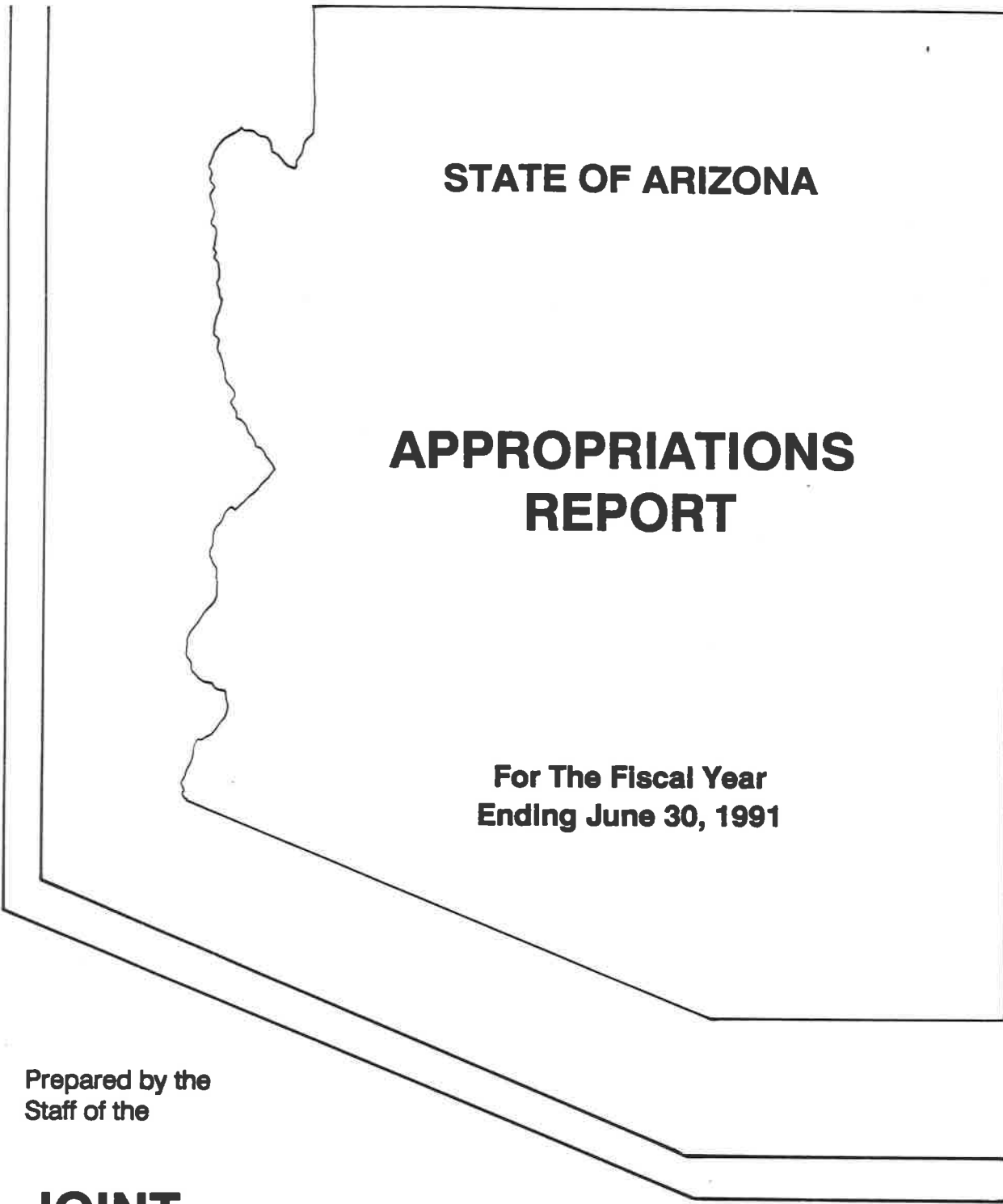


RS



STATE OF ARIZONA

**APPROPRIATIONS
REPORT**

**For The Fiscal Year
Ending June 30, 1991**

Prepared by the
Staff of the

**JOINT
LEGISLATIVE
BUDGET
COMMITTEE**



STATE
SENATE

PAT WRIGHT
CHAIRMAN 1990
JAN BREWER
JAIME GUTIERREZ
A. V. "BILL" HARDT
JOHN HAYS
JOHN MAWHINNEY
TOM PATTERSON
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HOUSE OF
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HENRY EVANS
MARK KILLIAN
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POLLY ROSENBAUM

INTRODUCTION

This annual Appropriations Report provides a single source document for obtaining summary and detailed information on appropriations for Fiscal Year 1991, as provided in the General Appropriation Act (Laws 1990, Chapter 1 (S.B. 1008), 3rd Special Session) and other legislative acts. Also included is the economic and state revenue forecast upon which the budget was based. The summary section (gray 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 1991.

This report also 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 that reads "Theodore A. Ferris".

Theodore A. Ferris,
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, Chapter 96. Thereafter, Laws 1979, Chapter 187 expanded and altered the Committee membership. The Committee members are:

Representative John Wettaw, Chairman - 1989	Senator Pat Wright Chairman - 1990
Representative Carmen Cajero	Senator Jan Brewer
Representative Ruth Eskesen	Senator Jaime Gutierrez
Representative Henry Evans	Senator A. V. "Bill" Hardt
Representative Mark Killian	Senator John Hays
Representative Jim Meredith	Senator John Mawhinney
Representative Jim Miller	Senator Tom Patterson
Representative Polly Rosenbaum	Senator Doug Todd

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 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:

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

Joint Legislative Budget Committee
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Theodore A. Ferris
Director

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- o Fiscal Analyst..... Karen Bock
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- o Principal Research Analyst..... Bob Hull
- o Chief Economist..... Hank Reardon
- o Senior Economist..... Kent Ennis
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- o Executive Secretary and JLBC Clerk..... Linda Monsanto
- o Secretary and JCCR Clerk..... Sue Flucke
- o Receptionist/Secretary..... Linda Hogan
- o Administrative Assistant..... Lettie Phillips
- o Interns..... Ron Duncan
..... Karyn Williams

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Thirty-ninth Legislature
Second Regular Session
1990

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Tom Patterson
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Doug Todd

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STATE OF ARIZONA
GENERAL FUND
STATEMENT OF PROJECTED REVENUES AND EXPENDITURES
CONSENSUS FORECAST

	<u>Preliminary FY 1990</u>	<u>Forecast FY 1991</u>
<u>REVENUES</u>		
Beginning Balance	\$ 1,163,000	\$ 6,015,454
Base Revenues (See Table V)	3,090,515,200	3,211,280,000
Enhancements (See Table VI)	<u>0</u>	<u>252,136,000</u>
TOTAL REVENUES	<u>3,091,678,200</u>	<u>3,469,431,454</u>
<u>EXPENDITURES</u>		
Appropriations	3,189,387,246	3,475,791,115
Revertments	(103,250,000)	(35,000,000)
Change in Continuing Appropriations	(15,000,000)	0
Administrative Adjustments and Emergencies	<u>14,525,500</u>	<u>15,000,000</u>
TOTAL EXPENDITURES	<u>3,085,662,746</u>	<u>3,455,791,115</u>
<u>ENDING BALANCE</u>	<u>\$ 6,015,454</u>	<u>\$ 13,640,339</u>

SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1990 and Fiscal Year 1991 1/

Chapter Number	Bill Number	Reference Title	FISCAL YEAR 1990		FISCAL YEAR 1991	
			GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
Thirty-Ninth Legislature- Third Special Session						
1	S.B. 1008	General Appropriations Act			\$3,302,039,000 2/	\$326,424,000
4	S.B. 1006	Behavioral Health Appropriation			703,000	
8	S.B. 1007	Capital Outlay			13,646,700 3/	190,096,800 4/
SUB-TOTAL APPROPRIATIONS- 3RD SPECIAL SESSION			\$0	\$0	\$3,316,388,700	\$516,520,800
Thirty-Ninth Legislature- Second Special Session						
2	H.B. 2003	Supplemental Appropriations; DES	\$13,799,900			
3	H.B. 2005	Nursing Care Institution Administrators; Appropriation	16,500 5/			
SUB-TOTAL APPROPRIATIONS- 2ND SPECIAL SESSION			\$13,816,400	\$0	\$0	\$0
Thirty-Ninth Legislature- First Special Session						
2	S.B. 1005	Enhanced Drug Enforcement Funding	\$1,250,000	\$0 6/		
5	H.B. 2003	Prisons; Criminal Code Commission	3,419,000 7/	21,480,600 8/		\$16,218,400
SUB-TOTAL APPROPRIATIONS- 1ST SPECIAL SESSION			\$4,669,000	\$21,480,600	\$0	\$16,218,400
Thirty-Ninth Legislature- Second Regular Session						
2	S.B. 1226	Property Tax Appeals; Appropriation	\$150,000 9/			
29	H.B. 2093	Appropriation; Board of Pharmacy		\$5,000		
48	S.B. 1030	State Parks; Tonto Natural Bridge			\$120,000	
72	H.B. 2062	Nuclear Emergency Appropriation and				

TG-2

SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1990 and Fiscal Year 1991 1/

Chapter Number	Bill Number	Reference Title	FISCAL YEAR 1990		FISCAL YEAR 1991	
			GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
		Assessment	651,200	<u>10/</u>		
146	S.B. 1351	Economic Development Demonstration Districts			850,000	<u>11/</u>
155	H.B. 2267	Advisory Council on Aging; Alzheimer's Subcommittee			15,000	
164	S.B. 1160	Education Voucher Fund			560,000	
183	H.B. 2629	ASRS; Supplemental Appropriation			116,600	
188	H.B. 2144	Appropriation; Bertino Settlement Agreement	145,000			
194	H.B. 2689	Appropriation for Named Claimants	115,087	57,820		
203	H.B. 2149	Appropriation; Veterans' Nursing Home			1,250,000	<u>12/</u>
211	H.B. 2401	Automotive Recyclers				\$102,000
229	H.B. 2233	Trade and Tourism; Conditional Appropriation			300,000	<u>13/</u>
237	H.B. 2690	Omnibus Child Protection Act			2,559,000	
258	H.B. 2259	Preschool Handicapped Pupils			900,000	
260	H.B. 2318	Office to Assist Homeless Persons			80,000	
292	H.B. 2174	Adult Care Homes			96,000	
304	S.B. 1001	Fingerprint Identification Network			2,000,000	
305	S.B. 1020	Housing Trust Fund; Housing Needs Assessment				78,800 <u>14/</u>
313	H.B. 2333	State Board of Appraisal	75,000	<u>15/</u>		100,000
315	H.B. 2177	Homeless Trust Fund			705,000	
318	S.B. 1337	Appropriation; Clifton Flood Control			150,000	
322	H.B. 2120	Handicapped Pupils; Extended School Year			500,000	
327	S.B. 1242	Fingerprinting; Domestic Shelter Employees; Costs			10,000	
330	H.B. 2680	Vocational and Technical Education; Programs			2,000,000	
333	H.B. 2351	Omnibus AHCCCS			11,245,615	
334	H.B. 2554	AHCCCS; Mental Health Services; Emergency			8,889,700	
340	H.B. 2225	Student Loans; Teacher Training; Appropriation			95,000	
342	H.B. 2344	Area Health Education System			262,000	

TG-3

SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1990 and Fiscal Year 1991 1/

Chapter Number	Bill Number	Reference Title	FISCAL YEAR 1990		FISCAL YEAR 1991	
			GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
345	H.B. 2565	At-Risk Preschool Pilot Projects; Grants			600,000	
348	S.B. 1063	School Finance; Technical Correction			100,000	
357	S.B. 1552	School Restructuring; Joint Legislative Committee			100,000	
360	S.B. 1174	Property Tax Appeals			201,800	
381	S.B. 1140	Medically Underserved Areas; Appropriations			205,000	
392	H.B. 2002	All Day Kindergarten			1,400,000	
399	S.B. 1343	Schools; Omnibus Budget and Finance			70,000	
401	H.B. 2671	Arizona Conservation Corps			300,000	
403	H.B. 2191	Behavioral Health			22,100,000	
406	H.B. 2524	Assistance Payments to Dependent Children			650,300	
SUB-TOTAL APPROPRIATIONS - 2ND REGULAR SESSION			<u>\$1,136,287</u>	<u>\$1,029,420</u>	<u>\$57,464,415</u>	<u>16/ \$280,800 17/</u>
Thirty-Ninth Legislature - First Regular Session						
109	H.B. 2045	Korean War Memorial			\$100,000	
122	S.B. 1308	Appropriation; DOA; Indian Settlement			1,500,000	
296	S.B. 1174	Occupational Therapists; Licensure			25,000	
311	S.B. 1140	General Appropriation Act			100,313,000	
SUB-TOTAL APPROPRIATIONS - 1ST REGULAR SESSION			<u>\$0</u>	<u>\$0</u>	<u>\$101,938,000</u>	<u>\$0</u>
TOTAL APPROPRIATIONS			<u>\$19,621,687</u>	<u>\$22,510,020</u>	<u>\$3,475,791,115</u>	<u>\$533,020,000</u>

(See footnotes on the following page)

SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1990 and Fiscal Year 1991 1

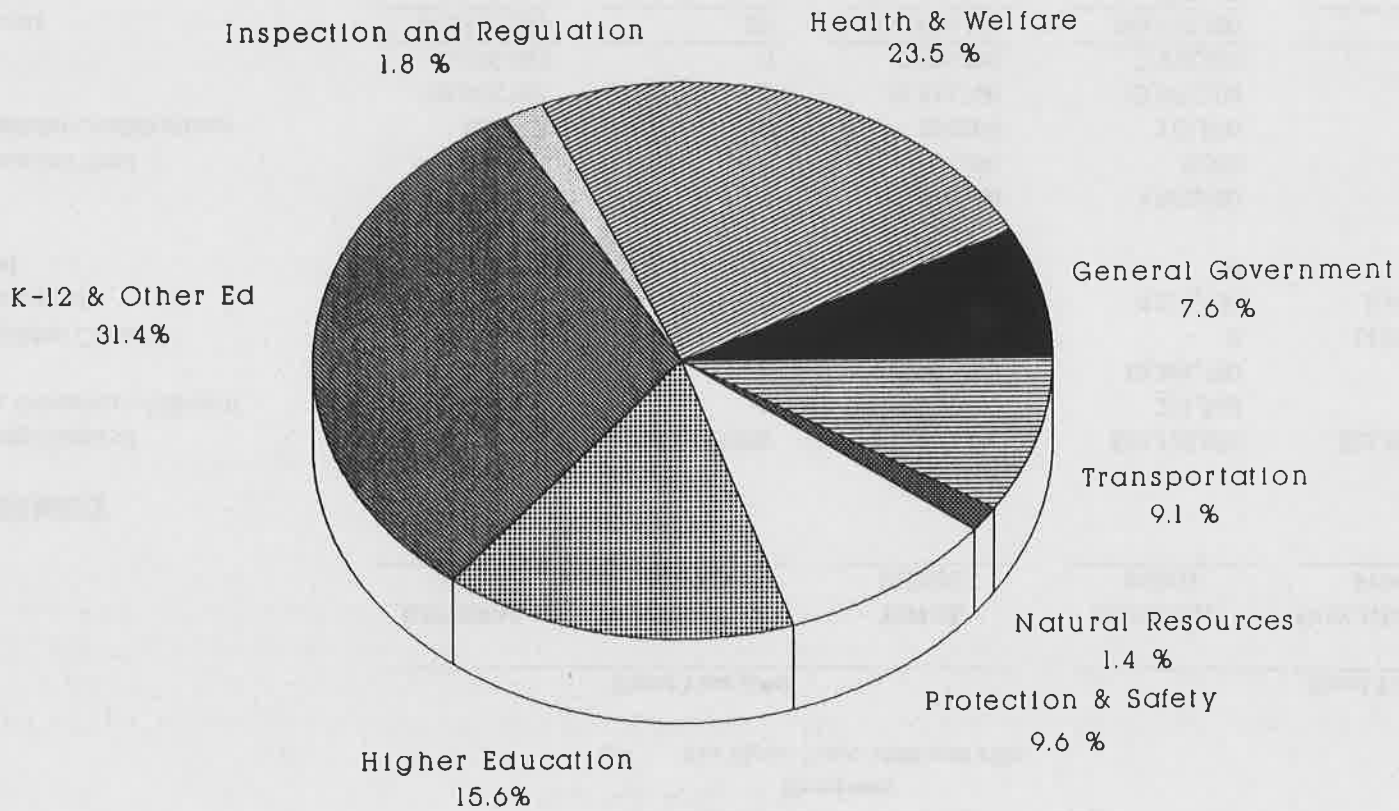
- 1/ For Fiscal Year 1990, this table summarizes all appropriations enacted since the conclusion of the First Regular Session of the 39th Legislature. For Fiscal Year 1991, the table summarizes appropriations from the Second Regular Session of the 39th Legislature, the First through the Fourth Special Sessions of the 39th Legislature, and all previous sessions.
- 2/ In addition, \$143,196,400 is appropriated from the General Fund to the Department of Education in Fiscal Year 1992.
- 3/ Includes \$655,000 which is to be repaid to the General Fund by January 31, 1991 from the proceeds of lease purchase financing certificates.
- 4/ In addition, \$1,657,000 is appropriated from the Corrections Fund to the Department of Administration in FY 1992 for construction of a correctional facility in Safford.
- 5/ Laws 1990, Chapter 250 amends this Chapter's provision pertaining to the deadline for repayment of the appropriation (new date: by June 30, 1992).
- 6/ The bill transfers \$291,000 from the Arizona Criminal Justice Commission Account to the Drug Enforcement Account, and \$428,700 from the Local Narcotics Enforcement Fund (LNEF) to the Department of Education. The latter amount reflects the balance of the LNEF prior to the transfer, which was \$300 less than the amount required in Chapter 2.
- 7/ The bill appropriates \$3,845,000 from the General Fund to the Corrections Fund, which is displayed in the non-General Fund column. Not reflected in the approved amount is the reversion of \$6,764,000 made pursuant to section 1 of the Act.
- 8/ Includes an appropriation of \$6,185,500 from the Corrections Fund. This appropriation includes the \$3,845,000 mentioned in footnote #3 which was appropriated from the General Fund to the Corrections Fund. Chapter 5, in addition, reduced the FY 1989 correctional facility construction appropriation, made to DOA in Laws 1988, Chapter 275, by \$20,555,400.
- 9/ The approved amount shall not be spent unless matched in equal proportion by the expenditure of funds appropriated for the same purpose by a county, not including any amount previously budgeted for the same purpose.
- 10/ To be repaid to the General Fund through an assessment against the consortium operating a commercial nuclear power generating station in Arizona.
- 11/ Reflects appropriations of \$500,000 and \$350,000 from the Commerce and Economic Development Fund (CEDF) for the cities of Benson and Florence respectively. Each city is to reimburse the CEDF, in ten equal installments beginning on July 1, 1995, for one-half of the appropriation it received.
- 12/ In addition, the same amount is appropriated in FY 1992 for construction of the the veterans' nursing home.
- 13/ The appropriation must be matched by donation, grant, or gift.
- 14/ In addition, \$75,000 from the Housing Trust Fund may be used by the Department of Commerce to conduct a statewide housing needs assessment in Fiscal Year 1991.
- 15/ The State Board of Appraisal shall reimburse the General Fund for the appropriation by December 31, 1991.
- 16/ In addition, in Fiscal Year 1992, \$50,000 is appropriated to the Board of Respiratory Care Examiners for start-up costs (Ch. 256), and \$3,629,666 is appropriated to the Treasurer, in each of FY 1992-1994, to pay cities, towns and counties as reimbursement for undistributed transaction privilege tax revenues (Ch. 332). Not included in the approved amount is \$500,000 appropriated from the Local Transportation Assistance Fund (LTAF) for distribution to the city of Tucson for a light rail project (Ch. 408). (Chapter 408 increased the distribution of lottery proceeds to the LTAF by \$500,000. This amount would have otherwise been distributed to the General Fund.)

**SUMMARY OF APPROPRIATIONS
By Individual Chapter
Fiscal Year 1990 and Fiscal Year 1991**

17/ In addition, in FY 1992, \$275,000 is appropriated from the State Highway Fund to the Cargo Tank Administration Revolving Fund (Ch. 113); and \$13,500,000 and \$10,300,000 is appropriated to the Department of Administration in FY 1992 and FY 1993, respectively, for correctional facility construction (Ch. 405). Not included in the approved amount is \$235,000 to be distributed by the Treasurer from the Highway User Revenue Fund to the Arizona Department of Transportation for the Motor Vehicle Insurance Enforcement Fund (Ch. 371).

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

TG-7



FISCAL YEAR 1991

SUMMARY OF APPROPRIATED FUNDS 1/

By Agency

For Fiscal Years 1990 and 1991

TG-8

	Fiscal Year 1990			Fiscal Year 1991		
	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS
<u>GENERAL GOVERNMENT</u>						
Administration, Department of	\$40,371,626	\$35,567,800	\$75,939,426	\$37,170,600	\$23,805,400	\$60,976,000
Affirmative Action, Governor's Office of	222,400	0	222,400	231,500	0	231,500
Attorney General	17,964,500	0	17,964,500	18,264,700	0	18,264,700
Coliseum and Exposition Center	0	12,582,400	12,582,400	0	14,022,400	14,022,400
Commerce, Department of	3,417,000	1,296,100	4,713,100	4,221,900	1,448,900	5,670,800
Compensation Fund	0	0	0	0	0	0
Courts						
Court of Appeals	6,644,600	0	6,644,600	7,952,600	0	7,952,600
Comm on Appellate and Trial	4,000	0	4,000	4,000	0	4,000
Commission on Judicial Qualifications	100,000	0	100,000	113,000	0	113,000
Superior Courts	48,833,700	0	48,833,700	53,497,200	0	53,497,200
Supreme Court	5,356,800	0	5,356,800	7,968,300	0	7,968,300
SUBTOTAL - Courts	<u>\$60,939,100</u>	<u>\$0</u>	<u>\$60,939,100</u>	<u>\$69,535,100</u>	<u>\$0</u>	<u>\$69,535,100</u>
Governor, Office of the	3,629,300	0	3,629,300	3,334,100	0	3,334,100
Law Enforcement Merit System Council	42,100	0	42,100	42,200	0	42,200
Legislature						
Auditor General	6,886,600	0	6,886,600	7,296,700	0	7,296,700
House of Representatives	6,130,600	0	6,130,600	6,638,100	0	6,638,100
Joint Legislative Budget Committee	1,537,700	0	1,537,700	1,670,100	0	1,670,100
Legislative Council	3,177,500	57,820	3,235,320	2,687,600	0	2,687,600
Library, Archives, and Public Records, Dept of	4,817,000	0	4,817,000	4,676,000	0	4,676,000
Senate	6,063,900	0	6,063,900	5,723,400	0	5,723,400
SUBTOTAL - Legislature	<u>\$28,613,300</u>	<u>\$57,820</u>	<u>\$28,671,120</u>	<u>\$28,691,900</u>	<u>\$0</u>	<u>\$28,691,900</u>
Lottery	0	44,999,100	44,999,100	0	41,283,000	41,283,000

SUMMARY OF APPROPRIATED FUNDS 1/

By Agency

For Fiscal Years 1990 and 1991

TG-9

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>
Personnel Board	\$217,700	\$0	\$217,700	\$239,100	\$0	\$239,100
Retirement System	0	2,925,300	2,925,300	0	3,570,000	3,570,000
Revenue, Department of	44,989,500	0	44,989,500	45,123,900	0	45,123,900
Secretary of State	1,819,700	0	1,819,700	3,041,700	0	3,041,700
Tax Appeals, Board of	445,100	0	445,100	677,400	0	677,400
Tourism, Office of	3,558,600	2,000,000	5,558,600	3,481,100	2,000,000	5,481,100
Treasurer	9,434,400	850,000	10,284,400	6,301,300	0	6,301,300
Uniform State Laws, Commission on	19,000	0	19,000	17,400	0	17,400
TOTAL - GENERAL GOVERNMENT	\$215,683,326	\$100,278,520	\$315,961,846	\$220,373,900	\$86,129,700	\$306,503,600
 <u>HEALTH AND WELFARE</u>						
AHCCCS Administration	\$320,509,200	\$0	\$320,509,200	\$395,810,415	\$0	\$395,810,415
Economic Security, Department of	288,222,620	764,700	288,987,320	351,636,500	646,900	352,283,400
Environmental Quality, Department of	16,278,400	0	16,278,400	10,413,900	0	10,413,900
Health Services, Department of	140,301,100	2,377,300	142,678,400	173,778,100	2,522,500	176,300,600
Hearing Impaired, Council for the	203,800	0	203,800	204,900	0	204,900
Indian Affairs, Commission on	155,400	0	155,400	164,100	0	164,100
Pioneers' Home	2,928,400	0	2,928,400	2,896,400	0	2,896,400
Arizona Ranger's Pension	16,800	0	16,800	8,800	0	8,800
Veteran's Services Commission	3,220,700	390,000	3,610,700	2,176,000	348,200	2,524,200
TOTAL - HEALTH AND WELFARE	\$771,836,420	\$3,532,000	\$775,368,420	\$937,089,115	\$3,517,600	\$940,606,715
 <u>INSPECTION AND REGULATION</u>						
Agricultural Employment Relations Board	\$189,000	\$0	\$189,000	\$190,100	\$0	\$190,100
Agriculture and Horticulture, Commission of	5,670,300	1,345,500	7,015,800	5,807,500	1,437,400	7,244,900

SUMMARY OF APPROPRIATED FUNDS 1/

By Agency

For Fiscal Years 1990 and 1991

TG-10

	Fiscal Year 1990			Fiscal Year 1991		
	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS	GENERAL FUND	NON-GENERAL FUND	TOTAL FUNDS
Banking Department	\$3,827,600	\$0	\$3,827,600	\$3,857,700	\$0	\$3,857,700
Building & Fire Safety, Dept of	2,872,700	0	2,872,700	2,936,300	0	2,936,300
Contractors, Registrar of	4,021,200	0	4,021,200	3,886,200	0	3,886,200
Corporation Commission	5,541,300	5,948,600	11,489,900	4,859,200	5,796,800	10,656,000
Dairy Commissioner	526,900	0	526,900	482,300	0	482,300
Industrial Commission	0	11,856,400	11,856,400	0	12,147,700	12,147,700
Insurance, Department of	2,717,600	0	2,717,600	3,065,500	0	3,065,500
Liquor Licenses & Control, Dept of	2,083,600	0	2,083,600	2,074,600	0	2,074,600
Livestock Board	3,842,200	0	3,842,200	3,757,100	0	3,757,100
Mine Inspector	580,900	0	580,900	537,300	0	537,300
Occupational Safety and Health Review Board	10,300	0	10,300	9,400	0	9,400
Racing, Department of	2,436,600	321,400	2,758,000	2,505,200	350,700	2,855,900
Radiation Regulatory Agency	1,925,000	89,700	2,014,700	1,162,400	93,500	1,255,900
Real Estate Department	2,783,100	0	2,783,100	2,891,700	0	2,891,700
Residential Utility Consumer Office	0	923,200	923,200	0	1,029,600	1,029,600
Weights and Measures, Dept of	2,120,400	0	2,120,400	1,961,600	382,800	2,344,400
Ninety-Ten Agencies						
Accountancy, Board of	0	650,100	650,100	0	664,600	664,600
Appraisal, Board of	75,000	0	75,000	0	100,000	100,000
Barber Examiners Board	0	134,200	134,200	0	138,000	138,000
Behavioral Health Examiners, Board of	50,000	0	50,000	0	135,800	135,800
Boxing Commission	55,300	6,100	61,400	54,800	7,100	61,900
Chiropractic Examiners Board	0	186,000	186,000	0	219,700	219,700
Cosmetology, Board of	0	534,700	534,700	0	550,200	550,200
Dental Examiners Board	0	377,500	377,500	0	408,400	408,400
Egg Inspection Board	0	190,900	190,900	0	193,600	193,600

SUMMARY OF APPROPRIATED FUNDS 1/

By Agency

For Fiscal Years 1990 and 1991

TG-11

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>
Funeral Directors and Embalmers Board	\$0	\$144,400	\$144,400	\$0	\$155,800	\$155,800
Homeopathic Medical Examiners Board	0	8,400	8,400	0	15,100	15,100
Medical Examiners, Board of	0	2,137,800	2,137,800	0	2,294,100	2,294,100
Naturopathic Physician Examiners Board	0	27,800	27,800	0	27,000	27,000
Nursing Board	0	953,100	953,100	0	1,055,200	1,055,200
Nursing Care Institution Administrators Board	16,500	61,300	77,800	7,000	63,400	70,400
Occupational Therapy Examiners, Board of	0	0	0	25,000	0	25,000
Opticians, Board of Dispensing	0	51,900	51,900	0	51,100	51,100
Optometry, Board of	0	99,200	99,200	0	99,900	99,900
Osteopathic Examiners Board	0	210,900	210,900	0	257,800	257,800
Pharmacy Board	0	609,600	609,600	0	633,100	633,100
Physical Therapy Examiners Board	0	63,800	63,800	0	65,400	65,400
Podiatry Examiners Board	0	42,100	42,100	0	38,800	38,800
Private Postsecondary Education, Board for	0	123,000	123,000	0	133,400	133,400
Psychologist Examiners Board	0	124,200	124,200	0	123,700	123,700
Structural Pest Control Board	0	965,100	965,100	0	1,107,000	1,107,000
Technical Registration, Board of	0	709,500	709,500	0	783,300	783,300
Veterinary Medical Examining Board	0	144,300	144,300	0	157,000	157,000
SUBTOTAL - Ninety-Ten Agencies	\$196,800	\$8,555,900	\$8,752,700	\$86,800	\$9,478,500	\$9,565,300
TOTAL - INSPECTION AND REGULATION	\$41,345,500	\$29,040,700	\$70,386,200	\$40,070,900	\$30,717,000	\$70,787,900

EDUCATION

Arts, Commission on the	\$1,586,300	\$0	\$1,586,300	\$1,559,300	\$0	\$1,559,300
Community Colleges	73,607,300	0	73,607,300	84,517,300	0	84,517,300
Deaf and Blind, School for	12,089,100	0	12,089,100	13,694,100	0	13,694,100

**SUMMARY OF APPROPRIATED FUNDS 1/
By Agency
For Fiscal Years 1990 and 1991**

TG-12

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>
Education, Department of	\$1,183,021,700	\$428,700	\$1,183,450,400	\$1,236,940,300	\$0	\$1,236,940,300
Historical Society, Arizona	2,226,900	0	2,226,900	3,373,100	0	3,373,100
Historical Society, Prescott	581,600	0	581,600	548,800	0	548,800
Medical Student Loans Board	5,000	0	5,000	3,000	0	3,000
Universities/Board of Regents						
Board of Regents	13,439,800	0	13,439,800	9,700,400	0	9,700,400
Arizona State University - Main	176,384,100	52,911,900	229,296,000	187,161,700	0	187,161,700
Arizona State University - West	14,281,900	2,737,800	17,019,700	25,279,400	0	25,279,400
Northern Arizona University	63,279,700	16,145,800	79,425,500	69,930,000	0	69,930,000
University of Arizona - Main	189,716,100	55,489,400	245,205,500	202,580,000	0	202,580,000
University of Arizona - College of Medicine	43,292,300	1,911,900	45,204,200	45,451,100	0	45,451,100
SUBTOTAL - Universities/Board of Regents	\$500,393,900	\$129,196,800	\$629,590,700	\$540,102,600	\$0	\$540,102,600
TOTAL - EDUCATION	\$1,773,511,800	\$129,625,500	\$1,903,137,300	\$1,880,738,500	\$0	\$1,880,738,500
<u>PROTECTION AND SAFETY</u>						
Corrections, Department of	\$262,892,800	\$6,185,500	\$269,078,300	\$249,910,700	\$207,000	\$250,117,700
Criminal Justice Commission	900,000	3,110,200	4,010,200	3,195,000	332,700	3,527,700
Emergency and Military Affairs, Dept of	5,347,800	0	5,347,800	4,560,700	0	4,560,700
Juvenile Corrections, Department of	0	0	0	34,237,600	0	34,237,600
Pardons and Paroles, Board of	1,563,800	0	1,563,800	1,873,300	0	1,873,300
Public Safety, Department of	85,387,100	1,822,000	87,209,100	71,679,700	18,553,300	90,233,000
TOTAL - PROTECTION AND SAFETY	\$356,091,500	\$11,117,700	\$367,209,200	\$365,457,000	\$19,093,000	\$384,550,000
<u>TRANSPORTATION</u>						
Transportation, Department of	\$2,082,000	\$349,568,200	\$351,650,200	\$76,200	\$363,548,200	\$363,624,400

**SUMMARY OF APPROPRIATED FUNDS 1/
By Agency
For Fiscal Years 1990 and 1991**

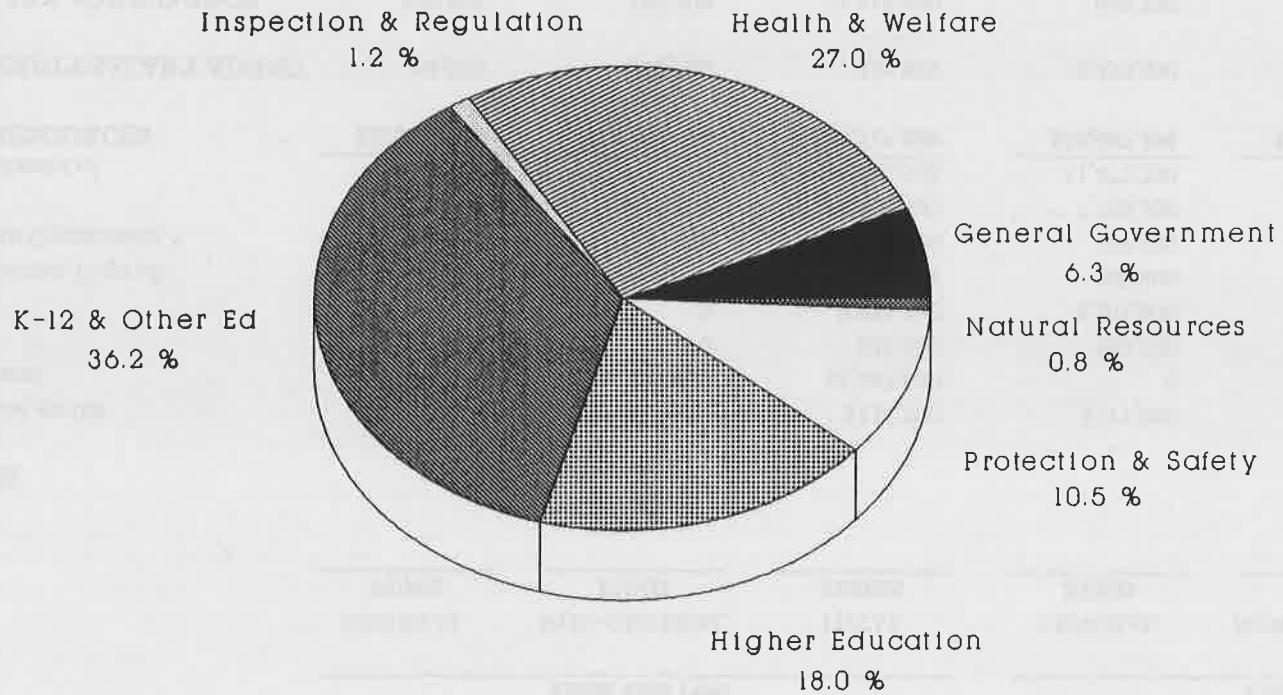
TG-13

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>TOTAL FUNDS</u>
<u>NATURAL RESOURCES</u>						
Environment, Commission on the	\$111,200	\$0	\$111,200	\$117,900	\$0	\$117,900
Game and Fish Department	0	16,247,800	16,247,800	0	17,171,100	17,171,100
Geological Survey	535,600	0	535,600	565,400	0	565,400
Land Department	8,054,700	0	8,054,700	8,261,600	0	8,261,600
Mines and Mineral Resources, Dept of	362,400	0	362,400	349,800	0	349,800
Oil and Gas Conservation Commission	187,400	0	187,400	177,300	0	177,300
State Parks Board	6,752,100	6,617,300	13,369,400	7,718,100	12,227,600	19,945,700
Water Resources, Department of	11,848,500	0	11,848,500	11,477,200	0	11,477,200
TOTAL - NATURAL RESOURCES	\$27,851,900	\$22,865,100	\$50,717,000	\$28,667,300	\$29,398,700	\$58,066,000
UNALLOCATED INEQUITY SALARY ADJUST	64,600	252,200	316,800	2,450,000	315,000	2,765,000
UNALLOCATED SALARY ADJUSTMENTS	920,200	198,400	1,118,600	868,200	300,800	1,169,000
GRAND TOTAL	<u>\$3,189,387,246</u>	<u>\$646,478,320</u>	<u>\$3,835,865,566</u>	<u>\$3,475,791,115</u>	<u>\$533,020,000</u>	<u>\$4,008,811,115</u>

1/ This table summarizes FY 1990 and FY 1991 appropriations from the 2nd Regular and 3rd Special Sessions of the 39th Legislature and all previous sessions.

DISTRIBUTION OF GENERAL FUND APPROPRIATIONS BY FUNCTION OF GOVERNMENT

TG-14



FISCAL YEAR 1991

Does not include \$76,200 (0.002 %) for Transportation.

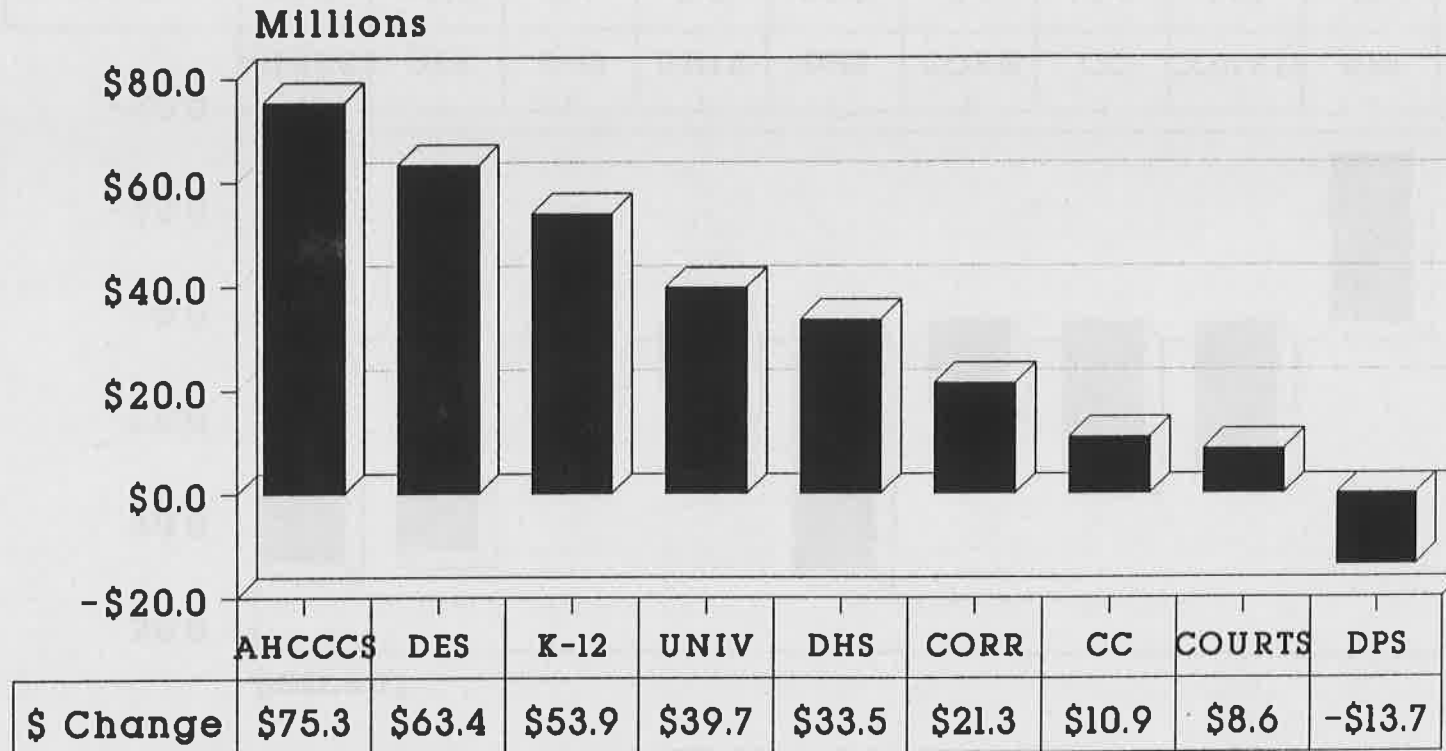
Includes all enacted bills.

NINE LARGEST AGENCIES

GENERAL FUND APPROPRIATION

DOLLAR CHANGE FY90 - FY91

TG-15



Total Dollar Change - All Agencies - FY 1990 to FY 1991 = \$286.4M

AHCCCS=AHCCCS

DES=Dept of Economic Security

K-12=Dept of Education

UNIV=Regents/Universities

DHS=Dept of Health Services

CORR=Depts of Corrections/Juv. Corr.

