Controlled Corporation dividends conformed to U.S. Tax code.					13,000,000	14,000,000
K. Minimum Corporation tax set at \$50.					1,000,000	13,000,000
L. Depletion deduction conformed to U.S. Tax code.					1,000,000	1,000,000
M. Gasoline tax deduction repealed.						
N. Windfall capped at 63% of Federal Income Tax liability and maximum of \$20,000.			10,000,000			10,000,000
O. Increase Insurance Premium Tax to 2.0%.			25,400,000			25,400,000
P. Increase in General Fund share of Auto License Tax.					6,000,000	6,000,000
Q. Transfer to General Fund from the Tax Protest Fund.					17,100,000	17,100,000
7. Ch. 275 (S.B. 2442) Repayment of appropriated amount from proceeds of lease-purchase financing					24,000,000	24,000,000
8. Ch. 351 (H.B. 2436) Transfers 35% of unclaimed property collections to the Housing Trust Fund.					3,096,600	3,096,600
					(1,100,000)	(1,100,000)
TOTAL	\$ 28,200,000	\$ 29,260,400	\$44,131,300	\$29,608,300	\$66,700,300	\$197,900,300

# FY 1989 GENERAL FUND NEW REVENUE

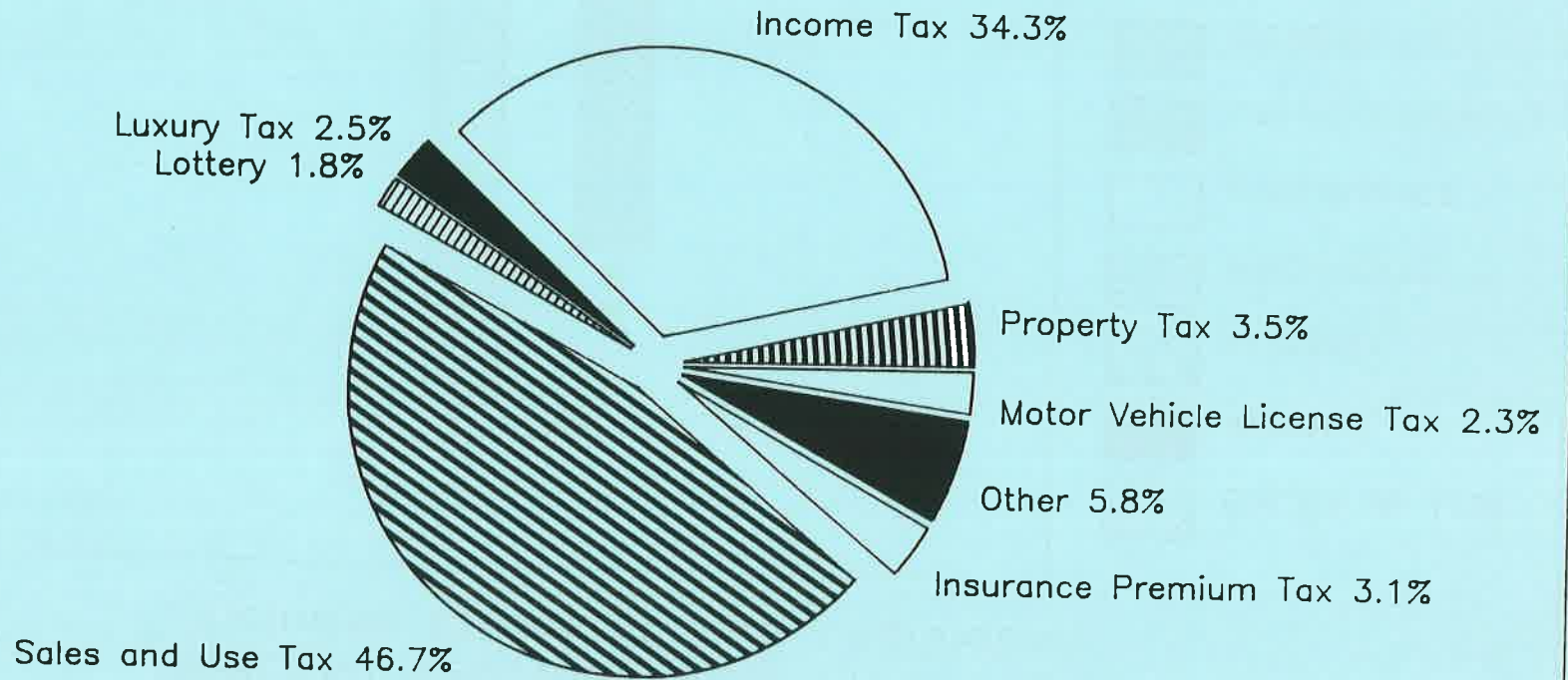
PERCENT CHANGE FROM PRIOR YEAR  
Includes Effect of New Legislation