CC=Community Colleges

COURTS=Courts

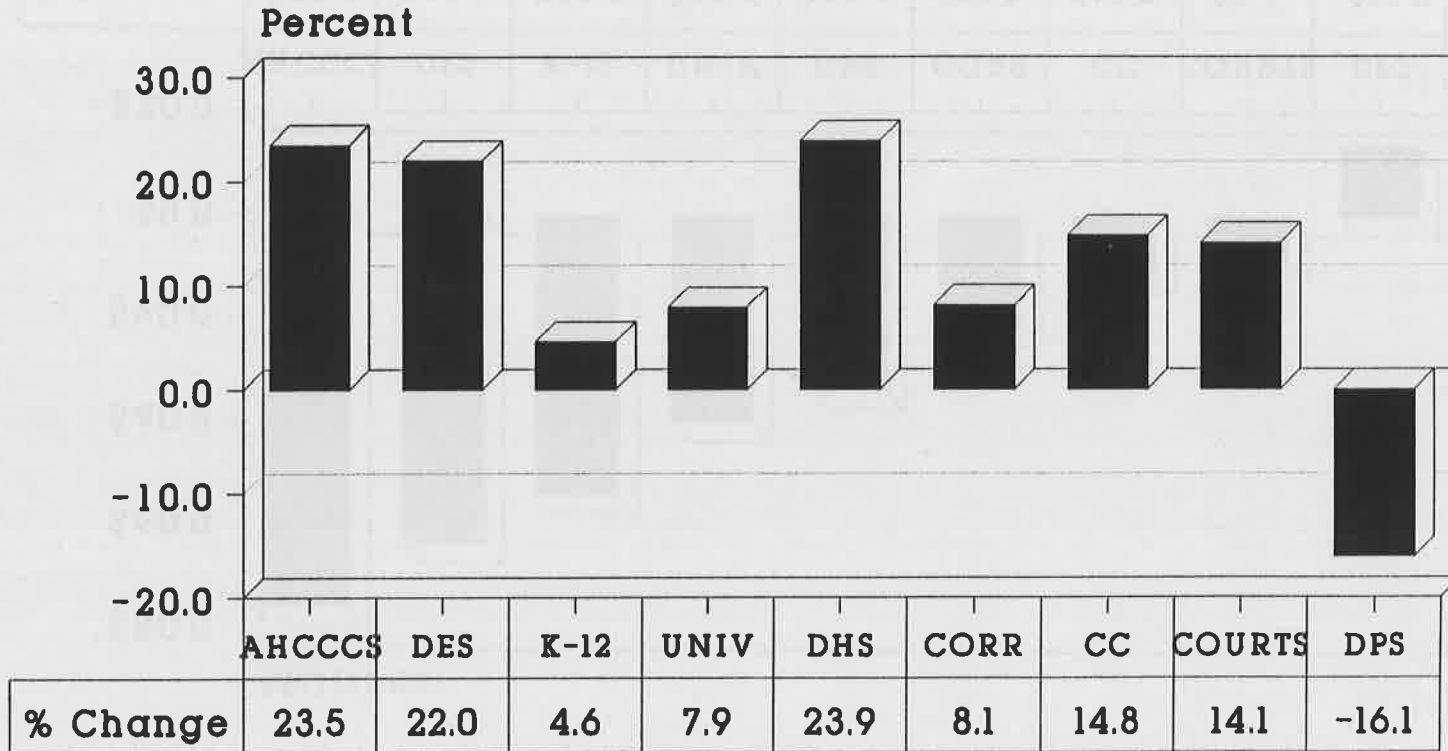
DPS=Dept of Public Safety

NINE LARGEST AGENCIES

GENERAL FUND APPROPRIATION

PERCENT CHANGE FY90 - FY91

TG-16



Total Percentage Change - All Agencies - FY 1990 to FY 1991 = 9.0 %

AHCCCS=AHCCCS DES=Dept of Economic Security K-12=Dept of Education
 UNIV=Regents/Universities DHS=Dept of Health Services CORR=Depts of Corrections/Juv. Corr.
 CC=Community Colleges COURTS=Courts DPS=Dept of Public Safety

SUMMARY OF THE GENERAL APPROPRIATION ACT 1/ 2/
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990 3/</u>		<u>FISCAL YEAR 1991 4/</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>GENERAL GOVERNMENT</u>				
Administration, Department of	\$26,719,200	\$337,700	\$30,497,500	\$358,700
Affirmative Action, Governor's Office of	222,400	0	231,500	0
Attorney General	17,814,500	0	18,187,200	0
Coliseum and Exposition Center	0	12,582,400	0	14,022,400
Commerce, Department of	3,417,000	56,100	3,921,900	1,370,100
Compensation Fund	0	0	0	0
Courts				
Court of Appeals	6,644,600	0	7,952,600	0
Comm on Appellate and Trial	4,000	0	4,000	0
Commission on Judicial Qualifications	100,000	0	113,000	0
Superior Courts	48,833,700	0	53,497,200	0
Supreme Court	5,356,800	0	7,677,800	0
SUBTOTAL - Courts	<u>\$60,939,100</u>	<u>\$0</u>	<u>\$69,244,600</u>	<u>\$0</u>
Governor, Office of the	3,279,300	0	3,334,100	0
Law Enforcement Merit System Council	42,100	0	42,200	0
Legislature				
Auditor General	6,646,600	0	7,226,700	0
House of Representatives	6,130,600	0	6,638,100	0
Joint Legislative Budget Committee	1,523,600	0	1,670,100	0
Legislative Council	2,342,000	0	2,587,600	0
Library, Archives, and Public Records, Dept of	4,817,000	0	4,676,000	0
Senate	6,063,900	0	5,723,400	0
SUBTOTAL - Legislature	<u>\$27,523,700</u>	<u>\$0</u>	<u>\$28,521,900</u>	<u>\$0</u>
Lottery	0	44,999,100	0	41,283,000
Personnel Board	217,700	0	239,100	0
Retirement System	0	2,808,700	0	3,570,000

SUMMARY OF THE GENERAL APPROPRIATION ACT 1/ 2/
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990 3/</u>		<u>FISCAL YEAR 1991 4/</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Revenue, Department of	\$38,689,500	\$0	\$45,123,900	\$0
Secretary of State	1,819,700	0	3,041,700	0
Tax Appeals, Board of	445,100	0	475,600	0
Tourism, Office of	3,558,600	2,000,000	3,481,100	2,000,000
Treasurer	3,705,500	0	3,385,300	0
Uniform State Laws, Commission on	19,000	0	17,400	0
TOTAL - GENERAL GOVERNMENT	\$188,412,400	\$62,784,000	\$209,745,000	\$62,604,200
<u>HEALTH AND WELFARE</u>				
AHCCCS Administration	\$320,428,000	\$0	\$379,480,000	\$0
Economic Security, Department of	272,381,800	764,700	345,151,100	646,900
Environmental Quality, Department of	16,278,400	0	10,413,900	0
Health Services, Department of	139,770,400	2,377,300	150,034,300	2,522,500
Hearing Impaired, Council for the	203,800	0	204,900	0
Indian Affairs, Commission on	155,400	0	164,100	0
Pioneers' Home	2,913,000	0	2,896,400	0
Arizona Ranger's Pension	16,800	0	8,800	0
Veteran's Services Commission	720,700	390,000	826,000	348,200
TOTAL - HEALTH AND WELFARE	\$752,868,300	\$3,532,000	\$889,179,500	\$3,517,600
<u>INSPECTION AND REGULATION</u>				
Agricultural Employment Relations Board	\$189,000	\$0	\$190,100	\$0
Agriculture and Horticulture, Commission of	5,658,300	1,345,500	5,807,500	1,437,400
Banking Department	3,827,600	0	3,857,700	0
Building & Fire Safety, Dept of	2,872,700	0	2,936,300	0
Contractors, Registrar of	4,021,200	0	3,886,200	0
Corporation Commission	4,959,600	5,248,900	4,859,200	5,796,800

**SUMMARY OF THE GENERAL APPROPRIATION ACT 1/ 2/
For Fiscal Years 1990 and 1991**

TG-19

	<u>FISCAL YEAR 1990 3/</u>		<u>FISCAL YEAR 1991 4/</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Dairy Commissioner	\$526,900	\$0	\$482,300	\$0
Industrial Commission	0	11,856,400	0	12,147,700
Insurance, Department of	2,717,600	0	3,065,500	0
Liquor Licenses & Control, Dept of	2,083,600	0	2,074,600	0
Livestock Board	3,842,200	0	3,757,100	0
Mine Inspector	580,900	0	537,300	0
Occupational Safety and Health Review Board	0	0	9,400	0
Racing, Department of	2,436,600	321,400	2,505,200	350,700
Radiation Regulatory Agency	1,274,000	89,700	1,162,400	93,500
Real Estate Department	2,783,100	0	2,891,700	0
Residential Utility Consumer Office	0	923,200	0	1,029,600
Weights and Measures , Dept of	2,010,000	0	1,961,600	382,800
Ninety-Ten Agencies				
Accountancy, Board of	0	650,100	0	664,600
Appraisal, Board of	0	0	0	0
Barber Examiners Board	0	134,200	0	138,000
Behavioral Health Examiners, Board of	0	0	0	135,800
Boxing Commission	55,300	6,100	54,800	7,100
Chiropractic Examiners Board	0	186,000	0	219,700
Cosmetology, Board of	0	534,700	0	550,200
Dental Examiners Board	0	377,500	0	408,400
Egg Inspection Board	0	190,900	0	193,600
Funeral Directors and Embalmers Board	0	144,400	0	155,800
Homeopathic Medical Examiners Board	0	8,400	0	15,100
Medical Examiners, Board of	0	2,137,800	0	2,294,100
Naturopathic Physician Examiners Board	0	27,800	0	27,000

**SUMMARY OF THE GENERAL APPROPRIATION ACT 1/ 2/
For Fiscal Years 1990 and 1991**

TG-20

	<u>FISCAL YEAR 1990 3/</u>		<u>FISCAL YEAR 1991 4/</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Nursing Board	\$0	\$953,100	\$0	\$1,055,200
Nursing Care Institution Administrators Board	0	61,300	0	63,400
Occupational Therapy Examiners, Board of	0	0	0	0
Opticians, Board of Dispensing	0	51,900	0	51,100
Optometry, Board of	0	99,200	0	99,900
Osteopathic Examiners Board	0	210,900	0	257,800
Pharmacy Board	0	604,600	0	633,100
Physical Therapy Examiners Board	0	63,800	0	65,400
Podiatry Examiners Board	0	42,100	0	38,800
Private Postsecondary Education, Board for	0	123,000	0	133,400
Psychologist Examiners Board	0	124,200	0	123,700
Structural Pest Control Commission	0	965,100	0	1,107,000
Technical Registration, Board of	0	709,500	0	783,300
Veterinary Medical Examining Board	0	144,300	0	157,000
SUBTOTAL - Ninety-Ten Agencies	\$55,300	\$8,550,900	\$54,800	\$9,378,500
TOTAL - INSPECTION AND REGULATION	\$39,838,600	\$28,336,000	\$40,038,900	\$30,617,000
EDUCATION				
Arts, Commission on the	\$1,586,300	\$0	\$1,559,300	\$0
Community Colleges	73,607,300 5/	0	84,517,300	0
Deaf and Blind, School for	11,762,700	0	13,146,000	0
Education, Department of	1,102,771,700 6/	0	1,130,267,300 7/	0
Historical Society, Arizona	1,986,900	0	3,158,100	0
Historical Society, Prescott	514,600	0	520,800	0
Medical Student Loans Board	5,000	0	3,000	0
Universities/Board of Regents				
Board of Regents	5,588,600	0	6,343,400	0

**SUMMARY OF THE GENERAL APPROPRIATION ACT 1/ 2/
For Fiscal Years 1990 and 1991**

	<u>FISCAL YEAR 1990 3/</u>		<u>FISCAL YEAR 1991 4/</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Arizona State University - Main	\$176,384,100	\$52,911,900	\$187,161,700	\$0
Arizona State University - West	14,281,900	2,737,800	25,279,400	0
Northern Arizona University	63,279,700	16,145,800	69,930,000	0
University of Arizona - Main	189,716,100	55,489,400	202,580,000	0
University of Arizona - College of Medicine	43,292,300	1,911,900	45,451,100	0
SUBTOTAL - Universities/Board of Regents	492,542,700	129,196,800	536,745,600	0
TOTAL - EDUCATION	\$1,684,777,200	\$129,196,800	\$1,769,917,400	\$0
<u>PROTECTION AND SAFETY</u>				
Corrections, Department of	\$261,465,800	\$0	\$249,910,700	\$207,000
Criminal Justice Commission	0	359,100	3,195,000	332,700
Emergency and Military Affairs, Dept of	4,043,200	0	4,135,200	0
Juvenile Corrections, Department of	0	0	34,237,600	0
Pardons and Paroles, Board of	1,563,800	0	1,873,300	0
Public Safety, Department of	84,915,100	1,822,000	69,349,700 8/	18,553,300 8/
TOTAL - PROTECTION AND SAFETY	\$351,987,900	\$2,181,100	\$362,701,500	\$19,093,000
<u>TRANSPORTATION</u>				
Transportation, Department of	\$82,000	\$175,225,600	\$76,200	\$183,995,800
<u>NATURAL RESOURCES</u>				
Environment, Commission on the	\$111,200	\$0	\$117,900	\$0
Game and Fish Department	0	15,610,800	0	16,238,100
Geological Survey	535,600	0	565,400	0
Land Department	7,879,700	0	8,261,600	0
Mines and Mineral Resources, Dept of	362,400	0	349,800	0

**SUMMARY OF THE GENERAL APPROPRIATION ACT 1/ 2/
For Fiscal Years 1990 and 1991**

	<u>FISCAL YEAR 1990 <u>3/</u></u>		<u>FISCAL YEAR 1991 <u>4/</u></u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Oil and Gas Conservation Commission	\$187,400	\$0	\$177,300	\$0
State Parks Board	5,811,300	1,956,500	6,113,100	9,742,500
Water Resources, Department of	11,848,500	0	11,477,200	0
TOTAL - NATURAL RESOURCES	\$26,736,100	\$17,567,300	\$27,062,300	\$25,980,600
UNALLOCATED INEQUITY SALARY ADJUSTMENTS	64,600	252,200	2,450,000 <u>9/</u>	315,000 <u>9/</u>
UNALLOCATED SALARY ADJUSTMENTS	920,200	198,400	868,200	300,800
TOTAL-GENERAL APPROPRIATIONS ACT	<u>\$3,045,687,300</u>	<u>\$419,273,400</u>	<u>\$3,302,039,000</u>	<u>\$326,424,000</u>

1/ See agency detail pages and Summary of Additional Appropriations table for other fiscal actions affecting the monies as appropriated in the General Appropriation Act.

2/ The amounts shown include the allocation of salary adjustments, including elected official salary adjustments (Section 101); provider adjustments, (Section 102); and lump sum reductions, (Section 109); as well as FY 1990 classification maintenance adjustments.

3/ The amounts for FY 1990 reflect the appropriations made by Laws 1989, Chapter 311.

4/ The amounts for FY 1991 reflect the appropriations made in Laws 1990, Chapter 1, 3rd Special Session.

5/ Does not include \$4,941,800 which was reverted per the footnote in Laws 1989, Chapter 311.

6/ Does not include a state aid roll-over of \$80,250,000 appropriated in Laws 1988, Chapter 260.

7/ Does not include a state aid roll-over of \$100,313,000 appropriated in Laws 1989, Chapter 311.

8/ These figures reflect a transfer of funding in the amount of \$15,600,000 to the Highway Fund.

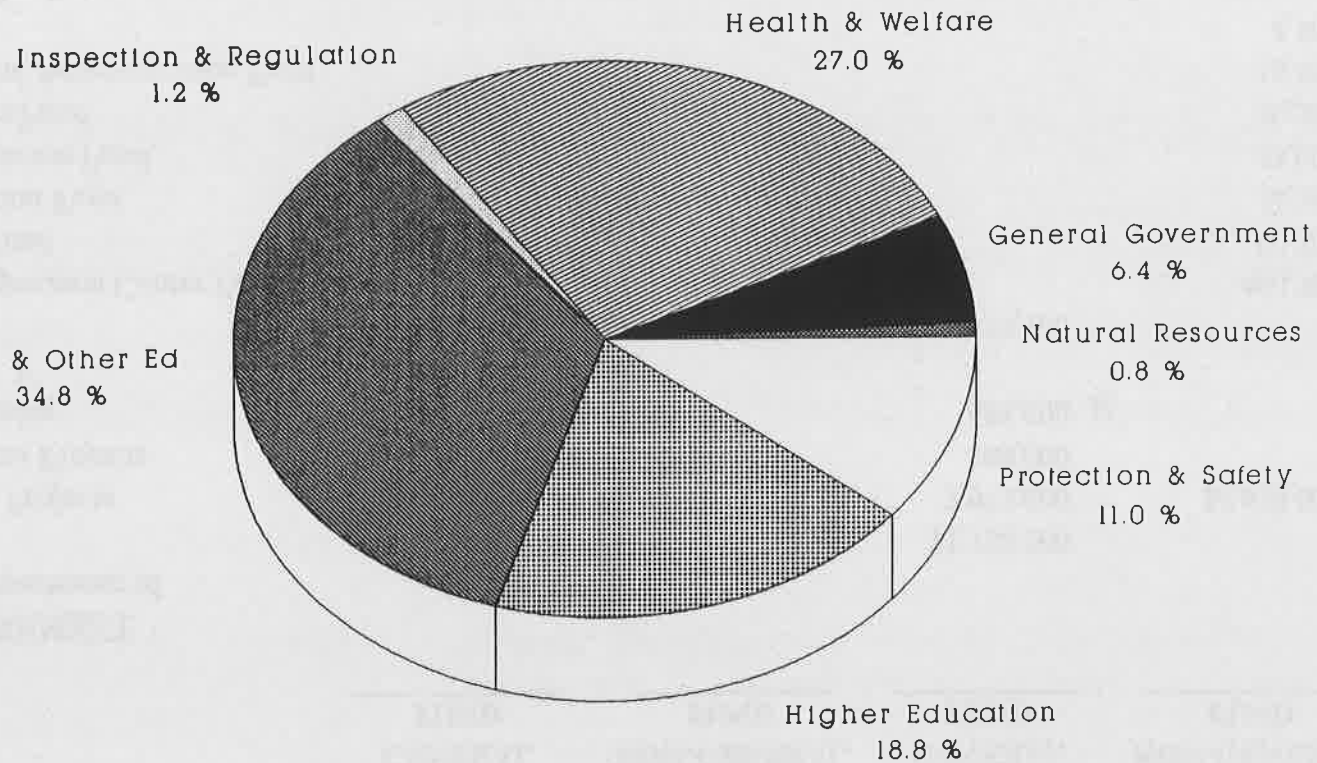
9/ For FY 1991, the amount represents inequity salary adjustments that will be allocated during the fiscal year.

DISTRIBUTION OF THE GENERAL APPROPRIATION ACT

GENERAL FUND

BY FUNCTION OF GOVERNMENT

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FISCAL YEAR 1991

Does not include \$76,200 (0.002 %) for Transportation.

SUMMARY OF THE OMNIBUS CAPITAL OUTLAY BILL (S.B. 1007) AND OTHER CAPITAL OUTLAY APPROPRIATIONS
Unless Otherwise Noted, Enacted by the 39th Legislature - 3rd Special Session

	FISCAL YEAR 1990		FISCAL YEAR 1991	
	GENERAL	NON-GENERAL	GENERAL	NON-GENERAL
	FUND	FUND	FUND	FUND
<u>GENERAL GOVERNMENT</u>				
Administration, Department of				
DOA Projects			\$1,720,000	
Adult Corrections Projects			1,975,000	\$6,610,000
Juvenile Corrections Projects			189,000	
Construction Planning			655,000 <u>1/</u>	
Building Renewal <u>2/</u>				
General Fund			459,100	
Coliseum and Exposition Center Fund				400,700
Game and Fish Fund				90,200
State Compensation Fund				56,200
Industrial Commission Fund				33,000
State Aeronautics Fund				20,300
Retirement System Administration Fund				13,400
Lottery Fund				4,500
Ch. 5, 1st Special Session				
Prison Expansion <u>3/</u>		\$15,295,100		16,218,400

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SUMMARY OF THE OMNIBUS CAPITAL OUTLAY BILL (S.B. 1007) AND OTHER CAPITAL OUTLAY APPROPRIATIONS
Unless Otherwise Noted, Enacted by the 39th Legislature - 3rd Special Session

	FISCAL YEAR 1990		FISCAL YEAR 1991	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
Ch. 318, 2nd Regular Session Clifton Flood Control			\$150,000	
SUBTOTAL	\$0	\$15,295,100	\$5,148,100	\$23,446,700
TOTAL - GENERAL GOVERNMENT	\$0	\$15,295,100	\$5,148,100	\$23,446,700
 <u>HEALTH AND WELFARE</u>				
Economic Security, Department of Veteran's Services Commission Ch. 203, 2nd Regular Session Veterans Nursing Home			\$2,717,000	
TOTAL - HEALTH AND WELFARE	\$0	\$0	\$3,967,000	\$0
 <u>EDUCATION</u>				
Deaf and Blind, School for Education, Department of Historical Society, Arizona Historical Society, Prescott			\$548,100 200,000 215,000 28,000	

SUMMARY OF THE OMNIBUS CAPITAL OUTLAY BILL (S.B. 1007) AND OTHER CAPITAL OUTLAY APPROPRIATIONS
Unless Otherwise Noted, Enacted by the 39th Legislature - 3rd Special Session

	FISCAL YEAR 1990		FISCAL YEAR 1991	
	GENERAL FUND	NON-GENERAL FUND	GENERAL FUND	NON-GENERAL FUND
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Universities/Board of Regents				
Board of Regents				
Building Renewal 2/			3,000,000	
TOTAL - EDUCATION	<u> \$0</u>	<u> \$0</u>	<u> \$3,991,100</u>	<u> \$0</u>
<u>PROTECTION AND SAFETY</u>				
Emergency and Military Affairs, Dept of			\$425,500	
Public Safety, Department of			330,000	
TOTAL - PROTECTION AND SAFETY	<u> \$0</u>	<u> \$0</u>	<u> \$755,500</u>	<u> \$0</u>
<u>TRANSPORTATION</u>				
Transportation, Department of				
State Highway Fund				\$167,824,900
Building Renewal 2/				922,500
State Aviation Fund				10,703,000
SUBTOTAL	<u> \$0</u>	<u> \$0</u>	<u> \$0</u>	<u> \$179,450,400</u>
TOTAL-TRANSPORTATION	<u> \$0</u>	<u> \$0</u>	<u> \$0</u>	<u> \$179,450,400</u>

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SUMMARY OF THE OMNIBUS CAPITAL OUTLAY BILL (S.B. 1007) AND OTHER CAPITAL OUTLAY APPROPRIATIONS

Unless Otherwise Noted, Enacted by the 39th Legislature - 3rd Special Session

	FISCAL YEAR 1990		FISCAL YEAR 1991	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>NATURAL RESOURCES</u>				
Game and Fish Department				\$933,000
State Parks Board			\$1,185,000	2,485,100
TOTAL - NATURAL RESOURCES	<u>\$0</u>	<u>\$0</u>	<u>\$1,185,000</u>	<u>\$3,418,100</u>
 GRAND TOTAL	 <u><u>\$0</u></u>	 <u><u>\$15,295,100</u></u>	 <u><u>\$15,046,700</u></u>	 <u><u>\$206,315,200</u></u>

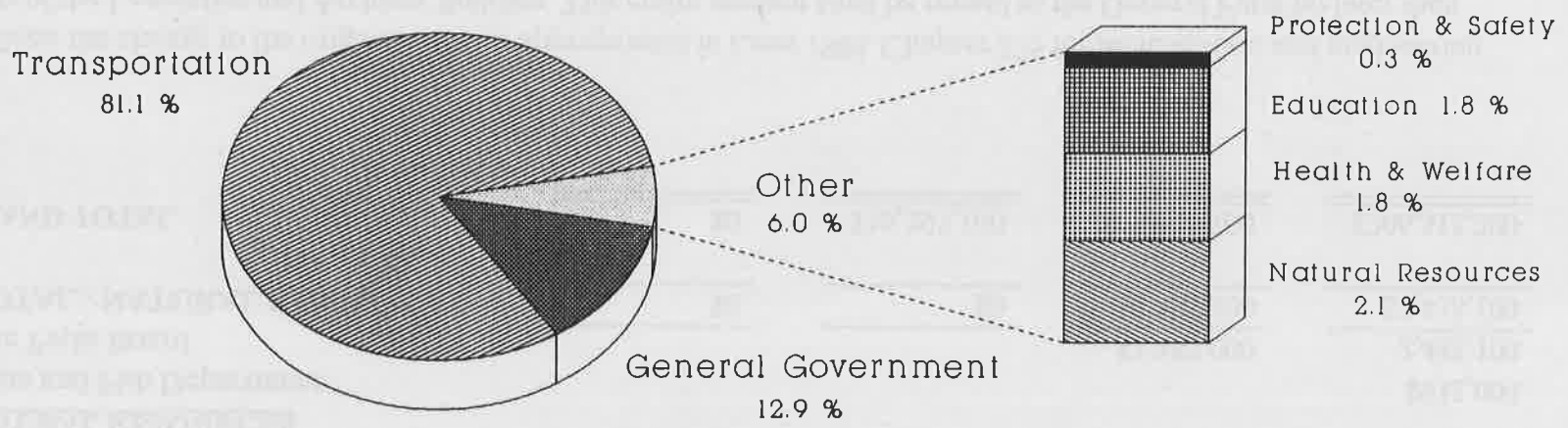
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- 1/ Reflects the change to the original amount appropriated in Laws 1988, Chapter 275 for architectural and engineering costs of the Legislative and Archives Building. This entire amount shall be repaid to the General Fund no later than January 31, 1991 from the proceeds of lease-purchase financing certificates.
- 2/ For major maintenance and repair of state buildings pursuant to Title 41, Chapter 4, Article 7, Arizona Revised Statutes.
- 3/ This legislation also reduced the nonlapsing appropriation made in Laws 1988, Chapter 275, Section 3C, by \$20,555,400.

IN DEPARTMENT OF GOVERNMENT
DISTRIBUTION OF CAPITAL OUTLAY BILLS

DISTRIBUTION OF CAPITAL OUTLAY BILLS BY FUNCTION OF GOVERNMENT

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FISCAL YEAR 1991

Note: General Government total includes amounts for Juvenile and Adult Corrections facilities.

SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>GENERAL GOVERNMENT</u>				
Administration, Department of				
Ch. 194 (H.B. 2689)- Appropriation for Named Claimants	\$115,087			
Ch. 237 (H.B. 2690)- Omnibus Child Protection Act			\$25,000	
SUB-TOTAL	<u>\$115,087</u>	<u>\$0</u>	<u>25,000</u>	<u>\$0</u>
Attorney General				
Ch. 2 (S.B. 1226)- Property Tax Appeals	150,000			
Ch. 237 (H.B. 2690)- Omnibus Child Protection Act			77,500	
SUB-TOTAL	<u>\$150,000</u>	<u>\$0</u>	<u>\$77,500</u>	<u>\$0</u>
Commerce, Department				
Ch. 229 (H.B. 2233)- Trade and Tourism			300,000	
Ch. 305 (H.B. 1020)- Housing Needs Assessment				78,800
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$300,000</u>	<u>\$78,800</u>
Courts/ Supreme Court				
Ch. 237 (H.B. 2690)- Omnibus Child Protection Act			290,500	

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SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Legislature				
Auditor General				
Ch. 399 (S.B. 1343)- Schools; Omnibus Budget and Finance			\$70,000	
Legislative Council				
Ch. 194 (H.B. 2689)- Appropriation for Named Claimants		\$57,820		
Ch. 403 (H.B. 2191)- Behavioral Health			100,000	
SUB-TOTAL	<u>\$0</u>	<u>\$57,820</u>	<u>\$100,000</u>	<u>\$0</u>
Legislature SUB-TOTAL	<u>\$0</u>	<u>\$57,820</u>	<u>\$170,000</u>	<u>\$0</u>
Retirement System				
Ch. 183 (H.B. 2629)- ASRS; Supplemental Appropriation		116,600		
Tax Appeals, State Board of				
Ch. 360 (S.B. 1174)- Property Tax Appeals			201,800	

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SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

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	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Treasurer				
Ch. 72 (H.B. 2062)- Nuclear Emergency Appropriation and Assessment	\$117,200			
Ch. 146 (S.B. 1351)- Economic Development Demonstration Districts		\$850,000		
Ch. 333 (H.B. 2351)- Omnibus AHCCCS			\$2,916,000	
SUB-TOTAL	<u>\$117,200</u>	<u>\$850,000</u>	<u>\$2,916,000</u>	<u>\$0</u>
TOTAL - GENERAL GOVERNMENT	\$382,287	\$1,024,420	\$3,980,800	\$78,800
<u>HEALTH AND WELFARE</u>				
AHCCCS Administration				
Ch. 333 (H.B. 2351)- Omnibus AHCCCS			8,329,615	
Ch. 406 (H.B. 2524)- Assistance Payments to Dependent Children			103,300	
Ch. 334 (H.B. 2554)- Children's Mental Health Services			7,897,500	
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$16,330,415</u>	<u>\$0</u>
Economic Security, Department of				
Ch. 315 (H.B. 2177)- Homeless Trust Fund			705,000	
Ch. 155 (H.B. 2267)- Alzheimer's Disease Advisory Committee			15,000	

SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
Ch. 260 (H.B. 2318)- Office to Assist Homeless Persons			\$80,000	
Ch. 406 (H.B. 2524)- Assistance Payments to Dependent Children			547,000	
Ch. 334 (H.B. 2554)- Children's Mental Health Services			245,400	
Ch. 237 (H.B. 2690)- Omnibus Child Protection Act			2,166,000	
Ch. 327 (S.B. 1242)- Fingerprinting; Domestic Shelter Employees			10,000	
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$3,768,400</u>	<u>\$0</u>
Health Services, Department of				
Ch. 292 (H.B. 2174)- Adult Care Homes			89,000	
Ch. 403 (H.B. 2191)- Behavioral Health			22,000,000	
Ch. 334 (H.B. 2554)- Children's Mental Health Services			746,800	
Ch. 4 (S.B. 1006)- 3rd Special Session Behavioral Health Appropriation			703,000	
Ch. 381 (S.B. 1140)- Medical Malpractice Premiums			205,000	
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$23,743,800</u>	<u>\$0</u>
 TOTAL - HEALTH AND WELFARE	 <u>\$0</u>	 <u>\$0</u>	 <u>\$43,842,615</u>	 <u>\$0</u>

SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>INSPECTION AND REGULATION</u>				
Appraisal, State Board of				
Ch. 313 (H.B. 2333)- State Board of Appraisal	\$75,000			\$100,000
Nursing Care Institution Administrators, Board of				
Ch. 292 (H.B. 2174)- Adult Care Homes			\$7,000	
Pharmacy, Board of				
Ch. 29 (H.B. 2093)- Appropriation; Board of Pharmacy		\$5,000		
Radiation Regulatory Agency				
Ch. 72 (H.B. 2062)- Nuclear Emergency Appropriation and Assessment	330,900			
TOTAL - INSPECTION AND REGULATION	\$405,900	\$5,000	\$7,000	\$100,000

SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
EDUCATION				
Education, Department of				
Ch. 392 (H.B. 2002)- Pilot Full Day Kindergarten			\$1,400,000	
Ch. 322 (H.B. 2120)- Handicapped Pupils; Extended School Year			500,000	
Ch. 258 (H.B. 2259)- Preschool Handicapped Pupils			900,000	
Ch. 345 (H.B. 2565)- At-Risk Preschool Pilot Projects; Grants			600,000	
Ch. 330 (H.B. 2680)- Vocational and Technological Education			2,000,000	
Ch. 348 (S.B. 1063)- School Finance; Technical Corrections			100,000	
Ch. 164 (S.B. 1160)- Education Voucher Fund			560,000	
Ch. 357 (S.B. 1552)- Evaluation of School Restructuring			100,000	
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$6,160,000</u>	<u>\$0</u>
Universities/Board of Regents				
Board of Regents				
Ch. 340 (H.B. 2225)- Student Loans; Teacher Training			95,000	
Ch. 342 (H.B. 2344)- Area Health Education System			262,000	
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$357,000</u>	<u>\$0</u>
TOTAL - EDUCATION	<u>\$0</u>	<u>\$0</u>	<u>\$6,517,000</u>	<u>\$0</u>

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SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

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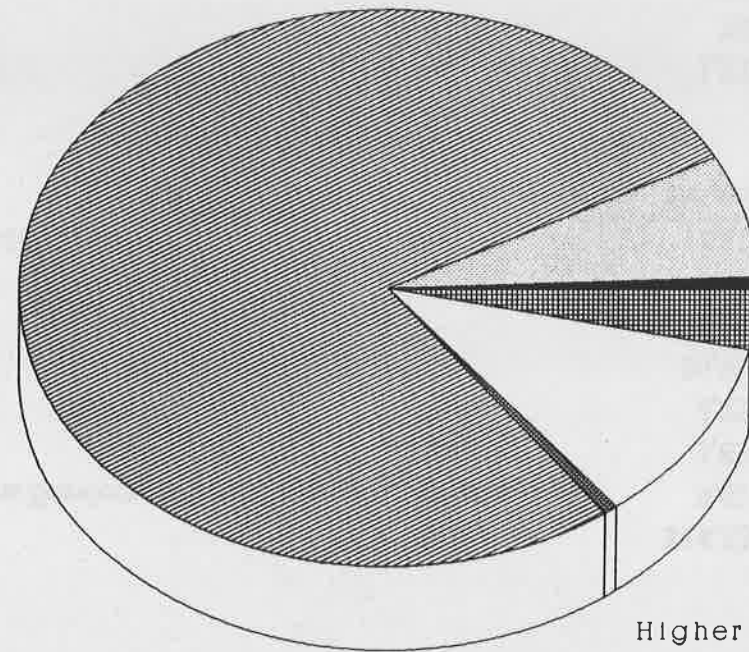
	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
<u>PROTECTION AND SAFETY</u>				
Public Safety, Department of				
Ch. 304 (S.B. 1001)- Fingerprint Identification Network			\$2,000,000	
Emergency Services and Military Affairs, Dept. Of				
Ch. 72 (H.B. 2062)- Nuclear Emergency Appropriation and Assessment	\$203,100			
TOTAL - PROTECTION AND SAFETY	\$203,100	\$0	\$2,000,000	\$0
<u>TRANSPORTATION</u>				
Transportation, Department of				
Ch. 211 (H.B. 2401)- Automotive Recyclers	\$0	\$0	\$0	\$102,000
<u>NATURAL RESOURCES</u>				
Land Department				
Ch. 188 (H.B. 2144)- Bertino Settlement Agreement	145,000			

SUMMARY OF ADDITIONAL APPROPRIATIONS
(Other Than The General Appropriation Act and All Capital Outlay Appropriations)
Enacted by the 39th Legislature - 2nd Regular and 3rd Special Sessions
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR 1990</u>		<u>FISCAL YEAR 1991</u>	
	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>	<u>GENERAL FUND</u>	<u>NON-GENERAL FUND</u>
State Parks Board				
Ch. 401 (H.B. 2671)- Arizona Conservation Corps			\$300,000	
Ch. 48 (S.B. 1030)- State Parks; Tonto Natural Bridge			120,000	
SUB-TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$420,000</u>	<u>\$0</u>
TOTAL - NATURAL RESOURCES	\$145,000	\$0	\$420,000	\$0
GRAND TOTAL	<u><u>\$1,136,287</u></u>	<u><u>\$1,029,420</u></u>	<u><u>\$56,767,415</u></u>	<u><u>\$280,800</u></u>

DISTRIBUTION OF ADDITIONAL APPROPRIATIONS BY FUNCTION OF GOVERNMENT

Health & Welfare
76.9 %



General Government
7.1 %

Natural Resources 0.7 %

Protection & Safety
3.5 %

K-12 & Other Ed
10.8 %

Higher Education
0.6 %

FISCAL YEAR 1991

Does not include \$107,000 (0.2 %) for Inspection & Regulation and \$102,000 (0.2 %) for Transportation.

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR</u> 1990	<u>FISCAL YEAR</u> 1991
<u>GENERAL GOVERNMENT</u>		
Administration, Department of		
Automation Revolving	\$14,326,500	\$13,468,500
Emergency Telecommunications Services	9,627,900	10,072,300
911 Emergency Fund	3,830,900	4,872,800
Motor Vehicle Pool	4,354,500	4,334,900
Risk Management	36,939,100	39,101,700
Special Services	2,358,800	2,477,800
Surplus Property	1,145,700	1,191,600
Workmens Compensation Liability Loss	12,879,900	14,911,100
SUBTOTAL	<u>\$85,463,300</u>	<u>\$90,430,700</u>
Attorney General		
Anti-Racketeering	1,553,000	1,708,300
Antitrust Enforcement	395,700	438,000
Collection Enforcement	245,200	269,700
Colorado Land Claims	37,100	0
Consumer Fraud	276,100	303,700
Criminal Justice Enhancement	2,963,200	1,800,000
Prosecuting Attorneys Council	1,198,800	1,198,800
Special Printing Fund	6,400	5,000
Federal Funds	1,697,600	1,650,100
SUBTOTAL	<u>\$8,373,100</u>	<u>\$7,373,600</u>

**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	FISCAL YEAR 1990	FISCAL YEAR 1991
	<hr/>	<hr/>
Commerce, Department of		
Energy Fund	1,441,800	1,239,900
Oil Overcharge Fund	23,166,500	10,730,000
Special Revenue Funds	140,100	117,400
Federal Funds	5,896,400	4,702,600
SUBTOTAL	<hr/> \$30,644,800	<hr/> \$16,789,900
Compensation Fund <u>1</u> / State Comp Fund Admin Exp	287,050,200	315,392,900
Courts - Supreme Court		
Case Processing Assistance Fund	1,063,800	1,063,800
Juvenile Crime Reduction Fund	2,067,900	2,067,900
Juvenile Probation Fund	459,400	250,000
SUBTOTAL	<hr/> \$3,591,100	<hr/> \$3,381,700
Legislature		
Auditor General--Audit Services	852,000	886,100
Library, Archives, and Public Records		
Donations	15,000	15,000
Gift Shop Revolving Fund	35,000	40,000
Miscellaneous Collections	25,000	15,100
Federal Funds	1,955,500	0
SUBTOTAL	<hr/> \$2,882,500	<hr/> \$956,200

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR</u> 1990	<u>FISCAL YEAR</u> 1991
Lottery		
Lottery Fund	211,724,100	223,943,900
Revenue, Department of		
Liability Setoff Fund	90,500	96,700
Publications Revolving Fund	99,600	104,300
SUBTOTAL	<u>\$190,100</u>	<u>\$201,000</u>
Secretary of State		
Arizona Blue Book	5,000	0
Data Processing Upgrade Fund	13,800	425,000
SUBTOTAL	<u>\$18,800</u>	<u>\$425,000</u>
Tourism, Office of		
Workshop Fund Account	20,200	20,000
RECAP - GENERAL GOVERNMENT		
Other Funds	620,408,700	652,562,200
Federal Funds	9,549,500	6,352,700
TOTAL - GENERAL GOVERNMENT	<u>\$629,958,200</u>	<u>\$658,914,900</u>

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**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
<u>HEALTH AND WELFARE</u>		
AHCCCS		
County Contributions	153,870,600	154,432,600
Miscellaneous Funds	5,603,800	5,864,400
Federal Funds	459,438,500	557,774,285
SUBTOTAL	618,912,900	718,071,285
Economic Security, Department of		
Capital Investment Fund	106,000	73,000
Child Abuse Prevention and Treatment	456,200	453,800
Child Passenger Restraint	5,000	5,000
Child Support Administration	3,795,200	5,217,000
Client Trust Fund	1,336,400	1,341,400
Donations	78,000	78,000
Govt Service Use Fee Revenue	2,797,000	2,797,000
Mesa Land	293,200	293,200
Special Admin Fund for Unemployment Compensation	4,638,100	1,447,000
Unemployment Insurance Benefit Fund	167,713,400	171,906,000
All Other DES Funds	93,371,500	109,268,900
Federal Funds	306,408,000	346,322,600
SUBTOTAL	580,998,000	639,202,900
Environmental Quality, Department of		
Air Quality Fund	8,288,500	3,500,000

**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	<u>FISCAL YEAR</u> 1990	<u>FISCAL YEAR</u> 1991
Hazardous Waste Fee Fund	13,900	4,500
Vehicular Emissions Revolving Fund	1,097,900	821,400
Water Quality Assurance Revolving Fund	3,605,800	4,716,900
Federal Funds	7,538,800	7,616,100
SUBTOTAL	\$20,544,900	\$16,658,900
Health Services, Department of		
Alcohol Abuse Treatment Fund	450,900	450,900
Alcohol/Drug Fines	400,000	400,000
Domestic Violence	570,000	570,000
Donations	333,500	150,400
Residential Care Homes	51,700	1,900
SAMHC Patients Benefit	4,000	4,000
Sanitarians Fund	9,800	9,500
State Hospital Donations	1,500	2,000
State Hospital Patient Benefit	134,500	150,000
State Hospital Land	257,000	300,000
Federal Funds	47,203,600	48,833,700
SUBTOTAL	\$49,416,500	\$50,872,400
Hearing Impaired, Council for the		
Telecommunications for the Deaf	1,548,900	1,550,300
Pioneers' Home		
Pioneers' Endowment	684,200	671,400

**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
Special Donations	35,000	35,000
SUBTOTAL	\$719,200	\$706,400
Veterans' Service Commission		
Cemetery Donations	113,000	0
Memorial Cemetery	163,000	98,000
Federal Funds	116,900	141,600
SUBTOTAL	\$392,900	\$239,600
RECAP - HEALTH AND WELFARE		
Other Funds	451,827,500	466,613,500
Federal Funds	820,705,800	960,688,285
TOTAL - HEALTH AND WELFARE	\$1,272,533,300	\$1,427,301,785
 <u>INSPECTION AND REGULATION</u>		
Agriculture and Horticulture, Commission of		
Abatement	3,903,100	1,223,000
Agriculture and Horticulture Fund (Native Plants)	88,700	356,600
Dangerous Plants Pests and Diseases	10,400	10,400
Grain	123,000	133,900
Seed Law	11,000	11,200
Yuma County	4,100	5,000
SUBTOTAL	\$4,140,300	\$1,740,100

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	FISCAL YEAR	FISCAL YEAR
	1990	1991
	<hr/>	<hr/>
Banking, Department of Revolving Fund	305,600	150,000
Corporation Commission Utility Reg Revolving Fund Federal Funds	5,448,900 173,200	6,272,100 175,000
SUBTOTAL	<hr/> \$5,622,100	<hr/> \$6,447,100
Dairy Commissioner Federal Funds	4,600	0
Industrial Commission Donations Federal Funds	102,000 896,000	122,000 923,400
SUBTOTAL	<hr/> \$998,000	<hr/> \$1,045,400
Insurance, Department of Computer System Fund Examiners Fund Life and Disability Property & Casualty	238,200 2,257,400 20,650,300 11,834,000	163,900 2,482,600 2,685,300 7,934,000
SUBTOTAL	<hr/> \$34,979,900	<hr/> \$13,265,800
Livestock Board Beef Inspection	585,200	684,000