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# GENERAL FUND NEW REVENUE SOURCES AS A PERCENT OF TOTAL

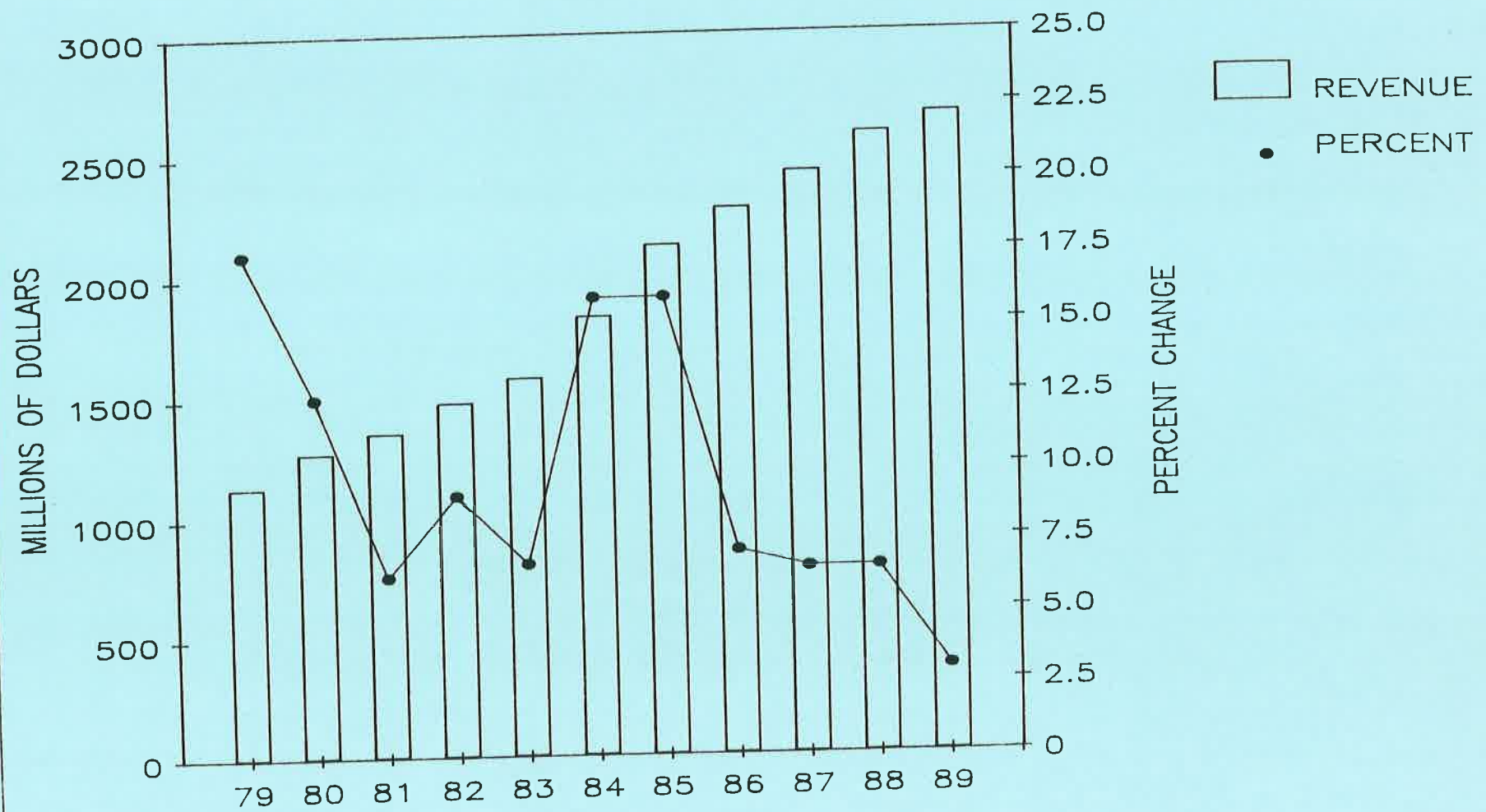
Includes Effect of New Legislation



FY 1989

# GENERAL FUND BASE REVENUE COLLECTIONS\* FY 1979 - FY 1989

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\*FY 1989 Does Not Include Legislative Revenue Enhancements



REVISIONS TO FY 1988 SPENDING AUTHORITY  
ENACTED BY S.B. 1119  
SECOND REGULAR SESSION, 38TH LEGISLATURE

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AGENCY	GENERAL FUND			OTHER FUNDS		FINAL APPROPRIATION
	ORIGINAL <sup>1/</sup> APPROPRIATION	REVISION	FINAL APPROPRIATION	ORIGINAL <sup>1/</sup> APPROPRIATION	REVISION	
<b>GENERAL GOVERNMENT</b>						
Administration, Department of	\$ 25,953,400 <sup>2/</sup>	\$(711,100)	\$ 25,242,300	\$ -0-	\$ -0-	\$ -0-
Affirmative Action, Governor's Office	205,200	(1,100)	204,100	-0-	-0-	-0-
Attorney General	16,970,700 <sup>3/</sup>	(208,000)	16,762,700	-0-	-0-	-0-
Coliseum and Exposition Center	-0-	-0-	-0-	9,527,300 <sup>4/</sup>	-0-	9,527,300
Commerce, Department of	3,302,600 <sup>5/</sup>	(38,200)	3,264,400	48,000	-0-	48,000
Courts						
Court of Appeals	5,759,200	(63,500)	5,695,700	-0-	-0-	-0-
Comm. on Appellate and Trial Ct. Apptmts.	4,000	-0-	4,000	-0-	-0-	-0-
Commission on Judicial Qualifications	60,000	(2,000)	58,000	-0-	-0-	-0-
Superior Courts	31,893,000	(973,900)	30,919,100	-0-	-0-	-0-
Supreme Court	4,978,400	(58,000)	4,920,400	125,000	-0-	125,000
SUB-TOTAL - COURTS	42,694,600	(1,097,400)	41,597,200	125,000	-0-	125,000
Governor, Office of the	4,272,900 <sup>6/</sup>	-0-	4,272,900	-0-	-0-	-0-
Law Enforcement Merit System Council	43,400	-0-	43,400	-0-	-0-	-0-
Legislature						
Auditor General	6,277,700	(139,400)	6,138,300	-0-	-0-	-0-
House of Representatives	5,393,200	-0-	5,393,200	-0-	-0-	-0-
Joint Legislative Budget Committee	1,472,800	(22,000)	1,450,800	-0-	-0-	-0-
Legislative Council	1,430,800	(19,100)	1,411,700	-0-	-0-	-0-
Library, Archives, and Public Records	4,403,100	(71,100)	4,332,000	-0-	-0-	-0-
Other Joint Committees	45,000	-0-	45,000	-0-	-0-	-0-
Senate	4,116,100	-0-	4,116,100	-0-	-0-	-0-
SUB-TOTAL - LEGISLATURE	23,138,700	(251,600)	22,887,100	-0-	-0-	-0-
Lottery	-0-	-0-	-0-	-0-	-0-	-0-
Personnel Board	214,700	(1,200)	213,500	-0-	-0-	-0-
Retirement System	-0-	-0-	-0-	11,108,200	-0-	11,108,200
Revenue, Department of	33,685,600	(1,651,100)	32,034,500	-0-	-0-	-0-
Secretary of State	1,915,400	-0-	1,915,400	-0-	-0-	-0-
Tax Appeals, Board of	412,400	(3,100)	409,300	-0-	-0-	-0-
Tourism, Office of	3,375,900	(13,800)	3,362,100	-0-	-0-	-0-
Treasurer	9,537,499 <sup>7/</sup>	(16,000)	9,521,499	500,000	-0-	500,000
Uniform State Laws, Commission on	14,800	-0-	14,800	-0-	-0-	-0-
<b>TOTAL - GENERAL GOVERNMENT</b>	<b>\$ 165,737,799</b>	<b>\$(3,992,600)</b>	<b>\$ 161,745,199</b>	<b>\$ 21,308,500</b>	<b>\$ -0-</b>	<b>\$ 21,308,500</b>
<b>HEALTH AND WELFARE</b>						
AHCCCS Administration	\$ 140,010,300 <sup>8/</sup>	\$ 47,183,000 <sup>9/</sup>	\$ 187,193,300	\$ 188,909,200 <sup>10/</sup>	-0-	\$ 188,909,200
Economic Security, Department of	233,053,200 <sup>11/</sup>	(2,014,700)	231,038,500	484,900	-0-	484,900
Environmental Quality, Department of	15,766,500 <sup>12/</sup>	(226,700)	15,539,800	-0-	-0-	-0-
Health Services, Department of	98,475,100 <sup>8/</sup>	(1,780,100)	96,695,000	2,387,100	369,200	2,756,300
Hearing Impaired, Council for the	123,800	(200)	123,600	-0-	-0-	-0-
Indian Affairs, Commission on	165,400	(15,000)	150,400	-0-	-0-	-0-
Pioneers' Home	2,676,100	-0-	2,676,100	-0-	-0-	-0-
Rangers' Pension	15,600	-0-	15,600	-0-	-0-	-0-
Veteran's Services Commission	722,300	(8,300)	714,000	313,000	-0-	313,000
<b>TOTAL - HEALTH AND WELFARE</b>	<b>\$ 491,008,300</b>	<b>\$ 43,138,000</b>	<b>\$ 534,146,300</b>	<b>\$ 192,094,200</b>	<b>\$ 369,200</b>	<b>\$ 192,463,400</b>