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
Collection & Admin Cost Fund	30,800	36,000
Equine Maintenance Fund	1,100	1,200
Seizure Fund	4,300	4,000
Stray Fund	36,900	31,000
SUBTOTAL	\$658,300	\$756,200
Mine Inspector		
Federal Funds	91,000	91,000
Racing, Department of		
Admin of County Fair Racing	66,800	68,700
Breeder's Award	1,204,800	974,400
County Fair Racing Betterment Fund	881,500	881,500
SUBTOTAL	\$2,153,100	\$1,924,600
Radiation Regulatory Agency		
Federal Funds	24,000	189,400
NINETY-TEN AGENCIES		
Egg Inspection Board		
Federal Funds	51,000	25,400
Structural Pest Control Board		
Federal Funds	63,500	63,500
SUBTOTAL NINETY-TEN AGENCIES	\$114,500	\$88,900

**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	FISCAL YEAR	FISCAL YEAR
	1990	1991
	<hr/>	<hr/>
RECAP - INSPECTION AND REGULATION		
Other Funds	47,788,100	24,230,800
Federal Funds	1,303,300	1,467,700
TOTAL - INSPECTION AND REGULATION	\$49,091,400	\$25,698,500
<u>EDUCATION</u>		
Arts, Commission on the		
Local	117,200	80,000
Arts Trust Fund	1,000,000	1,000,000
Federal Funds	597,600	593,800
SUBTOTAL	\$1,714,800	\$1,673,800
Community Colleges		
Other Funds	138,800	146,100
Federal Funds	1,807,000	1,805,000
SUBTOTAL	\$1,945,800	\$1,951,100
Deaf and Blind, School for		
Land Earnings	286,700	250,000
Trust Funds	118,000	118,000
Federal Funds	542,400	541,700
SUBTOTAL	\$947,100	\$909,700

**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	FISCAL YEAR 1990	FISCAL YEAR 1991
	<hr/>	<hr/>
Education, Department of		
Food Distribution	333,300	296,300
Education Evaluation & Review	19,000	19,300
Permanent Common School Fund	47,384,700	51,500,000
Printing	449,800	466,900
Federal Funds	242,306,900	260,537,400
SUBTOTAL	<hr/> \$290,493,700	<hr/> \$312,819,900
Historical Society, Arizona		
Ariz Hist Society Preservation and Restoration	305,000	328,000
Journal of Az Hist Magazine Fund	53,000	56,000
Educational Material Fund	2,000	8,000
SUBTOTAL	<hr/> \$360,000	<hr/> \$392,000
Historical Society, Prescott		
Sharlot Hall Museum Fund	46,000	50,000
Medical Student Loans Board		
Medical Student Loan Fund	96,000	90,000
UNIVERSITIES/BOARD OF REGENTS		
Board of Regents		
Institutional Incentive Grants	1,238,000	1,238,000
Local Fund	379,900	379,900

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	FISCAL YEAR	FISCAL YEAR
	1990	1991
	<hr/>	<hr/>
Federal Funds	1,900,000	1,837,600
SUBTOTAL	\$3,517,900	\$3,455,500
Arizona State University - Main Campus		
Other Funds	89,713,900	154,828,400
Federal Funds	30,218,300	31,124,900
SUBTOTAL	\$119,932,200	\$185,953,300
Arizona State University - West Campus		
Other Funds	0	3,258,900
Northern Arizona University		
Other Funds	26,300,300	48,476,100
Federal Funds	11,692,800	12,104,500
SUBTOTAL	\$37,993,100	\$60,580,600
University of Arizona - Main Campus		
Other Funds	194,426,200	266,237,300
Federal Funds	83,670,800	87,088,400
SUBTOTAL	\$278,097,000	\$353,325,700
University of Arizona - College of Medicine		
Other Funds	46,739,900	51,050,100

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**SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991**

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
Federal Funds	30,489,500	31,736,900
SUBTOTAL	\$77,229,400	\$82,787,000
UNIVERSITIES/BOARD OF REGENTS SUBTOTAL		
Other Funds	358,798,200	525,468,700
Federal Funds	157,971,400	163,892,300
SUBTOTAL	\$516,769,600	\$689,361,000
RECAP - EDUCATION		
Other Funds	409,147,700	579,877,300
Federal Funds	403,225,300	427,370,200
TOTAL - EDUCATION	\$812,373,000	\$1,007,247,500
<u>PROTECTION AND SAFETY</u>		
Corrections, Department of		
Alcohol Abuse	142,200	142,200
ARCOR Revolving	3,840,400	4,253,400
Criminal Justice Enhancement	2,219,600	2,210,000
Corrections Donations	11,100	11,100
Inmate Care	11,800	11,800
Land Endowment Earnings	822,800	898,000
Federal Funds	564,100	547,000
SUBTOTAL	\$7,612,000	\$8,073,500

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	FISCAL YEAR	FISCAL YEAR
	1990	1991
	<hr/>	<hr/>
Criminal Justice Commission		
Administration Narcotics Assistance	188,900	211,300
Arson Detection Reward Fund	500	500
Drug Enforcement Account	10,229,900	7,600,000
Victim's Assistance	362,900	350,000
Victim's Compensation Fund	691,700	500,000
SUBTOTAL	<hr/> \$11,473,900	<hr/> \$8,661,800
Emergency and Military Affairs, Department of		
Federal Funds	15,337,000	13,436,700
Juvenile Corrections, Department of		
Other Funds	146,500	108,200
Federal Funds	1,220,800	1,273,800
SUBTOTAL	<hr/> \$1,367,300	<hr/> \$1,382,000
Public Safety, Department of		
Criminal Justice Enhancement	2,542,500	1,640,000
Donations	29,300	9,300
Fingerprint Fund	855,000	999,000
Peace Officer Training Fund	4,864,100	5,107,400
Federal Funds	4,275,400	3,872,300
SUBTOTAL	<hr/> \$12,566,300	<hr/> \$11,628,000

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
RECAP - PROTECTION AND SAFETY		
Other Funds	26,959,200	24,052,200
Federal Funds	21,397,300	19,129,800
TOTAL PROTECTION AND SAFETY	\$48,356,500	\$43,182,000
<u>TRANSPORTATION</u>		
Transportation, Department of		
Arizona Highways Magazine Fund	8,924,800	9,330,500
County Automobile License	6,581,100	7,077,300
Equipment Revolving Fund	24,940,300	24,530,500
Maricopa Regional Area Road Fund	57,352,000	57,887,300
Mobile Home Revolving Fund	122,500	116,400
Motorcycle Revolving Fund	119,000	138,100
Public Road Education Fund	200,000	180,000
Federal Funds	170,246,600	126,407,400
SUBTOTAL	\$268,486,300	\$225,667,500
RECAP - TRANSPORTATION		
Other Funds	98,239,700	99,260,100
Federal Funds	170,246,600	126,407,400
TOTAL - TRANSPORTATION	\$268,486,300	\$225,667,500

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SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
<u>NATURAL RESOURCES</u>		
Environment, Commission on the Revolving Fund	29,900	31,200
Game and Fish Department		
Conservation Development	450,000	600,000
Donations	129,200	107,200
Publications	55,100	57,600
Stamp Funds	188,400	138,500
Trust Fund	159,700	191,100
Wildlife Theft Prevention	190,000	210,000
Federal Funds	13,938,400	7,393,400
SUBTOTAL	\$15,110,800	\$8,697,800
Geological Survey		
Print Revolving & Other Funds	44,600	26,300
Federal Funds	125,500	88,000
SUBTOTAL	\$170,100	\$114,300
Land Department		
Cooperative Fire Control	607,000	510,000
Resource Analysis Rev Fund	12,800	12,000
Timber Suspense	386,700	437,900

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

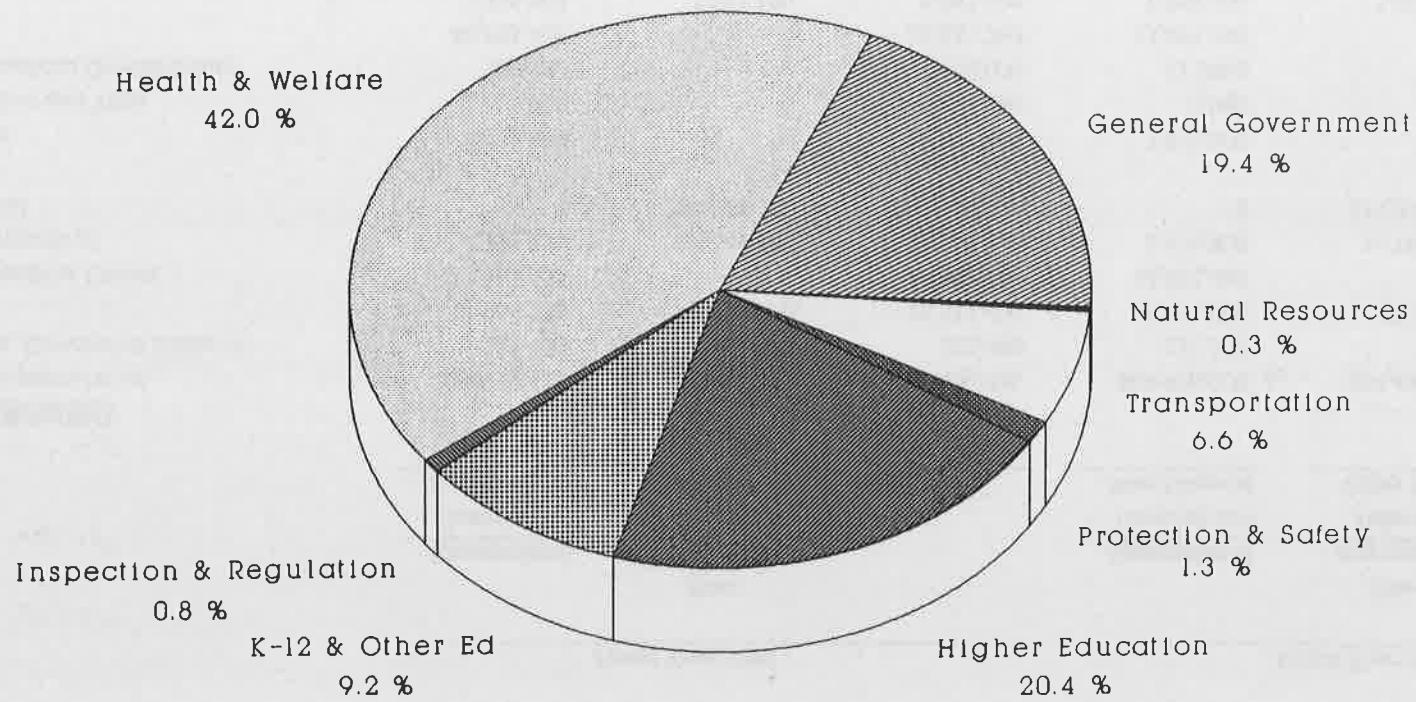
	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
Federal Funds	0	16,300
SUBTOTAL	\$1,006,500	\$976,200
 Mines and Mineral Resources, Department of		
Other Funds	38,500	38,500
 State Parks Board		
Donations	20,000	20,000
Land and Water Conservation Surcharge Fund	123,200	98,200
Federal Funds	984,400	1,038,200
SUBTOTAL	\$1,127,600	\$1,156,400
 Water Resources, Department of		
Adjudication	50,000	50,000
Groundwater Enforcement	64,300	64,900
Federal Funds	134,600	52,600
SUBTOTAL	\$248,900	\$167,500
 RECAP - NATURAL RESOURCES		
Other Funds	2,549,400	2,593,400
Federal Funds	15,182,900	8,588,500
TOTAL - NATURAL RESOURCES	\$17,732,300	\$11,181,900

SUMMARY OF FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES
For Fiscal Years 1990 and 1991

	<u>FISCAL YEAR</u> <u>1990</u>	<u>FISCAL YEAR</u> <u>1991</u>
RECAP - FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES		
Total - Federal Funds	1,441,610,700	1,550,004,585
Total - Other Funds	1,656,920,300	1,849,189,500
TOTAL--FEDERAL AND OTHER NON-APPROPRIATED FUND EXPENDITURES	<u><u>\$3,098,531,000</u></u>	<u><u>\$3,399,194,085</u></u>

1/ Estimates represent spending for calendar years 1989 and 1990 respectively. The Joint Legislative Budget Committee approves the State Compensation Fund operating budget.

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



FISCAL YEAR 1991

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>
GENERAL GOVERNMENT						
Administration, Department of	\$75,939,426 3/	\$85,463,300	\$161,402,726	\$60,976,000 4/	\$90,430,700	\$151,406,700
Affirmative Action, Governor's Office of	222,400	0	222,400	231,500	0	231,500
Attorney General	17,964,500	8,373,100	26,337,600	18,264,700	7,373,600	25,638,300
Coliseum and Exposition Center	12,582,400	0	12,582,400	14,022,400	0	14,022,400
Commerce, Department of	4,713,100	30,644,800	35,357,900	5,670,800	16,789,900	22,460,700
Compensation Fund	0	287,050,200	287,050,200	0	315,392,900	315,392,900
Courts						
Court of Appeals	6,644,600	0	6,644,600	7,952,600	0	7,952,600
Comm on Appellate and Trial	4,000	0	4,000	4,000	0	4,000
Commission on Judicial Qualifications	100,000	0	100,000	113,000	0	113,000
Superior Courts	48,833,700	0	48,833,700	53,497,200	0	53,497,200
Supreme Court	5,356,800	3,591,100	8,947,900	7,968,300	3,381,700	11,350,000
SUBTOTAL - Courts	<u>\$60,939,100</u>	<u>\$3,591,100</u>	<u>\$64,530,200</u>	<u>\$69,535,100</u>	<u>\$3,381,700</u>	<u>\$72,916,800</u>
Governor, Office of the	3,629,300	0	3,629,300	3,334,100	0	3,334,100
Law Enforcement Merit System Council	42,100	0	42,100	42,200	0	42,200
Legislature						
Auditor General	6,886,600	852,000	7,738,600	7,296,700	886,100	8,182,800
House of Representatives	6,130,600	0	6,130,600	6,638,100	0	6,638,100
Joint Legislative Budget Committee	1,537,700	0	1,537,700	1,670,100	0	1,670,100
Legislative Council	3,235,320	0	3,235,320	2,687,600	0	2,687,600
Library, Archives, and Public Records, Dept of	4,817,000	2,030,500	6,847,500	4,676,000	70,100	4,746,100

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

Fiscal Year 1990

Fiscal Year 1991

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>
Senate	\$6,063,900	\$0	\$6,063,900	\$5,723,400	\$0	\$5,723,400
SUBTOTAL - Legislature	\$28,671,120	\$2,882,500	\$31,553,620	\$28,691,900	\$956,200	\$29,648,100
Lottery	44,999,100	211,724,100	256,723,200	41,283,000	223,943,900	265,226,900
Personnel Board	217,700	0	217,700	239,100	0	239,100
Retirement System	2,925,300	0	2,925,300	3,570,000	0	3,570,000
Revenue, Department of	44,989,500	190,100	45,179,600	45,123,900	201,000	45,324,900
Secretary of State	1,819,700	18,800	1,838,500	3,041,700	425,000	3,466,700
Tax Appeals, Board of	445,100	0	445,100	677,400	0	677,400
Tourism, Office of	5,558,600	20,200	5,578,800	5,481,100	20,000	5,501,100
Treasurer	10,284,400	0	10,284,400	6,301,300	0	6,301,300
Uniform State Laws, Commission on	19,000	0	19,000	17,400	0	17,400
TOTAL - GENERAL GOVERNMENT	\$315,961,846	\$629,958,200	\$945,920,046	\$306,503,600	\$658,914,900	\$965,418,500

HEALTH AND WELFARE

AHCCCS Administration	320,509,200	618,912,900	939,422,100	395,810,415	718,071,285	1,113,881,700
Economic Security, Department of	288,987,320	580,998,000	869,985,320	352,283,400	639,202,900	991,486,300
Environmental Quality, Department of	16,278,400	20,544,900	36,823,300	10,413,900	16,658,900	27,072,800
Health Services, Department of	142,678,400	49,416,500	192,094,900	176,300,600	50,872,400	227,173,000
Hearing Impaired, Council for the	203,800	1,548,900	1,752,700	204,900	1,550,300	1,755,200
Indian Affairs, Commission on	155,400	0	155,400	164,100	0	164,100
Pioneers' Home	2,928,400	719,200	3,647,600	2,896,400	706,400	3,602,800

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>
Arizona Ranger's Pension	\$16,800	\$0	\$16,800	\$8,800	\$0	\$8,800
Veteran's Services Commission	3,610,700 5/	392,900	4,003,600	2,524,200 6/	239,600	2,763,800
TOTAL - HEALTH AND WELFARE	\$775,368,420	\$1,272,533,300	\$2,047,901,720	\$940,606,715	\$1,427,301,785	\$2,367,908,500
<u>INSPECTION AND REGULATION</u>						
Agricultural Employment Relations Board	189,000	0	189,000	190,100	0	190,100
Agriculture and Horticulture, Commission of	7,015,800	4,140,300	11,156,100	7,244,900	1,740,100	8,985,000
Banking Department	3,827,600	305,600	4,133,200	3,857,700	150,000	4,007,700
Building & Fire Safety, Dept of	2,872,700	0	2,872,700	2,936,300	0	2,936,300
Contractors, Registrar of	4,021,200	0	4,021,200	3,886,200	0	3,886,200
Corporation Commission	11,489,900	5,622,100	17,112,000	10,656,000	6,447,100	17,103,100
Dairy Commissioner	526,900	4,600	531,500	482,300	0	482,300
Industrial Commission	11,856,400	998,000	12,854,400	12,147,700	1,045,400	13,193,100
Insurance, Department of	2,717,600	34,979,900	37,697,500	3,065,500	13,265,800	16,331,300
Liquor Licenses & Control, Dept of	2,083,600	0	2,083,600	2,074,600	0	2,074,600
Livestock Board	3,842,200	658,300	4,500,500	3,757,100	756,200	4,513,300
Mine Inspector	580,900	91,000	671,900	537,300	91,000	628,300
Occupational Safety and Health Review Board	10,300	0	10,300	9,400	0	9,400
Racing, Department of	2,758,000	2,153,100	4,911,100	2,855,900	1,924,600	4,780,500
Radiation Regulatory Agency	2,014,700	24,000	2,038,700	1,255,900	189,400	1,445,300
Real Estate Department	2,783,100	0	2,783,100	2,891,700	0	2,891,700

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>
Residential Utility Consumer Office	\$923,200	\$0	\$923,200	\$1,029,600	\$0	\$1,029,600
Weights and Measures, Dept of	2,120,400	0	2,120,400	2,344,400	0	2,344,400
Ninety-Ten Agencies						
Accountancy, Board of	650,100	0	650,100	664,600	0	664,600
Appraisal, Board of	75,000	0	75,000	100,000	0	100,000
Barber Examiners Board	134,200	0	134,200	138,000	0	138,000
Behavioral Health Examiners, Board of	50,000 7/	0	50,000	135,800	0	135,800
Boxing Commission	61,400	0	61,400	61,900	0	61,900
Chiropractic Examiners Board	186,000	0	186,000	219,700	0	219,700
Cosmetology, Board of	534,700	0	534,700	550,200	0	550,200
Dental Examiners Board	377,500	0	377,500	408,400	0	408,400
Egg Inspection Board	190,900	51,000	241,900	193,600	25,400	219,000
Funeral Directors and Embalmers Board	144,400	0	144,400	155,800	0	155,800
Homeopathic Medical Examiners Board	8,400	0	8,400	15,100	0	15,100
Medical Examiners, Board of	2,137,800	0	2,137,800	2,294,100	0	2,294,100
Naturopathic Physician Examiners Board	27,800	0	27,800	27,000	0	27,000
Nursing Board	953,100	0	953,100	1,055,200	0	1,055,200
Nursing Care Institution Administrators Board	77,800	0	77,800	70,400	0	70,400
Occupational Therapy Examiners, Board of	0	0	0	25,000 8/	0	25,000
Opticians, Board of Dispensing	51,900	0	51,900	51,100	0	51,100
Optometry, Board of	99,200	0	99,200	99,900	0	99,900

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>
Osteopathic Examiners Board	\$210,900	\$0	\$210,900	\$257,800	\$0	\$257,800
Pharmacy Board	609,600	0	609,600	633,100	0	633,100
Physical Therapy Examiners Board	63,800	0	63,800	65,400	0	65,400
Podiatry Examiners Board	42,100	0	42,100	38,800	0	38,800
Private Postsecondary Education, Board for	123,000	0	123,000	133,400	0	133,400
Psychologist Examiners Board	124,200	0	124,200	123,700	0	123,700
Structural Pest Control Board	965,100	63,500	1,028,600	1,107,000	63,500	1,170,500
Technical Registration, Board of	709,500	0	709,500	783,300	0	783,300
Veterinary Medical Examining Board	144,300	0	144,300	157,000	0	157,000
SUBTOTAL - Ninety-Ten Agencies	\$8,752,700	\$114,500	\$8,867,200	\$9,565,300	\$88,900	\$9,654,200
TOTAL - INSPECTION AND REGULATION	\$70,386,200	\$49,091,400	\$119,477,600	\$70,787,900	\$25,698,500	\$96,486,400

EDUCATION

Arts, Commission on the	1,586,300	1,714,800	3,301,100	1,559,300	1,673,800	3,233,100
Community Colleges	73,607,300	1,945,800	75,553,100	84,517,300	1,951,100	86,468,400
Deaf and Blind, School for	12,089,100	947,100	13,036,200	13,694,100	909,700	14,603,800
Education, Department of	1,183,450,400 9/	290,493,700	1,473,944,100	1,236,940,300 10/	312,819,900	1,549,760,200
Historical Society, Arizona	2,226,900	360,000	2,586,900	3,373,100	392,000	3,765,100
Historical Society, Prescott	581,600	46,000	627,600	548,800	50,000	598,800
Medical Student Loans Board	5,000	96,000	101,000	3,000	90,000	93,000
Universities/Board of Regents						

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

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	<u>Fiscal Year 1990</u>			<u>Fiscal Year 1991</u>		
	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>	<u>Appropriated General and Non-General</u>	<u>Non- Appropriated Federal and Other Funds 2/</u>	<u>Total</u>
Board of Regents	\$13,439,800	\$3,517,900	\$16,957,700	\$9,700,400	\$3,455,500	\$13,155,900
Arizona State University - Main	229,296,000	119,932,200	349,228,200	187,161,700	185,953,300	373,115,000
Arizona State University - West	17,019,700	0	17,019,700	25,279,400	3,258,900	28,538,300
Northern Arizona University	79,425,500	37,993,100	117,418,600	69,930,000	60,580,600	130,510,600
University of Arizona - Main	245,205,500	278,097,000	523,302,500	202,580,000	353,325,700	555,905,700
University of Arizona - College of Medicine	45,204,200	77,229,400	122,433,600	45,451,100	82,787,000	128,238,100
SUBTOTAL - Universities/Board of Regents	\$629,590,700	\$516,769,600	\$1,146,360,300	\$540,102,600	\$689,361,000	\$1,229,463,600
TOTAL - EDUCATION	\$1,903,137,300	\$812,373,000	\$2,715,510,300	\$1,880,738,500	\$1,007,247,500	\$2,887,986,000
<u>PROTECTION AND SAFETY</u>						
Corrections, Department of	269,078,300	7,612,000	276,690,300	250,117,700	8,073,500	258,191,200
Criminal Justice Commission	4,010,200	11,473,900	15,484,100	3,527,700	8,661,800	12,189,500
Emergency and Military Affairs, Dept of	5,347,800	15,337,000	20,684,800	4,560,700	13,436,700	17,997,400
Juvenile Corrections, Department of	0	1,367,300	1,367,300	34,237,600	1,382,000	35,619,600
Pardons and Paroles, Board of	1,563,800	0	1,563,800	1,873,300	0	1,873,300
Public Safety, Department of	\$87,209,100	\$12,566,300	\$99,775,400	\$90,233,000	\$11,628,000	\$101,861,000
TOTAL - PROTECTION AND SAFETY	\$367,209,200	\$48,356,500	\$415,565,700	\$384,550,000	\$43,182,000	\$427,732,000
<u>TRANSPORTATION</u>						
Transportation, Department of	\$351,650,200 11/	\$268,486,300	\$620,136,500	\$363,624,400	\$225,667,500	\$589,291,900

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

	Fiscal Year 1990			Fiscal Year 1991		
	Appropriated General and Non-General	Non- Appropriated Federal and Other Funds 2/	Total	Appropriated General and Non-General	Non- Appropriated Federal and Other Funds 2/	Total
<u>NATURAL RESOURCES</u>						
Environment, Commission on the	\$111,200	\$29,900	\$141,100	\$117,900	\$31,200	\$149,100
Game and Fish Department	16,247,800	15,110,800	31,358,600	17,171,100	8,697,800	25,868,900
Geological Survey	535,600	170,100	705,700	565,400	114,300	679,700
Land Department	8,054,700	1,006,500	9,061,200	8,261,600	976,200	9,237,800
Mines and Mineral Resources, Dept of	362,400	38,500	400,900	349,800	38,500	388,300
Oil and Gas Conservation Commission	187,400	0	187,400	177,300	0	177,300
State Parks Board	13,369,400	1,127,600	14,497,000	19,945,700	1,156,400	21,102,100
Water Resources, Department of	11,848,500	248,900	12,097,400	11,477,200	167,500	11,644,700
TOTAL - NATURAL RESOURCES	\$50,717,000	\$17,732,300	\$68,449,300	\$58,066,000	\$11,181,900	\$69,247,900
UNALLOCATED INEQUITY SALARY ADJUST	316,800	0	316,800	2,765,000	0	2,765,000
UNALLOCATED SALARY ADJUSTMENTS	1,118,600	0	1,118,600	1,169,000	0	1,169,000
GRAND TOTAL	\$3,835,865,566	\$3,098,531,000	\$6,934,396,566	\$4,008,811,115	\$3,399,194,085	\$7,408,005,200

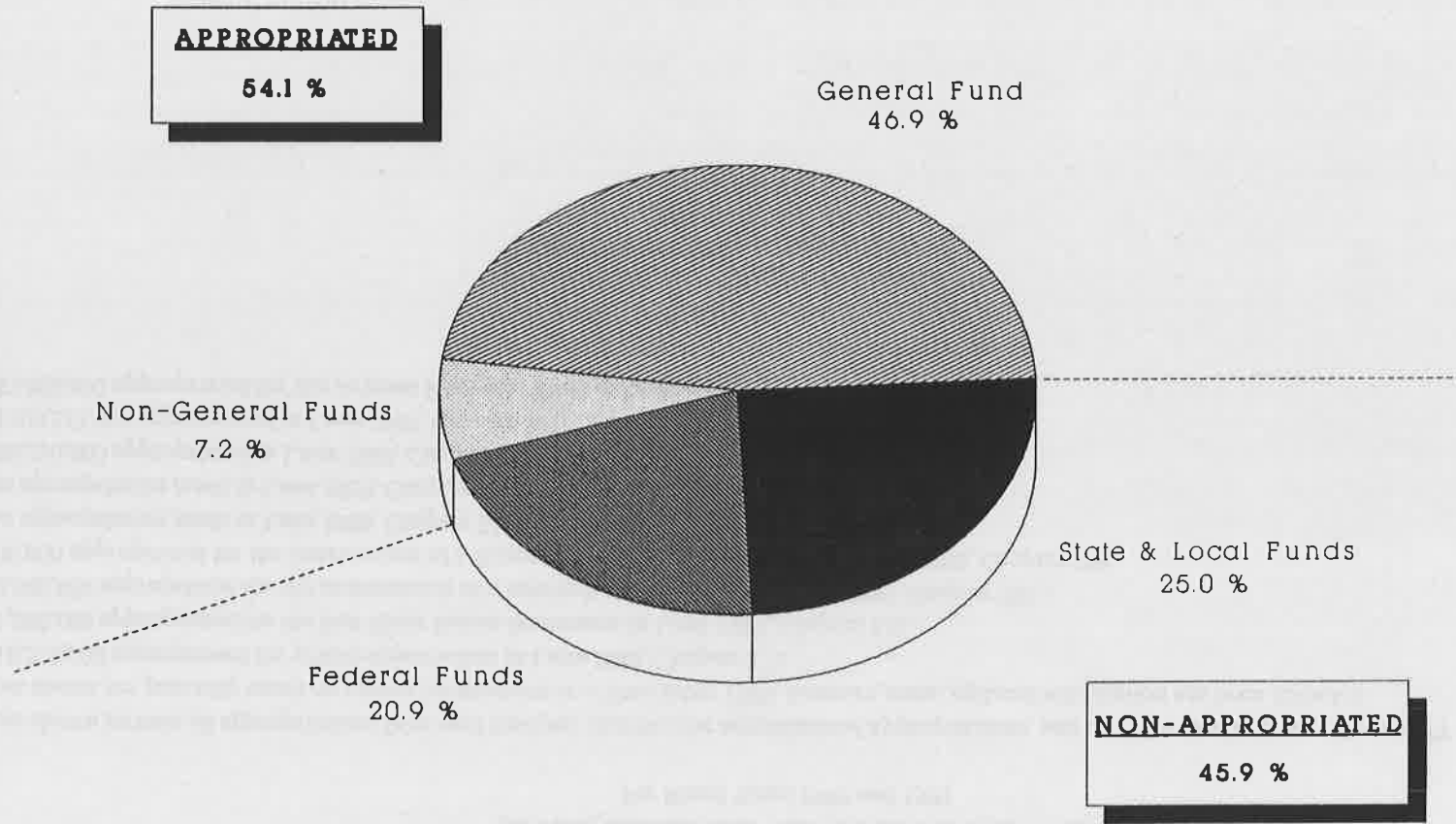
(See footnotes on the following page)

STATE OF ARIZONA
SUMMARY OF TOTAL SPENDING AUTHORITY 1/
(APPROPRIATED AND NON-APPROPRIATED FUNDS)
For Fiscal Years 1990 and 1991

- 1/ The amounts shown include all appropriations from past sessions, current year supplemental appropriations, and carry-forward balances of some FY 1989 appropriations.
- 2/ The amounts shown are generally based on agency information as of December 1989, however, some updated information has been included.
- 3/ Includes \$18,513,000 appropriated for prison construction in Laws 1988, Chapter 275.
- 4/ Includes \$1,500,000 appropriated for the Salt River Indian Settlement in Laws 1989, Chapter 122.
- 5/ Includes \$2,500,000 appropriated for the construction of a veteran's nursing home in Laws 1989, Chapter 205.
- 6/ Includes 100,000 appropriated for the construction of a Korean War Veteran's Memorial in Laws 1989, Chapter 109.
- 7/ Reflects the appropriation made in Laws 1988, Chapter 313.
- 8/ Reflects the appropriation made in Laws 1989, Chapter 296.
- 9/ Includes \$80,250,000 appropriated in Laws 1988, Chapter 260.
- 10/ Includes \$100,313,000 appropriated in Laws 1989, Chapter 311.
- 11/ Includes \$2,000,000 appropriated for the Arizona Highways Fund in Laws 1989, Chapter 3.

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

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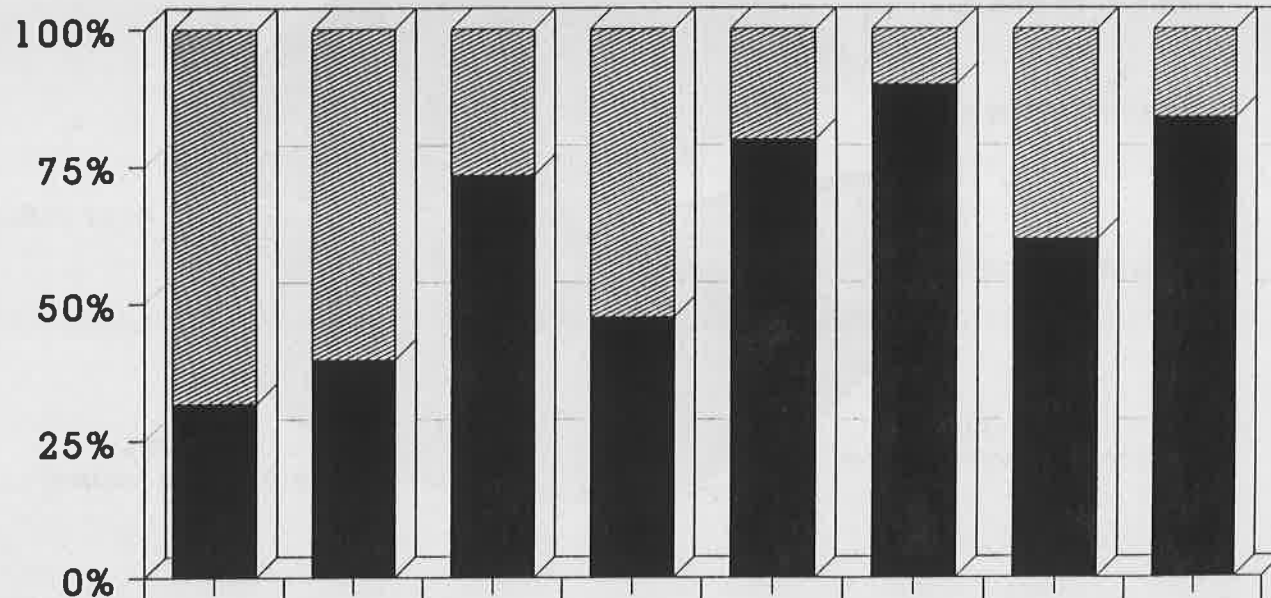


FISCAL YEAR 1991

APPROPRIATED AND NON-APPROPRIATED SHARES OF TOTAL FY 1991 SPENDING AUTHORITY FOR EACH FUNCTION OF GOVERNMENT

APPROP
 NON-APPROP

PERCENT



	GG	HW	IR	HE	OE	PS	TR	NR
NON-APPROP	68.3	60.3	26.6	52.5	20.1	10.1	38.3	16.1
APPROP	31.7	39.7	73.4	47.5	79.9	89.9	61.7	83.9

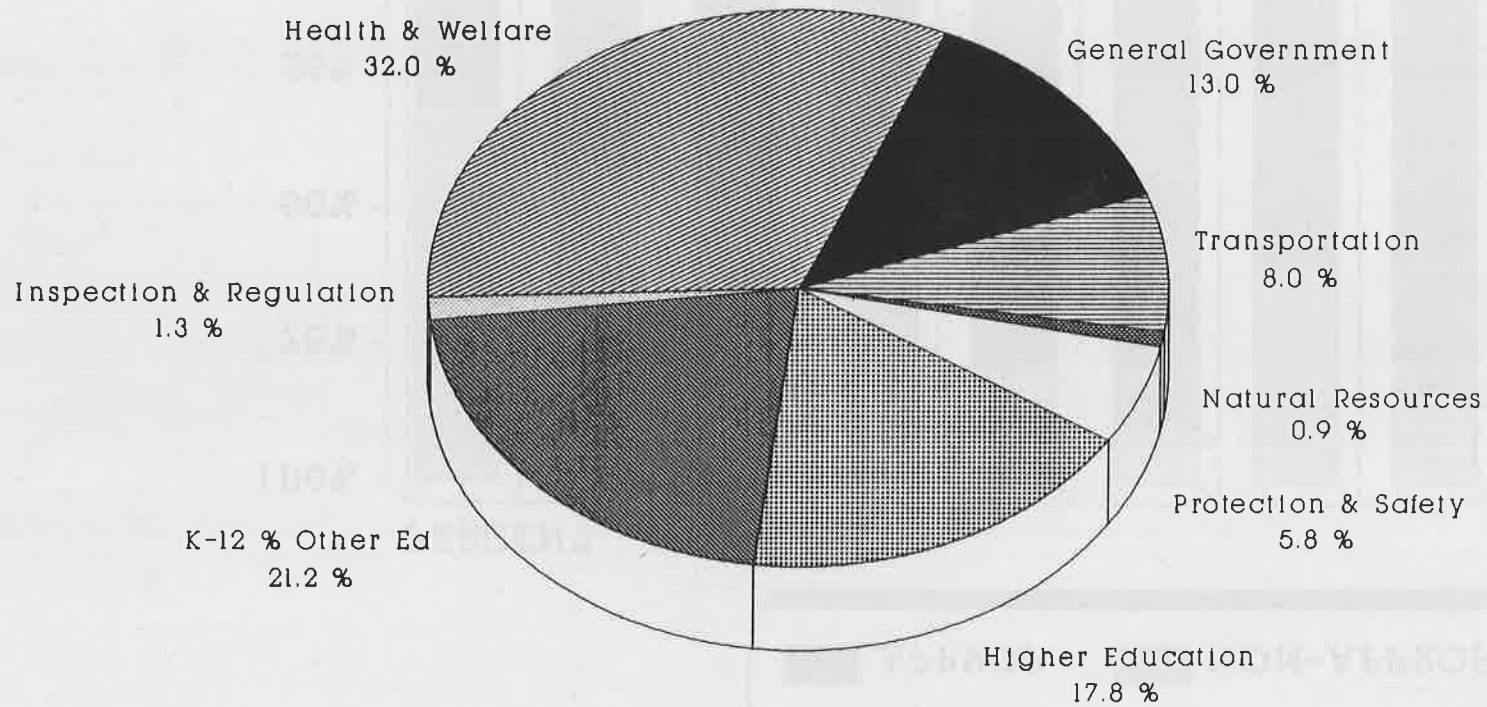
GG=General Government
HW=Health & Welfare

IR=Inspection & Regulation
HE=Higher Education

OE=K-12 & Other Ed
PS=Protection & Safety

TR=Transportation
NR=Natural Resources

DISTRIBUTION OF TOTAL STATE SPENDING AUTHORITY BY FUNCTION OF GOVERNMENT



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FISCAL YEAR 1991

**STATE PERSONNEL SUMMARY 1/
By Full-Time Equivalent Positions**

	FY 1990			FY 1991		
	General Fund	Non General Fund	Total	General Fund	Non General Fund	Total
GENERAL GOVERNMENT						
Administration, Department of	546.25	11.00	557.25	606.75	11.00	617.75
Affirmative Action, Governor's Office of	5.00	0.00	5.00	5.00	0.00	5.00
Attorney General--Department of Law	366.00	0.00	366.00	363.00	0.00	363.00
Coliseum & Exposition Center	0.00	248.00	248.00	0.00	248.00	248.00
Commerce, Department of	53.00	12.00	65.00	57.00	13.00	70.00
Compensation Fund	0.00	689.00	689.00	0.00	693.00	693.00
Courts	347.90	0.00	347.90	399.90	0.00	399.90
Law Enforcement Merit System Council	1.00	0.00	1.00	1.00	0.00	1.00
Lottery Commission	0.00	148.00	148.00	0.00	134.00	134.00
Personnel Board	3.00	0.00	3.00	3.00	0.00	3.00
Retirement System	0.00	78.50	78.50	0.00	86.50	86.50
Revenue, Department of	1,152.00	0.00	1,152.00	1,140.00	0.00	1,140.00
Secretary of State-- Department of State	31.00	0.00	31.00	32.00	0.00	32.00
Secretary of State Special Line FTEs	5.00	0.00	5.00	5.00	0.00	5.00
Tax Appeals, Board of	7.50	0.00	7.50	8.50	0.00	8.50
Tourism, Office of	18.00	0.00	18.00	19.00	0.00	19.00
Treasurer	32.00	0.00	32.00	32.00	0.00	32.00
Uniform State Laws, Commission on	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL-GENERAL GOVERNMENT	2,567.65	1,186.50	3,754.15	2,672.15	1,185.50	3,857.65

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HEALTH AND WELFARE

AHCCCS Administration	486.34	0.00	486.34	485.14	0.00	485.14
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STATE PERSONNEL SUMMARY 1/

By Full-Time Equivalent Positions

	FY 1990			FY 1991		
	General Fund	Non General Fund	Total	General Fund	Non General Fund	Total
AHCCCS Special Line FTEs	275.87	0.00	275.87	324.00	0.00	324.00
Economic Security, Department of (DES)	2,434.20	12.80	2,447.00	2,846.40	13.40	2,859.80
DES Special Line FTEs	8.50	0.00	8.50	8.50	0.00	8.50
Environmental Quality, Department of	259.00	0.00	259.00	258.00	0.00	258.00
Health Services, Department of	1,602.15	0.00	1,602.15	1,600.15	0.00	1,600.15
Hearing Impaired, Council for the	5.00	0.00	5.00	5.00	0.00	5.00
Indian Affairs, Commission of	4.00	0.00	4.00	4.00	0.00	4.00
Pioneers' Home	110.00	0.00	110.00	110.00	0.00	110.00
Rangers' Pensions	0.00	0.00	0.00	0.00	0.00	0.00
Veterans' Service Commission	20.00	14.00	34.00	20.00	14.00	34.00
TOTAL-HEALTH AND WELFARE	5,205.06	26.80	5,231.86	5,661.19	27.40	5,688.59

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INSPECTION AND REGULATION

Agricultural Employment Relations Board	4.00	0.00	4.00	4.00	0.00	4.00
Agriculture & Horticulture, Commission of	165.00	31.00	196.00	166.00	31.00	197.00
Banking Department	97.00	0.00	97.00	90.00	0.00	90.00
Building & Fire Safety, Department of	73.00	0.00	73.00	72.50	0.00	72.50
Contractors, Registrar of	108.60	0.00	108.60	108.10	0.00	108.10
Corporation Commission	125.00	98.00	223.00	122.00	105.50	227.50
Dairy Commissioner	8.00	0.00	8.00	8.00	0.00	8.00
Industrial Commission	0.00	248.00	248.00	0.00	257.00	257.00
Insurance, Department of	78.00	0.00	78.00	84.00	0.00	84.00
Liquor Licenses & Control, Department of	59.00	0.00	59.00	56.00	0.00	56.00
Livestock Board	108.20	0.00	108.20	109.20	0.00	109.20