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AGENCY	GENERAL FUND			OTHER FUNDS		
	ORIGINAL <sup>1/</sup> APPROPRIATION	REVISION	FINAL APPROPRIATION	ORIGINAL <sup>1/</sup> APPROPRIATION	REVISION	FINAL APPROPRIATION
<b>INSPECTION AND REGULATION</b>						
Agricultural Employment Relations Board	\$ 197,900	\$ (1,000)	\$ 196,900	\$ -0-	\$ -0-	\$ -0-
Agricultural and Horticulture, Commission of	6,032,800	(133,300)	5,899,500	1,220,000	-0-	1,220,000
Banking Department	2,943,500	(49,800)	2,893,700	-0-	-0-	-0-
Building and Fire Safety, Department of	2,555,900	(46,400)	2,509,500	-0-	-0-	-0-
Contractors, Registrar of	3,434,400	(68,400)	3,366,000	-0-	-0-	-0-
Corporation Commission	4,934,500	(105,900)	4,828,600	-0-	-0-	-0-
Dairy Commissioner	475,100	(3,800)	471,300	4,929,300	-0-	4,929,300
Industrial Commission	-0-	-0-	-0-	-0-	-0-	-0-
Insurance, Department of	2,256,100	(38,900)	2,217,200	9,657,200	-0-	9,657,200
Liquor Licenses & Control, Department of	2,084,400	(34,600)	2,049,800	-0-	-0-	-0-
Livestock Board	3,804,300	(77,600)	3,726,700	-0-	-0-	-0-
Mine Inspector	785,200	(9,300)	775,900	-0-	-0-	-0-
Occupational Safety and Health	7,100 <sup>13/</sup>	-0-	7,100	-0-	-0-	-0-
Racing, Department of	\$ 2,614,700	\$ (47,900)	\$ 2,566,800	\$ 289,000	\$ -0-	\$ 289,000
Radiation Regulatory Agency	1,631,500	(16,700)	1,614,800	83,300	-0-	83,300
Real Estate Department	2,612,500	(46,600)	2,565,900	-0-	-0-	-0-
Residential Utility Consumer Office	-0-	-0-	-0-	834,100	-0-	834,100
Weights and Measures, Department of	1,554,200	(22,600) <sup>14/</sup>	1,531,600	-0-	-0-	-0-
<b>NINETY-TEN AGENCIES</b>						
Accountancy, Board of	\$ -0-	\$ -0-	\$ -0-	\$ 495,500	\$ -0-	\$ 495,500
Barber Examiners Board	-0-	-0-	-0-	121,000	-0-	121,000
Boxing Commission	36,800	-0-	36,800	8,200	-0-	8,200
Chiropractic Examiners Board	-0-	-0-	-0-	155,200	-0-	155,200
Cosmetology, Board of	-0-	-0-	-0-	456,900	-0-	456,900
Dental Examiners Board	-0-	-0-	-0-	371,600	-0-	371,600
Egg Inspection Board	-0-	-0-	-0-	177,900	-0-	177,900
Funeral Directors and Embalmers Board	-0-	-0-	-0-	133,100	-0-	133,100
Homeopathic Medical Examiners Board	-0-	-0-	-0-	8,100	-0-	8,100
Medical Examiners, Board of	-0-	-0-	-0-	1,550,900	-0-	1,550,900
Naturopathic Physician Examiners	-0-	-0-	-0-	28,000	-0-	28,000
Nursing Board	-0-	-0-	-0-	837,800	-0-	837,800
Nursing Care Institution Administration	-0-	-0-	-0-	46,100	-0-	46,100
Opticians, Board of Dispensing	-0-	-0-	-0-	51,100	-0-	51,100
Optometry, Board of	-0-	-0-	-0-	91,100	-0-	91,100
Osteopathic Examiners Board	-0-	-0-	-0-	184,100	-0-	184,100
Pharmacy Board	-0-	-0-	-0-	571,200	-0-	571,200
Physical Therapy Examiners Board	-0-	-0-	-0-	63,700	-0-	63,700
Podiatry Examiners Board	-0-	-0-	-0-	37,700	-0-	37,700
Private Postsecondary Education, Board of	-0-	-0-	-0-	121,300	-0-	121,300
Psychologist Examiners Board	-0-	-0-	-0-	107,400	-0-	107,400
Structural Pest Control Board	-0-	-0-	-0-	210,000 <sup>4/</sup>	-0-	210,000
Technical Registration, Board of	-0-	-0-	-0-	622,100	-0-	622,100
Veterinary Medical Examining Board	-0-	-0-	-0-	106,100	-0-	106,100
<b>SUB-TOTAL - NINETY-TEN AGENCIES</b>	<u>36,800</u>	<u>-0-</u>	<u>36,800</u>	<u>6,556,100</u>	<u>-0-</u>	<u>6,556,100</u>
<b>TOTAL - INSPECTION AND REGULATION</b>	<u>\$ 37,960,900</u>	<u>\$ (702,800)</u>	<u>\$ 37,258,100</u>	<u>\$ 23,569,000</u>	<u>\$ -0-</u>	<u>\$ 23,569,000</u>