**STATE PERSONNEL SUMMARY 1/
By Full-Time Equivalent Positions**

	<u>FY 1990</u>			<u>FY 1991</u>		
	<u>General Fund</u>	<u>Non General Fund</u>	<u>Total</u>	<u>General Fund</u>	<u>Non General Fund</u>	<u>Total</u>
Mine Inspector	12.00	0.00	12.00	11.00	0.00	11.00
Occupational Safety & Health Review Board	0.00	0.00	0.00	0.00	0.00	0.00
Racing, Department of	59.70	0.00	59.70	58.30	0.00	58.30
Radiation Regulatory Agency	26.00	2.00	28.00	24.00	2.00	26.00
Real Estate Commission	75.00	0.00	75.00	76.00	0.00	76.00
Residential Utility Consumer Office	0.00	12.00	12.00	0.00	12.00	12.00
Weights & Measures, Department of	55.00	0.00	55.00	54.00	7.00	61.00
Ninety-Ten Agencies						
Accountancy, Board of	0.00	9.00	9.00	0.00	9.00	9.00
Barber Examiners Board	0.00	3.00	3.00	0.00	3.00	3.00
Behavioral Health Examiners	1.00	0.00	1.00	0.00	2.00	2.00
Boxing Commission	1.50	0.00	1.50	1.50	0.00	1.50
Chiropractic Examiners Board	0.00	4.00	4.00	0.00	4.00	4.00
Cosmetology, Board of	0.00	14.50	14.50	0.00	14.50	14.50
Dental Examiners Board	0.00	8.00	8.00	0.00	8.00	8.00
Dispensing Opticians, Board of	0.00	0.80	0.80	0.00	0.80	0.80
Egg Inspection Board	0.00	5.60	5.60	0.00	5.60	5.60
Funeral Directors & Embalmers Board	0.00	1.50	1.50	0.00	1.50	1.50
Homeopathic Medical Examiners Board	0.00	0.00	0.00	0.00	0.30	0.30
Medical Examiners, Board of	0.00	35.00	35.00	0.00	39.00	39.00
Naturopathic Physicians Examiners Board	0.00	0.00	0.00	0.00	0.00	0.00
Nursing, Board of	0.00	19.20	19.20	0.00	19.20	19.20
Nursing Care Institution Administrators Board	0.00	0.70	0.70	0.00	0.70	0.70
Optometry, Board of	0.00	1.50	1.50	0.00	1.50	1.50
Osteopathic Examiners Board	0.00	4.50	4.50	0.00	4.50	4.50
Pharmacy, Board of	0.00	11.00	11.00	0.00	11.00	11.00

**STATE PERSONNEL SUMMARY 1/
By Full-Time Equivalent Positions**

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	FY 1990			FY 1991		
	General Fund	Non General Fund	Total	General Fund	Non General Fund	Total
Physical Therapy Examiners Board	0.00	1.00	1.00	0.00	1.00	1.00
Podiatry Examiners Board	0.00	0.00	0.00	0.00	0.00	0.00
Private Postsecondary Education, Board of	0.00	3.20	3.20	0.00	3.20	3.20
Psychologist Examiners Board	0.00	1.00	1.00	0.00	1.00	1.00
Structural Pest Control Commission	0.00	21.00	21.00	0.00	26.00	26.00
Technical Registration, Board of	0.00	15.00	15.00	0.00	15.00	15.00
Veterinary Medical Examining Board	0.00	2.00	2.00	0.00	3.00	3.00
SUB-TOTAL-Ninety-Ten Agencies	2.50	161.50	164.00	1.50	173.80	175.30
TOTAL-INSPECTION AND REGULATION	1,056.00	552.50	1,608.50	1,044.60	588.30	1,632.90
EDUCATION						
Arts, Commission on the	11.50	0.00	11.50	11.50	0.00	11.50
Community Colleges	9.00	0.00	9.00	10.00	0.00	10.00
Deaf and Blind, School for	446.40	0.00	446.40	482.90	0.00	482.90
Education, Department of (ADE)	183.80	0.00	183.80	182.80	0.00	182.80
ADE Special Line FTEs	25.10	0.00	25.10	27.10	0.00	27.10
Historical Society, Arizona	49.30	0.00	49.30	49.50	0.00	49.50
Historical Society, Prescott	15.50	0.00	15.50	15.50	0.00	15.50
Medical Student Loans Board	0.00	0.00	0.00	0.00	0.00	0.00
Universities/Board of Regents						
Board of Regents	43.75	0.00	43.75	41.00	0.00	41.00
Arizona State University--Main Campus	4,850.60	0.00	4,850.60	4,912.00	0.00	4,912.00
Arizona State University--West Campus	354.65	0.00	354.65	511.20	0.00	511.20
Northern Arizona University	1,762.00	0.00	1,762.00	1,884.50	0.00	1,884.50

**STATE PERSONNEL SUMMARY 1/
By Full-Time Equivalent Positions**

	<u>FY 1990</u>			<u>FY 1991</u>		
	<u>General Fund</u>	<u>Non General Fund</u>	<u>Total</u>	<u>General Fund</u>	<u>Non General Fund</u>	<u>Total</u>
University of Arizona--Main Campus	5,237.90	0.00	5,237.90	5,380.20	0.00	5,380.20
University of Arizona--College of Medicine	607.50	0.00	607.50	625.70	0.00	625.70
SUB-TOTAL- UNIVERSITIES/BOARD OF REGENTS	12,856.40	0.00	12,856.40	13,354.60	0.00	13,354.60
TOTAL- EDUCATION	13,597.00	0.00	13,597.00	14,133.90	0.00	14,133.90
<u>PROTECTION AND SAFETY</u>						
Corrections, Department of	6,372.70	0.00	6,372.70	5,829.20	0.00	5,829.20
Corrections, Department of Juvenile	0.00	0.00	0.00	785.00	0.00	785.00
Criminal Justice Commission	0.00	5.00	5.00	0.00	6.00	6.00
Emergency & Military Affairs, Department of	62.00	0.00	62.00	63.50	0.00	63.50
Pardons & Paroles, Board of	43.00	0.00	43.00	43.00	0.00	43.00
Public Safety, Department of	1,622.00	0.00	1,622.00	1,629.00	0.00	1,629.00
TOTAL-PROTECTION AND SAFETY	8,099.70	5.00	8,104.70	8,349.70	6.00	8,355.70
<u>TRANSPORTATION</u>						
Department of Transportation (ADOT)	3.00	2,484.00	2,487.00	3.00	2,479.00	2,482.00
ADOT Special Line FTEs	0.00	839.50	839.50	0.00	850.00	850.00
TOTAL- TRANSPORTATION	3.00	3,323.50	3,326.50	3.00	3,329.00	3,332.00

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**STATE PERSONNEL SUMMARY 1/
By Full-Time Equivalent Positions**

NATURAL RESOURCES

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	<u>FY 1990</u>			<u>FY 1991</u>		
	<u>General Fund</u>	<u>Non General Fund</u>	<u>Total</u>	<u>General Fund</u>	<u>Non General Fund</u>	<u>Total</u>
Environment, Commission on the	3.00	0.00	3.00	3.00	0.00	3.00
Game & Fish Department	0.00	276.00	276.00	0.00	276.00	276.00
Geological Survey	13.25	0.00	13.25	13.25	0.00	13.25
Land Department	159.00	0.00	159.00	160.80	0.00	160.80
Mines & Mineral Resources, Department of	8.50	0.00	8.50	8.50	0.00	8.50
Oil & Gas Conservation Commission	4.00	0.00	4.00	4.00	0.00	4.00
Parks Board	148.35	9.50	157.85	160.00	9.50	169.50
Water Resources, Department of	237.20	0.00	237.20	234.20	0.00	234.20
TOTAL- NATURAL RESOURCES	573.30	285.50	858.80	583.75	285.50	869.25
TOTAL APPROPRIATED FUNDS	31,101.71	5,379.80	36,481.51	32,448.29	5,421.70	37,869.99
TOTAL NON-APPROPRIATED FUNDS 2/	0.00	15,119.77	15,119.77	0.00	15,433.70	15,433.70
GRAND TOTAL	31,101.71	20,499.57	51,601.28	32,448.29	20,855.40	53,303.69

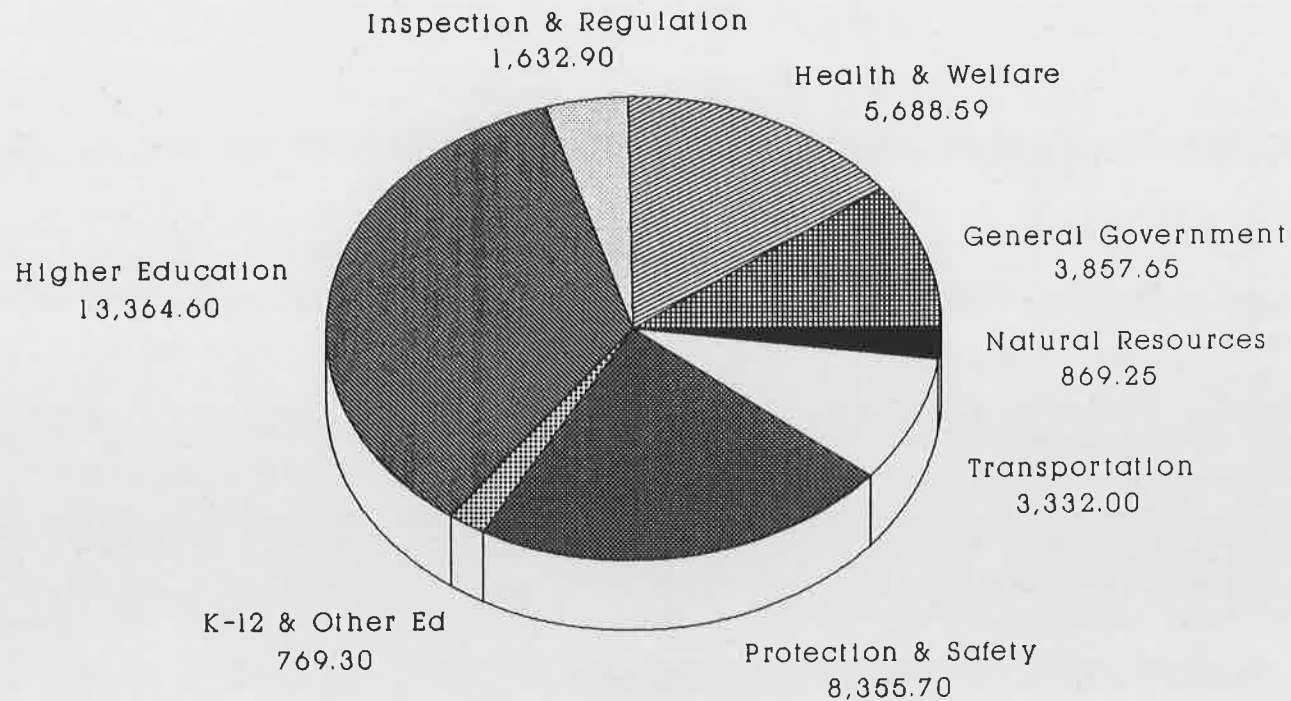
1/ Positions shown for individual agencies include only those supported by appropriated funds. Positions supported by non-appropriated funds are shown in total on a separate line. Unless otherwise noted, FTE positions supported in special line items are included in agency totals.

2/ Based on agency information as of December, 1989.

STATE PERSONNEL SUMMARY

FULL-TIME EQUIVALENT POSITIONS

BY FUNCTION OF GOVERNMENT



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FISCAL YEAR 1991

FTE Positions Supported by Appropriated Funds = 37,869.99

GENERAL PROVISIONS OF THE APPROPRIATION ACT

In addition to the specific appropriations to agencies, departments and institutions, the General Appropriation Act (Laws 1990, Chapter 1, 3rd Special Session) provides funding for adjustments to state employee salaries and benefits and provider payments. The Act also requires an FTE position adjustment and a lump sum reduction of appropriations. Pursuant to Sections 101, 102, 103, and 109 of Chapter 1, the Joint Legislative Budget Committee Staff has determined the appropriate 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 classification maintenance review adjustments.

1. General Salary Adjustments for State Officers and Employees

Section 101 appropriates \$51,450,000, of which no more than \$45,550,000 shall 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 4.5%, effective July 1, 1990, 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. (See page 375.) From any undistributed General Funds appropriated for this purpose, the Department of Administration may expend up to \$100,000 for state employees to attend executive training at the state universities.

2. Classification Maintenance Review Adjustments for State Officers and Employees

Section 101 appropriates \$2,765,000, of which no more than \$2,450,000 shall be from the General Fund, for classification maintenance review adjustments. On or before November 1, 1990, the Department of Administration, the Department of Public Safety, and the School for the Deaf & Blind shall report to the Director of the Joint Legislative Budget Committee the suballocation of these amounts by program and/or cost center, line item, and fund source. Any unallocated balance shall revert to the fund from which it was appropriated on February 1, 1991, unless the Joint Legislative Budget Committee determines additional classification maintenance review adjustments are necessary.

3. Elected Official Salary Adjustments

Section 101 appropriates \$162,700 for elected official salary adjustments and Employee Related Expenditures. (See page 385.)

GENERAL PROVISIONS OF THE APPROPRIATION ACT

(Continued)

4. Special Cost Adjustment for Providers

Section 102 appropriates \$8,400,000 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 Juvenile Corrections:

Purchase of Care	\$ 159,800
TOTAL	<u>\$ 159,800</u>

(b) Department of Economic Security:

Adoption Services	\$ 239,700
Adult Services	132,700
ASH Community Placement	5,500
Child Severance Project	6,600
Children Services	1,360,000
Comp. Services Indep. Living	19,200
Day Care	677,200
Emergency Relief	29,500
Fee for Service	79,000
Food Distribution Information	800
Foster Care (Dev. Disabilities)	81,400
Foster Care (Long Term Care)	94,800
Homeless Shelter	9,500
Information & Referral Services	3,200
Out of District Placement	29,100
Purchase of Care (Dev. Disabilities)	958,800
Purchase of Care (Long Term)	734,100
Rural Food Bank	2,300
Vocational Rehabilitation Contracts	4,300
Vocational Rehabilitation Services	61,300
TOTAL	<u>\$4,529,000</u>

(c) Department of Health Services:

Children's Behavioral Health	\$ 748,600
CMI Services	1,263,900
Mental Health Services	346,200
Newborn Intensive Care	48,800
Regional Beds	198,500
Substance Abuse Services	456,800
TOTAL	<u>\$3,062,800</u>

(d) Arizona Judiciary:

Family Counseling	\$ 13,200
Juvenile Probation Services	635,200
TOTAL	<u>\$ 648,400</u>

GENERAL PROVISIONS OF THE APPROPRIATION ACT

(Continued)

5. FTE Position Adjustment

Section 103 authorizes the Director of the Joint Legislative Budget Committee to adjust the authorized full-time equivalent (FTE) positions for each agency to implement the 200 FTE reduction proposal. In addition, the Director of the Department of Administration (DOA) is authorized a total of 15 FTE positions to allocate to executive departments, as necessary, to avoid personnel lay-offs related to the FTE reduction proposal. DOA shall report the allocation of these 15 positions to the Director of the Joint Legislative Budget Committee by October 31, 1990.

The allocation of the 200 FTE reduction is as follows:

Department of Administration	7.0
Attorney General	2.0
AHCCCS	10.0
Banking Department	1.0
Commerce, Department of	1.0
Corrections, Department of	88.0
Economic Security, Department of	15.0
Education, Department of	1.0
Environmental Quality, Department of	2.0
Health Services, Department of	15.0
Parks Board	1.0
Real Estate Department	1.0
Revenue, Department of	12.0
Transportation, Department of	20.0
Universities -	
Arizona State University-Main Campus	10.0
Arizona State University-West Campus	1.0
Northern Arizona University	3.0
University of Arizona-Main Campus	10.0
University of Arizona-College of Medicine	1.0

Based on information supplied by the Executive Branch, the reduction equals 201 FTE positions. These reductions have already been incorporated into the number of FTE positions that appear on the individual agency pages of this report.

6. Lump Sum Reduction of Appropriations

Section 109 of the General Appropriation Act requires that, with certain exceptions, General Fund appropriations in Sections 2 to 100 of the Act be reduced by 1%. Each agency subject to a reduction is to identify the specific program reductions which are to be taken in FY 1991 as part of its FY 1992 budget request submission.

GENERAL PROVISIONS OF THE APPROPRIATION ACT

(Continued)

Agencies receiving a General Fund appropriation of less than \$1 million, the Departments of Education and Economic Security and Behavioral Health Services within the Department of Health Services are exempt from the lump sum reduction.

In addition, the lump sum reduction for the state universities shall be as follows: University of Arizona-Main Campus, \$1,250,100; University of Arizona-College of Medicine, \$283,200; Arizona State University-Main Campus, \$1,156,900; Arizona State University-West Campus, \$158,700; and Northern Arizona University, \$432,800.

All lump sum reductions have been incorporated into the total appropriation amounts that appear on the individual agency pages of this report.

Other General Provisions

Reporting Lump Sum Reductions

Section 107 of the General Appropriation Act requires any department, agency, or budget unit receiving a lump sum reduction in its FY 1991 appropriation to make a report to the Department of Administration within 30 days from the effective date of this act. The report shall a) indicate the specific reductions taken to satisfy the lump sum reduction, and b) include an explanation of the impact that the reduction will have on the operation of each program. Each budget unit shall attempt to implement the reduction in a manner that minimizes the disruption of services and promotes the efficient use of limited public funds.

Expenditure Reporting

Section 108 of the General Appropriation Act states that it is the intent of the Legislature that all departments, agencies, or budget units receiving lump sum appropriations shall continue to report actual, estimated, and requested expenditures by budget programs and classes in a format which is similar to the one used for budgetary purposes in prior years.

COST FACTORS IN FY 1991 APPROPRIATIONS

The cost factors shown below are included in the FY 1991 appropriations to state agencies. In general, these percentage increases were added to the amounts originally appropriated in FY 1990 for each category. The cost factors represent projected inflationary increases. The cost factors may vary for some agencies, due to special circumstances.

<u>Category</u>	<u>FY 1991 Increase</u>
General Operating	0.0%
Medical	9.0%
Private Car Mileage (24 cents per mile)	0.0%
Providers	3.6%
State Employee Salaries	4.5%

The FY 1991 appropriations include a retirement contribution of 3.82% for the General Fund and other funds.

The FY 1991 appropriations for non-General 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.

DEPARTMENT OF ADMINISTRATION - SUMMARY

A.R.S. 41-702

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Office of the Director	396,700	536,900	484,300
Executive Budget Office	848,900	1,133,300	1,145,700
Data Management	2,904,100	3,860,100	4,914,600
Finance	5,346,911	14,729,126	6,920,800
Personnel	4,071,200	4,205,600	4,551,800
Facilities Management	11,269,000	12,004,300	14,569,000
General Services	-0-	-0-	96,100
Sec. 109 Lump Sum Reduction	-0-	-0-	(301,100)
TOTAL APPROPRIATIONS	<u>24,836,811</u>	<u>36,469,326</u>	<u>32,381,200</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>535.3</u>	<u>557.25</u>	<u>617.75</u>
Personal Services	<u>11,397,500</u>	<u>12,803,800</u>	<u>13,681,100</u>
Employee Related Exp.	<u>2,670,700</u>	<u>2,684,100</u>	<u>3,338,200</u>
Prof. & Outside Services	1,902,400	2,789,600	3,114,800
Travel - State	144,500	154,100	161,300
Travel - Out of State	15,700	13,200	19,200
Other Operating Exp.	1,816,800	2,137,400	2,608,400
Equipment	<u>159,700</u>	<u>224,800</u>	<u>264,900</u>
All Other Operating Exp.	<u>4,039,100</u>	<u>5,319,100</u>	<u>6,168,600</u>
OPERATION SUBTOTAL	18,107,300	20,807,000	23,187,900
Special Line Items ^{1/}	6,729,511	15,547,239	9,469,400
Sec. 109 Lump Sum Reduction	-0-	-0-	(301,100)
TOTAL	24,836,811	36,354,239	32,356,200
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Named Claimants, Ch. 194 Omnibus Child Protection Act, Ch. 237	<u>---</u>	<u>115,087</u>	<u>25,000</u>
TOTAL APPROPRIATIONS	<u>24,836,811</u>	<u>36,469,326</u>	<u>32,381,200</u>
<u>Fund Summary</u>			
General Fund	24,537,911	35,903,550	32,022,500
Corrections Fund	298,900	527,860 ^{2/}	358,700
State Highway Fund	-0-	37,716 ^{3/}	-0-
Industrial Commission Fund	-0-	200 ^{4/}	-0-
TOTAL APPROPRIATIONS	<u>24,836,811</u>	<u>36,469,326</u>	<u>32,381,200</u>

(Continued)

(See Footnotes on Following Page)

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

The approved amount includes \$589,100 in Personal Services and \$82,600 in Employee Related Expenditures for the general salary adjustment, and \$28,100 for salary adjustments in special line items.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - The Capital Outlay Bill provides funding to the Department of Administration for the following purposes:

Section 1.(C) \$1,077,490 is appropriated from the following funds to the Department of Administration for major maintenance and repair of state buildings in accordance with the building renewal formula established pursuant to Laws 1986, Chapter 85:

1. General Fund	\$ 459,100
2. Coliseum & Exposition Fund	400,700
3. Game & Fish Fund	90,200
4. State Compensation Fund	56,200
5. Industrial Commission Special Fund	33,000
6. Aviation Fund	20,300
7. Retirement System Admin. Account	13,400
8. State Lottery Fund	<u>4,500</u>
TOTAL	<u>\$1,077,400</u>

Section 2.(B) appropriates \$1,320,000 from the General Fund to the Department of Administration for the following projects:

o East and West Annex Renovations Office space renovations for the Department of Juvenile Corrections.	\$ 55,000
o Refurbish Office Space Office space renovation as offices are vacated.	200,000
o Shrine Temple Renovation Renovations to accommodate the Mineral Museum.	990,000
o Tucson Office Building Renovation Renovation of the 2 existing buildings as tenants relocate to the new building.	75,000

(Continued)

- 1/ Details for the Special Line Items are included on the individual program pages.
- 2/ Of this amount, \$190,160 was transferred to the General Fund from the Corrections Fund for payment of claims, pursuant to Laws 1989, Chapter 248.
- 3/ This amount was transferred to the General Fund from the State Highway Fund for payment of claims, pursuant to Laws 1989, Chapter 248.
- 4/ This amount was transferred to the General Fund from the Industrial Commission Fund for payment of claims, pursuant to Laws 1990, Chapter 194.

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

CAPITAL OUTLAY (Cont'd)

Section 3 of the Capital Outlay Bill amends Laws 1988, Chapter 275, as amended by Laws 1989, Chapter, Section 1.(A).2., to increase the appropriation for architectural and engineering fees for the Legislative Archives and Office Building by \$655,000, to \$1,455,000. This will allow for the final design and preparation of construction documents for this facility. The Department of Administration is required to repay this appropriation to the General Fund from the proceeds of a 1988-authorized lease-purchase issuance no later than January 31, 1991.

Section 6 of the Capital Outlay Bill appropriates \$400,000 from the General Fund to the Department of Administration for disbursement to the City of South Tucson for capital needs of the South Tucson Civic Center.

Total Capital Outlay Bill Appropriations \$2,797,400

Clifton Flood Control - Chapter 318 (S.B. 1337) - This legislation appropriates \$150,000 from the General Fund to the town of Clifton for flood control improvements. (The Department of Administration has the responsibility of distributing these funds to the town of Clifton.)

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>8.0</u>	<u>8.0</u>	<u>8.0</u> ^{1/}
Personal Services	<u>269,400</u>	<u>297,900</u>	<u>295,600</u>
Employee Related Exp.	<u>48,900</u>	<u>48,200</u>	<u>56,200</u>
Travel - State	200	700	800
Travel - Out of State	900	500	500
Other Operating Exp.	<u>14,700</u>	<u>18,300</u>	<u>18,300</u>
All Other Operating Exp.	<u>15,800</u>	<u>19,500</u>	<u>19,600</u>
OPERATION SUBTOTAL	334,100	365,600	371,400
Hearing Office	62,600	171,300	122,500
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(9,600)</u>
TOTAL APPROPRIATIONS	<u>396,700</u>	<u>536,900</u>	<u>484,300</u> ^{2/}

The approved amount includes \$12,700 in Personal Services and \$1,500 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount provides for a \$12,100 reduction in the Personal Services base to reflect lower salaries due to position changes. The approved amount reflects a vacancy factor of 1%, or \$2,900.

Hearing Office - The approved amount for the Hearing Office special line includes a \$50,000 reduction to reflect anticipated expenditure levels in FY 1991. Also included is \$1,100 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

Lump Sum Reduction - The appropriation includes a lump sum reduction of \$9,600. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations and program.

^{1/} Includes 1 FTE position from the Hearing Office special line.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	16.0	22.0	22.0
Personal Services	585,100	787,800	822,800
Employee Related Exp.	112,600	142,000	173,200
Prof. & Outside Services	47,000	60,000	60,000
Travel - State	1,300	8,800	8,800
Travel - Out of State	1,100	4,000	4,000
Other Operating Exp.	80,600	69,400	72,500
Equipment	8,900	46,900	11,400
All Other Operating Exp.	138,900	189,100	156,700
OPERATION SUBTOTAL	836,600	1,118,900	1,152,700
Governor's Reg. Rev. Council	12,300	14,400	14,400
Lump Sum Reduction	-0-	-0-	(21,400)
TOTAL APPROPRIATIONS	848,900	1,133,300	1,145,700 ^{1/}

The approved amount includes \$35,400 in Personal Services and \$4,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$7,600 for positions hired above the hiring rates in FY 1990. The appropriation reflects a vacancy factor of 1%, or \$8,000.

Equipment - The approved amount provides \$11,400 for replacement of personal computers and purchase of a conference table and chairs.

Lump Sum Reduction - The appropriation includes a lump sum reduction of \$21,400. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>39.0</u>	<u>39.0</u>	<u>38.0</u>
Personal Services	<u>1,049,700</u>	<u>1,360,100</u>	<u>1,395,100</u>
Employee Related Exp.	<u>203,900</u>	<u>230,200</u>	<u>261,100</u>
Prof. & Outside Services	1,490,300	2,138,400	2,459,100
Travel - State	100	-0-	-0-
Travel - Out of State	4,200	2,900	2,900
Other Operating Exp.	119,800	128,500	133,800
Equipment	<u>36,100</u>	<u>-0-</u>	<u>11,600</u>
All Other Operating Exp.	<u>1,650,500</u>	<u>2,269,800</u>	<u>2,607,400</u>
OPERATION SUBTOTAL	2,904,100	3,860,100	4,263,600
Statewide Accounting System	-0-	-0-	750,000
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(99,000)</u>
TOTAL APPROPRIATIONS	<u>2,904,100</u>	<u>3,860,100</u>	<u>4,914,600</u> ^{1/}

The approved amount includes \$60,100 in Personal Services and \$7,600 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a reduction of 1 FTE position and \$27,100 as part of the FTE reduction policy.

Professional and Outside Services - The approved amount includes a \$320,700 increase in data processing costs charged by the Data Processing Revolving Fund for running payroll, statewide accounting, and other Department data processing functions.

Equipment - The approved amount of \$11,600 is to purchase 2 advanced personal computers to be used as file servers for the NAS system.

Statewide Accounting System - The \$750,000 appropriation for this special line is to fund the first year of a 2-year conversion to the new statewide accounting system.

Lump Sum Reduction - The appropriation includes a lump sum reduction of \$99,000. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>111.0</u>	<u>112.0</u>	<u>115.0</u> ^{1/}
Personal Services	<u>1,961,500</u>	<u>2,224,600</u>	<u>2,338,300</u>
Employee Related Exp.	<u>443,100</u>	<u>434,600</u>	<u>503,100</u>
Prof. & Outside Services	209,300	532,400	536,900
Travel - State	10,400	10,300	300
Travel - Out of State	3,800	-0-	-0-
Other Operating Exp.	567,300	640,200	584,100
Equipment	<u>23,900</u>	<u>7,500</u>	<u>-0-</u>
All Other Operating Exp.	<u>814,700</u>	<u>1,190,400</u>	<u>1,121,300</u>
OPERATION SUBTOTAL	3,219,300	3,849,600	3,962,700
SLIAG	52,500	133,300	245,100
Rental of Facilities	88,800	651,500	619,400
GAAP	619,400	682,300	702,400
Public Funds; Insurance	-0-	6,000,000 ^{2/}	-0-
Water Rights Settlement	-0-	1,500,000	1,500,000
Named Claimants (Laws 1988)	1,366,911	-0-	-0-
Named Claimants (Laws 1989)	-0-	1,797,339	-0-
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(108,800)</u>
TOTAL	5,346,911	14,614,039	6,920,800 ^{3/4/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Named Claimants, Ch. 194	<u>--</u>	<u>115,087</u>	<u>--</u>
TOTAL APPROPRIATIONS	<u>5,346,911</u>	<u>14,729,126</u>	<u>6,920,800</u>
Fund Summary			
General Fund	5,346,911	14,501,050	6,920,800
Corrections Fund	-0-	190,160 ^{5/}	-0-
State Highway Fund	-0-	37,716 ^{6/}	-0-
Industrial Commission Fund	<u>-0-</u>	<u>200</u> ^{7/}	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>5,346,911</u>	<u>14,729,126</u>	<u>6,920,800</u>

(Continued)

1/ Includes 6 FTE positions from the "SLIAG" special line and 17 FTE positions from the "GAAP" special line.

2/ Of the \$6 million appropriated, \$4,326,000 is expected to be reverted to the General Fund.

(Footnotes Continued on Following Page)

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

The approved amount includes \$100,700 in Personal Services and \$12,600 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes a net increase of 3 FTE positions, as follows:

- Transfer of Mailroom Function - The approved amount reflects the transfer out of \$95,500 and 4 FTE positions responsible for the mailroom to the General Services cost center. (Note that the amount appropriated to the General Services cost center was subsequently reduced to \$92,900.)
- State Legalization Impact Assistance Grants (SLIAG) - The approved amount for SLIAG was increased by 3 FTE positions and \$105,000.
- Transfer from Facilities Management - The approved amount reflects the transfer in of 5 FTE positions from the Facilities Management cost center.
- FTE Reduction Policy - Reduction of 1 FTE position - see below.

Personal Services - The approved amount includes a \$63,000 reduction to reflect the transfer of the 4 FTE mailroom positions to General Services, and a \$101,300 increase resulting from the transfer of 5 FTE positions from the Facilities Management cost center. The approved amount also reflects a reduction of 1 FTE position and \$25,200 as part of the FTE reduction policy, and a vacancy factor of 1.76%, or \$40,200.

All Other Operating Expenditures - The approved amount includes an \$11,000 reduction in Travel and Other Operating Expenditures resulting from the transfer of the mailroom function to the General Services cost center, a \$10,000 increase in Other Operating Expenditures resulting from the transfer in of 5 FTE positions from Facilities Management, and a \$65,100 reduction in the Risk Management assessment.

(Continued)

(Footnotes Continued From Previous Page)

- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.
- 4/ In accordance with A.R.S. § 35-142.01: a) the Department of Economic Security shall remit to the Department of Administration any monies received as reimbursement from the federal government or any other source for the operation of the Department of Economic Security west building and b) the Department of Administration shall deposit such monies to the General Fund. The Department of Administration, with the cooperation of the Department of Economic Security, shall submit quarterly reports to the Staff Director of the Joint Legislative Budget Committee regarding the amount of federal reimbursement received by the General Fund for the costs of operating the DES West building.
- 5/ This amount was transferred to the General Fund from the Corrections Fund for payment of claims, pursuant to Laws 1989, Chapter 248.
- 6/ This amount was transferred to the General Fund from the State Highway Fund for payment of claims, pursuant to Laws 1989, Chapter 248.
- 7/ This amount was transferred to the General Fund from the Industrial Commission Fund for payment of claims, pursuant to Laws 1990, Chapter 194.

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

SLIAG - As noted above, the special line for Statewide Legalization Impact Assistance grants was increased by \$105,000. The amount expended for this program is fully reimbursed by the federal government. Also included is \$6,000 in Personal Services and \$800 in Employee Related Expenditures for the general salary adjustment.

GAAP - The approved amount includes \$17,900 in Personal Services and \$2,200 in Employee Related Expenditures for the general salary adjustment.

Rent - The appropriation for the special line for rent was reduced by \$32,100 from the previous year to reflect the lease-purchase schedule for the 16th Street Parking Garage.

Public Funds; Insurance - This line represents the amount appropriated in FY 1990 to the Special Employee Health Insurance Trust Fund. Of this amount, \$4,326,000 is expected to be reverted to the General Fund.

Water Rights Settlement - Laws 1989, Chapter 122 appropriated \$1,500,000 from the General Fund to the Department of Administration for both FY 1990 and FY 1991 for payment of this state's contribution to the Salt River Community Trust Fund established by the Salt River Pima-Maricopa Indian Community Water Right Settlement Act of 1988, P.L. 100-512.

Named Claimants (Laws 1988) - Laws 1988, Chapter 32 appropriated \$1,371,379 to the Department for payment of various claims against the state, of which \$1,366,911 was actually paid out.

Named Claimants (Laws 1989) - Laws 1989, Chapter 248 appropriated \$1,797,500 to the Department for payment of various claims against the state. The claims were paid in FY 1990, as the bill was passed without the emergency clause.

Lump Sum Reduction - The appropriation includes a Lump Sum Reduction of \$108,800. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

ADDITIONAL APPROPRIATIONS

Named Claimants - Chapter 194 (H.B. 2689) - Appropriates \$115,087 to the Department for payment of various claims against the state. The claims paid in FY 1990, as the bill passed with the emergency clause.

ADDITIONAL LEGISLATION

Procurement Criteria - Chapter 269 (H.B. 2625) - Establishes additional review criteria for the State Purchasing Office in assessing information processing and telecommunications systems, to include life cycle cost and application benefit factors.

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>110.0</u>	<u>114.0</u>	<u>117.0</u>
Personal Services	<u>2,922,700</u>	<u>3,146,000</u>	<u>3,349,200</u>
Employee Related Exp.	<u>624,700</u>	<u>580,600</u>	<u>752,200</u>
Prof. & Outside Services	60,400	38,500	38,500
Travel - State	8,600	18,600	19,300
Travel - Out of State	3,200	4,300	4,300
Other Operating Exp.	389,600	366,800	377,400
Equipment	<u>23,600</u>	<u>12,300</u>	<u>36,800</u>
All Other Operating Exp.	<u>485,400</u>	<u>440,500</u>	<u>476,300</u>
OPERATION SUBTOTAL	4,032,800	4,167,100	4,577,700
Special Recruitment	38,400	38,500	38,500
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(89,400)</u>
TOTAL	4,071,200	4,205,600	4,526,800 ^{1/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Omnibus Child Protection Act, Ch. 237	<u>---</u>	<u>---</u>	<u>25,000</u>
TOTAL APPROPRIATIONS	<u>4,071,200</u>	<u>4,205,600</u>	<u>4,551,800</u>

The approved amount includes \$144,200 in Personal Services and \$18,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of \$20,100 to reflect a reduced total salary base. In addition, 4 FTE positions and \$109,400 were added to staff the new Juvenile Corrections employment unit as follows: 1 FTE Personnel Manager I, 1 FTE Personnel Analyst III, and 2 FTE Personnel Analyst II. The appropriation also reflects a permanent reduction of 1 FTE position and \$27,000 as part of the FTE reduction policy, and a vacancy factor of 2.09%, or \$68,300.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

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

All Other Operating Expenditures - The approved amount provides \$18,000 for operating and equipment for the 4 FTE positions described above, \$12,600 for replacement of a high speed copier, and \$16,200 for purchase of computer equipment to provide on-line access to the new payroll/personnel system.

Lump Sum Reduction - The appropriation includes a lump sum reduction of \$89,400. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

ADDITIONAL APPROPRIATIONS

Omnibus Child Protection Act - Chapter 237 (H.B. 2690) - Requires the Department to perform a management and personnel analysis of the Child Protective Services program to improve working conditions, employee development, worker retention, and employee morale. The Department is to report its findings to the Governor and the Legislature by December 1, 1990. The bill appropriates \$25,000 to the Department for this purpose.

ADDITIONAL LEGISLATION

Contribution of Pro Rata Share - Chapter 355 (S.B. 1336) - This bill, among other provisions, increases the pro rata share paid annually by covered agencies for the cost of Personnel Division services from 0.7% of an agency's payroll in FY 1990 to 1% by FY 1996. In addition, it states that the "resultant amount constitutes the annual appropriation of the Personnel Division". The General Appropriation Act contains a lump sum appropriation of \$4,526,800 for the Personnel Division. The bill also establishes the maximum rates the state will pay for health insurance at \$160.58 per month for individual coverage and \$348.68 per month for family coverage and for coverage in which both spouses are state employees. The amount the Department may charge employees for the Special Employee Health Insurance Trust Fund to administer dependent care deduction plans, other flexible benefit plans, and the wellness program is increased from \$0.40 to \$1.50 per employee per month.

Unfair Claim Settlement Practices - Chapter 394 (H.B. 2181) - Amends the Unfair Claim Settlement Practices Act to require health insurance providers to cover all charges for reasonable and necessary services provided by any chiropractor, medical physician or surgeon, or osteopathic physician or surgeon. This requirement is not to prohibit the use of deductibles, coinsurance, preferred provider requirements, or cost containment measures if equally applied to all physicians. According to a preliminary actuarial study done for the Department, the provisions of this bill are likely to increase the state's cost of providing health insurance coverage.

JLBC Analyst: Pitcairn

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND AND CORRECTIONS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>252.3</u>	<u>263.25</u>	<u>313.75</u> ^{1/}
Personal Services	<u>4,609,100</u>	<u>4,987,400</u>	<u>5,414,900</u>
Employee Related Exp.	<u>1,237,500</u>	<u>1,248,500</u>	<u>1,570,700</u>
Prof. & Outside Services	95,400	20,300	20,300
Travel - State	123,900	115,700	122,100
Travel - Out of State	2,500	1,500	7,500
Other Operating Exp.	644,800	914,200	1,421,300
Equipment	<u>67,200</u>	<u>158,100</u>	<u>205,100</u>
All Other Operating Exp.	<u>933,800</u>	<u>1,209,800</u>	<u>1,776,300</u>
OPERATION SUBTOTAL	6,780,400	7,445,700	8,761,900
Relocation	9,600	161,800	600,000
Utilities	4,180,100	4,396,800	5,498,900
DOC Building Program	298,900	-0-	-0-
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(291,800)</u>
TOTAL APPROPRIATIONS	<u>11,269,000</u>	<u>12,004,300</u>	<u>14,569,000</u>
<u>Fund Summary</u>			
General Fund	10,970,100	11,666,600	14,210,300
Corrections Fund	<u>298,900</u>	<u>337,700</u>	<u>358,700</u> ^{2/}
TOTAL APPROPRIATIONS	<u>11,269,000</u>	<u>12,004,300</u>	<u>14,569,000</u> ^{3/}

The approved amount includes \$233,200 in Personal Services and \$38,000 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes a net increase of 50.5 FTE positions (excluding the effect of the FTE reduction described above) as follows:

- Security Staff - The approved amount includes 4 FTE Security Aide positions and \$74,200 to improve security in the north periphery and parking lot areas of the Capitol Mall.

(Continued)

- ^{1/} The approved amount includes 11 FTE positions for the prison construction program.
- ^{2/} The amount shown includes \$11,300 in Personal Services and \$1,800 in Employee Related Expenditures for the general salary adjustment.
- ^{3/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

DEPARTMENT OF ADMINISTRATION - FACILITIES MANAGEMENT (Cont'd)
GENERAL FUND AND CORRECTIONS FUND

FTE Positions (Cont'd)

- Transfers/Funding Shift - 5 FTE positions were transferred to the Finance division along with \$133,400 in General Fund monies. Four of these 5 positions were funded from the Corrections Fund, and their funding source was changed to General Fund upon their transfer. Concurrently, 4 other positions within Facilities Management had their fund source changed from General Fund to Corrections Fund. As an end result, agency-wide, there was no net change in either FTE positions or total funding.
- New Buildings - The approved amount includes 55.5 FTE positions and \$2,496,500 to operate the following new buildings (months of operation in FY 1991 shown in parentheses): Supreme Court Building (grounds and utilities only - 8 months), 1616 W. Adams (former State Compensation Fund Building - 12 months), Tucson Office Building (1 month), DES West Building (4 months), Records Center Addition (9 months), the Evans House (12 months), and the Shrine Auditorium (12 months).
- Permanent Reduction - Reduction of 4 FTE positions - see below.

Personal Services - The approved amount includes: \$54,800 for the 4 FTE Security Aide positions; a reduction of \$101,300 resulting from the transfer of 5 FTE positions to the Finance Division; and \$418,100 for the 55.5 FTE positions for the new buildings. The appropriation reflects a permanent reduction of 4 FTE positions and \$67,600 resulting from the FTE reduction policy, and a vacancy factor of 3.23%, or \$173,000. The approved amount includes \$262,700 in Personal Services for the prison construction program funded from the Corrections Fund.

All Other Operating Expenditures - The approved amount includes \$2,000 in Other Operating Expenditures for the Security Aides, \$263,600 for HVAC and elevator maintenance contracts, and \$315,300 in operating expenditures for the new buildings as follows: \$11,000 for Travel, \$257,300 in Other Operating Expenditures, and \$47,000 for Equipment.

Relocation - \$600,000 was approved for relocating agencies to new office space and restoring vacated space.

Utilities - The approved amount includes a reduction of \$100,000 in energy consumption through thermostat, lighting, and other energy use adjustments. The amount also includes \$1,202,100 for the new buildings.

Lump Sum Reduction - The approved lump sum reduction amount is \$291,800. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

Catherine Eden, Director (Tel. 542-1500)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>4.0</u>
Personal Services	<u>-0-</u>	<u>-0-</u>	<u>65,200</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>21,700</u>
Prof. & Outside Services	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Travel - State	<u>-0-</u>	<u>-0-</u>	<u>10,000</u>
Travel - Out of State	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other Operating Exp.	<u>-0-</u>	<u>-0-</u>	<u>1,000</u>
Equipment	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>-0-</u>	<u>-0-</u>	<u>11,000</u>
OPERATION SUBTOTAL	<u>-0-</u>	<u>-0-</u>	<u>97,900</u>
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(1,800)</u>
TOTAL APPROPRIATIONS	<u>-0-</u>	<u>-0-</u>	<u>96,100</u>

The approved amount includes \$2,800 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes 4 FTE mailroom positions transferred from the Finance cost center, and a 1% vacancy factor resulting in a savings of \$600 in Personal Services.