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AGENCY	GENERAL FUND			OTHER FUNDS	
	ORIGINAL <sup>1/</sup> APPROPRIATION	REVISION	FINAL APPROPRIATION	ORIGINAL <sup>1/</sup> APPROPRIATION	FINAL APPROPRIATION
<b>EDUCATION</b>	\$ 1,327,600	\$ (4,500)	\$ 1,323,100	\$ -0-	\$ -0-
Arts, Commission on the	68,520,100	-0-	68,520,100	-0-	-0-
Community Colleges	9,725,500	(225,600)	9,499,900	-0-	-0-
Deaf and Blind, School for the	1,059,827,200	(30,179,000)	1,029,648,200	325,000	325,000
Education, Department of <sup>15/</sup>	1,790,100	(28,300)	1,761,800	-0-	-0-
Historical Society, Arizona	451,100	(2,200)	448,900	-0-	-0-
Historical Society, Prescott	75,000	-0-	75,000	-0-	-0-
Medical Student Loans Board					
Universities/Board of Regents					
Board of Regents	4,986,100	(36,200)	4,949,900	-0-	-0-
Arizona State University - Main	153,362,800	(1,828,000)	151,534,800	45,782,000 <sup>16/</sup>	45,782,000
Arizona State University - West	7,463,700	-0-	7,463,700	1,000,000	1,000,000
Northern Arizona University	55,203,500	(688,000)	54,515,500	11,699,800	11,699,800
University of Arizona - Main	173,729,800	(2,376,000)	171,353,800	42,619,700	42,619,700
University of Arizona - College of Medicine	40,102,600	(404,000)	39,698,600	1,615,300	1,615,300
SUB-TOTAL - UNIVERSITIES/BOARD OF REGENTS	434,848,500	(5,332,200)	429,516,300	102,716,800	102,716,800
<b>TOTAL - EDUCATION</b>	<u>\$1,576,565,100</u>	<u>\$ (35,771,800)</u>	<u>\$1,540,793,300</u>	<u>\$ 103,041,800</u>	<u>\$ 103,041,800</u>
<b>PROTECTION AND SAFETY</b>	\$ 212,953,000	\$ (6,162,500)	\$ 206,790,500	\$ -0-	\$ -0-
Corrections, Department of	-0-	-0-	-0-	7,273,300	7,273,300
Criminal Justice Commission	3,994,800	(78,400)	3,916,400	-0-	-0-
Emergency and Military Affairs, Dept. of	1,572,600	(24,000)	1,548,600	-0-	-0-
Pardons and Paroles, Board of	78,454,100	(2,275,200)	76,178,900	1,674,700	1,674,700
Public Safety, Department of					
<b>TOTAL - PROTECTION AND SAFETY</b>	<u>\$ 296,974,500</u>	<u>\$ (8,540,100)</u>	<u>\$ 288,434,400</u>	<u>\$ 8,948,000</u>	<u>\$ 8,948,000</u>
<b>TRANSPORTATION</b>	\$ 335,300	\$ -0-	\$ 335,300	\$ 150,909,800	\$ 150,909,800
Transportation, Department of					
<b>NATURAL RESOURCES</b>	\$ 125,800	\$ (300)	\$ 125,500	\$ -0-	\$ -0-
Environment, Commission on the	-0-	-0-	-0-	13,881,200	13,881,200
Game and Fish Department	7,830,000	(67,500)	7,762,500	-0-	-0-
Land Department	456,200	(3,600)	452,600	-0-	-0-
Mines and Mineral Resources, Department of	187,900	(900)	187,000	-0-	-0-
Oil and Gas Conservation Commission	5,411,500	(117,800)	5,293,700	2,513,400	2,513,400
Parks Board	11,205,900	-0-	11,205,900	-0-	-0-
Water Resources, Department of					
<b>TOTAL - NATURAL RESOURCES</b>	<u>\$ 25,217,300</u>	<u>\$ (190,100)</u>	<u>\$ 25,027,200</u>	<u>\$ 16,394,600</u>	<u>\$ 16,394,600</u>
<b>UNALLOCATED PAY PACKAGE</b>	\$ 258,300	\$ (258,300)	\$ -0-	\$ 114,300	\$ 114,300
<b>GRAND TOTAL</b>	<u>\$2,594,057,499</u>	<u>\$ (6,317,700)</u>	<u>\$2,587,739,799</u>	<u>\$ 516,380,200</u>	<u>\$ 516,749,400</u>