Lump Sum Reduction - The appropriation includes a lump sum reduction of \$1,800. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

ADDITIONAL LEGISLATION

Solid Waste Recycling Act - Chapter 378 (H.B. 2574) - Establishes solid waste recycling guidelines for state agencies and creates the Arizona Recycling Program, administered by the Department of Environmental Quality. The Department of Administration is required by November 1, 1991 to ensure that at least 50% of state agencies' waste office paper and corrugated paper are collected and recycled. In addition, the State Purchasing Office is directed to allow up to 5% preferential pricing for recycled paper in reviewing bids for purchase of state office paper. Revenues from the sale of recycled paper by the Department will be deposited to the State Surplus Property Fund.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Cawley

Brenda Smith, Director (Tel. 542-3711)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Personal Services	<u>135,200</u>	<u>151,000</u>	<u>157,800</u>
Employee Related Exp.	<u>26,100</u>	<u>28,300</u>	<u>33,300</u>
Prof. & Outside Services	300	200	4,300
Travel - State	2,300	13,300	16,300
Travel - Out of State	2,500	-0-	-0-
Other Operating Exp.	19,700	29,600	31,100
Equipment	<u>8,800</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>33,600</u>	<u>43,100</u>	<u>51,700</u>
OPERATION SUBTOTAL	194,900	222,400	242,800
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(11,300)</u>
TOTAL APPROPRIATIONS	<u>194,900</u>	<u>222,400</u>	<u>231,500</u> ^{1/}

The approved amount includes \$6,800 in Personal Services and \$900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$1,500, was deducted when the approved amount was computed.

Professional and Outside Services - The approved amount includes an additional \$4,000 for accounting services provided by the Governor's accounting office.

Travel - State - The approved amount includes additional funding for travel reimbursement for members of the Affirmative Action Advisory Board and the Minority and Women Business and Economic Development Advisory Board.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Administration	3,549,500	2,761,100	2,773,300
Organized Crime	2,675,100	2,359,100	2,387,900
Civil	3,876,400	3,875,800	4,039,500
Civil Rights	583,400	577,100	689,100
Financial Fraud	2,032,600	2,055,100	2,147,500
Solicitor General	222,700	226,800	238,800
Antitrust	271,800	293,800	306,500
Criminal	1,769,800	1,954,600	2,025,100
Special Investigations	2,164,500	2,534,900	2,612,600
Tax	1,265,200	1,326,200	1,221,500
Sec. 109 Lump Sum Reduction	-0-	-0-	(177,100)
TOTAL APPROPRIATIONS	<u>18,411,000</u>	<u>17,964,500</u>	<u>18,264,700</u>
<u>Expenditure Detail</u>			
FTE Positions 1/	<u>360.0</u>	<u>366.0</u>	<u>363.0</u>
Personal Services	<u>11,581,700</u>	<u>12,170,800</u>	<u>12,493,600</u>
Employee Related Exp.	<u>2,197,700</u>	<u>2,066,400</u>	<u>2,354,800</u>
Prof. & Outside Services	91,300	54,100	54,200
Travel - State	129,500	108,400	108,800
Travel - Out of State	42,900	32,600	29,500
Other Operating Exp.	1,482,400	1,392,700	1,362,500
Equipment	<u>727,700</u>	<u>99,400</u>	<u>91,100</u>
All Other Operating Exp.	<u>2,473,800</u>	<u>1,687,200</u>	<u>1,646,100</u>
OPERATION SUBTOTAL	16,253,200	15,924,400	16,494,500
Special Line Items	2,157,800	1,890,100	1,869,800 ^{2/}
Additional Appropriations	-0-	150,000	77,500 ^{3/}
Sec. 109 Lump Sum Reduction	-0-	-0-	(177,100)
TOTAL APPROPRIATIONS	<u>18,411,000</u>	<u>17,964,500</u>	<u>18,264,700</u> ^{4/}

The approved amount includes \$534,900 in Personal Services and \$64,200 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$1,400 in Personal Services and \$200 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991, and \$50,000 for salary adjustments in special line items.

- 1/ Includes 46 FTE positions funded from special line items in FY 1989, 44 FTE positions in FY 1990, and 37 FTE positions in FY 1991.
- 2/ Details for the Special Line Items are included on the individual program pages.
- 3/ Details for Additional Appropriations are included on the individual program pages.
- 4/ Represents General Appropriation Act funds with the exception of \$77,500 for Additional Appropriations. The General Appropriation Act funds are appropriated as a lump sum for the agency. The amounts for individual programs are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>48.0</u> ^{1/}	<u>43.0</u>	<u>43.0</u>
Personal Services	<u>1,481,400</u>	<u>1,374,700</u>	<u>1,420,600</u>
Employee Related Exp.	<u>284,500</u>	<u>248,800</u>	<u>270,000</u>
Prof. & Outside Services	48,300	6,400	6,400
Travel - State	8,000	3,000	3,100
Travel - Out of State	15,100	5,400	5,400
Other Operating Exp.	809,900	734,100	708,900
Equipment	<u>377,600</u>	<u>19,700</u>	<u>18,700</u>
All Other Operating Exp.	<u>1,258,900</u>	<u>768,600</u>	<u>742,500</u>
OPERATION SUBTOTAL	3,024,800	2,392,100	2,433,100
Library Acquisitions	106,300	78,800	50,000
Outside Litigation	80,800	62,400	62,400
Major Litigation	337,600	22,900	22,900
Computer Services	<u>-0-</u>	<u>204,900</u>	<u>204,900</u>
TOTAL APPROPRIATIONS	<u>3,549,500</u>	<u>2,761,100</u>	<u>2,773,300</u> ^{2/}

The approved amount includes \$58,100 in Personal Services and \$6,700 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$1,400 in Personal Services and \$200 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - A vacancy factor of 1%, or \$13,600, was deducted when the approved amount was computed.

Library Acquisitions - The approved amount provides for the operation of the Department's library and purchasing of publications and legal updates. The approved amount includes a decrease of \$28,800 from the FY 1990 appropriation.

Outside Litigation - The appropriation funds the hiring of outside counsel in cases requiring legal expertise when such expertise is not available within the Department and in cases of Department conflict of interest.

Major Litigation - The approved amount is a contingency fund for major legal cases.

Computer Services - The appropriation provides for the operation and maintenance of the Department's computer system.

^{1/} Includes 5 FTE positions funded from the Major Litigation special line item which was for the Lakeview litigation.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>47.0</u>	<u>44.0</u>	<u>43.0</u>
Personal Services	<u>1,596,100</u>	<u>1,600,500</u>	<u>1,603,700</u>
Employee Related Exp.	<u>285,400</u>	<u>258,000</u>	<u>289,300</u>
Prof. & Outside Services	2,600	7,000	7,000
Travel - State	1,900	3,000	3,200
Travel - Out of State	6,000	6,400	3,200
Other Operating Exp.	117,200	78,100	73,100
Equipment	<u>28,500</u>	<u>7,400</u>	<u>100</u>
All Other Operating Exp.	<u>156,200</u>	<u>101,900</u>	<u>86,600</u>
OPERATION SUBTOTAL	2,037,700	1,960,400	1,979,600
Medical Fraud Cont. Unit	277,200	200,000	200,000
Environmental Quality	<u>360,200</u>	<u>198,700</u>	<u>208,300</u>
TOTAL APPROPRIATIONS	<u>2,675,100</u>	<u>2,359,100</u>	<u>2,387,900</u> ^{2/}

The approved amount includes \$69,100 in Personal Services and \$8,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of \$34,400 related to the elimination of 1 FTE position. A vacancy factor of 2%, or \$31,500, was deducted when the approved amount was computed.

Travel - Out of State - The approved amount is a 50% reduction.

Medical Fraud Control Unit - The appropriation provides the state's match (25%) for federal funds to investigate and prosecute AHCCCS fraud.

Environmental Quality - The approved amount is for the investigation and prosecution of violations of the Environmental Quality Act (Laws 1986, Chapter 368). The approved amount includes \$7,100 in Personal Services and \$800 in Employee Related Expenditures for the general salary adjustment for 5 FTE positions. The approved amount does not include a vacancy factor.

1/ Includes 8 FTE positions funded from special line items in FY 1989, 6 FTE positions in FY 1990, and 5 FTE positions in FY 1991.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>91.0</u>	<u>89.0</u>	<u>87.0</u>
Personal Services	<u>2,322,300</u>	<u>2,379,300</u>	<u>2,461,900</u>
Employee Related Exp.	<u>416,200</u>	<u>375,800</u>	<u>470,800</u>
Prof. & Outside Services	12,900	15,400	15,400
Travel - State	3,100	3,000	3,000
Travel - Out of State	5,100	5,500	5,500
Other Operating Exp.	130,500	140,000	140,000
Equipment	<u>84,800</u>	<u>15,200</u>	<u>15,200</u>
All Other Operating Exp.	<u>236,400</u>	<u>179,100</u>	<u>179,100</u>
OPERATION SUBTOTAL	2,974,900	2,934,200	3,111,800
Environmental Quality	273,500	259,800	279,200
Water Litigation	<u>628,000</u>	<u>681,800</u>	<u>648,500</u>
TOTAL APPROPRIATIONS	<u>3,876,400</u>	<u>3,875,800</u>	<u>4,039,500</u> ^{2/}

The approved amount includes \$106,000 in Personal Services and \$12,600 in Employee Related Expenditures for the general salary adjustment.

FTE Reduction Policy - The approved amount eliminates 2 FTE positions as part of the FTE reduction policy.

Personal Services - A vacancy factor of 1%, or \$23,400, was deducted when the approved amount was computed.

Environmental Quality - The approved amount funds the cost of legal support for the Environmental Quality Act (Laws 1986, Chapter 368). The approved amount includes \$9,400 in Personal Services and \$1,200 in Employee Related Expenditures for the general salary adjustment for 7 FTE positions. The approved amount does not include a vacancy factor.

Water Litigation - The approved amount is for the legal expenses of asserting the state's water claims in the general adjudication of water rights within the Gila and Little Colorado watersheds (Laws 1986, Chapter 183). The approved amount includes a decrease of \$65,700 in Personal Services to reflect the elimination of 2 FTE positions as part of the FTE reduction policy. The approved amount also includes \$21,600 in Personal Services and \$2,700 in Employee Related Expenditures for the general salary adjustment for 19 FTE positions. This amount does not include a vacancy factor.

^{1/} Includes 30 FTE positions funded from special line items in FY 1989, 28 FTE positions in FY 1990, and 26 FTE positions in FY 1991.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>12.0</u>	<u>15.0</u>	<u>15.0</u>
Personal Services	<u>395,400</u>	<u>393,300</u>	<u>406,900</u>
Employee Related Exp.	<u>75,300</u>	<u>64,100</u>	<u>79,100</u>
Prof. & Outside Services	200	-0-	-0-
Travel - State	8,700	1,600	1,600
Travel - Out of State	100	-0-	-0-
Other Operating Exp.	40,000	21,800	21,800
Equipment	<u>11,800</u>	<u>2,700</u>	<u>2,700</u>
All Other Operating Exp.	<u>60,800</u>	<u>26,100</u>	<u>26,100</u>
OPERATION SUBTOTAL	531,500	483,500	512,100
Fair Housing	<u>51,900</u>	<u>93,600</u>	<u>99,500</u>
TOTAL	583,400	577,100	611,600 ^{2/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Omnibus Child Protection Act, Ch. 237	<u>---</u>	<u>---</u>	<u>77,500</u>
TOTAL APPROPRIATIONS	<u>583,400</u>	<u>577,100</u>	<u>689,100</u>

The approved amount includes \$17,500 in Personal Services and \$2,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$3,900, was deducted when the approved amount was computed.

Fair Housing - The approved amount funds the legal enforcement of the Fair Housing Act (Laws 1988, Chapter 339). The approved amount includes \$3,100 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment for 3 FTE positions. The approved amount does not include a vacancy factor.

ADDITIONAL APPROPRIATIONS

Omnibus Child Protection Act - Chapter 237 (H.B. 2690) - Appropriates \$77,500 for partial year funding and start up costs for a child welfare mediation program. The approved amount includes 4.5 FTE positions for 3 initial project sites to be located in Phoenix, Tucson, and Flagstaff.

^{1/} Includes 3 FTE positions funded from special line items in FY 1990 and 3 FTE positions in FY 1991. The FY 1989 FTE positions are not included, since they were included in Additional Appropriations, Laws 1988, Chapter 339.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>42.0</u>	<u>41.0</u>	<u>41.0</u>
Personal Services	<u>1,563,100</u>	<u>1,636,800</u>	<u>1,693,400</u>
Employee Related Exp.	<u>307,900</u>	<u>270,100</u>	<u>305,800</u>
Prof. & Outside Services	8,400	11,200	11,200
Travel - State	800	1,600	1,600
Travel - Out of State	2,200	2,400	2,500
Other Operating Exp.	107,400	125,300	125,300
Equipment	<u>42,800</u>	<u>7,700</u>	<u>7,700</u>
All Other Operating Exp.	<u>161,600</u>	<u>148,200</u>	<u>148,300</u>
TOTAL APPROPRIATIONS	<u><u>2,032,600</u></u>	<u><u>2,055,100</u></u>	<u><u>2,147,500</u></u> ^{1/}

The approved amount includes \$72,900 in Personal Services and \$8,600 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$16,300, was deducted when the approved amount was computed.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>172,700</u>	<u>185,000</u>	<u>191,300</u>
Employee Related Exp.	<u>29,900</u>	<u>26,500</u>	<u>32,100</u>
Prof. & Outside Services	1,000	700	700
Travel - State	900	700	800
Travel - Out of State	2,400	2,200	2,200
Other Operating Exp.	11,600	10,900	10,900
Equipment	<u>4,200</u>	<u>800</u>	<u>800</u>
All Other Operating Exp.	<u>20,100</u>	<u>15,300</u>	<u>15,400</u>
TOTAL APPROPRIATIONS	<u>222,700</u>	<u>226,800</u>	<u>238,800</u> ^{1/}

The approved amount includes \$8,200 in Personal Services and \$900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$1,900, was deducted when the approved amount was computed.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Personal Services	<u>227,100</u>	<u>256,500</u>	<u>265,300</u>
Employee Related Exp.	<u>44,700</u>	<u>37,300</u>	<u>41,200</u>
TOTAL APPROPRIATIONS	<u>271,800</u>	<u>293,800</u>	<u>306,500</u> ^{1/}

The approved amount includes \$11,400 in Personal Services and \$1,300 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$2,600, was deducted when the approved amount was computed.

The approved amount funds 5 attorneys. Support staff and all other operating expenditures are funded by the Antitrust Enforcement Revolving Fund.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>32.0</u>	<u>40.0</u>	<u>40.0</u>
Personal Services	<u>1,385,900</u>	<u>1,558,400</u>	<u>1,596,000</u>
Employee Related Exp.	<u>257,800</u>	<u>256,100</u>	<u>288,900</u>
Prof. & Outside Services	2,000	3,000	3,100
Travel - State	4,000	5,000	5,000
Travel - Out of State	4,200	5,000	5,000
Other Operating Exp.	81,200	94,200	94,200
Equipment	<u>34,700</u>	<u>32,900</u>	<u>32,900</u>
All Other Operating Exp.	<u>126,100</u>	<u>140,100</u>	<u>140,200</u>
TOTAL APPROPRIATIONS	<u>1,769,800</u>	<u>1,954,600</u>	<u>2,025,100</u> ^{1/}

The approved amount includes \$68,700 in Personal Services and \$8,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 2%, or \$31,100, was deducted when the approved amount was computed.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>55.0</u>	<u>61.0</u>	<u>61.0</u>
Personal Services	<u>1,502,900</u>	<u>1,835,700</u>	<u>1,870,800</u>
Employee Related Exp.	<u>321,000</u>	<u>366,900</u>	<u>402,600</u>
Prof. & Outside Services	7,600	2,200	2,200
Travel - State	101,600	90,000	90,000
Travel - Out of State	4,100	2,400	2,400
Other Operating Exp.	128,500	141,000	141,000
Equipment	<u>56,500</u>	<u>9,500</u>	<u>9,500</u>
All Other Operating Exp.	<u>298,300</u>	<u>245,100</u>	<u>245,100</u>
OPERATION SUBTOTAL	2,122,200	2,447,700	2,518,500
Elderly Abuse Project	<u>42,300</u>	<u>87,200</u>	<u>94,100</u> ^{2/}
TOTAL APPROPRIATIONS	<u>2,164,500</u>	<u>2,534,900</u>	<u>2,612,600</u> ^{3/}

The approved amount includes \$80,600 in Personal Services and \$10,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 2.5%, or \$45,500, was deducted when the approved amount was computed.

Elderly Abuse Project - The approved amount includes 3 FTE positions who coordinate volunteers to aid in the prevention of fraud against the elderly and assist in ongoing elderly fraud investigations. The approved amount includes \$3,300 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment. The approved amount does not include a vacancy factor.

- ^{1/} Includes 3 FTE positions funded from special line items in FY 1989, 3 FTE positions in FY 1990, and 3 FTE positions in FY 1991.
- ^{2/} The Elderly Abuse Project was transferred from the Administration Division in FY 1990.
- ^{3/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Cawley

The Honorable Robert K. Corbin, Attorney General (Tel. 542-4266)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>24.0</u>	<u>24.0</u>	<u>24.0</u>
Personal Services	<u>934,800</u>	<u>950,600</u>	<u>983,700</u>
Employee Related Exp.	<u>175,000</u>	<u>162,800</u>	<u>175,000</u>
Prof. & Outside Services	8,300	8,200	8,200
Travel - State	500	500	500
Travel - Out of State	3,700	3,300	3,300
Other Operating Exp.	56,100	47,300	47,300
Equipment	<u>86,800</u>	<u>3,500</u>	<u>3,500</u>
All Other Operating Exp.	<u>155,400</u>	<u>62,800</u>	<u>62,800</u>
TOTAL	1,265,200	1,176,200	1,221,500
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Property Tax Appeals, Ch. 2	<u>---</u>	<u>150,000</u>	<u>---</u>
TOTAL APPROPRIATIONS	<u>1,265,200</u>	<u>1,326,200</u>	<u>1,221,500</u> ^{1/}

The approved amount includes \$42,400 in Personal Services and \$5,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$9,500, was deducted when the approved amount was computed.

ADDITIONAL APPROPRIATIONS

Property Tax Appeals, Chapter 2 (S.B. 1226) - Appropriates \$150,000 for FY 1990 for Professional and Outside Services to defray costs associated with defending the state and a county in property tax appeals. The monies appropriated shall not be spent unless equally matched by county funds.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Bradley

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

ARIZONA COLISEUM AND EXPOSITION CENTER BOARD FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>252.0</u>	<u>248.0</u>	<u>248.0</u>
Personal Services	<u>3,869,500</u>	<u>4,055,000</u>	<u>4,237,500</u>
Employee Related Exp.	<u>680,900</u>	<u>936,600</u>	<u>907,100</u>
Prof. & Outside Services	1,404,100	1,460,000	1,595,000
Travel - State	11,200	9,100	12,000
Travel - Out of State	26,800	19,300	27,800
Other Operating Exp.	3,833,500	3,188,200	4,488,800
Equipment	<u>540,300</u>	<u>2,000,000</u>	<u>2,000,000</u>
All Other Operating Exp.	<u>5,815,900</u>	<u>6,676,600</u>	<u>8,123,600</u>
OPERATION SUBTOTAL	10,366,300	11,668,200	13,268,200
One-Time Transfer to G.F.	1,000,000	-0-	-0-
Bond Interest Payment	100,000	95,000	90,000
Bond Retirement	161,200	510,000	360,000
Capital Outlay	<u>1,193,000</u>	<u>309,200</u>	<u>304,200</u>
TOTAL APPROPRIATIONS	<u>12,820,500</u>	<u>12,582,400</u>	<u>14,022,400</u> ^{1/}

A.R.S. § 3-1005 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% of its collections, and the amounts shown are estimates which are shown for information only.

The approved amount includes \$182,500 in Personal Services and \$26,200 in Employee Related Expenditures for the general salary adjustment.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 1.(C) of the Capital Outlay Bill appropriates \$400,700 from the Coliseum and Exposition Center Fund to the Department of Administration for the major maintenance and repair of state buildings in accordance with the building renewal formula established in Laws 1986, Chapter 85.

^{1/} All collections paid into the State Treasury are appropriated for Personal Services, Employee Related Expenditures, and All Other Operating Expenditures.

JLBC Analyst: Hernandez

Don Cline, Director (Tel. 280-1300)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>54.5</u>	<u>63.0</u>	<u>67.0</u> ^{1/}
Personal Services	<u>1,574,900</u>	<u>1,923,400</u>	<u>2,032,900</u>
Employee Related Exp.	<u>324,100</u>	<u>405,600</u>	<u>430,800</u>
Prof. & Outside Services	16,600	100,400	100,400
Travel - State	76,200	121,100	123,200
Travel - Out of State	58,000	105,700	109,500
Other Operating Exp.	337,600	509,000	695,200
Equipment	<u>61,000</u>	<u>37,100</u>	<u>67,200</u>
All Other Operating Exp.	<u>549,400</u>	<u>873,300</u>	<u>1,095,500</u>
OPERATION SUBTOTAL	2,448,400	3,202,300	3,559,200
INFAC	-0-	-0- ^{2/}	-0-
Econ. Dev't. Matching Funds	99,500	104,000	104,000
CEDC Commission	-0-	200,000	200,000
Advertising and Promotion	183,700	763,000	882,300
Asian Pacific Trade Office	132,300	140,900	157,800
Rural Community Development	75,000	31,600	-0-
REDI Matching Grants	-0-	45,000	45,000
Motion Picture Board	25,000	25,000	50,000
Procurement Assist. Network	-0-	-0-	50,000
Indian Economic Development	-0-	-0-	77,700
Solar Projects	95,300	81,300	81,300
Oil Overcharge Admin.	-0-	120,000	123,400
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(38,700)</u>
TOTAL	3,059,200	4,713,100	5,292,000 ^{3/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Mexican & European Trade & Tourism Offices, Ch. 229	--	--	300,000 ^{4/}
Housing Trust Fund, Ch. 305	--	--	78,800
TOTAL APPROPRIATIONS	<u>3,059,200</u>	<u>4,713,100</u>	<u>5,670,800</u>
<u>Fund Summary</u>			
General Fund	3,005,300	3,417,000	4,221,900
Bond Fund	53,900	56,100	55,300
CEDC Fund	-0-	920,000	991,400
Lottery Fund	-0-	200,000	200,000
Oil Overcharge Fund	-0-	120,000	123,400
Housing Trust Fund	<u>-0-</u>	<u>-0-</u>	<u>78,800</u>
TOTAL APPROPRIATIONS	<u>3,059,200</u>	<u>4,713,100</u>	<u>5,670,800</u>

(Continued)

(See Footnotes on Following Page)

DEPARTMENT OF COMMERCE (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

The approved amount includes \$88,600 in Personal Services and \$11,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes 4 new FTE positions to establish the Arizona Business Connection, a one-stop location where businesses can obtain information and any required business permits. The appropriation reflects a permanent reduction of 1 FTE position and \$30,300, plus a vacancy factor of 2.77% for a savings of \$48,000. In addition, funding for 5 intern positions was frozen for a savings of \$32,500.

Arizona Procurement Technical Assistance Network - The appropriation includes \$50,000 to expand the U.S. Department of Defense's procurement network and allow Arizona businesses to access approximately \$1 billion of contracts offered by State Purchasing, school districts, local governments, and major non-defense private sector companies.

Indian Economic Development - The approved amount includes 1 FTE position and \$75,900 to coordinate efforts to promote economic development on Arizona's Indian reservations. An additional \$1,600 in Personal Services and \$200 for Employee Related Expenditures were added for the general salary adjustment.

Border Trade Alliance - The appropriation includes \$50,000 to aid efforts to promote economic development along the U.S.-Mexico border.

Motion Picture Office - The approved amount includes an additional \$100,000 for advertising and promotions, \$54,800 for Other Operating Expenditures, and an additional \$25,000 for the Motion Picture Board.

Oil Overcharge Administration - The approved amount includes \$3,000 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

(Continued)

- 1/ In addition, 1 FTE position is funded in the Indian Economic Development line item, and 2 FTE positions are funded in the Oil Overcharge Administration line item.
- 2/ Laws 1989, Chapter 1 appropriated \$750,000 to the Department of Commerce for the Instrumented Factory for Precision Gears (INFAC) program. The appropriation was conditional upon Arizona State University being selected to operate the INFAC program and receiving funding from the U.S. Defense Logistics Agency. Since ASU was not selected as the INFAC site, the appropriation reverted.
- 3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.
- 4/ This appropriation is contingent upon receipt of matching funds or in-kind donations from the private sector. It is exempt from A.R.S. § 35-190, regarding lapsing of appropriations.

DEPARTMENT OF COMMERCE (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

ADDITIONAL APPROPRIATIONS

Trade and Tourism Offices - Chapter 229 (H.B. 2233) - Appropriates \$300,000 from the General Fund for start-up costs and operating expenses associated with the European and Mexican trade offices authorized by Chapter 198.

Housing Trust Fund and Housing Needs Assessment - Chapter 305 (S.B. 1020)- Allows up to 5% of Housing Trust Fund monies to be appropriated annually for costs associated with administering the Housing Trust Fund (HTF). This legislation appropriates \$78,800 for administrative costs in providing services related to the HTF. The legislation also allows the Department to expend the sum of \$75,000 from the HTF to conduct a statewide housing needs assessment.

ADDITIONAL LEGISLATION

Trade and Tourism Offices - Chapter 198 (S.B. 1090) - Authorizes the Department of Commerce to set up trade and tourism offices in Mexico and Europe, plus part-time trade and tourism offices in Japan and Canada. Establishes a 15-member Trade and Tourism Advisory Board.

JLBC Analyst: Burgess

Hon. Frank X. Gordon, Chief Justice (Tel. 255-4359)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Supreme Court	4,252,300	4,508,300	6,815,100
Foster Care Review Board	785,300	848,500	1,228,800
Sec. 109 Lump Sum Reduction	-0-	-0-	(75,600)
TOTAL APPROPRIATIONS	<u>5,037,600</u>	<u>5,356,800</u>	<u>7,968,300</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>101.3</u>	<u>103.3</u>	<u>141.3</u>
Personal Services	<u>3,253,400</u>	<u>3,499,000</u>	<u>4,293,700</u>
Employee Related Exp.	<u>569,200</u>	<u>532,800</u>	<u>813,100</u>
Prof. & Outside Services	68,900	20,200	164,500
Travel	101,300	123,900	129,800
Other Operating Exp.	745,600	888,200	986,400
Equipment	<u>26,100</u>	<u>18,500</u>	<u>718,200</u>
All Other Operating Exp.	<u>941,900</u>	<u>1,050,800</u>	<u>1,998,900</u>
OPERATION SUBTOTAL	4,764,500	5,082,600	7,105,700
Special Line Items ^{1/}	273,100	274,200	647,700
Additional Appropriations	--	--	290,500
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(75,600)</u>
TOTAL APPROPRIATIONS	<u>5,037,600</u>	<u>5,356,800</u>	<u>7,968,300</u>

The approved amount includes \$164,700 in Personal Services and \$18,400 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$8,400 in Personal Services and \$900 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

^{1/} Details for the Special Line Items are included on the individual program pages.

JLBC Analyst: Burgess

Hon. Frank X. Gordon, Chief Justice (Tel. 255-4359)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>80.3</u>	<u>82.3</u>	<u>118.3</u>
Personal Services	<u>2,794,400</u>	<u>3,000,800</u>	<u>3,737,200</u>
Employee Related Exp.	<u>464,800</u>	<u>420,500</u>	<u>677,100</u>
Prof. & Outside Services	66,400	15,000	159,300
Travel	50,200	70,600	72,000
Other Operating Exp.	582,600	710,900	817,200
Equipment	<u>20,800</u>	<u>16,300</u>	<u>704,600</u>
All Other Operating Exp.	<u>720,000</u>	<u>812,800</u>	<u>1,753,100</u>
OPERATION SUBTOTAL	3,979,200	4,234,100	6,167,400
Judicial Assistance	40,800	40,800	40,800
Judicial Education	232,300	233,400	210,400
Law Library	<u>-0-</u>	<u>-0-</u>	<u>396,500</u> ^{1/}
TOTAL APPROPRIATIONS	<u>4,252,300</u>	<u>4,508,300</u>	<u>6,815,100</u> ^{2/3/}

The approved amount includes \$140,700 in Personal Services and \$15,600 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$8,400 in Personal Services and \$900 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The approved amount includes \$20,700 for annualization of salaries for 2 FTE positions granted in FY 1990 and \$120,400 for 4 new FTE positions: a Staff Attorney and Legal Secretary for the Staff Attorney's Office and a Deputy Clerk Specialist and Legal Secretary for the Clerk of the Court's Office. Also included is \$20,000 for partial year funding for an Administrative Assistant for the Chief Justice and \$40,000 for the Appellate Salary Plan. In addition, \$413,700 is included for 31 FTE positions for the operation of the new Courts building: 9 FTE positions for building maintenance, 15 FTE positions for custodial services and 7 FTE positions for building security. A 2.0% vacancy savings of \$64,200 on non-elected positions is also included.

(Continued)

- 1/ The \$396,500 appropriated for the Law Library in the new Courts building is for an Intergovernmental Agreement with the Department of Library, Archives, and Public Records for the operation of the Law Library.
- 2/ It is the intent of the Legislature that the Supreme Court provide to the Staff Director of the Joint Legislative Budget Committee an accounting of its operating expenditures for the new Courts Building for FY 1991 by September 30, 1991.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Sub-Total" are shown for information only.

SUPREME COURT (Cont'd)
GENERAL FUND

Professional and Outside Services - The approved amount includes \$99,200 to move the Supreme Court, the Administrative Office the Courts, the Court of Appeals Division I and portions of the Department of Library, Archives and Public Records into the new Courts building. Also included is \$22,000 for installation of the Supreme Court telephone system as well as \$23,100 for contract services.

Travel - The approved amount includes \$800 for travel rate adjustments as well as \$600 for the new FTE positions.

Other Operating Expenditures - The approved amount includes \$96,100 in non-capitalized equipment and supplies for the operation and maintenance of the new Courts building. Also included is \$48,200 for computer maintenance contracts, \$8,400 for non-capitalized equipment and operating expenditures for the new FTE positions and \$5,500 for library acquisitions. In addition, there is a \$10,700 reduction in risk management fees and \$41,200 in general operating reductions.

Equipment - The approved amount includes \$148,000 for computer equipment for the new Courts building security system, with a back-up power supply and communication devices. Also included is \$156,400 for the Supreme Court telephone system, \$195,000 for furnishings for the building, \$43,200 for copy machines, and \$10,000 to equip the building's mail room. In addition, \$100,000 is included for automation enhancements as well as \$28,500 for the new FTE positions and \$7,200 in replacement equipment.

Judicial Education - The approved amount represents a general reduction of \$23,000.

ADDITIONAL LEGISLATION

Facilities Management - Chapter 395 (H.B. 2294) - Authorizes the Supreme Court to employ personnel or contract for outside services for the operation, maintenance and security of any Supreme Court facility.

JLBC Analyst: Burgess

Hon. Frank X. Gordon, Chief Justice (Tel. 255-4359)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>21.0</u>	<u>21.0</u>	<u>23.0</u>
Personal Services	<u>459,000</u>	<u>498,200</u>	<u>556,500</u>
Employee Related Exp.	<u>104,400</u>	<u>112,300</u>	<u>136,000</u>
Prof. & Outside Services	2,500	5,200	5,200
Travel	51,100	53,300	57,800
Other Operating Exp.	163,000	177,300	169,200
Equipment	<u>5,300</u>	<u>2,200</u>	<u>13,600</u>
All Other Operating Exp.	<u>221,900</u>	<u>238,000</u>	<u>245,800</u>
TOTAL	785,300	848,500	938,300 ^{1/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Omnibus Child Protection Act, Ch. 237	<u>---</u>	<u>---</u>	<u>290,500</u>
TOTAL APPROPRIATIONS	<u>785,300</u>	<u>848,500</u>	<u>1,228,800</u>

The approved amount includes \$24,000 in Personal Services and \$2,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$43,900 for 2 new FTE positions, a Program Specialist and Secretary, to support the increased caseload. Also included is a 1.9% vacancy savings of \$10,000.

All Other Operating Expenditures - The approved amount includes \$2,500 in travel rate adjustments and \$800 in replacement equipment. Also included is \$12,500 in equipment and operating expenditures, as well as \$2,000 in travel, for the new FTE positions. Also included is a general reduction of \$10,000.

ADDITIONAL APPROPRIATIONS

Omnibus Child Protection Act - Chapter 237 (H.B. 2690) - Appropriates \$290,500 to the Supreme Court from the General Fund for the following uses: \$190,900 and 7 FTE positions for partial year funding and start-up costs for the Parent Assistance Hotline; \$27,000 and 1 FTE position for partial year funding for early review of dependency cases; \$22,600 for a study to identify sources of revenue to implement an integrated child welfare system; \$50,000 for a study to evaluate in-home services.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
<u>Program Summary</u>			
Court of Appeals (Div. I)	3,777,700	4,808,900	5,771,100
Court of Appeals (Div. II)	1,734,300	1,835,700	2,259,500
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(78,000)</u>
TOTAL APPROPRIATIONS	<u>5,512,000</u>	<u>6,644,600</u>	<u>7,952,600</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>112.5</u>	<u>132.5</u>	<u>133.5</u>
Personal Services	<u>4,362,800</u>	<u>5,205,100</u>	<u>5,832,300</u>
Employee Related Exp.	<u>629,000</u>	<u>548,400</u>	<u>1,012,700</u>
Prof. & Outside Services	8,500	3,100	109,400
Travel - State	46,300	69,500	86,300
Travel - Out of State	8,900	18,300	19,300
Other Operating Exp.	417,200	653,700	560,800
Equipment	<u>39,300</u>	<u>146,500</u>	<u>409,800</u>
All Other Operating Exp.	<u>520,200</u>	<u>891,100</u>	<u>1,185,600</u>
OPERATION SUBTOTAL	5,512,000	6,644,600	8,030,600
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(78,000)</u>
TOTAL APPROPRIATIONS	<u>5,512,000</u>	<u>6,644,600</u>	<u>7,952,600</u> ^{1/}

The approved amount includes \$168,400 in Personal Services and \$20,000 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$35,200 in Personal Services and \$4,200 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

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

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>80.5</u>	<u>100.5</u>	<u>100.5</u>
Personal Services	<u>3,050,400</u>	<u>3,805,900</u>	<u>4,335,300</u>
Employee Related Exp.	<u>449,700</u>	<u>360,200</u>	<u>772,600</u>
Prof. & Outside Services	100	1,000	91,000
Travel - State	21,500	42,100	55,900
Travel - Out of State	4,700	11,000	11,400
Other Operating Exp.	239,600	448,200	355,000
Equipment	<u>11,700</u>	<u>140,500</u>	<u>149,900</u>
All Other Operating Exp.	<u>277,600</u>	<u>642,800</u>	<u>663,200</u>
TOTAL APPROPRIATIONS	<u>3,777,700</u>	<u>4,808,900</u>	<u>5,771,100</u> ^{1/}

The approved amount includes \$126,600 in Personal Services and \$16,200 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$25,400 in Personal Services and \$3,300 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The approved amount includes \$278,200 annualization of salaries for the Fifth Appellate Panel and \$100,000 for the Appellate Salary Plan. Also included is a 1.5% vacancy savings of \$42,800 on non-elected positions.

All Other Operating Expenditures - The approved amount includes a reduction of \$130,500 in replacement equipment, \$92,000 reduction in library acquisitions, and a \$1,200 reduction in risk management. Also included is \$229,900 for moving expenses and new equipment due to relocation in the new Courts building as well as \$13,800 in In-State Travel and \$400 in Out-of-State Travel.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Hon. Lloyd Fernandez, Chief Judge (Tel. 844-1255)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>32.0</u>	<u>32.0</u>	<u>33.0</u>
Personal Services	<u>1,312,400</u>	<u>1,399,200</u>	<u>1,497,000</u>
Employee Related Exp.	<u>179,300</u>	<u>188,200</u>	<u>240,100</u>
Prof. & Outside Services	8,400	2,100	18,400
Travel - State	24,800	27,400	30,400
Travel - Out of State	4,200	7,300	7,900
Other Operating Exp.	177,600	205,500	205,800
Equipment	<u>27,600</u>	<u>6,000</u>	<u>259,900</u>
All Other Operating Exp.	<u>242,600</u>	<u>248,300</u>	<u>522,400</u>
TOTAL APPROPRIATIONS	<u><u>1,734,300</u></u>	<u><u>1,835,700</u></u>	<u><u>2,259,500</u></u> ^{1/}

The approved amount includes \$41,800 in Personal Services and \$3,800 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$9,800 in Personal Services and \$900 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The approved amount includes \$22,800 for an additional FTE position, a Deputy Clerk, as well as \$23,500 for the Appellate Salary Plan. Also included is a 1% vacancy savings of \$9,100 on non-elected positions.

All Other Operating Expenditures - The approved amount includes \$239,400 for moving expenses and new equipment due to relocation in the new State Tucson Office Building as well as \$27,300 for replacement equipment. Also included is \$4,400 for equipment and operating expenses for the new position, a \$3,400 increase in travel and a \$400 reduction in risk management.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

William L. McDonald, Administrative Director (Tel. 255-4359)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>104.0</u>	<u>107.0</u>	<u>112.0</u>
Personal Services	<u>3,894,400</u>	<u>4,280,000</u>	<u>4,569,600</u>
Employee Related Exp.	<u>315,900</u>	<u>179,300</u>	<u>589,600</u>
Other Operating Exp.	<u>57,100</u>	<u>812,000</u>	<u>619,600</u>
All Other Operating Exp.	<u>57,100</u>	<u>812,000</u>	<u>619,600</u>
OPERATION SUBTOTAL	<u>4,267,400</u>	<u>5,271,300</u>	<u>5,778,800</u>
Med. Malpractice Panels	5,000	15,000	-0-
Family Counseling	312,800	321,800	379,800
Probation - State Aid	1,474,600	1,705,400	1,685,300
Probation - Enhancement	6,799,900	9,694,600	11,008,600
I.P.S. - Adult	6,041,400	7,723,800	9,077,600
I.P.S. - Juvenile	4,502,200	5,065,600	4,905,800
Juvenile Probation Services	13,812,000	16,160,800	18,279,700 ^{1/2/}
Court Appointed Sp. Advocate	72,400	200,000	204,900
Community Punishment	-0-	2,629,000	2,651,800 ^{3/}
Child Support Enforcement	-0-	46,400	48,100
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(523,200)</u>
TOTAL APPROPRIATIONS	<u>37,287,700</u>	<u>48,833,700</u>	<u>53,497,200</u> ^{4/}

The approved amount includes \$89,600 in Personal Services and \$4,800 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The approved amount includes \$200,000 to annualize 5 new Judges' salaries.

Other Operating Expenditures - The approved amount includes a reduction of \$192,400 for risk management.

(Continued)

^{1/} Up to 4.6% of the \$18,279,700 appropriated for Juvenile Probation Services may be retained and expended by the Supreme Court to administer the programs established by A.R.S. § 8-230.02, 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 A.R.S. § 8-230.02.

^{2/} It is anticipated that an additional \$250,000 will be expended from the Juvenile Probation Fund.

(Footnotes Continued on Following Page)

Medical Malpractice Panels - The elimination of funding for the Medical Malpractice Review Board is due to the repeal of A.R.S. § 12-567 by Laws 1989, Chapter 289.

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 \$44,800 over the FY 1990 expenditure level. The increase has been provided due to the growing number of families attending these programs. Also included is a provider increase of \$13,200.

Probation - State Aid - State Aid to Probation provides funding for probation services to nearly 2,000 juveniles annually. Legislation requires that the funds be used primarily for the salaries of supervising probation officers. The appropriation includes a reduction of \$100,000 due to the prior year's reversion. The approved amount also includes \$67,500 in Personal Services and \$12,400 in Employee Related Expenditures for the general salary adjustment.

Probation Enhancement - The approved amount includes \$888,100 for partial year funding of 41 additional probation officers to maintain the statutory requirement of one supervising probation officer for each 60 probationers. Total probationers is approximately 27,078 annually. The approved amount also includes \$360,000 in Personal Services and \$65,900 in Employee Related Expenditures for the general salary adjustment.

(Continued)

(Footnotes Continued From Previous Page)

3/ The Supreme Court shall provide a quarterly report on the Community Punishment Program to the Chairmen of the House of Representatives and Senate Appropriations Committees which shall describe progress toward the legislative goal of diverting 408 offenders from the state corrections system and 275 offenders from the county jail system. The Supreme Court shall maintain records which track the source of offenders for Community Punishment placement. This data shall validate the diversion of offenders from the state corrections and county jail systems and shall include the names and complete criminal histories of diverted offenders as well as their placements in the criminal justice system immediately prior to placement in the Community Punishment Program. This information shall be made available to the Joint Legislative Budget Committee upon request.

The Staff Director of the Joint Legislative Budget Committee shall provide to the Chairmen of the House of Representatives and Senate Appropriations Committees, by December 31, 1990, a preliminary report evaluating the effectiveness of the Community Punishment Program and its impact on the Department of Corrections, with a final report issued no later than December 31, 1991. The Joint Legislative Budget Committee shall use the preliminary report to guide its budget recommendations for FY 1992. Copies of the preliminary and final reports shall be sent to the Governor.

4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency, with special line items. The line items within the "Operation Sub-Total" are shown for information only.

SUPERIOR COURT (Cont'd)
GENERAL FUND

Adult Intensive Probation Supervision - The Adult Intensive Probation Supervision program was created to divert serious, non-violent adult offenders from overcrowded prisons. The appropriation provides funds for this program in all counties. Additional partial year funding of \$1,048,400 is provided to increase the program capacity to 2,090. The approved amount also includes \$258,100 in Personal Services and \$47,300 in Employee Related Expenditures for the general salary adjustment.

Juvenile Intensive Probation Supervision - Juvenile Intensive Probation Supervision was created by the 1986 Legislature to divert serious, non-violent juvenile offenders from incarceration and to provide intensive supervision for high risk offenders already on probation. The approved amount includes a reduction of \$275,000 in treatment services but maintains the program capacity at 860. Also included is \$97,400 in Personal Services and \$17,800 in Employee Related Expenditures for the general salary adjustment.

Juvenile Probation Services - The appropriation provides funding for the Juvenile Court System to meet the requirements of A.R.S. §§ 8-230.01 and 8-243, and to provide services to children referred for incorrigibility or delinquent offenses and placed in foster care, day treatment programs, residential treatment centers, counseling, shelter care and other programs. The approved amount includes an additional \$1,483,700 due to the growing caseload. Also included is a provider increase of \$635,200.

Court Appointed Special Advocate - The approved amount includes \$4,100 in Personal Services and \$800 in Employee Related Expenditures for the general salary adjustment. It is anticipated that an additional \$123,700 will be provided by the federal Department of Health and Human Services (P.L. 93-247, Child Abuse Prevention and Treatment Act).

Community Punishment - This program was established by A.R.S. § 12-299, *et seq.* and was intended to enhance the adult probation system. The approved funding provides probation departments with more probation choices, such as group homes, detoxification programs and the use of electronic monitoring devices. The program also allows probation officers to have specialized groups of probationers. This program will divert offenders from overcrowded prisons and jails (see footnote 2). The approved amount includes \$19,300 in Personal Services and \$3,500 in Employee Related Expenditures for the general salary adjustment.

Child Support Enforcement - The appropriation provides for a secretarial position, operating costs, and the state 10% match required for federal funds anticipated through the Department of Economic Security (DES). The state and federal funds will provide for 3 positions to coordinate automation implementation at the local level (court clerks), serve as liaison between the local courts and DES, and refine and maintain child support program hardware and software at each court site. The approved amount includes \$1,400 in Personal Services and \$300 in Employee Related Expenditures for the general salary adjustment.

JLBC Analyst: Burgess

Honorable Noel A. Fidel, Chairman (Tel. 542-1478)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>1.5</u>
Personal Services	<u>-0-</u>	<u>-0-</u>	<u>52,400</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>13,000</u>
Other Operating Exp.	<u>59,000</u>	<u>100,000</u>	<u>47,600</u>
TOTAL APPROPRIATIONS	<u>59,000</u>	<u>100,000</u>	<u>113,000</u> ^{1/}

Personal Services - The approved amount includes funding for 1.5 FTE positions, a half-time Executive Director and an Executive Assistant, who have been contract employees.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

COMMISSIONS ON APPELLATE AND
TRIAL COURT APPOINTMENTS

Arizona Constitution
Article VI Section 36,37,38

JLBC Analyst: Burgess

Frank X. Gordon, Chief Justice (Tel. 542-4531)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
TOTAL APPROPRIATIONS	<u>3,400</u>	<u>4,000</u>	<u>4,000</u> ^{1/}

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Morris

The Honorable Rose Mofford, Governor (Tel. 542-4331)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Lump Sum	2,781,600	3,279,300	3,276,700
Cost Reduction & Efficiency Study Commission	548,900	-0-	-0-
Substance Abuse - Education and Prevention Programs	-0-	350,000 ^{1/}	-0-
Transition Expenses - Governor Elect	-0-	-0-	90,000
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(32,600)</u>
TOTAL APPROPRIATIONS	<u><u>3,330,500</u></u>	<u><u>3,629,300</u></u>	<u><u>3,334,100</u></u> ^{2/}

The approved amount includes \$91,200 in Personal Services and \$10,600 in Employee Related Expenditures for the general salary adjustment.

The lump sum appropriation of \$3,276,700 includes funding for the Office of the Governor, the Governor's Office for Children, the Governor's Office for Women, and the Alliance Against Drugs.

^{1/} Appropriated by Laws 1989, First Special Session, Chapter 2.

^{2/} Represents General Appropriation Act funds.

JLBC Analyst: Blanton

Captain J.E. Raynor, Director (Tel. 223-2286)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Personal Services	<u>24,300</u>	<u>24,400</u>	<u>24,500</u>
Employee Related Exp.	<u>5,000</u>	<u>5,100</u>	<u>5,100</u>
Prof. & Outside Services	1,000	4,100	4,100
Travel - State	2,300	4,000	4,000
Other Operating Exp.	6,700	4,500	4,500
Equipment	<u>6,300</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>16,300</u>	<u>12,600</u>	<u>12,600</u>
TOTAL APPROPRIATIONS	<u><u>45,600</u></u>	<u><u>42,100</u></u>	<u><u>42,200</u></u> ^{1/}

The approved amount includes \$1,100 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Morris

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Senate	5,226,600	6,063,900	5,723,400 ^{1/2/}
House of Representatives	5,464,900	6,130,600	6,638,100 ^{1/2/}
Legislative Council	3,185,700	2,342,000	2,587,600 ^{1/2/}
Joint Legislative Budget Committee	1,331,600	1,537,700	1,670,100 ^{1/2/}
Auditor General	6,479,600	6,646,600	7,226,700 ^{1/2/}
Dept. of Library, Archives and Public Records	4,597,300	4,817,000	4,676,000
Superconducting Super Collider (Laws 1988, Ch. 1)	283,800	-0-	-0-
Taxation Revisions (Laws 1988, Ch. 271)	368,800	231,200	-0-
Omnibus AHCCCS (Laws 1988, Ch. 302)	102,400	344,300	-0-
Criminal Code Study, Laws 1989, Ch. 5, 1st Spec. Session	-0-	500,000	-0-
TOTAL	27,040,700	28,613,300	28,521,900
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Schools; Omnibus Budget and Finance, Ch. 399	--	--	70,000
Behavioral Health, Ch. 403	--	--	100,000
TOTAL APPROPRIATIONS	27,040,700	28,613,300	28,691,900
<u>Fund Summary</u>			
General Fund	26,005,800	28,613,300	28,691,900
Legislative, Executive and Judicial Building Land Fund	1,034,900	-0-	-0-
TOTAL APPROPRIATIONS	27,040,700	28,613,300	28,691,900

Senate - The approved amount includes \$132,200 in Personal Services and \$17,500 in Employee Related Expenditures for the general salary adjustment. A reduction of 1%, or \$56,300, as required by Section 109 of the General Appropriation Act, is also reflected in the approved amount.

(Continued)

- 1/ This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations.
- 2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency.

LEGISLATURE - SUMMARY (Cont'd)
GENERAL FUND AND OTHER FUNDS

House of Representatives - The approved amount includes \$130,500 in Personal Services and \$15,200 in Employee Related Expenditures for the general salary adjustment. A reduction of 1%, or \$65,600, as required by Section 109 of the General Appropriation Act, is also reflected in the approved amount.

Legislative Council - The approved amount includes \$54,600 in Personal Services and \$6,300 in Employee Related Expenditures for the general salary adjustment. A reduction of 1%, or \$25,500, as required by Section 109 of the General Appropriation Act, is also reflected in the approved amount.

Joint Legislative Budget Committee - The approved amount includes \$50,400 in Personal Services and \$5,600 in Employee Related Expenditures for the general salary adjustment. A reduction of 1%, or \$16,300, as required by Section 109 of the General Appropriation Act, is also reflected in the approved amount. An increase of \$60,000 was approved for the Higher Education Research Unit. The purpose of this new unit is to conduct comprehensive research on current higher education issues and to present findings and recommendations to the Legislature.

Auditor General - The approved amount includes \$215,700 in Personal Services and \$26,500 in Employee Related Expenditures for the general salary adjustment. A reduction of 1%, or \$70,500, as required by Section 109 of the General Appropriation Act, is also reflected in the approved amount. The total appropriation for the Auditor General, in FY 1991, including the appropriation contained in the Omnibus School Budget and Finance Act of \$70,000 is \$7,296,700.

Department of Library, Archives and Public Records - See the individual program report on the following pages.

ADDITIONAL APPROPRIATIONS

Schools; Omnibus Budget and Finance - Chapter 399 (S.B. 1343) - Appropriates \$70,000 from the General Fund to the Auditor General to conduct the desegregation study.

Behavioral Health - Chapter 403 (H.B. 2191) - The sum of \$100,000 is appropriated to the Legislative Council for employing a consultant to evaluate the provision of services to the chronically mentally ill as defined in A.R.S. § 36-550. The report of the consultant shall then be transmitted to specified agencies and elected officials by November 1, 1991. The report must address specific areas identified within this legislation.

ADDITIONAL LEGISLATION

Children's Mental Health Services - Chapter 334 (H.B. 2554) - Directs the Joint Legislative Council Committee for the Arizona Health Care Cost Containment System (AHCCCS) to review and make recommendations concerning all proposals that would increase or modify populations covered or the services provided by AHCCCS or the Arizona Long Term Care System. A consultant is to be employed by the Legislative Council to provide oversight on the implementation of mental health services to eligible children as defined in A.R.S. § 36-2907.1. A final report by the consultant is due December 31, 1991. Funding for the consultant is provided by reappropriation of all unexpended monies appropriated by Laws 1988, Chapter 302, Section 73, Subsections A, B, and C.

JLBC Analyst: Cawley

Sharon Womack, Director (Tel. 542-4035)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>113.0</u>	<u>113.0</u>	<u>113.0</u>
Personal Services	<u>2,178,700</u>	<u>2,294,700</u>	<u>2,370,500</u>
Employee Related Exp.	<u>476,200</u>	<u>482,800</u>	<u>564,600</u>
Prof. & Outside Services	84,800	106,200	106,200
Travel - State	5,700	13,800	14,500
Travel - Out of State	14,100	10,700	5,900
Other Operating Exp.	740,900	769,400	746,000
Equipment	<u>121,700</u>	<u>90,400</u>	<u>80,400</u>
All Other Operating Exp.	<u>967,200</u>	<u>990,500</u>	<u>953,000</u>
OPERATION SUBTOTAL	3,622,100	3,768,000	3,888,100
Acquisitions	320,000	350,000	380,000
Grants-in-Aid	595,000	620,000	400,000
Museum Furnishings	15,200	34,000	9,000 ^{1/}
Statewide Radio Reading Service for the Blind	45,000	45,000	45,000
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(46,100)</u>
TOTAL APPROPRIATIONS	<u>4,597,300</u>	<u>4,817,000</u>	<u>4,676,000</u> ^{2/}

The approved amount includes \$102,100 in Personal Services and \$12,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 3%, or \$72,100, was deducted when the approved amount was computed.

Other Operating Expenditures - The approved amount includes a \$59,200 savings achieved through the lease-purchase of the Library for the Blind, a decrease of \$2,800 for risk management, and an increase of \$38,600 for the upgrading of telephone equipment and services.

Acquisitions - The approved amount includes an 8.5% increase, which is commensurate with the increased cost of publications.

(Continued)

^{1/} This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency, with special line items. The line items within the "Operation Subtotal" are shown for information only.

LEGISLATURE - DEPARTMENT OF LIBRARY, ARCHIVES AND PUBLIC RECORDS (Cont'd)
GENERAL FUND

Grants-in-Aid - The approved amount includes a decrease of \$220,000 from the FY 1990 appropriation. Grants-in-Aid is monies provided to county and municipal libraries for library development. In 1986, the Legislature passed legislation which allows for the creation of county free library districts. These districts may tax to provide monies for necessary expenses of the county free library district.

Museum Furnishings - The approved amount includes a decrease of \$25,000 from the FY 1990 appropriation. Museum Furnishings monies provide for the purchase and preparation of artifacts and museum exhibits for the state Capitol Museum and the Arizona Hall of Fame Museum.

Statewide Radio Reading Service for the Blind - This appropriation provides for a statewide radio information service for the blind, visually impaired, and physically disabled. An additional \$15,000 was approved in the Department of Economic Security, Division of Employment and Rehabilitation Services for transfer to this program.

Support for the Law Library in the Courts' Building - Funding for 9 new FTE positions for 9 months, capital and non-capital equipment, and acquisitions to provide materials and support for the Law Library in the new Courts' Building will be provided through an intergovernmental agreement with the Supreme Court.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - The Capital Outlay Bill, Section 3, appropriates \$1,455,000 to the Department of Administration for architectural and engineering fees for a legislative archives and office building. This approved amount adds \$655,000 to the initial \$800,000 appropriated by Laws 1988, Chapter 275. The bill directs repayment to the General Fund by January 31, 1991 through the issuance of lease-purchase financing certificates.

ADDITIONAL LEGISLATION

Talking Book Machine Services - Chapter 59 (S.B. 1117) - The bill transfers all FTE positions, records, and monies appropriated for FY 1991 from the Department of Economic Security, Division of Employment and Rehabilitation Services-Talking Book Machine Services program to the Department of Library, Archives and Public Records.

JLBC Analyst: Bradley

Bill Henry, Director (Tel. 921-4400)

LOTTERY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>148.0</u>	<u>148.0</u>	<u>134.0</u>
Personal Services	<u>3,242,700</u>	<u>3,313,200</u>	<u>3,446,300</u>
Employee Related Exp.	<u>745,300</u>	<u>727,900</u>	<u>867,600</u>
Prof. & Outside Services	73,000	492,600	444,000
Travel - State	212,200	207,800	208,300
Travel - Out of State	13,000	29,400	17,400
Other Operating Exp.	1,959,000	3,428,200	3,105,800
Equipment	<u>510,200</u>	<u>-0-</u>	<u>28,600</u>
All Other Operating Exp.	<u>2,767,400</u>	<u>4,158,000</u>	<u>3,804,100</u>
OPERATION SUBTOTAL	6,755,400	8,199,100	8,118,000
Advertising	4,875,500	7,125,000	7,125,000 ^{1/}
On-Line Vendor Fees	7,351,300	11,150,000	7,440,000 ^{2/}
Retailer Commissions	<u>15,120,400</u>	<u>18,525,000</u>	<u>18,600,000</u> ^{3/}
TOTAL APPROPRIATIONS	<u>34,102,600</u>	<u>44,999,100</u>	<u>41,283,000</u> ^{4/5/}

The approved amount includes \$148,400 in Personal Services and \$19,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 2%, \$67,300, was imposed when the approved amount was computed. The approved amount reflects the deletion of 14 vacant FTE positions and \$275,700 in Personal Services and a reduction in the vacancy factor from 9% in FY 1990.

(Continued)

- 1/ If net sales exceed the estimated \$310,000,000, amounts above \$7,125,000 may be expended for advertising in accordance with A.R.S. § 5-505, which states that not more than 4% of the annual gross revenues shall be expended for advertising.
- 2/ If net on-line Pick game ticket sales exceed the estimated \$248,000,000, amounts above \$7,444,000 may be expended for on-line vendor fees, in accordance with the matrix of percentages set forth in contract.
- 3/ If net sales exceed the estimated \$310,000,000, amounts above \$18,600,000 may be expended for sales commissions at the rate of 6% of net sales plus incentives, in accordance with A.A.C. R4-37-206.B and 301.N.
- 4/ Nothing in this subdivision is intended to require that all monies appropriated to the Arizona State Lottery Commission be expended.
- 5/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

ARIZONA LOTTERY (Cont'd)
LOTTERY FUND

Professional and Outside Services - The approved amount reflects a reduction of \$48,600 in legal costs.

Travel - Out of State - The appropriation reflects a reduction of \$12,000 due to funding only one individual to travel to observe ticket printing operations.

Other Operating Expenditures - The approved amount reflects a reduction of \$308,200 to remove depreciation expenses.

Equipment - The appropriation includes \$17,000 for a tape library management system, and \$11,700 to upgrade two microcomputers in administration and data processing.

On-Line Vendor Fees - The approved amount includes a decrease of \$3,710,000 in on-line vendor fees based upon current contract rates. The amount is based upon sales of 248,000,000 pick tickets at an average fee equal to 3% of sales.

Retailer Commissions - The appropriation is based upon 6% retailer commissions for sales of 310,000,000 tickets.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 1.(C) of the Capital Outlay Bill appropriates \$4,500 from the Lottery Fund to the Department of Administration for the maintenance and repair of state buildings.

JLBC Analyst: Wilcox

Judith Henkel, Director (Tel. 255-3888)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>
Personal Services	<u>77,000</u>	<u>78,700</u>	<u>82,200</u>
Employee Related Exp.	<u>18,800</u>	<u>20,400</u>	<u>22,900</u>
Prof. & Outside Services	74,300	73,700	88,700
Travel - State	100	1,600	3,000
Other Operating Exp.	40,600	43,300	38,900
Equipment	<u>-0-</u>	<u>-0-</u>	<u>3,400</u>
All Other Operating Exp.	<u>115,000</u>	<u>118,600</u>	<u>134,000</u>
TOTAL APPROPRIATIONS	<u>210,800</u>	<u>217,700</u>	<u>239,100</u> ^{1/}

The approved amount includes \$3,500 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

The approved amount provides funding to move the Board from private leased space into state owned office space.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Brainard

Edward Gallison, Director (Tel. 255-5131)

STATE RETIREMENT FUND ADMINISTRATION ACCOUNT	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>62.0</u>	<u>78.5</u>	<u>86.5</u>
Personal Services	<u>1,413,100</u>	<u>1,652,000</u>	<u>1,906,200</u>
Employee Related Exp.	<u>319,300</u>	<u>324,200</u>	<u>463,900</u>
Prof. & Outside Services	225,900	269,300	219,300
Travel - State	24,600	24,200	25,300
Travel - Out of State	15,200	10,000	10,000
Other Operating Exp.	502,100	404,700	412,100
Equipment	<u>208,100</u>	<u>124,300</u>	<u>138,200</u>
All Other Operating Exp.	<u>975,900</u>	<u>832,500</u>	<u>804,900</u>
OPERATION SUBTOTAL	2,708,300	2,808,700	3,175,000
Automated Facilities			
General Design	-0-	-0-	250,000 ^{1/}
Mailing Equipment	-0-	-0-	145,000 ^{2/}
Long-Term Disability	<u>300,000 ^{3/}</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	3,008,300 ^{4/}	2,808,700	3,570,600 ^{5/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Supplemental Appropriation, Ch. 183	<u>---</u>	<u>116,600</u>	<u>---</u>
TOTAL APPROPRIATIONS	<u>3,008,300</u>	<u>2,925,300</u>	<u>3,570,600</u>

The approved amount includes \$81,800 in Personal Services and \$10,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy factor of 1.5%, providing a vacancy savings of \$31,000. In addition, the approved amount provides funding for the following 8 additional FTE positions: 1 Retirement Officer, 2 Fiscal Services Specialists, and 1 Administrative Accounts Clerk, to assist the agency reduce its backlog of initial benefits calculation reviews and its workload resulting from the Retirement Incentive Window; 1 Project Manager, 1 Database Administrator, and 1 Administrative Assistant, to assist with the agency's data processing operations; and 1 Secretary to relieve the workload in the agency's Tucson office.

(Continued)

(See Footnotes on Following Page)

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

Professional and Outside Services - The approved amount provides funding for actuarial and auditor services.

Equipment - The approved amount provides funding for 20 replacement personal computers, 4 new personal computers, 1 laser printer, 1 low-speed printer, additional computer memory capacity, and voice mail capability.

ADDITIONAL APPROPRIATIONS

Supplemental Appropriation - Chapter 183 (H.B. 2629) - Appropriates \$116,600 from the State Retirement System Administration Account to the State Retirement System for FY 1990 for the following purposes:

- o \$80,000 for Personal Services and Employee Related Expenses.
- o \$14,600 for computer terminals.
- o \$22,000 for Personal Services and expenses related to a Data Processing Manager position and an Administrative Assistant position for data processing system development.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 1.(C) of the Capital Outlay Bill appropriates \$13,400 from the State Retirement Fund Administration Account to the Department of Administration for the major maintenance and repair of state buildings in accordance with the building renewal formula established pursuant to Laws 1986, Chapter 85.

(Continued)

- 1/ Appropriation of these funds is contingent upon the condition that the Request for Proposal for the general system design require specific alternatives for the development of software and the computer architecture.
- 2/ It is the intent of the Legislature that funds appropriated for this purpose be expended only for automated mailing equipment with bar coding capacity that will permit the Retirement System to take advantage of bulk mailing rates offered by the U.S. Postal Service, and that any revenue realized through the sale of existing mailing equipment be used to offset these costs.
- 3/ This special line item was specifically designated to pay for the costs of administering the Long-Term Disability Program. This line item is not needed after FY 1989 because A.R.S. § 38-781.32, Subsection C, now authorizes the Retirement Board to enter into a contract with an insurance company to administer the program.
- 4/ The expenditure detail for FY 1989 includes a supplemental appropriation of \$161,200 authorized by Laws 1989, Chapter 219 (H.B. 2130).
- 5/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

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

ADDITIONAL LEGISLATION

Reduced Retirement Requirements - Chapter 396 (H.B. 2022) - This legislation reduces from 85 to 82 the combined number of years of service and years of age (points) needed to receive normal retirement benefits. It also reduces from 80 to 77 the number of points needed to qualify for early retirement, while retaining the 3% benefit discount for each point less than the number needed for normal retirement. Finally, this legislation includes a provision that permits retirees to receive State Retirement benefits before reaching age 62, when retirees qualify for federal Social Security benefits.

Tax Equity Benefit Allowance - Chapter 217 (H.B. 2193) - This legislation extends the 3% benefit increase to members of the system who retired before September 15, 1989. This is the "hold harmless" benefit, designed to offset taxation of pension income resulting from the U.S. Supreme Court Davis v. Michigan decision.

Retiree Health Insurance - Chapter 235 (H.B. 2192) - This legislation transfers authority for administering the state's health insurance program for retired members and their dependents to the State Retirement System, and extends eligibility for health insurance coverage to retired members with 5 to 10 years of credited service. This legislation also authorizes the Director of the State Retirement System, with the approval of the Board of Directors, to pay the costs of administering this health insurance program.

ASRS Outreach Education Program - Chapter 271 (H.B. 2632) - This legislation requires the Executive Director of the State Retirement System, with the approval of the Board of Directors, to establish a program to educate active and retired members about the System, how benefits are funded, and the financial benefits available to members at retirement. This legislation also requires that this program be presented in each county of Arizona at least once annually.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Director's Office	306,900	413,300	434,600
Administrative Services	7,641,400	9,514,200	9,212,000
Property Valuation	2,719,900	4,210,100	4,355,600
Special Support	1,103,500	2,144,900	2,080,600
Revenue Enforcement	11,193,100	15,582,200	15,173,700
Taxpayer Support & Educ. Svc.	2,431,900	2,735,200	2,673,100
Data Management	8,928,100	10,389,600	11,637,900
Sec. 109 Lump Sum Reduction	-0-	-0-	(443,600)
TOTAL APPROPRIATIONS	<u>34,324,800</u>	<u>44,989,500</u>	<u>45,123,900</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>957.0</u>	<u>1,152.0</u>	<u>1,140.0</u>
Personal Services	<u>19,016,300</u>	<u>24,080,400</u>	<u>24,790,100</u>
Employee Related Exp.	<u>4,316,700</u>	<u>5,147,700</u>	<u>5,698,500</u>
Prof. & Outside Services	1,673,800	2,294,900	2,071,900
Travel - State	303,700	686,800	717,100
Travel - Out of State	408,600	699,200	699,200
Other Operating Exp.	7,981,800	10,610,700	9,506,200
Equipment	<u>325,400</u>	<u>1,219,800</u>	<u>1,834,500</u>
All Other Operating Exp.	<u>10,693,300</u>	<u>15,511,400</u>	<u>14,828,900</u>
OPERATION SUBTOTAL	34,026,300	44,739,500	45,317,500
Special Line Items	298,500	250,000	250,000
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(443,600)</u>
TOTAL APPROPRIATIONS	<u>34,324,800</u>	<u>44,989,500</u>	<u>45,123,900</u> ^{1/}

The approved amount includes \$1,054,700 in Personal Services and \$133,700 in Employee Related Expenditures for the general salary adjustment.

^{1/} Details for the Special Line Items are included on the individual program pages.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Personal Services	<u>232,000</u>	<u>287,800</u>	<u>297,700</u>
Employee Related Exp.	<u>40,900</u>	<u>46,700</u>	<u>56,000</u>
Prof. & Outside Services	10,400	55,000	55,000
Travel - State	2,500	2,200	2,300
Travel - Out of State	3,100	4,600	4,600
Other Operating Exp.	17,900	17,000	19,000
Equipment	100	-0-	-0-
All Other Operating Exp.	<u>34,000</u>	<u>78,800</u>	<u>80,900</u>
TOTAL APPROPRIATIONS	<u><u>306,900</u></u>	<u><u>413,300</u></u>	<u><u>434,600</u></u> ^{1/}

The approved amount includes \$12,800 in Personal Services and \$1,500 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a vacancy factor of 1%, or \$2,900.

All Other Operating Expenditures - The approved amount includes \$2,100 for professional dues and office supplies.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>95.0</u>	<u>98.0</u>	<u>96.0</u>
Personal Services	<u>1,460,200</u>	<u>1,741,900</u>	<u>1,789,200</u>
Employee Related Exp.	<u>344,900</u>	<u>404,400</u>	<u>447,400</u>
Prof. & Outside Services	250,000	249,500	249,500
Travel - State	15,800	16,500	16,900
Travel - Out of State	4,000	-0-	-0-
Other Operating Exp.	5,510,600	7,068,000	6,709,000
Equipment	<u>7,400</u>	<u>33,900</u>	<u>-0-</u>
All Other Operating Exp.	<u>5,787,800</u>	<u>7,367,900</u>	<u>6,975,400</u>
OPERATION SUBTOTAL	7,592,900	9,514,200	9,212,000
Property Tax Oversight Comm.	<u>48,500</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>7,641,400</u>	<u>9,514,200</u>	<u>9,212,000</u> ^{1/}

The approved amount includes \$77,000 in Personal Services and \$9,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of 2 FTE position and \$36,600 as part of the FTE reduction policy, and a vacancy factor of 2.47%, or \$43,300.

Other Operating Expenditures - The approved amount includes \$34,400 for increased rent, and reflects a reduction of \$54,400 for Risk Management charges and \$339,000 in one-time costs relating to the Program for Increased Enforcement Revenues (PIER).

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>72.0</u>	<u>116.0</u>	<u>115.0</u>
Personal Services	<u>1,835,000</u>	<u>2,750,000</u>	<u>2,874,400</u>
Employee Related Exp.	<u>416,400</u>	<u>527,100</u>	<u>645,600</u>
Prof. & Outside Services	186,800	306,000	306,000
Travel - State	103,000	270,400	283,600
Travel - Out of State	10,200	16,500	16,500
Other Operating Exp.	136,100	250,100	229,500
Equipment	<u>32,400</u>	<u>90,000</u>	<u>-0-</u>
All Other Operating Exp.	<u>468,500</u>	<u>933,000</u>	<u>835,600</u>
TOTAL APPROPRIATIONS	<u>2,719,900</u>	<u>4,210,100</u>	<u>4,355,600</u> ^{1/2/3/}

The approved amount includes \$123,800 in Personal Services and \$16,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of 1 FTE position and \$24,400 as part of the FTE reduction policy, and a vacancy factor of 2.14%, or \$60,100.

All Other Operating Expenditures - The approved amount reflects a \$10,400 increase in Travel for the higher lodging rate and a \$4,400 increase in Other Operating Expenditures for rent.

- 1/ An annual progress report shall be provided to the Speaker of the House, the President of the Senate, the chairs of the House Ways and Means, Senate Finance, House and Senate Appropriations Committees, and the staff director of the Joint Legislative Budget Committee as to the effectiveness of the property recanvassing program.
- 2/ The appropriation includes funding for 44 limited status FTE positions to perform property recanvassing functions, scheduled to expire no later than the close of FY 1992.
- 3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>41.0</u>	<u>55.0</u>	<u>54.0</u>
Personal Services	<u>860,500</u>	<u>1,595,100</u>	<u>1,650,200</u>
Employee Related Exp.	<u>193,100</u>	<u>322,400</u>	<u>329,600</u>
Prof. & Outside Services	1,700	73,500	3,500
Travel - State	5,200	18,200	19,300
Travel - Out of State	4,600	13,500	13,500
Other Operating Exp.	31,000	99,500	64,500
Equipment	<u>7,400</u>	<u>22,700</u>	<u>-0-</u>
All Other Operating Exp.	<u>49,900</u>	<u>227,400</u>	<u>100,800</u>
TOTAL APPROPRIATIONS	<u>1,103,500</u>	<u>2,144,900</u>	<u>2,080,600</u> ^{1/}

The approved amount includes \$71,100 in Personal Services and \$8,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a reduction of 1 FTE position and \$16,000 as part of the FTE reduction policy.

All Other Operating Expenditures - The \$70,000 reduction in Professional and Outside Services reflects the completion of the corporate tax model development.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>390.0</u>	<u>505.0</u>	<u>503.0</u>
Personal Services	<u>8,018,200</u>	<u>10,503,300</u>	<u>10,819,900</u>
Employee Related Exp.	<u>1,809,400</u>	<u>2,270,400</u>	<u>2,516,300</u>
Prof. & Outside Services	170,000	137,700	137,700
Travel - State	160,800	349,500	364,600
Travel - Out of State	382,300	664,600	664,600
Other Operating Exp.	378,400	860,400	420,600
Equipment	<u>24,000</u>	<u>546,300</u>	<u>-0-</u>
All Other Operating Exp.	<u>1,115,500</u>	<u>2,558,500</u>	<u>1,587,500</u>
OPERATION SUBTOTAL	<u>10,943,100</u>	<u>15,332,200</u>	<u>14,923,700</u>
Automated Collection System	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
TOTAL APPROPRIATIONS	<u>11,193,100</u>	<u>15,582,200</u>	<u>15,173,700</u> ^{1/2/}

The approved amount includes \$465,900 in Personal Services and \$58,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a reduction of 2 FTE positions and \$43,000 as part of the FTE reduction policy, and a vacancy factor of 4.07%, or \$439,700.

All Other Operating Expenditures - The approved amount includes an increase of \$15,100 in In-State Travel due to the lodging rate increase and a reduction of \$439,800 in Other Operating Expenditures reflecting the completed implementation of the Program for Increased Enforcement Revenues (PIER).

1/ Quarterly progress reports shall be provided to the Speaker of the House, the President of the Senate, the chairs of the House Ways and Means, Senate Finance, House and Senate Appropriations Committees, and the Staff Director of the Joint Legislative Budget Committee as to the effectiveness of the Department's overall enforcement and collections program. The reports shall include a comparison of projected and actual revenue enforcement collections for FY 1991.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

Paul Waddell, Director (Tel. 542-3572)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>106.0</u>	<u>114.0</u>	<u>112.0</u>
Personal Services	<u>1,844,800</u>	<u>1,919,800</u>	<u>1,976,100</u>
Employee Related Exp.	<u>421,000</u>	<u>448,200</u>	<u>469,700</u>
Prof. & Outside Services	85,700	110,000	110,000
Travel - State	8,500	19,900	20,300
Travel - Out of State	-0-	-0-	-0-
Other Operating Exp.	62,100	125,800	97,000
Equipment	<u>9,800</u>	<u>111,500</u>	<u>-0-</u>
All Other Operating Exp.	<u>166,100</u>	<u>367,200</u>	<u>227,300</u>
TOTAL APPROPRIATIONS	<u>2,431,900</u>	<u>2,735,200</u>	<u>2,673,100</u> ^{1/}

The approved amount includes \$85,100 in Personal Services and \$10,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of 2 FTE positions and \$34,800 as part of the FTE reduction policy, and a vacancy factor of 2.75%, or \$53,400.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

Paul Waddell, Director, (Tel. 542-3572)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>247.0</u>	<u>258.0</u>	<u>254.0</u>
Personal Services	<u>4,765,600</u>	<u>5,282,500</u>	<u>5,382,600</u>
Employee Related Exp.	<u>1,091,000</u>	<u>1,128,500</u>	<u>1,233,900</u>
Prof. & Outside Services	969,200	1,363,200	1,210,200
Travel - State	7,900	10,100	10,100
Travel - Out of State	4,400	-0-	-0-
Other Operating Exp.	1,845,700	2,189,900	1,966,600
Equipment	<u>244,300</u>	<u>415,400</u>	<u>1,834,500</u>
All Other Operating Exp.	<u>3,071,500</u>	<u>3,978,600</u>	<u>5,021,400</u>
TOTAL APPROPRIATIONS	<u>8,928,100</u>	<u>10,389,600</u>	<u>11,637,900</u> ^{1/}

The approved amount includes \$231,800 in Personal Services and \$29,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of 4 FTE positions and \$86,400 as part of the FTE reduction policy, and a vacancy factor of 5.91%, or \$323,800.

Equipment - The approved amount includes \$1,834,500 to replace the mainframe computer. This is the first phase of a 3-year/3-phase process, in which used processors will be purchased and then traded for higher capacity equipment until a system is achieved which will meet the Department's needs for the next several years.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Cawley

The Honorable Jim Shumway, Secretary of State (Tel. 542-4285)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>30.0</u>	<u>31.0</u>	<u>32.0</u>
Personal Services	<u>572,200</u>	<u>634,800</u> ^{2/}	<u>654,600</u>
Employee Related Exp.	<u>126,300</u>	<u>135,000</u> ^{2/}	<u>164,800</u>
Prof. & Outside Services	99,800	82,500	91,300
Travel - State	2,400	13,100	11,600
Travel - Out of State	6,300	11,400	8,000
Other Operating Exp.	465,800	466,800	461,700
Equipment	<u>15,400</u>	<u>3,500</u>	<u>4,000</u>
All Other Operating Exp.	<u>589,700</u>	<u>577,300</u>	<u>576,600</u>
OPERATION SUBTOTAL	1,288,200	1,347,100	1,396,000
Rules and Regulations	239,600	243,900 ^{2/}	271,400
Election Expenses	1,247,600	83,400 ^{2/}	1,344,400
Proposition 200	149,800	145,300	158,500
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(128,600)</u> ^{3/}
TOTAL APPROPRIATIONS	<u>2,925,200</u>	<u>1,819,700</u>	<u>3,041,700</u> ^{4/}

The approved amount includes \$26,000 in Personal Services and \$3,300 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$1,000 in Personal Services and \$100 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The approved amount includes funding for 1 new FTE position to provide support for registrations of telemarketing and charitable solicitation groups, as mandated under Laws 1989, Chapters 221 and 277. A vacancy factor of 1%, or \$6,200, was deducted when the approved amount was computed.

All Other Operating Expenditures - The approved amount for Professional and Outside Services includes an additional \$2,800 for DOA data center, \$1,000 for clipping services, and \$5,000 for temporary help. The appropriation includes \$4,000 for equipment and \$800 for operating costs for the newly-authorized FTE position.

(Continued)

- 1/ In addition, 5 FTE positions are funded from Proposition 200 line item in FY 1989, FY 1990, and FY 1991.
- 2/ The amount includes a transfer of \$27,000 to Personal Services and \$3,000 to Employee Related Expenditures from the two special line items, Rules and Regulations (\$8,000) and Election Expenses (\$22,000).
- 3/ Includes a reduction of \$30,400 as required by Section 109 of the General Appropriation Act.
- 4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

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

Rules and Regulations - The approved amount includes increases for a higher number of required mailings and higher printing costs.

Election Expenses - The approved amount provides for 1990 election expenses for items such as publicity pamphlets, initiatives, referendums, constitutional amendments, candidate filings, sample ballot reimbursement, monitoring, and dissemination of election returns.

Proposition 200 - The appropriation provides for personnel costs of administering the requirements of the campaign finance laws. The approved amount includes \$5,300 in Personal Services, \$700 in Employee Related Expenditures for the general salary adjustment, and \$4,000 for overtime. The approved amount does not include a vacancy factor.

JLBC Analyst: Bradley

Barbara E. Fisher, Chairman (Tel. 542-5462)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>7.5</u>	<u>7.5</u>	<u>8.5</u>
Personal Services	<u>240,900</u>	<u>264,900</u>	<u>298,400</u>
Employee Related Exp.	<u>40,800</u>	<u>40,100</u>	<u>49,200</u>
Prof. & Outside Services	26,000	37,500	37,500
Travel - State	16,300	25,800	26,700
Travel - Out of State	2,100	4,800	4,800
Other Operating Exp.	38,600	56,600	57,500
Equipment	<u>24,700</u>	<u>15,400</u>	<u>1,500</u>
All Other Operating Exp.	<u>107,700</u>	<u>140,100</u>	<u>128,000</u>
TOTAL	389,400	445,100	475,600 ^{1/}
Additional Appropriations 39th Leg., 2nd Reg. Session			
Property Tax Appeals, Ch. 360	<u>---</u>	<u>---</u>	<u>201,800</u>
TOTAL APPROPRIATIONS	<u>389,400</u>	<u>445,100</u>	<u>677,400</u>

The approved amount includes \$11,300 in Personal Services and \$1,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes funding for 1 new FTE position of Property Appraiser II to assist in handling the increased appeals workload.

Equipment - The approved amount includes funding for the purchase of lawbooks, specifically Arizona Reports Volumes 64-113. This is intended to assist Division Two in its legal research efforts.

ADDITIONAL LEGISLATION

Property Tax Appeals - Chapter 360 (S.B. 1174) - The bill establishes three extra board members for Division One of the State Board of Tax Appeals and raises board member compensation to \$150 per diem. The bill also mandates the licensing of tax consultants by the Board of Appraisal and provides for licensing fees, standards, and disciplinary actions. The legislation allows two

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

STATE BOARD OF TAX APPEALS - (Cont'd)
GENERAL FUND

board members in Division One to hold hearings, thereby allowing 3 hearings to be held simultaneously by the six Division One members. The deadline for the County Assessor to complete appraisals is moved up to October 31 from November 30. The notification date is likewise moved from January 15 to November 15. This last change is phased in over the next 3 years.

The bill establishes rules for information to be provided in appeals, requires appeal decisions to be used in future valuations by the County Assessor, and establishes future burden of proof. The legislation also stipulates that once the administrative appeals process is entered, all levels of administrative appeals must be exhausted before an appellant can petition the State Tax Court for redress.

The \$201,800 appropriation includes \$76,400 for the three new board members, \$72,200 to raise compensation for existing board members, and \$15,900 in Personal Services to fund 1 FTE position of Administrative Assistant I. This position will perform support functions for the new board members. The appropriation also provides for office equipment, a microcomputer, and word processing software.

JLBC Analyst: Hernandez

Mike Leyva, Acting Director (Tel. 542-8687)

<u>GENERAL FUND AND TOURISM FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>15.0</u>	<u>18.0</u>	<u>19.0</u>
Personal Services	<u>386,800</u>	<u>468,400</u>	<u>503,000</u>
Employee Related Exp.	<u>86,300</u>	<u>108,700</u>	<u>116,200</u>
Prof. & Outside Services	53,200	49,300	130,900
Travel - State	26,900	32,700	39,600
Travel - Out of State	49,000	40,000	41,400
Other Operating Exp.	521,500	548,900	814,700
Equipment	<u>7,600</u>	<u>-0-</u>	<u>3,500</u>
All Other Operating Exp.	<u>658,200</u>	<u>670,900</u>	<u>1,030,100</u>
OPERATION SUBTOTAL	1,131,300	1,248,000	1,649,300
Media Advertising	4,243,200	4,310,600	4,043,000 ^{1/}
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(211,200) ^{2/}</u>
TOTAL APPROPRIATIONS	<u>5,374,500</u>	<u>5,558,600</u>	<u>5,481,100</u>
<u>Fund Summary</u>			
General Fund	3,407,400	3,558,600	3,481,100
Tourism Fund	<u>1,967,100</u>	<u>2,000,000</u>	<u>2,000,000</u>
TOTAL APPROPRIATIONS	<u>5,374,500</u>	<u>5,558,600</u>	<u>5,481,100 ^{3/}</u>

The approved amount includes \$21,700 in Personal Services and \$3,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes funding for an additional staff member to keep up with the increased workload. It also includes a 1% vacancy factor for a savings of \$4,900.

All Other Operating Expenditures - The appropriation includes \$326,100 to set up an "800" toll-free number, plus additional funding for printing and postage expenditures.

(Continued)

- ^{1/} The \$4,043,000 appropriated for media advertising includes \$2,000,000 appropriated from the tourism fund under the provisions of Laws 1988, Chapter 271.
- ^{2/} Includes a reduction of \$34,900 as required by Section 109 of the General Appropriation Act.
- ^{3/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

ADDITIONAL LEGISLATION

Bed Tax Revenues - Chapter 391 (S.B. 1177) - This legislation allocates 75% of the growth on the last $\frac{1}{2}\%$ of bed tax revenues to the Tourism Fund. This amount is in addition to the \$2 million annual appropriation that the Office of Tourism currently receives from the Tourism Fund. The additional revenues are expected to reach \$463,000 in FY 1992.

JLBC Analyst: Bradley

The Honorable Ray Rottas, Treasurer (Tel. 542-5815)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>30.0</u>	<u>32.0</u>	<u>32.0</u>
Personal Services	<u>745,800</u>	<u>865,700</u>	<u>858,600</u>
Employee Related Exp.	<u>159,300</u>	<u>169,800</u>	<u>188,600</u>
Prof. & Outside Services	108,100	110,700	110,700
Travel - State	300	300	300
Travel - Out of State	5,500	9,000	9,000
Other Operating Exp.	91,600	97,600	97,100
Equipment	<u>80,400</u>	<u>52,400</u>	<u>54,800</u>
All Other Operating Exp.	<u>285,900</u>	<u>270,000</u>	<u>271,900</u>
OPERATION SUBTOTAL	1,191,000	1,305,500	1,319,100
Justice of Peace Salaries	1,411,000	1,800,000	1,800,000
State Grand Jury Fund	396,600	600,000	300,000
Long Term Care - Counties	6,500,000	5,500,000	-0-
Nuclear Emergency Mgmt. - Maricopa County	107,400	111,700	-0- ^{1/}
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(33,800)</u>
TOTAL	9,606,000	9,317,200	3,385,300 ^{2/}
Additional Appropriations - 39th Leg., 2nd Regular Session			
Nuclear Emer. Mgmt., Ch. 72	--	117,200	--
Economic Development Demo. Dist., Ch. 146	--	850,000	--
Omnibus AHCCCS, Ch. 333	<u>--</u>	<u>--</u>	<u>2,916,000</u>
TOTAL APPROPRIATIONS	<u>9,606,000</u>	<u>10,284,400</u>	<u>6,301,300</u>
<u>Fund Summary</u>			
General Fund	9,498,600	9,205,500	6,301,300
Commerce and Econ. Dev. Fund	-0-	850,000	-0-
Nuclear Emer. Mgmt. Fund	<u>107,400</u> ^{3/}	<u>228,900</u> ^{3/}	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>9,606,000</u>	<u>10,284,400</u>	<u>6,301,300</u>

(Continued)

- ^{1/} The dispersing of nuclear emergency management funds to county agencies was enacted by Laws 1990, Chapter 72 (H.B. 2062) with an emergency clause and is, therefore, shown in FY 1990 as an additional appropriation.
- ^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency, with special line items. The line items within the "Operation Subtotal" are shown for information purposes only.
- ^{3/} Appropriated from the General Fund to the Nuclear Emergency Management Fund.