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- 1/ These amounts include funds appropriated in the General Appropriations bill (Chapter 334, Laws of 1987) and FY 1988 operating funds appropriated in additional bills from the 1986 and 1987 Legislative Sessions.
- 2/ This amount includes \$100,000 appropriated during the 1986 Legislative Session (Chapter 335, Laws of 1986). This amount does not include \$987,700 that reverted to the General Fund after the Division of Weights and Measures was made into a separate agency with its own appropriation (Chapter 314, Laws of 1987).
- 3/ This amount includes \$145,500 that was appropriated in FY 1987 but was carried forward to FY 1988. See Chapter 257, Laws of 1987.
- 4/ Represents a revised estimate of revenues from the original FY 1988 appropriation.
- 5/ S.B. 1119 (Chapter 9, Laws of 1988) transferred the original FY 1988 appropriation of the Solar Energy Commission to the Department of Commerce, since the two agencies have been consolidated.
- 6/ This amount includes \$1,500,000 appropriated during the Second Special Session of the 38th Legislature. See Chapter 3.
- 7/ This amount includes \$716,799 appropriated during the Third Special Session of the 38th Legislature. See Chapter 1.
- 8/ This amount includes a transfer of \$1,400,000 from DHS to AHCCCS, as authorized by Chapter 332, Laws of 1987.
- 9/ This amount includes a reduction of \$225,200 from Chapter 332, Laws of 1987.
- 10/ This amount includes a revised estimate of non-state funds of \$14,851,100.
- 11/ This amount includes \$210,700 that was appropriated in FY 1987, but carried forward to FY 1988. See Chapter 205, Laws of 1986, (\$74,100) and Chapter 302, Laws of 1986, (\$136,600).
- 12/ This amount includes \$6,000,000 appropriated during the FY 1986 Legislative Session (Chapter 368, Laws of 1986) for the Water Quality Assurance Revolving Fund.
- 13/ This amount includes a carry forward balance of \$1,600.
- 14/ This amount is a reduction of \$22,600 from Chapter 314, Laws of 1987.
- 15/ S.B. 1119 delays \$30 million in Basic State Aid payments from June 1988 to July 1988. Specifically, S.B. 1119 reduces FY 1988 Basic State Aid by \$30 million and reappropriates this amount in FY 1989.
- 16/ This amount includes \$1,072,500 that was transferred into appropriated funds from non-appropriated fund sources.