STATE TREASURER (Cont'd)
GENERAL FUND AND OTHER FUNDS

The approved amount includes \$35,800 in Personal Services and \$4,500 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$1,000 in Personal Services and \$100 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - A vacancy factor of 7.81%, \$69,700, was imposed when the approved amount was calculated.

Equipment - The appropriation includes \$40,000 for the replacement of 14 microcomputers, \$5,700 for 2 additional microcomputers, \$2,900 for 2 bond trader calculators, and \$6,200 for a high speed printer, PC Fax board, and power unit.

ADDITIONAL APPROPRIATIONS

Nuclear Emergency Management - Chapter 72 (H.B. 2062) - Appropriates \$117,200 from the General Fund to the Nuclear Emergency Management Fund, for transmittal by the State Treasurer to the Department of Emergency and Military Affairs, for disbursement to Maricopa County agencies and departments assigned responsibilities under the off-site nuclear emergency response plan.

Economic Development Demonstration Districts - Chapter 146 (S.B. 1351) - This act appropriates the sum of \$500,000 to the city of Benson from the Commerce and Economic Development Fund for use on infrastructure systems for the Kartchner Caverns and development of specified nearby areas. The act also appropriates \$350,000 to the City of Florence from the Commerce and Economic Development Fund for the purpose of implementing the general economic development plan for specified areas. The cities of Benson and Florence must repay one-half of the appropriated amount in 10 equal annual installments commencing on July 1, 1995. The act included an emergency clause and funds are, therefore, shown in FY 1990.

Omnibus AHCCCS - Chapter 333 (H.B. 2351) - This act appropriates \$2,916,000 to the State Treasurer for distribution to the counties for long-term health care pursuant to A.R.S. § 11-293.02.

ADDITIONAL LEGISLATION

General Fund Operating Pool Increase - Chapter 7 (H.B. 2031), 3rd Special Session - This legislation authorizes interest earnings on monies in the Water Quality Assurance Fund, Risk Management Fund, and the Worker's Compensation Liability Loss Revolving Fund to be deposited into the General Fund. The legislation also stipulates that monies drawn on appropriations for the costs of operating the Arizona Health Care Cost Containment System (AHCCCS) be transferred only on an as needed basis. In addition, the accounting procedures for payments and year-end accounting are altered for the AHCCCS funds. The effect of these changes is not only an increase in interest income to the state General Fund, but also access by the State Treasurer to the cash balances of these funds. This access will allow the state to pay its obligations in a timely manner in periods of low cash balances due to the addition of these funds' cash balances to the total funds available. Revolving funds that receive their own interest income are not available to the State Treasurer for use in debt payment during low cash balance periods. The State Lake Improvement Fund (SLIF) is exempted from lapsing of appropriations and is restricted to an expanded list of purposes defined in A.R.S. § 35-190. All capital projects undertaken by the Arizona State Parks Board from this fund are made subject to prior review by the Joint Committee on Capital Review:

JLBC Analyst: Bradley

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

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Personal Services	<u>600</u>	<u>1,600</u>	<u>1,800</u>
Employee Related Exp.	<u>100</u>	<u>100</u>	<u>100</u>
Travel - State	-0-	500	400
Travel - Out of State	2,600	7,300	5,300
Other Operating Exp.	<u>9,000</u>	<u>9,500</u>	<u>9,800</u>
All Other Operating Exp.	<u>11,600</u>	<u>17,300</u>	<u>15,500</u>
TOTAL APPROPRIATIONS	<u>12,300</u>	<u>19,000</u>	<u>17,400</u> ^{1/}

Travel - Out of State - The approved amount includes a reduction in funding due to the decreased cost of the annual National Conference of Uniform State Laws Commissioners.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: McNeil/Comick

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

GENERAL FUND, FEDERAL FUNDS, COUNTY FUNDS, AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Administration	(S) 27,958,600 (T) 50,848,800	34,290,600 72,514,600	38,061,415 76,235,800
Acute Care	(S) 216,310,700 (T) 417,939,000	286,218,600 573,433,800	361,573,600 734,198,700
Long Term Care	(S) -0- (T) 63,917,500	-0- 293,473,700	-0- 307,271,800
Sec. 109 Lump Sum Reduction	(S) -0- (T) -0-	-0- -0-	(3,824,600) (3,824,600)
PROGRAM TOTAL	(S) 244,260,300 (T) <u>532,705,300</u>	320,509,200 <u>939,422,100</u>	395,810,415 <u>1,113,881,700</u>
FTE Positions	(S) 287.76 (T) <u>464.50</u>	486.84 <u>888.00</u>	485.14 <u>884.80</u>
Personal Services	(S) 7,876,300 (T) <u>13,977,000</u>	9,888,200 <u>17,961,700</u>	10,865,700 <u>19,731,000</u>
Employee Related Exp.	(S) 1,922,600 (T) <u>2,923,900</u>	1,999,700 <u>3,614,000</u>	2,627,000 <u>4,751,500</u>
Prof. & Outside Services	(S) 7,590,600 (T) 14,596,000	8,813,300 23,995,000	7,365,800 16,616,800
Travel - State	(S) 118,600 (T) 208,700	245,200 452,200	249,900 458,900
Travel - Out of State	(S) 19,100 (T) 29,300	24,000 40,100	18,900 30,800
Other Operating Exp.	(S) 3,542,200 (T) 6,391,500	3,291,800 6,076,600	3,414,200 6,561,200
Equipment	(S) 1,753,100 (T) <u>2,511,600</u>	502,000 <u>994,000</u>	282,200 <u>511,500</u>
All Other Operating Exp.	(S) 13,023,600 (T) <u>23,737,100</u>	12,876,300 <u>31,557,900</u>	11,331,000 <u>24,179,200</u>
OPERATION SUBTOTAL	(S) 22,822,500 (T) 40,638,000	24,764,200 53,133,600	24,823,700 48,661,700

(S) = State General Fund
(T) = Total Expenditure Authority

(Continued)

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

Special Line Items	(S) 221,437,800	295,745,000	358,480,900	
	(T) 492,067,300	886,288,500	1,038,666,900	<u>1/</u>
Additional Appropriations	(S) —	—	16,330,415	
	(T) —	—	30,377,700	<u>2/</u>
Sec. 109 Lump Sum Reduction	(S) —	—	(3,824,600)	
	(T) —	—	(3,824,600)	
TOTAL EXP. AUTHORITY	(T) 532,705,300	939,422,100	1,113,881,700	
Less Federal Funds	(192,720,200)	(459,438,500)	(557,774,285)	
Less County Funds	(92,718,100)	(153,870,600)	(154,432,600)	
Less Miscellaneous Funds	(3,006,700)	(5,603,800)	(5,864,400)	
TOTAL APPROPRIATIONS	(S) <u>244,260,300</u>	<u>320,509,200</u>	<u>395,810,415</u>	<u>3/4/</u>

The approved amount includes \$467,900 (S) and \$849,700 (T) in Personal Services and \$55,900 (S) and \$101,500 (T) in Employee Related Expenditures for the general salary adjustment, and \$324,500 (S) and \$653,500 (T) for salary adjustments in special line items.

ADDITIONAL LEGISLATION

General Fund Operating Pool, Chapter 7 (H.B. 2031), 3rd Special Session - Among other provisions, this legislation requires AHCCCS to draw General Fund monies into the AHCCCS Fund on an "as-needed" basis only. This provision assists the State Treasurer in stabilizing daily General Fund cash balances. The legislation also makes various AHCCCS accounting changes, including amending the AHCCCS administrative adjustment period from 24 months to 6 months, and stipulating that all unexpended and unencumbered administrative appropriations must revert to the fund from which they were appropriated at the end of the fiscal year.

- 1/ Details for the Special Line Items are included on the individual program pages.
- 2/ Details for the Additional Appropriations are included on the individual program pages.
- 3/ General Fund Appropriation.
- 4/ Represents General Appropriations Act funds [\$379,480,000] and additional appropriations [\$16,330,415].

JLBC Analyst: McNeil/Comick

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

GENERAL FUND AND FEDERAL FUNDS		Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	(S)	287.76	486.84	485.14 <u>2/3/</u>
	(T)	<u>464.50</u>	<u>888.00</u> <u>1/</u>	<u>884.80</u> <u>4/5/</u>
Personal Services	(S)	7,876,300	9,888,200	10,865,700
	(T)	<u>13,977,000</u>	<u>17,961,700</u>	<u>19,731,000</u>
Employee Related Exp.	(S)	1,922,600	1,999,700	2,627,000
	(T)	<u>2,923,900</u>	<u>3,614,000</u>	<u>4,751,500</u>
Prof. & Outside Services	(S)	7,590,600	8,813,300	7,365,800
	(T)	<u>14,596,000</u>	<u>23,995,000</u>	<u>16,616,800</u>
Travel - State	(S)	118,600	245,200	249,900
	(T)	<u>208,700</u>	<u>452,200</u>	<u>458,900</u>
Travel - Out of State	(S)	19,100	24,000	18,900
	(T)	<u>29,300</u>	<u>40,100</u>	<u>30,800</u>
Other Operating Exp.	(S)	3,542,200	3,291,800	3,414,200
	(T)	<u>6,391,500</u>	<u>6,076,600</u>	<u>6,561,200</u>
Equipment	(S)	1,753,100	502,000	282,200
	(T)	<u>2,511,600</u>	<u>994,000</u>	<u>511,500</u>
All Other Operating Exp.	(S)	13,023,600	12,876,300	11,331,000
	(T)	<u>23,737,100</u>	<u>31,557,900</u>	<u>24,179,200</u>
OPERATION SUBTOTAL	(S)	22,822,500	24,764,200	24,823,700
	(T)	<u>40,638,000</u>	<u>53,133,600</u>	<u>48,661,700</u>
DES Eligibility	(S)	4,888,200	8,531,900	10,527,300 <u>6/</u>
	(T)	<u>9,715,000</u>	<u>16,897,800</u>	<u>20,995,500</u> <u>6/</u>
DES - DDSA	(S)	57,300	308,300	173,700 <u>6/</u>
	(T)	<u>114,600</u>	<u>616,700</u>	<u>347,500</u> <u>6/</u>
DES PASARR	(S)	-0-	89,000	96,500 <u>6/</u>
	(T)	<u>-0-</u>	<u>355,600</u>	<u>385,500</u> <u>6/</u>
DHS - Licensure	(S)	190,600	337,900	477,900 <u>6/</u>
	(T)	<u>381,200</u>	<u>676,000</u>	<u>955,700</u> <u>6/</u>
DHS PASARR	(S)	-0-	208,900	451,000 <u>6/</u>
	(T)	<u>-0-</u>	<u>734,100</u>	<u>1,503,200</u> <u>6/</u>
Indian Health Care	(S)	-0-	50,400	48,500
Advisory Council	(T)	<u>-0-</u>	<u>100,800</u>	<u>97,000</u>

(S) = State General Fund

(T) = Total Expenditure Authority

(Continued)

(See Footnotes On Following Page)

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

Additional Appropriations -
 39th Leg., 2nd Reg. Session

Omnibus AHCCCS, Ch. 333	(S)	--	--	329,615
	(T)	--	--	610,200
EPSDT -- Children's Mental Health Services, Ch. 334	(S)	--	--	1,133,200
	(T)	--	--	2,679,500
TOTAL EXP. AUTHORITY	(T)	<u>50,848,800</u>	<u>72,514,600</u> 7/	<u>76,235,800</u> 8/
Less Federal Funds		<u>(22,890,200)</u>	<u>(38,224,000)</u>	<u>(38,174,385)</u>
TOTAL APPROPRIATIONS	(S)	<u>27,958,600</u>	<u>34,290,600</u> 7/	<u>38,061,415</u> 8/9/

(Continued)

- 1/ The approved amount includes funding for 11 FTE positions authorized through the JLBC transfer process.
- 2/ The approved amount includes funding for 26 new FTE positions, but does not include the 11 EPSDT transfer positions which are now included in Additional Appropriations, Laws 1990, Chapter 334. The approved amount also reflects the FTE reduction policy of 10 (S) and 18.2 (T) FTE positions.
- 3/ In addition, 651 total FTE positions are funded in the following special line items: 603 DES Eligibility, 4 in DES DDSA, 8 in DES PASARR, 21 in DHS Licensure, 8 in DHS PASARR, 5 in Childrens Rehabilitative Services, and 2 for the Indian Health Care Advisory Council.
- 4/ In addition, 38 total FTE positions are funded by additional legislation: 30 in EPSDT -- Children's Mental Health Services, Chapter 334; and 8 in Omnibus AHCCCS, Chapter 333.
- 5/ A footnote to Laws 1990, Chapter 1 (S.B. 1008), 3rd Special Session, Section 28, requires that, on the effective date of legislation allowing AHCCCS to conduct financial reviews of nursing care institutions, the number of approved FTE positions shall increase by 1.5 (S) and 3 (T) (see the discussion under Additional Appropriations, Laws 1990, Chapter 333, for details).
- 6/ These monies shall be utilized for intergovernmental agreements with the Department of Economic Security and the Department of Health Services.
- 7/ Does not reflect the mid-year reversion of \$228,400 (S) and \$422,700 (T).
- 8/ A footnote to Laws 1990, Chapter 1 (S.B. 1008), 3rd Special Session, Section 28, requires that, on the effective date of legislation allowing AHCCCS to conduct financial reviews of nursing care institutions, Personal Services shall increase by \$91,500 (T), Employee Related Expenditures shall increase by \$24,000 (T), and All Other Operating Expenditures shall increase by \$572,900. These changes result in net reductions of \$228,600 to the General Fund appropriation and \$457,400 to Total Expenditure Authority. The General Fund reduction amount is to be reverted to the General Fund on the effective date of such legislation (see the discussion under Additional Appropriations, Laws 1990, Chapter 333, for details).
- 9/ Represents General Appropriation Act funds [\$36,598,600] and additional appropriations [\$1,462,815]. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

The approved amount includes \$467,900 in state General Fund dollars (S) and \$849,700 in Total Expenditure Authority (T) in Personal Services and \$55,900 (S) and \$101,500 (T) in Employee Related Expenditures for the general salary adjustment, and \$320,400 (S) and \$649,400 (T) for salary adjustments in special line items.

Personal Services - The approved amount reflects the FTE reduction policy of 10 (S), 18.2 (T) FTE positions and \$214,000 (S) and \$389,500 (T). The approved amount also reflects a 5.21% vacancy factor, or \$574,900 (S) and \$1,042,500 (T).

The approved amount also includes 2-month annualization for 109 Qualified Medicare Beneficiaries (QMB) positions totaling \$199,800 (S) and \$363,400 (T).

In addition, the approved amount includes an additional 26 FTE positions and \$371,300 (S) and \$673,400 (T) in Personal Services. To annualize phased-in FTE positions, an additional \$57,600 (S) and \$99,400 (T) will be required in FY 1992. The 26 positions are divided among the following programs:

- o Prepaid Medicaid Management System (PMMIS) - The approved amount includes 19 FTE positions and \$255,600 (S) and \$464,400 (T) to staff the transition to and operation of the new PMMIS.
- o Mandated Quarterly Assessment Teams in the Division of Member Services - The approved amount includes 5 FTE positions and \$72,900 (S) and \$132,500 (T) to enable AHCCCS to comply with federal mandates for timely preadmission screening annual resident reviews and for quarterly reassessments of all residents.
- o Development of a New Hospital Reimbursement Methodology in the Division of Business, Finance & Research - The approved amount includes 1 FTE position and \$18,400 (S) and \$32,300 (T) for the development of the new hospital reimbursement methodology as mandated by Laws 1989, Chapter 293.
- o AHCCCS Long Term Care Audit Requirements in the Division of Program Compliance and Review - The approved amount includes 1 FTE position and \$24,400 (S) and \$44,200 (T) to oversee and/or perform the federally mandated audits of long term care contractors (see the discussion under Additional Appropriations, Laws 1990, Chapter 333, for details regarding the addition of 3 FTE positions for this area).

In addition, 12 identified FTE positions were eliminated and 12 new FTE positions were approved resulting in a net savings of 300 (S) and 400 (T). Following is a list of new positions: 2 Medical Services Program Review Specialist, grade 19; 2 Claims Specialist I, grade 13; 2 Claims Specialist II, grade 15; 1 Claims Prescreener, grade 9; 2 Claims Specialist Trainees, grade 11; 2 Fiscal Services Specialist I, grade 15; and 1 Administrative Assistant II, grade 15.

Professional and Outside Services - The approved amount reflects a reduction due to the inclusion of a one-time transfer of \$3,000,000 (S) and \$10,148,500 (T) in the FY 1990 amount.

(Continued)

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

Professional and Outside Services (Cont'd)

The approved amount includes \$30,000 (T) that represents federal monies to be passed through to the Nursing Board to fund an Intergovernmental Agreement pertaining to the registration of nursing assistants meeting certain educational requirements.

The approved amount also includes \$1,660,700 (S) and \$3,019,400 (T) due to an increase in DOA processing time during the testing phase of the new PMMIS.

One-Time Other Operating Costs - The approved amount includes \$17,800 (S) and \$32,300 (T) for non-capital equipment costs.

Equipment - The approved amount includes \$86,700 (S) and \$157,600 (T) for replacement equipment and \$195,500 (S) and \$353,900 (T) for new equipment.

DES Eligibility - The Department of Economic Security (DES), Family Assistance Administration, through an Intergovernmental agreement with AHCCCS, determines AHCCCS Eligibility for all AFDC categorically eligible individuals, AFDC-related Medical Assistance Only (MAO) cases, certain pregnant women and children, certain Supplemental Security Income MAO cases, and Eligible Assistance Children.

The approved amount includes funding for an additional 91.5 FTE positions. These positions bring the total number of DES staff associated with AHCCCS eligibility to 603 FTE positions. The approved amount also includes \$254,000 (S) and \$508,000 (T) in Personal Services and \$45,200 (S) and \$90,400 (T) in Employee Related Expenditures for the general salary adjustment. The line item breakdown follows:

	<u>S</u>	<u>T</u>
-- Personal Services	5,898,000	11,796,100
-- Employee Related Expenditures	1,441,800	2,912,200
-- All Other Operating	3,187,500	6,287,200
-- Total	<u>10,527,300</u>	<u>20,995,500</u>

DES DDSA - DES' Disability Determination Services Administration, through an Intergovernmental agreement with AHCCCS, determines disability entitlement for Arizona Long Term Care Systems claims.

The approved amount includes funding for 4 FTE positions. The approved amount also includes \$3,000 (S) and \$6,000 (T) in Personal Services and \$400 (S) and \$800 (T) in Employee Related Expenditures for the general salary adjustment. The line breakdown follows:

	<u>S</u>	<u>T</u>
-- Personal Services	68,900	137,700
-- Employee Related Expenditures	14,700	32,700
-- All Other Operating	48,200	94,900
-- "Below the Line" Expenses	41,900	82,200
-- Total	<u>173,700</u>	<u>347,500</u>

(Continued)

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

DES PASARR - DES conducts Level II screens for patients in Title XIX (Medicaid) certified nursing facilities who have been identified through a Level I screen as potentially having a mental retardation.

The approved amount includes funding for 8 FTE positions. The approved amount also includes \$1,800 (S) and \$6,800 (T) in Personal Services and \$300 (S) and \$1,200 (T) in Employee Related Expenditures for the general salary adjustment. The line item breakdown follows:

	<u>S</u>	<u>T</u>
-- Personal Services	39,200	156,400
-- Employee Related Expenditures	10,800	47,600
-- All Other Operating	46,500	181,500
-- Total	<u>96,500</u>	<u>385,500</u>

DHS Licensure - The Department of Health Services' (DHS) Division of Licensure, through an Intergovernmental agreement with AHCCCS, determines whether institutions and suppliers of service meet the requirements for participation in the Medicaid program as it applies to licensure, certification, or registration.

The approved amount includes funding for 21 FTE positions. The approved amount also includes \$10,700 (S) and \$21,400 (T) in Personal Services and \$1,800 (S) and \$3,600 (T) in Employee Related Expenditures for the general salary adjustment. The line item breakdown follows:

	<u>S</u>	<u>T</u>
-- Personal Services	247,900	495,800
-- Employee Related Expenditures	60,200	120,300
-- All Other Operating	169,800	339,600
-- Total	<u>477,900</u>	<u>955,700</u>

DHS PASARR - DHS' Division of Behavioral Health Services, through an Intergovernmental agreement with AHCCCS, conducts Level II psychiatric evaluations of patients in Title XIX (Medicaid) certified nursing facilities who have been identified through a Level I screening as potentially having a mental illness.

The approved amount includes funding for 8 FTE positions. The approved amount also includes \$2,000 (S) and \$8,000 (T) in Personal Services and \$400 (S) and \$1,600 (T) in Employee Related Expenditures for the general salary adjustment. The line item breakdown follows:

	<u>S</u>	<u>T</u>
-- Personal Services	46,800	187,000
-- Employee Related Expenditures	12,100	48,400
-- All Other Operating	188,400	453,100
-- "Below the Line" Expenses	203,700	814,700
-- Total	<u>451,000</u>	<u>1,503,200</u>

(Continued)

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

Indian Health Care Advisory Council - The Advisory Council on Indian Health Care was established in Laws 1989, Chapter 293. The Council's primary mission is to develop a comprehensive health care delivery system for Arizona's Indian population.

The approved amount includes \$700 (S) and \$1,400 (T) in Personal Services and \$100 (S) and \$200 (T) in Employee Related Expenditures for the general salary adjustment. The line item breakdown follows:

	<u>S</u>	<u>T</u>
-- Personal Services	16,700	33,400
-- Employee Related Expenditures	3,300	6,600
-- All Other Operating	28,500	57,000
-- Total	<u>48,500</u>	<u>97,000</u>

ADDITIONAL APPROPRIATIONS

Omnibus AHCCCS, Chapter 333 (H.B. 2351) - Appropriates the sum of \$329,600 (S) and \$610,200 (T) to AHCCCS divided among the following programs: New Hospital Reimbursement Methodology -- \$200,000 (S) and \$350,800 (T) for 2 FTE positions and Operating Expenditures; Indian Health Care Advisory Council --\$46,100 (S) and \$92,200 (T) for 2 FTE positions and Operating Expenditures; PAS Team in Chinle -- \$56,000 (S) and \$112,200 (T) for 2 FTE positions and Operating Expenditures; and Eligibility Workers on Reservation -- \$27,500 (S) and \$55,000 (T) for 2 FTE positions and Operating Expenditures.

Additionally, a footnote to the General Appropriation Act (Laws 1990, Chapter 1, 3rd Special Session, Section 28) provides a number of changes to AHCCCS' administrative appropriation if legislation allowing AHCCCS to conduct financial reviews of nursing care institutions is enacted. A provision allowing this was determined to be a cost-savings measure since staff can be hired (to conduct the reviews) for less money that it takes to contract for certified audits.

The financial review provision was enacted in Chapter 333 and on the effective date of the legislation, AHCCCS' approved number of FTE positions shall increase by 1.5 (S) and 3 (T), and the following line item changes shall be made to the approved amounts associated with the General Appropriation Act:

	<u>S</u>	<u>T</u>
-- Personal Services	45,700	91,500
-- Employee Related Expenditures	12,100	24,000
-- All Other Operating	(286,400)	(572,900)
-- Total	<u>(228,600)</u>	<u>(457,400)</u>

EPSDT -- Children's Mental Health Services, Chapter 334 (H.B. 2554)- Appropriates the sum of \$1,133,100 (S) and \$2,679,500 (T) to AHCCCS for the administration of the Early and Periodic Screening Diagnosis and Treatment (EPSDT) Mental Health program. The approved amount includes funding for a phase-in of 30 FTE positions, and Operating Expenditures. To annualize the phased-in FTE positions, an additional \$40,600 (S) and \$101,200 (T) will be required in FY 1992.

JLBC Analyst: McNeil

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

GENERAL FUND, FEDERAL FUNDS, AND COUNTY FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Acute Care Capitation	(S) 123,682,200 (T) 295,917,600	158,920,500 ^{1/} 394,991,800 ^{1/}	202,549,400 500,590,600
Long Term Care Capitation	(S) -0- (T) -0-	3,991,800 5,696,100	722,200 1,059,900
Fee for Service Payments	(S) 38,154,600 (T) 48,401,500	37,474,800 58,285,600	71,399,400 103,612,800
Deferred Liability	(S) 30,314,400 (T) 38,457,300	48,763,000 53,916,200	31,223,000 41,848,300
Reinsurance	(S) 17,522,400 (T) 22,229,200	20,774,700 25,509,300	30,934,300 38,001,000
Medicare Premiums	(S) 1,692,000 (T) 6,671,400	3,379,800 7,612,100	1,658,400 5,655,100
Child Rehab. Services	(S) 4,936,100 (T) 6,262,000	6,752,700 8,122,100	6,479,700 ^{2/} 7,601,500 ^{2/}
Qual. Medicare Beneficiaries	(S) -0- (T) -0-	6,161,300 19,300,600	1,739,600 8,741,500
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Omnibus AHCCCS, Ch. 333	(S) -- (T) --	--	8,000,000 9,200,000
EPSDT -- Children's Mental Health Services, Ch. 334	(S) -- (T) --	--	6,764,300 17,670,600
Assistance Payments to Depend. Children, Ch.	(S) -- (T) --	--	103,300 217,400
TOTAL EXP. AUTHORITY	(T) <u>417,939,000</u>	<u>573,433,800</u>	<u>734,198,700</u>
Less Federal, County and Other Funds	(201,637,300)	(287,215,200)	(372,625,100)
TOTAL APPROPRIATIONS	(S) <u>216,301,700</u>	<u>286,218,600</u> ^{3/}	<u>361,573,600</u> ^{4/}

(S) = State General Fund
(T) = Total Expenditure Authority

(Continued)

^{1/} Includes \$30,800 from Laws 1989, Chapter 295. As mentioned in the FY 1990 Appropriations Report, this amount should lapse given that the AFDC benefit increase was not enacted.

(Footnotes Continued on Following Page)

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

Acute Care Capitation - Represents payments which are made directly to the health plans under contract to AHCCCS for the cost of care rendered to enrolled members. These payments are made on a monthly basis and cover the full range of services required in statute. The approved amount is predicated upon a base 10% rate increase, plus an additional 5% for the AFDC rate [for the changed risk pool due to the new AFDC-Unemployed Parent (AFDC-UP) program] and an additional 3% for SOBRA Delivery Charges due to the increase demand for these services. However, the AHCCCS administration is currently negotiating final contracts which will determine the actual capitation rates.

Long-Term Care Capitation - Represents the amount of total capitation payments made on behalf of those individuals qualifying for acute care services, but ineligible for the Arizona Long Term Care System (ALITCS).

Fee for Service Payments - Payments made on behalf of individuals eligible for medical services, but not yet enrolled in a prepaid health plan. Categorically-eligible persons have a 10-day period in which to choose a health plan. During this period (and any additional time between eligibility and the effective date of plan enrollment), these individuals are eligible to have medically necessary services paid on their behalf. Additionally, if these persons have unpaid bills for services received in the 90-day period prior to their application for eligibility, AHCCCS pays these bills on a fee-for-service basis.

Non-categoricals are to be enrolled with a prepaid health plan within 3 days of the determination of eligibility through an auto-assignment process. Under current law, AHCCCS only covers emergency services received up to 24 hours prior to the date of notification of eligibility by a county office. With the effective date of Laws 1990, Chapter 333 (H.B. 2351), AHCCCS will pay up to 48 hours prior to the date of notification.

Categorically-eligible Native Americans who live on reservation and are referred off-reservation by the Indian Health Service (IHS) for services are covered on a fee-for-service basis. Those categoricals receiving treatment on reservation in an IHS facility are covered entirely by the federal government with AHCCCS serving as the pass-through entity for the federal funds.

AHCCCS currently pays, on a fee-for-service basis, for non-categorical Native Americans who are referred off-reservation by the IHS for medical services if the services in question were not IHS-covered services. This practice, however, may have to be modified given the U.S. District Court's decision of May 16, 1990, that the IHS, and not AHCCCS, is the payor of last resort in these circumstances. The approved amount includes \$4,854,000 to cover costs of a modification to the payment policy given the Court's decision. The approved amount is predicated upon medical inflation increases of 10%.

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(Footnotes Continued From Previous Page)

- 2/ The approved amount includes, for the 5 FTE positions funded in this line, \$3,400 in Personal Services and \$700 in Employee Related Expenditures for the general salary adjustment.
- 3/ Does not reflect the 6/29/90 reversion of \$35,579,889.
- 4/ Represents General Appropriation Act funds [\$346,706,000] and additional appropriations [\$14,867,600]. Appropriated as a modified lump sum, with special line items for the program.

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

Deferred Liability - Represents a concept developed by AHCCCS in which the Director has the prerogative to defer a percentage of the financial liability of an enrolled member back to the Administration. The Administration assumes 70% of the costs for patients who are already incurring expenses on the day they are assigned to a health plan. In order for AHCCCS to defer liability, one of the following conditions must exist:

- o The eligible person is in the last 2 weeks of a high-risk pregnancy;
- o The eligible person is receiving either active chemotherapy or active radiation for a malignancy or a metastatic disease;
- o The eligible person is hospitalized on the effective date of enrollment. Liability may be deferred until the person is discharged or for 15 days, whichever is less, subject to a utilization review by the Administration; or
- o The eligible person is an infant who has been continually hospitalized since birth and had a birth weight of less than 2250 grams; or a gestational age of less than 36 weeks; or a major malformation requiring special neonatal care; or received more than 2 days of intensive neonatal care; or required intensive care and subsequently died.

The approved amount reflects medical inflation increases of 10%. In addition, the approved amount includes \$4,144,500 in state General Fund (S), with Total Expenditure Authority (T) increasing by the same amount, for special medical inflation associated with neonatal care.

Reinsurance - Represents AHCCCS' efforts to limit a prepaid health plan's liability in catastrophic care cases. The Administration has set \$10,000 as the reinsurance deductible for all Medically Needy/Medically Indigent (MN/MI) individuals (without Medicare Part A coverage). Reinsurance deductibles for categorically-eligible individuals are dependent upon plan enrollment by county as of November of each year and vary as follows:

<u>Enrollment</u>	<u>Reinsurance Deductible</u>
1 - 999 members	\$10,000
1,000 - 9,999 members	\$20,000
10,000+ members	\$30,000

80% of the cost incurred by a prepaid health plan in excess of the appropriate deductible is borne by AHCCCS, under the following circumstances when costs have been incurred:

- o In the provision of payment for covered inpatient emergency care, and certain covered outpatient services such as dialysis not covered by Title XIX, and total parenteral nutrition.
- o During the contract year or such part of that year in which the individual is enrolled with a plan. Any movement to another plan shall be cause for resetting the reinsurance level.

Additionally, the reinsurance deductible for enrolled members diagnosed as having Acquired Immune Deficiency Syndrome (AIDS), and persons requiring organ transplants, is \$1,000 regardless of the type of eligibility or plan size. The Administration assumes 90% of the liability for medical costs in excess of this threshold.

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

Reinsurance (Cont'd) - The approved amount is predicated upon medical inflation increases of 10%. In addition, the approved amount includes \$3,619,200 (S) and (T) for increased costs associated with AIDS patients.

Eligibility

The line items described above are paid on behalf of the following eligibility groups:

Categorically-eligible

AFDC - Individuals who are receiving cash payments from the Aid to Families with Dependent Children (AFDC) program are automatically eligible for AHCCCS services. Federal law also allows, under certain conditions, for some individuals not, or who are no longer, receiving cash payments (e.g. Ribicoff children or transitional assistance cases), to still be eligible for Medicaid; these cases are commonly known as Medical Assistance Only (MAO) cases. In addition, the state will be implementing the AFDC - Unemployed Parent program in October 1, 1990. Individuals entitled to benefits under this program are also entitled to medical benefits under AHCCCS.

The Comprehensive Medical and Dental Program (CMDP) in the Department of Economic Security (DES) has AHCCCS-eligible children among its total population. AHCCCS passes through funds to CMDP on behalf of these eligible children. AHCCCS also passes through state and federal funds to DES to cover the costs of determining AFDC MAO eligibility.

SSI - Individuals receiving Supplemental Security Income (SSI) monthly cash payments are automatically eligible for AHCCCS services. These individuals are divided up between the 3 major SSI groups - those age 65 or older (aged), the blind, and the disabled. Eligibility for the SSI program is based on uniform nationwide requirements. Like AFDC, SSI also has related MAO groups. Additionally, AHCCCS passes through funds to CMDP on behalf of SSI-eligible children enrolled in that program.

The state's financial responsibility for individuals with Medicare coverage is reduced since that coverage, in effect, serves as a source of third-party funds.

The Social Security Administration performs eligibility determinations for aged, blind, and disabled SSI applicants (DES does certain SSI MAO eligibility work).

Other Federally-Required Groups

SOBRA Women and Infants - Based on changes included in the Omnibus Budget Reconciliation Act of 1989 (OBRA '89), the federal government currently requires states to provide care to pregnant women and infants (under 1 year old) whose family incomes do not exceed 133% of the Federal Poverty Level (FPL) (\$16,891 for a family of 4). AHCCCS commonly refers to these individuals as "SOBRA Women and Infants", after the Sixth Omnibus Budget Reconciliation Act, which took effect in 1987.

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

SOBRA Women and Infants (Cont'd) - The federal government also allows states the option to increase the income limit to 185% of the FPL. The legislature acted up this option and moved the state's income standard to 140% of the FPL in Laws 1990, Chapter 333 (H.B. 2351). Coverage for women is limited to pregnancy (including prenatal care, delivery, postpartum care (60 days), and family planning services) and to other conditions which might complicate the pregnancy. Infants (and SOBRA children) are entitled to the full range of services offered by the state program.

AHCCCS passes through state and federal funds to DES to cover the costs of determining SOBRA eligibility.

SOBRA Children - The federal government currently requires states to provide medical assistance to children under age 6 whose family incomes do not exceed 133% of the FPL. Additionally, states are allowed to cover children ages 6 and 7 up to 100% of the FPL (Arizona does this).

State-Only Groups (no matching federal funds)

Medically Needy/Medically Indigent (MN/MI) - Arizona Revised Statutes provide for AHCCCS eligibility for individuals meeting specified resource limits and the following income criteria (blended from Titles 11 and 36):

<u>Family Size</u>	<u>Net Income</u>
1	\$ 0 - 3200
4	\$3759 - 5354
8	\$5459 - 7530

Unlike the criteria for eligibility in other groups, the MN/MI statutes allow medical expenses to be used to reduce the applicant's total annual income; this is commonly known as allowing an applicant to "spend-down" into eligibility. The spend-down provisions, however, do not apply to the calculation of the applicant's net worth of resources.

The counties determine MN/MI eligibility.

Eligible Assistance Children (EAC) - These children, ages 0-13 years, belonging to families certified by DES to be eligible for the Federal Food Stamp Program. The following represents Food Stamp income criteria as of October 1, 1989:

<u>Family Size</u>	<u>Maximum Gross Income</u>	<u>Maximum Net Income</u>
1	\$ 7,776	\$ 5,988
4	\$15,732	\$12,108
8	\$26,340	\$20,268

Because of the expansion of the federal SOBRA program, the state has been able to transfer a large number of these children into the federally-matched SOBRA group.

DES determines eligibility for this group of children.

(Continued)

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

Eligible Low-Income Children (ELIC) - These are children, ages 0-13 years, belonging to families whose annual income falls between the following guidelines (counties determine eligibility):

<u>Family Size</u>	<u>Minimum Income</u>	<u>Maximum Income</u>
1	\$3,201	\$ 6,280
4	\$5,355	\$12,700
8	\$7,351	\$21,260

Summary Table

The table below represents the approved amounts for the previously discussed line items, disaggregated by the aforementioned eligibility groups, and further divided between state General Fund dollars (S) and Total Expenditure Authority (T). The approved amounts are based on a grand total of 3,806,163 member months/deliveries.

<u>Categorically-Eligible Groups</u>		<u>Acute Care Capitation</u>	<u>Long Term Care Capitation</u>	<u>Fee For Service Payments</u>	<u>Deferred Liability</u>	<u>Reinsurance</u>
AFDC	(S)	54,505,800	-0-	20,228,700	5,828,000	2,043,500
	(T)	182,375,000	-0-	21,217,600	7,831,400	2,581,000
AFDC CMDP	(S)	1,100,900	-0-	-0-	-0-	553,500
	(T)	3,075,900	-0-	-0-	-0-	553,500
SSI Aged Medicare	(S)	2,430,500	16,200	878,500	3,300	97,800
	(T)	6,673,200	62,700	878,500	3,300	97,800
Non-Medicare	(S)	2,230,100	22,900	955,800	9,300	55,400
	(T)	6,731,300	39,700	955,800	9,300	55,400
SSI Blind Medicare	(S)	39,400	-0-	46,000	500	-0-
	(T)	159,300	-0-	46,000	500	-0-
Non-Medicare	(S)	269,800	1,800	126,300	5,400	58,100
	(T)	1,001,100	3,900	126,300	5,400	58,100
SSI Disabled Medicare	(S)	3,381,000	(1,700)	886,600	5,000	600
	(T)	8,969,700	30,900	901,900	7,900	31,500
Non-Medicare	(S)	11,870,000	55,600	8,388,800	751,500	5,214,600
	(T)	57,877,600	128,500	8,593,500	993,500	6,058,800
SSI CMDP	(S)	92,400	-0-	-0-	-0-	46,500
	(T)	222,900	-0-	-0-	-0-	46,500
SUBTOTAL	(S)	75,919,900	94,800	31,510,700	6,603,000	8,070,000
	(T)	267,086,000	265,700	32,719,600	8,851,300	9,482,600

(Continued)

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

<u>Other Federally-Required Groups</u>		<u>Acute Care Capitation</u>	<u>Long Term Care Capitation</u>	<u>Fee For Service Payments</u>	<u>Deferred Liability</u>	<u>Reinsurance</u>
SOBRA Women	(S)	3,575,200	-0-	6,743,800	137,700	274,600
	(T)	12,071,200	-0-	7,899,500	241,400	297,400
SOBRA Children	(S)	(2,477,600)	-0-	12,486,800	9,089,200	1,238,400
	(T)	39,587,700	-0-	13,251,200	12,125,700	1,303,800
SOBRA Deliveries	(S)	18,580,200	-0-	-0-	-0-	-0-
	(T)	55,927,200	-0-	-0-	-0-	-0-
Other	(S)	-0-	-0-	(410,600) ^{1/}	-0-	863,200 ^{2/}
	(T)	-0-	-0-	24,992,500 ^{3/}	-0-	2,244,300 ^{4/}
SUBTOTAL	(S)	19,677,800	-0-	18,820,000	9,226,900	2,376,200
	(T)	107,586,100	-0-	46,143,200	12,367,100	3,845,500
State-Only Groups						
MN/MI Medicare	(S)	1,999,000	441,500	119,200	34,600	(36,000)
	(T)	2,113,800	575,100	129,800	36,300	7,800
Non-Medicare	(S)	88,881,300	185,800	20,534,700 ^{5/}	14,219,100	20,088,100
	(T)	104,559,400	219,100	23,706,700 ^{5/}	18,969,600	24,100,800
EAC	(S)	13,873,200	-0-	443,000 ^{6/}	(2,000)	217,600
	(T)	16,571,000	-0-	548,700 ^{6/}	1,900	249,100
ELIC	(S)	2,198,200	-0-	(28,200)	1,141,400	218,400
	(T)	2,674,300	-0-	364,800	1,622,100	315,200
SUBTOTAL	(S)	106,951,700	627,300	21,068,700	15,393,100	20,488,100
	(T)	125,918,500	794,200	24,750,000	20,629,900	24,672,900
TOTAL EXP. AUTHORITY		<u>500,590,600</u>	<u>1,059,900</u>	<u>103,612,800</u>	<u>41,848,300</u>	<u>38,001,000</u>
Less Federal and Other Funds		<u>(298,041,200)</u>	<u>(337,800)</u>	<u>(32,213,400)</u>	<u>(10,625,300)</u>	<u>(7,066,700)</u>
GENERAL FUND		<u>202,549,400</u>	<u>722,100</u>	<u>71,399,400</u>	<u>31,223,000</u>	<u>30,934,300</u>

- 1/ Reduction due to inclusion of Fraud & Abuse FTE positions.
- 2/ General fund match for heart, liver, and autologous bone marrow transplants (state-option services with federal matching funds).
- 3/ Includes a reduction of \$746,600 due to the Fraud & Abuse FTE positions, \$15,933,800 in IHS facility pass-through federal funds, and \$9,805,300 for federal matching funds for off-reservation referrals of categoricals.
- 4/ Includes \$1,381,100 federal match for the transplants mentioned above.
- 5/ Includes \$4,448,600 due to a U.S. District Court decision (AHCCCS vs. U.S.A., et al).
- 6/ Includes \$405,400 due to a U.S. District Court decision (AHCCCS vs. U.S.A., et al).

(Continued)

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

Medicare Premiums - This line item represents the purchase of Medicare Part B (supplemental medical insurance) on behalf of those eligible for Medicaid and Part A (hospital insurance) coverage. This "buy-in" reduces state costs since the federal government, through Medicare, absorbs some costs that otherwise would have been paid by AHCCCS. In addition, the line also includes the costs of payment of Part A premium costs for certain disabled workers. The Omnibus Budget Reconciliation Act of 1989 requires states to pay for Part A premiums on behalf of the working disabled with incomes less than 200% of the FPL (\$12,560 for a single, \$16,840 for a couple), and whose resources do not exceed twice the SSI resource limit (\$4,000 for a individual, \$6,000 for a couple).