## RECENT JOINT LEGISLATIVE BUDGET COMMITTEE STAFF REPORTS

### Management and Fiscal Research Reports

- Follow-Up Report on Performance Audit Recommendation for the Arizona Real Estate Department, January 1983
- Day Care Study, March 1983
- Revolving Fund Estimates on Establishment and Operations of A Museum Store and Refreshment Parlor in the Arizona Capital Museum, May 1983
- Report on the Organization, Management and Program Results of Jobs For Arizona's Graduates, June 1983
- A Review of the Newborn Intensive Program of the Department of Health Services, July 1983
- A Review of the Division of Emergency Services of the Department of Emergency and Military Affairs, October 1983
- A Review of Selected Issues in the Arizona Correctional System, November 1983
- Jobs For Arizona Graduates Program Evaluations Update, February 1984
- A Review of Alternative Funding Methods Relative to the University of Arizona Hospital, February 1984
- An Overview of Automated Information System, June 1984
- Review of Arizona's Agriculture and Transportation Border Inspection Stations, October 1984
- Management and Organizational Analysis of the Department of Corrections, November 1984
- A Review of Funding Source Alternatives for County Fair Racing, November 1984
- A Comparison of Program Costs for AHCCCS and Five Other Medicaid States, November 1984
- Child Day Care Study, December 1984
- University System Local Fund Study, January 1985
- A Report to the Joint House-Senate Subcommittees of Appropriations on Corrections, February 1985
- An Overview of Automated Information System - Revised, March 1985
- Pardons and Paroles - Transferring Adult Parole Supervision: Three Organization Options, August, 1985

## RECENT J.L.B.C. STAFF REPORTS (Continued)

- University of Arizona - Study of Agriculture Endowment Fund Expenditure, September, 1985
- University of Arizona - Analysis of Cotton Farm Lease/Purchase, November, 1985
- State Hospital - Evaluation of Selected Questions, January, 1986
- Capital Outlay - Planning and Budgeting for Building Renewal and New Facilities, February, 1986
- 1986-1987 Federal Assistance to Arizona, March 31, 1986
- Department of Emergency and Military Affairs: Staffing Levels of Selected Sections, May, 1986
- Arizona Correctional Enterprises - An Evaluation of Selected Areas, October 1986
- DPS Officer Pay - An Evaluation of Selected Areas and In-State & Out-of-State Comparisons, January 1987
- Legislative Appropriation of Federal Funds: Analysis and Recommendation, February 1987
- JLBC Staff FY 87 Proposed Reduction Detail (All Agencies)
- Status of Lawsuits Involving the State of Arizona, May 1987
- Arizona Correctional Enterprises - An Economic Analysis of Selected Enterprises, June 1987
- A Review of Prepaid Tuition Plans for Higher Education, November 1987
- Automated Fingerprint Identification Systems, February 1988
- A Review of Higher Education Funding Formulas of Various States, June 1988

### Annual Reports

- Annual Budget, Analysis and Recommendations, January
- Appropriations Report, June
- Tax Handbook, October

### Monthly Reports

- Economic Review
- Monthly Revenue Highlights