The details for the appropriation follows:

	<u>Part B</u>	<u>Part A</u>	<u>Total</u>
First Half FY 1991			
Total Payments	\$ 76,468	\$ 2,144	\$ 78,612
Total Cost	\$2,217,600	\$375,200	\$2,592,800
Second Half FY 1991			
Total Payments	\$ 78,355	\$ 2,232	\$ 80,587
Total Cost	<u>\$2,613,100</u>	<u>\$449,200</u>	<u>\$3,062,300</u>
FY 1991 Total			
Member Months	154,823	4,376	159,199
Total Cost	<u>\$4,830,700</u>	<u>\$824,400</u>	<u>\$5,655,100</u>
Less Federal Funds	(2,973,500)	(507,400)	(3,480,900)
Less County Funds	<u>(515,800)</u>	<u>-0-</u>	<u>(515,800)</u>
General Fund	<u>\$1,341,400</u>	<u>\$317,000</u>	<u>\$1,658,400</u>

Childrens Rehabilitative Services (CRS) - This line item represents funds AHCCCS passes through to the Department of Health Services for the provision of certain rehabilitative services to AHCCCS-eligible children. The Department of Health Services allocates a certain amount of its total CRS requirement to AHCCCS based on estimates of the total number of AHCCCS children who will receive services. A breakdown of the approved amount follows:

Provider Services Section	\$6,724,900
Regional Programs	552,000
Administration	<u>324,800</u>
Total Funds	<u>\$7,601,700</u>
Less County Funds	<u>(1,122,000)</u>
General Fund	<u>\$6,479,700</u>

The approved amount reflects a reduction from FY 1990 due to the inclusion of an appropriations transfer (TC-24 dated 6/21/90) in the FY 1990 amount.

(Continued)

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

Qualified Medicare Beneficiaries (QMBs) - Federal law requires the state to pay Medicare part A and Part B premiums, deductibles, and co-payments on behalf of certain low-income Medicare beneficiaries. An individual is eligible if:

- o They are entitled to Part A Medicare benefits;
- o Their resources do not exceed twice the SSI resource limit, or \$4,000; and
- o Their income does not exceed 90% of the FPL (\$5,650). Effective January 1, 1991, the income limit will be increased to 95% of the FPL (\$5,970).

The detail behind the approved amount follows:

<u>FY 1991</u>	<u>QMB Member Months</u>	<u>Cost</u>
1st Quarter	7,551	\$1,356,700
2nd Quarter	9,801	1,895,100
3rd Quarter	12,351	2,474,400
4th Quarter	<u>15,051</u>	<u>3,015,300</u>
Total	<u>44,754</u>	<u>\$8,741,500</u>
Less Federal Funds		(5,385,400)
Less County Funds		<u>(1,616,500)</u>
General Fund		<u>\$1,739,600</u>

ADDITIONAL APPROPRIATIONS

Omnibus AHCCCS - Chapter 333 (H.B. 2351) - Appropriates a total of \$8,000,000 (S) and \$9,200,000 (T) to AHCCCS divided among the following programs: Adjusted Billed Charge (ABC) Reimbursement Level - \$4,000,000 (S) and (T) for a 2.5% increase effective January 1, 1991; 48-Hour MN/MI Retroactive Coverage - \$3,000,000 (S) and (T) to pay claims, effective January 1, 1991, associated with the extension of AHCCCS retroactive liability on MN/MI cases from 24 to 48 hours; SOBRA Expansion - \$1,000,000 (S) and \$2,200,000 (T) for the expansion, effective October 1, 1990, of coverage of women and infants with family incomes up to 140% of the FPL (\$17,780 for a family of 4).

EPSDT - Children's Mental Health Services - Chapter 334 (H.B. 2554) - Appropriates \$6,764,300 (S) and \$17,670,600 (T) to AHCCCS to pay claims for mental health services provided to categorically-eligible children. A program to provide these services was mandated in OBRA '89.

The approved amount is based on the following breakdown:

(Continued)

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

<u>Diagnosis</u>	<u>FY 1991</u>	<u>Number</u>	<u>Cost</u>
Seriously Emotionally Disturbed	1st Quarter	370	\$ 6,250,400
	2nd Quarter	370	4,166,900
	3rd Quarter	370	2,083,500
	Total	<u>1,110</u>	<u>12,500,800</u>
Alcohol & Other Substance Abuse	3rd Quarter	148	854,800
	4th Quarter	739	462,000
	Total	<u>887</u>	<u>1,316,800</u>
Other Mental Health Problems	3rd Quarter	312	1,802,000
	4th Quarter	1,556	895,000
	Total	<u>1,868</u>	<u>2,697,000</u>
Plan Overhead			<u>1,156,000</u>
TOTAL EXPENDITURE AUTHORITY			<u>\$17,670,600</u>
Less Federal Funds			<u>(10,906,300)</u>
STATE GENERAL FUND			<u>\$ 6,764,300</u>

Assistance Payments to Dependent Children - Chapter 406 (H.B. 2524)-
 Appropriates \$103,300 (S) and \$217,400 (T) to AHCCCS to cover the cost of
 additional AHCCCS beneficiaries resulting from the expansion of AFDC coverage,
 effective June 1, 1991.

ADDITIONAL LEGISLATION

AHCCCS Eligibility - Chapter 27 (H.B. 2249) - This legislation, enacted with an
 emergency clause, expanded AHCCCS coverage in keeping with the federal mandates
 of OBRA '89. The major components of the legislation: 1) expanded the SOBRA
 program to cover women, infants, and children under 6 with family incomes up to
 133% of the FPL, and 2) authorized AHCCCS to pay Part A Medicare premiums on
 behalf of certain working disabled individuals. FY 1990 costs associated with
 these program changes were funded with surplus General Fund monies from AHCCCS
 base FY 1990 appropriation. The FY 1991 costs of this bill are included in the
 approved amounts in the General Appropriation Act (Laws 1990, Third Special
 Session, Chapter 1).

AHCCCS Covered Services - Chapter 124 (H.B. 2268) - This legislation allows
 AHCCCS the option of contracting with a non-hospital-affiliated clinic to
 provide family planning services, in the event that a prepaid capitated provider
 elects not to provide those services.

JLBC Analyst: McNeil

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

GENERAL FUND, FEDERAL FUNDS, AND COUNTY FUNDS		Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Skilled Nursing Facility/ Interm. Care Facility	(S) -0- (T) 47,856,600	-0- 47,856,600	-0- 228,681,900	-0- 223,500,800
Home/Community-Based Services	(S) -0- (T) -0-	-0- -0-	-0- 12,035,900	-0- 26,109,200
DES Long Term Care	(S) -0- (T) 16,060,900	-0- 16,060,900	-0- 52,755,900	-0- 57,661,800
TOTAL EXP. AUTHORITY	(T) <u>63,917,500</u>	<u>63,917,500</u>	<u>293,473,700</u>	<u>307,271,800</u> ^{1/}
Less Federal, County, and Other Funds		<u>(63,917,500)</u>	<u>(293,473,700)</u>	<u>(307,271,800)</u>
TOTAL APPROPRIATIONS	(S) <u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

AHCCCS implemented the first phase (developmental disabilities) of the Arizona Long Term Care System (ALTCS) on December 19, 1988, and the second phase (elderly and physically disabled) on January 1, 1989. The program contracts with prepaid capitated providers to deliver long term care services to eligible populations, with the Department of Economic Security serving as the sole contractor for services rendered to the developmentally disabled.

ALTCS is supported entirely with federal and county funds.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The special line item detail is shown for information only.

JLBC Analyst: Stavneak/Cawley

Linda Moore-Cannon, Director (Tel. 542-5678)

SUMMARY OF GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Administration	21,010,400	22,736,700	26,934,000
Developmental Disabilities	64,438,100	53,759,900	54,337,000
Long Term Care	9,860,100	28,588,100	42,511,900
Family Support	72,352,500	83,543,200	98,007,400
Social Services	84,275,700	95,487,000	118,461,500
Child Protective Svcs. Training	264,600	430,200	450,000
Employment & Rehab	4,520,100	4,153,400	8,864,600
TOTAL APPROPRIATIONS	<u>256,721,500</u>	<u>288,698,500</u>	<u>349,566,400</u>
<u>Expenditure Detail</u>			
FTE Positions ^{1/}	<u>2,346.5</u>	<u>2,447.0</u>	<u>2,859.8</u>
Personal Services	61,114,100	57,629,900	65,075,300
Employee Related Exp.	14,327,100	12,571,500	15,802,100
Prof. & Outside Services	2,212,700	2,223,600	3,138,200
Travel - State	1,106,800	1,426,900	1,653,100
Travel - Out of State	55,900	53,700	57,500
Other Operating Exp.	14,483,900	14,645,400	16,487,400
Food	800,100	736,800	661,000
Equipment	1,881,000	1,314,600	2,184,400
All Other Operating Exp.	20,540,400	20,401,000	24,181,600
OPERATION SUBTOTAL	95,981,600	90,602,400	105,059,000
Special Line Items	160,739,900	198,096,100	240,739,000
Additional Appropriations	---	---	3,768,400
TOTAL APPROPRIATIONS	<u>256,721,500</u>	<u>288,698,500</u>	<u>349,566,400</u>
<u>FUND SUMMARY</u>			
General Fund	256,378,900	287,933,800 ^{2/}	348,919,500
Other Appropriated Funds	342,600	764,700	646,900
TOTAL APPROPRIATIONS	<u>256,721,500</u>	<u>288,698,500</u>	<u>349,566,400</u> ^{3/4/}

(Continued)

^{1/} Includes 3.5 FTE positions funded from certain special line items in FY 1989, 44.2 FTE positions in FY 1990 and 85.4 FTE positions in FY 1991. Does not include 8.0 FTE positions funded from other special line items in FY 1989 and 8.5 FTE positions in FY 1990 and FY 1991.

^{2/} Of this amount, \$13,799,900 was appropriated by Laws 1989, Chapter 2 (H.B. 2003), 2nd Special Session.

(Footnotes Continued On Following Page)

DEPARTMENT OF ECONOMIC SECURITY - SUMMARY (Cont'd)
SUMMARY OF GENERAL FUNDS AND OTHER FUNDS

The approved amount includes \$2,801,800 in Personal Services and \$388,600 in Employee Related Expenditures for the general salary adjustment to the appropriated funds operating budget.

The approved amount includes \$63,100 in Personal Services and \$8,300 in Employee Related Expenditures for the general salary adjustment to the appropriated funds special line items.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B.1007), 3rd Special Session - Section 2 of the Capital Outlay Bill appropriates \$1,217,000 from the General Fund as follows:

- | | |
|--|------------|
| o Data Center Facility Upgrade | \$ 628,000 |
| Design and construction of improvements to meet fire and safety codes. | |
| o Flagstaff Multi-Service Center | 589,000 |
| Acquisition of 2.6 acres for future construction. | |

Section 7 of the Capital Outlay Bill appropriates \$1,500,000 from the General Fund to the Department of Economic Security for youth centers at Fort Defiance and Kayenta.

Total Capital Outlay Appropriations \$2,717,000

(Footnotes Continued From Previous Page)

- 3/ 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 A.R.S. § 42-1341.
- 4/ A monthly report comparing total 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. The report shall include an estimate of (a) potential shortfalls in entitlement programs and (b) potential federal and other funds, such as the statewide assessment for indirect costs, that may be available to offset these shortfalls.

Linda Moore-Cannon, Director (Tel. 542-5678)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>323.2</u>	<u>334.0</u>	<u>376.3</u>
Personal Services	<u>8,604,600</u>	<u>8,908,300</u>	<u>9,710,800</u>
Employee Related Exp.	<u>1,962,700</u>	<u>1,727,900</u>	<u>2,138,200</u>
Prof. & Outside Services	626,900	600,200	643,300
Travel - State	153,500	179,100	188,300
Travel - Out of State	51,100	47,800	47,800
Other Operating Exp.	8,048,900	8,541,500	8,913,300
Equipment	<u>1,484,700</u>	<u>1,235,900</u>	<u>1,811,900</u>
All Other Operating Exp.	<u>10,365,100</u>	<u>10,604,500</u>	<u>11,604,600</u>
OPERATION SUBTOTAL	20,932,400	21,240,700	23,453,600
Public Assistance Collection Fund	78,000	184,500	196,900 ^{2/}
ASSISTS Automation	-0-	150,000	-0-
AZTECS Modification	-0-	700,200	669,300
FMCS Modification	-0-	131,300	131,300
Welfare Reform Start-Up	-0-	330,000	-0-
DES West Opening	-0-	-0-	298,000 ^{3/}
LAN Lease-Purchase	-0-	-0-	15,500
Mainframe Lease	-0-	-0-	237,300
ACYF ASSISTS	-0-	-0-	999,300
Aging ASSISTS	-0-	-0-	180,600
DD ASSISTS	<u>-0-</u>	<u>-0-</u>	<u>208,800</u>
TOTAL	21,010,400	22,736,700	26,390,600 ^{4/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Alzheimer's Subcommittee, Ch. 155	--	--	15,000
Omnibus Child Protection Act, Ch. 237	--	--	273,000
Fingerprinting Employees, Ch. 327	--	--	10,000
Children's Mental Health Services, Ch. 334	<u>--</u>	<u>--</u>	<u>245,400</u>
TOTAL APPROPRIATIONS	<u>21,010,400</u>	<u>22,736,700</u>	<u>26,934,000</u>
<u>Fund Summary</u>			
General Fund	20,932,400	22,402,200	26,737,100
Other Funds	<u>78,000</u>	<u>334,500</u>	<u>196,900</u>
TOTAL APPROPRIATIONS	<u>21,010,400</u>	<u>22,736,700</u>	<u>26,934,000</u>

(Continued)

^{1/} Includes 3.5 FTE positions funded from special line items in FY 1989, 5.8 FTE positions in FY 1990, and 47 FTE positions in FY 1991.

(Footnotes Continued on Following Page)

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

The approved amount includes \$417,900 in Personal Services and \$54,900 in Employee Related Expenditures for the operating budget's general salary adjustment.

FTE Positions The approved amount includes an additional 42.3 FTE positions for the following projects:

- ASSISTS - The approved amount includes 42 state-funded FTE positions and \$1,388,700 in special line items to expand the Arizona Social Services Information Statistical Tracking System (ASSISTS). The management information system would provide financial and demographic data to the Division of Developmental Disabilities (DDD), Aging and Adult Administration (AAA) and the Administration for Children Youth and Families (ACYF). The line item detail of these amounts are provided below in the special line item description of these programs.
- Welfare Reform - The approved amount includes 33.4 new staff, including 14.4 state-funded FTE positions, and \$331,200 to provide automation and indirect administrative support for the new federal welfare reform requirements. The new FTE positions would be distributed as follows: Accounting, 1.5; Appeals Board, 2.0; Automation Support, 7.4; Facilities Management, 0.5; Fingerprinting, 0.5; Internal Audit, 0.5; Mail and Supplies, 0.5; Payroll, 0.5; Personnel, 0.5; and Telecommunications, 0.5. With the exception of enhanced funding for automation, the federal government will match 50% of state administrative expenses.
- Protective Services Representation - The approved amount includes 3 state-funded FTE positions and \$128,400 to expand the Attorney General (AG) staff for Child Protective Services. Chapter 237 (H.B. 2690) (see below) funds an additional 7.5 FTE positions for the same purpose. In total, the protective services staff will increase from 22.5 to 33 FTE positions.
- Financial Management Control System - The approved amount includes 6 new staff, including 2.3 state-funded FTE positions, and \$247,700 to enhance the Financial Management Control System. This new Office of Data Administration staff will reduce the backlog of program change and system investigation requests.
- Public Assistance Collection Fund - The approved non-General Fund amount includes 1 new clerical position (.6 state-funded, .4 federal-funded) to prepare court documents to recoup public assistance overpayments.

(Continued)

(Footnotes Continued From Previous Page)

- 2/ As authorized by Laws 1987, Chapter 55, the \$196,900 appropriated for public assistance collection is available for deposit into the Public Assistance Collections Fund (Personal Services, \$126,800; Employee Related Expenditures, \$27,900; and All Other Operating Expenditures, \$42,200).
- 3/ The \$298,000 appropriated for DES West opening shall revert to the State General Fund if the building does not open by June 30, 1991.
- 4/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

- Vacant Position Adjustment - The approved amount eliminates 18 FTE positions held vacant for 2 years. The funding for these positions was eliminated in the FY 1988 ex-appropriation bill (Laws 1988, Chapter 9).
- FTE Reduction Policy - The approved amount eliminates 2 FTE positions as part of the FTE reduction policy.

Personal Services - The approved amount is based upon a 3.1% vacancy factor, which results in vacancy savings of \$287,700. The approved amount includes a permanent reduction of \$54,900 related to the loss of the 2 FTE positions in the FTE reduction policy.

Other Operating Expenditures - The approved amount includes \$182,400 in one-time expenditures for non-capitalized equipment and telephone installation.

Equipment - The approved amount includes \$293,900 for general replacement equipment, \$623,200 for the on-going lease-purchase of computer equipment, \$256,700 for the new lease-purchase of additional equipment and \$154,800 for new employee equipment.

The ongoing lease-purchase amount represents equipment acquisitions initially authorized in the FY 1987 and FY 1988 budgets for Aid to Families with Dependent Children (AFDC) and other federal programs. The lease-purchase schedule appears on page 82 of the FY 1990 Appropriations Report.

The new lease-purchase would permit DES to expand the memory and storage capacity of the existing mainframe computer. The following schedule is a 5-year lease-purchase plan for this equipment. The plan assumes that the state will pay 100% of the interest cost.

	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>State</u>	<u>Federal</u>	<u>Local</u>
FY 1991	451,700	314,600	137,100	256,700	169,900	25,100
FY 1992	451,700	340,700	111,000	240,500	184,000	27,200
FY 1993	451,700	368,900	82,800	223,000	199,200	29,500
FY 1994	451,700	399,600	51,100	204,000	215,800	31,900
FY 1995	451,700	432,700	19,000	183,400	233,700	34,600

Public Assistance Collection Fund - A.R.S. § 46-295 requires 25% of repaid erroneous public assistance benefits to be deposited into the Public Assistance Collections Fund. The approved amount includes \$5,500 in Personal Services and \$700 in Employee Related Expenditures for the general salary adjustment.

This special line funded 3.5 FTE positions in FY 1989, 5.8 FTE positions in FY 1990 and 6.4 FTE positions in FY 1991, all of which have been included in the FTE positions line of the fund summary.

AZTECS Automation - The approved amount funds modifications to the Arizona Technical Eligibility Computer System (AZTECS) to reduce on-line processing time and provide capacity for caseload expansion. AZTECS is the automated eligibility determination system for AFDC and Food Stamps.

(Continued)

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

The approved amount includes \$179,000 for Professional and Outside Services and \$490,300 for the second year of a 5-year lease-purchase. The lease-purchase schedule appears on page 83 of the FY 1990 Appropriations Report.

FMCS Automation - The approved amount includes \$131,300 for Professional and Outside Services to modify the Department's Financial Management Control System (FMCS). In addition, another \$44,300 is funded in the Professional and Outside Services line item. This amount would fund consulting services to install version VI of the Government Financial System software, assist in the installation of additional subsystems, recommend policies and procedures and assist in the development of ongoing training.

DES West Opening - The approved amount funds the opening of the new DES West building, including one-time costs of \$40,200 for moving and \$27,000 for telephone installation. The building is scheduled to open by March 1991. The approved amount also includes \$230,800 for the ongoing monthly lease of telephones from the Department of Administration. The annualized cost of the telephone leases is \$420,000.

LAN Lease Purchase - The approved amount would fund acquisition of a local area computer network to support the project team implementing automation changes required by the federal welfare reform legislation. The following schedule is a 5-year lease-purchase plan for this equipment. The plan assumes that the state will pay 100% of the interest cost.

	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>State</u>	<u>Federal</u>
FY 1991	26,600	19,400	7,200	15,400	11,200
FY 1992	26,600	20,800	5,800	14,600	12,000
FY 1993	26,600	22,300	4,300	13,700	12,900
FY 1994	26,600	23,900	2,700	12,700	13,900
FY 1995	26,600	25,600	1,000	11,700	14,900

Mainframe Lease-Purchase - The approved amount funds acquisition of a second mainframe computer. The additional workload generated by the new federal welfare reform legislation will exceed the capacity of the current mainframe, even after the memory and storage expansions are implemented as described in the Equipment section.

The following schedule is a 5-year lease-purchase plan for this equipment, scheduled to begin in February 1991. The total cost of the mainframe, including the federal share, is \$4,110,500. The plan assumes that the state will pay 100% of the \$773,100 interest cost.

	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>State</u>	<u>Federal</u>
FY 1991	407,000	290,500	116,500	238,500	168,500
FY 1992	976,700	732,500	244,200	551,900	424,800
FY 1993	976,700	785,500	191,200	521,100	455,600
FY 1994	976,700	842,300	134,400	488,200	488,500
FY 1995	976,700	903,100	73,600	452,900	523,800
FY 1996	569,800	556,700	13,100	246,900	322,900

(Continued)

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

ACYF ASSISTS - The approved amount funds a comprehensive on-line case management system to track Administration for Children, Youth and Families (ACYF) clients and providers.

The line item detail of the approved amount is as follows:

FTE Positions	34.0
Personal Services	\$550,600
Employee Related Exp.	121,300
All Other Operating Exp.	<u>327,400</u>
Total	\$999,300

The approved amount includes \$23,700 in Personal Services and \$3,100 in Employee Related Expenditures for the general salary adjustment.

The All Other Operating Expenditures include the following one-time expenses: \$17,000 for telephone installation, \$66,600 for 68 mainframe terminals, and \$69,400 for mainframe printers.

Aging ASSISTS - The approved amount funds continuing development of the Aging and Adult Administration (AAA) ASSISTS system, which was initially financed in the FY 1990 budget. The approved amount provides for training, case conversion, implementation and ongoing maintenance of the system.

The line item detail of the approved amount is as follows:

FTE Positions	3.0
Personal Services	\$ 81,300
Employee Related Exp.	18,300
All Other Operating Exp.	<u>81,000</u>
Total	\$180,600

The approved amount includes \$3,500 in Personal Services and \$500 in Employee Related Expenditures for the general salary adjustment.

The All Other Operating Expenditures include the following one-time expenses: \$3,100 for telephone installation, \$9,700 for non-capitalized equipment, and \$48,600 for capital equipment.

DD ASSISTS - The approved amount funds a project team to provide program maintenance and enhancements to the Developmental Disabilities (DD)/Long Term Care Automated System, which was initially implemented in 1989. This new staff will permit DES to improve the timeliness and accuracy of a) provider payments and b) client characteristic data.

The line item detail of the approved amount is as follows:

FTE Positions	3.6
Personal Services	\$107,000
Employee Related Exp.	23,500
All Other Operating Exp.	<u>78,300</u>
Total	\$208,800

(Continued)

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

The approved amount includes \$4,600 in Personal Services and \$600 in Employee Related Expenditures for the general salary adjustment.

The All Other Operating Expenditures include the following one-time expenses: \$2,700 for telephone installation, \$12,000 for non-capitalized equipment, and \$45,400 for capital equipment.

ADDITIONAL APPROPRIATIONS

Alzheimer's Subcommittee - Chapter 155 (H.B. 2267) - This bill creates a subcommittee on Alzheimer's Disease and related disorders as part of the Advisory Council on Aging. This subcommittee replaces the Advisory Committee on Alzheimer's Disease established under Laws 1988, Chapter 26. The bill also appropriates \$15,000 to the department for the purpose of providing administrative support to the subcommittee.

Omnibus Child Protection Act - Chapter 237 (H.B. 2690) - The bill appropriates \$273,000 for additional protective services representation from the Attorney General's Office. The approved amount provides 9 months funding for 7.5 FTE positions needed to meet the juvenile courts' 120-day dependency hearing requirement. The new staff includes 3 Attorneys, 2 Legal Assistants, 1.5 Legal Secretaries and 1 Clerk Typist. The approved amount also includes \$39,400 for the new staff's equipment.

Fingerprinting Employees - Chapter 327 (S.B. 1242) - This legislation appropriates \$10,000 to pay the cost of mandatory fingerprinting of department employees.

Children's Mental Health Services, Chapter 334 (H.B. 2554) - The bill appropriates \$245,400 to DES for the administration of the new Early and Periodic Screening Diagnosis and Treatment (EPSDT) Mental Health program. EPSDT is a program to provide mental health services to categorically-eligible children. This program is mandated under the federal Omnibus Budget Reconciliation Act (OBRA) of 1989.

With federal matching funds, the bill will provide DES a total expenditure authority of \$490,700 to hire 8 new staff, including 4 state-funded FTE positions. The new staff (1 Coordinator, 1 Psychiatric Program Evaluation Analyst, 2 Contract Management Analysts, 1 Program and Project Specialist, 1 Claims Specialist, 1 Management Analyst and 1 Secretary) will coordinate with other agencies, monitor claims and set policy and write procedures for the new services. The approved amount also includes training and computer programming for the interfacing of EPSDT services on the department's local area network system.

ADDITIONAL LEGISLATION

Venture Teams - Chapter 344 (H.B. 2471) - The bill establishes "venture teams" in the Departments of Economic Security, Corrections and Transportation. The DES venture team shall analyze department operations and make recommendations for increased efficiency.

(Continued)

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

The team shall consist of at least five members with private sector experience and at least five members who presently serve as managers within the department. DES shall hire, subject to appropriation, a private consulting firm whose staff is trained in management analysis and work measurement. The venture team shall submit its findings to the Governor, the President of the Senate and the Speaker of the House of Representatives.

Linda Moore-Cannon, Director (Tel. 542-5678)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>562.1</u>	<u>518.4</u>	<u>702.3</u>
Personal Services	<u>22,519,700</u>	<u>14,617,200</u>	<u>15,092,700</u>
Employee Related Exp.	<u>5,363,200</u>	<u>3,584,300</u>	<u>3,951,200</u>
Prof. & Outside Services	841,000	733,500	1,438,600
Travel - State	273,400	295,900	342,900
Other Operating Exp.	2,499,200	1,741,400	1,179,400
Food	754,600	499,400	412,800
Equipment	<u>21,200</u>	<u>28,600</u>	<u>56,000</u>
All Other Operating Exp.	<u>4,389,400</u>	<u>3,298,800</u>	<u>3,429,700</u> ^{1/}
OPERATION SUBTOTAL	32,272,300	21,500,300	22,473,600
ASH Community Placement	1,500	152,300	157,800 ^{2/}
Assistance to Families	326,500	413,200	463,200 ^{2/}
Coolidge Delay	-0-	2,985,600	-0-
Foster Care	4,323,600	4,063,200	2,343,100 ^{2/}
Housekeeping Payments	387,900	270,300	336,000 ^{2/}
Out-of-District Placement	555,300	808,700	836,800 ^{2/}
Purchase of Care	26,444,300	23,436,700	27,592,600 ^{2/3/}
Stipends and Allowances	9,300	10,400	10,400 ^{2/}
Voc. Rehab. Contracts	<u>117,400</u>	<u>119,200</u>	<u>123,500</u> ^{2/}
TOTAL APPROPRIATIONS	<u>64,438,100</u>	<u>53,759,900</u> ^{4/}	<u>54,337,000</u> ^{5/}

The approved amount includes \$649,900 in Personal Services and \$99,200 in Employee Related Expenditures for the general salary adjustment.

With the implementation of the Title XIX federal long term care program, in FY 1989, developmental disability resources were split into 2 budget programs. Clients eligible for federal reimbursement are funded from the Long Term Care System Fund budget program. All other clients receive assistance through this 100% state-funded program, Developmental Disabilities.

(Continued)

- 1/ The \$3,429,700 appropriated for All Other Operating Expenditures includes \$30,000 for contracted staff support for human rights committees.
- 2/ This program is subject to the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 3/ The \$27,592,600 appropriated for Purchase of Care includes \$247,700 to increase the salaries of direct care staff in vendor-operated facilities.
- 4/ This amount includes a \$5,906,400 supplemental appropriation (Laws 1989, Chapter 2, 2nd Special Session) and a \$5,372,000 transfer from the Long Term Care System Fund (as approved by the Joint Legislative Budget Committee, March 6, 1990).
- 5/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

The Long Term Care program began on December 19, 1988. For FY 1989, the Developmental Disabilities program funds all clients from July 1 through December 19, 1988, and funds only non-Long Term Care clients for the remainder of the fiscal year. Only non-Long Term Care clients are funded from this program in FY 1990 and FY 1991, which accounts for the substantial decrease in funding after FY 1989.

Certification Schedule Adjustment - The original FY 1990 appropriation was based upon the assumption that 186 residents of 9 cottages at the Arizona Training Program at Coolidge would transfer from the 100% state-funded Developmental Disabilities program to the federal Long Term Care program.

Under the current plan, only 4 cottages with 78 clients will be certified to participate in the Long Term Care program by the end of FY 1991. The main barrier to such certification involves the institution's failure to meet federal standards for an active day treatment program.

DES currently plans to phase in federal certification of the Coolidge residential cottages throughout FY 1991. As soon as a cottage is certified, its residents will become eligible for federal funding. In the interim, these clients' cost of care will be incurred in the 100% state-funded Developmental Disabilities program.

The approved amount assumes that 20 clients will be in certified facilities prior to July 1, 1991, with the following certification schedule for 58 additional Coolidge residents:

<u>Certification Date</u>	<u># of clients</u>
July 1, 1990	20
January 1, 1991	18
June 30, 1991	20

The approved amount also assumes that 8 Coolidge residents will transfer outside the facility as follows: federal Long Term Care state-operated group home, 4 residents; federal Long Term Care vendor-operated group home, 2 residents; and 100% state-funded vendor operated group home, 2 residents.

The Department also expects to redirect 30 clients at the Arizona Training Program at Tucson to state and vendor-operated group homes during FY 1991. Such a transfer, however, is not currently reflected in the approved amount. It is the intent of the Legislature that it be kept informed of any transfers.

(Continued)

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

Caseload Projections - The overall Developmental Disabilities client projections are as follows:

	End of FY 1990	End of FY 1991	Reasons for Change
Arizona Training Program: at Coolidge (ATPC) <u>1/</u>	192	126	58 clients transfer to Long Term Care and 8 clients to group homes.
at Tucson (ATPT) <u>2/</u>	38	38	
Large State-Operated Group Homes-Phoenix	5	5	
Other State-Operated Homes	29	29	
ASH Community Placements	15	15	
Assistance to Families	186	208	\$50,000 in additional funding
Foster Care	123	123	
Housekeeping Payments	321	400	Caseload growth in entitlement program
Out-of-District Placement	15	15	
Purchase of Care Residential	453	467	12 aging-out clients, 2 ATPC transfers
Adult Day	1,236	1,278	40 aging-out clients, 2 ATPC transfers
Children Services	1,254	1,508	Waiting list funded
Support Services	1,547	1,547	
Stipends and Allowances	17	17	

1/ As of June 30, 1990, however, the actual client count was higher than 192.
2/ These estimates do not reflect an expected transfer of 30 clients from ATPT to group homes during FY 1991.

FTE Positions - The approved amount reflects a decrease of 11 FTE positions and a transfer-in of 194.9 FTE positions:

- Certification Schedule Adjustment - The approved amount includes a transfer of 194.9 FTE positions from the Long Term Care System Fund to the Developmental Disabilities program.

The original FY 1990 appropriation was based upon the assumption that 186 residents of the Arizona Training Program at Coolidge would transfer from the 100% state-funded Developmental Disabilities program to the federal Long Term Care program. With such a transfer, the staff associated with these clients would be moved to the Long Term Care program as well.

Since only 78 clients are now projected to transfer to Long Term Care coverage by the end of FY 1991, the number of Developmental Disabilities program FTE positions has been adjusted upward.

(Continued)

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

- Case Managers - The approved amount includes 13 FTE positions and \$532,900 for case management services.
- Vacant Position Adjustment - The approved amount eliminates 21 FTE positions held vacant for two years. The funding for these positions was eliminated in the FY 1988 ex-appropriation bill (Laws 1988, Chapter 9).
- FTE Reduction Policy - The approved amount eliminates 3 FTE positions as part of the FTE reduction policy.

Personal Services - The approved amount is based upon a 2.4% vacancy factor, which results in vacancy savings of \$206,200. The approved amount includes a permanent reduction of \$59,900 related to the loss of the 3 FTE positions in the FTE reduction policy. The following positions are exempt from a vacancy factor: Habilitation Nurse I and II and Habilitation Technician I, II and III.

Other Operating Expenditures - The approved amount includes \$60,800 in one-time expenditures for non-capitalized equipment and telephone installation.

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.

Assistance to Families - This program provides payments to families or a guardian to purchase services needed to keep a developmentally disabled person 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 4 years of operation, the approved amount includes a \$50,000 increase over FY 1990.

Coolidge Delay - This amount represented the original FY 1990 cost to the state of not having the Arizona Training Program at Coolidge certified to participate in the federal Long Term Care program by July 1, 1989. The cost subsequently increased, which required an FY 1990 supplemental. Those supplemental funds are reflected in the operating subtotal.

Foster Care - The approved amount provides services for 123 developmentally disabled children, adjudicated dependent by the courts, the same number as in FY 1990. The approved amount funds 31 children in group homes, 90 in family settings and 2 in other settings.

Housekeeping Payments - A.R.S. § 46-252 requires DES to make a \$70 monthly payment to any person who requires housekeeping services and receives Supplemental Security Income (SSI). The approved amount will fund 400 clients, an increase of 79 individuals above FY 1990.

(Continued)

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

Out-of-District Placement - A.R.S. § 15-765 provides that the non-medical and non-educational expenses of mentally handicapped and autistic 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 20 children in FY 1991, the same number as in FY 1990. This amount is intended to fund the waiting list for these services, as outlined in the DES budget submission.

Purchase of Care for Developmental Disabilities - The approved amount funds contracted providers for the following services:

Residential Services	\$ 11,791,600
Adult Day Services	7,505,100
Children Services	4,254,400
Support Services	<u>4,041,500</u>
TOTAL	<u>\$ 27,592,600</u>

The approved amount includes the following:

Aging-out residential services - The approved amount funds part-year residential services for 18 year-olds no longer receiving foster care. The approved amount includes a) an additional \$126,400 to annualize that cost for 14 clients partially funded in FY 1990 and b) \$144,900 to fund 6 months of care for 12 foster care children turning 18 during FY 1991.

Aging-out adult day programs - The approved amount funds part-year adult day services for 22 year-olds no longer receiving a public education. The approved amount includes a) \$70,600 to annualize the cost for 24 clients partially funded in FY 1990 and b) \$133,100 to fund 6 months of care for 40 newly-eligible FY 1991 recipients.

Residential Services - Vendor Salary - The approved amount includes \$247,700 to increase the salaries of direct care staff in vendor-operated facilities.

Client Transfers - The approved amount includes \$61,600 to transfer 2 clients from the Arizona Training Program at Coolidge to a vendor-operated residential facility (\$48,300) and adult day program (\$13,300).

Children Services - The approved amount reflects an additional \$939,000 for children services in FY 1991 and a transfer-out of \$1,432,300. The approved amount includes:

- \$401,300 to annualize the cost of services provided to 219 children in FY 1990.
- \$537,700 to fund the following new services: 117 children for 12 months in family-based developmental day training; 43 children up to age 2 for 12 months in preschool-based training; and 94 children up to age 5 in a summer program.

(Continued)

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

- a transfer-out of \$1,432,300 to the Department of Education (ADE) for the preschool-based training of 256 children, ages 3 to 5. Federal legislation (PL 99-457) mandates that the state set standards for handicapped preschool services by the 1991-92 school year. This transfer will help ensure that a single state agency is responsible for all educational services to children with special needs. DES will retain at least short-term responsibility for the childrens' summer program.

Stipends and Allowances - The approved amount provides weekly allowances to 17 residents of the Arizona Training Programs at Coolidge and Tucson.

Vocational Rehabilitation Contracts - The approved amount provides vocational rehabilitation services to developmentally disabled persons. The federal government matches the state funds at an 80/20% rate.

Provider Increase - It is the intent of the Legislature that the Department of Economic Security shall grant providers an average increase of 3.6%. This increase has been allocated to the appropriate special line items.

ADDITIONAL LEGISLATION

Infants and Toddlers Early Intervention - Chapter 220 (H.B. 2417) - The bill establishes the Department of Economic Security as the lead agency for the coordination of a federally-mandated system of early intervention programs and services to developmentally delayed infants and toddlers. DES, the Department of Education, the Department of Health Services, the Arizona Health Care Cost Containment System Administration and the Arizona School for the Deaf and Blind shall enter into intergovernmental agreements to develop and implement such a system.

JLBC Analyst: Stavneak

Linda Moore-Cannon, Director (Tel. 542-5678)

GENERAL FUND (S) AND LONG TERM CARE SYSTEM FUND (T) ^{1/}		Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	(S) 267.8 (T) <u>706.7</u>	348.3 <u>898.9</u>	296.7 <u>772.8</u>	
Personal Services	(S) 2,373,500 (T) <u>6,029,500</u>	5,459,400 <u>14,088,500</u>	6,219,200 <u>16,200,500</u>	
Employee Related Exp.	(S) 741,800 (T) <u>1,821,800</u>	1,299,400 <u>3,341,000</u>	1,628,200 <u>4,241,200</u>	
Prof. & Outside Services	(S) 549,600 (T) 738,800	699,100 1,892,200	646,300 1,683,500	
Travel - State	(S) 26,900 (T) 62,900	155,300 400,300	169,400 441,500	
Travel - Out of State	(S) -0- (T) -0-	-0- -0-	-0- -0-	
Other Operating Exp.	(S) 256,200 (T) 427,200	677,000 1,671,300	714,500 1,860,500	
Food	(S) 45,500 (T) 85,300	237,400 313,400	248,200 414,600	
Equipment	(S) 107,900 (T) <u>283,100</u>	46,100 <u>119,100</u>	115,400 <u>300,200</u>	
All Other Operating Exp.	(S) 986,100 (T) <u>1,597,300</u>	1,814,900 <u>4,396,300</u>	1,893,800 <u>4,700,300</u>	
OPERATION SUBTOTAL	(S) 4,101,400 (T) 9,448,600	8,573,700 21,825,800	9,741,200 25,142,000	
Acute Care	(S) 1,732,500 (T) 3,483,900	4,288,400 10,049,100	6,437,400 <u>2/</u> 13,801,100	
Coolidge Delay	(S) -0- (T) -0-	(1,192,800) (3,078,100)	-0- -0-	
Fee for Service	(S) 345,100 (T) 345,100	1,340,000 3,520,800	2,272,800 <u>2/</u> 5,920,200	
Foster Care	(S) 645,300 (T) 2,491,100	2,430,300 6,449,500	2,728,100 <u>2/</u> 6,970,700	
Purchase of Care	(S) 2,201,700 (T) 9,273,900	12,943,100 35,049,100	21,127,000 <u>2/3/</u> 51,038,600	

(S) = State General Fund Appropriation

(T) = Total Expenditure Authority

(Continued)

(See Footnotes on Following Page)

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

Reserve	(S)	834,100	-0-	-0-
	(T)	834,100	-0-	-0-
Stipends and Allowances	(S)	-0-	205,400	205,400
	(T)	<u>-0-</u>	<u>205,400</u>	<u>205,400</u> ^{2/}
TOTAL EXP. AUTHORITY	(T)	25,876,700	74,021,600	103,078,000
Less Title XIX and Other Funds		<u>(16,016,600)</u>	<u>(45,433,500)</u>	<u>(60,566,100)</u>
TOTAL APPROPRIATIONS	(S)	<u>9,860,100</u>	<u>28,588,100</u> ^{4/}	<u>42,511,900</u> ^{5/}

(S) = State General Fund Appropriation
 (T) = Total Expenditure Authority

The approved amount includes \$267,800 in state General Fund dollars (S) and \$697,600 in Total Expenditure Authority (T) in Personal Services and \$40,900 (S) and \$106,600 (T) in Employee Related Expenditures for the general salary adjustment.

Long Term Care Program - Laws 1987, Chapter 332, established 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 administers the DD program.

With the implementation of this program, the state is eligible for federal Title XIX Medicaid funding. While DES had paid almost 100% of the cost of DD services, the federal government has now begun to share 62% of this expense for certain individuals.

(Continued)

- ^{1/} A.R.S. § 36-2953 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. The following chart displays both the State General Fund contribution (S) and the Total Expenditure Authority (T) of the Long Term Care System Fund.
- ^{2/} This program is subject to the standardized evaluation system approved by the Joint Legislative Budget Committee.
- ^{3/} The \$51,038,600 appropriated for Purchase of Care includes \$202,300 in state General Funds and \$527,000 in Total Expenditure Authority to increase the salaries of direct care staff in vendor-operated facilities.
- ^{4/} This amount reflects a transfer out of \$5,372,000 (S) and \$13,686,100 (T) to the Developmental Disabilities program (as approved by the Joint Legislative Budget Committee, March 6, 1990).
- ^{5/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

To qualify for federal funding, an individual must have an income below 300% 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 prior 100% state-funded program did not serve all Title XIX eligible clients. As a result, the new federal program has increased participation and reduced the waiting list for services.

Based on an agreement with the federal government, the program operates on a capitated payment basis. As part of this system, the state and federal government have negotiated a fixed payment per day per client.

With the implementation of Title XIX, developmental disability resources have been split into 2 budget programs. This program, the Long Term Care System Fund, finances the care of DD clients who will qualify for federal aid. All other clients continue to receive assistance through the 100% state-funded Developmental Disabilities budget program. The substantial increase in Long Term Care expenditures from FY 1989 to FY 1991 reflects an on-going phase-in of clients from the state to federal programs.

Caseload Projections - The approved amount is based upon an expected end of FY 1991 Long Term Care caseload of 4,008 participants. This estimate includes:

	End of FY 1990	End of FY 1991	Reasons for Change
Arizona Training Program at Coolidge ^{1/}	20	78	58 clients will transfer from Developmental Disabilities
Arizona Training Program at Tucson	45	45	
State Operated Group Homes - Phoenix	41	41	
State Operated Group Homes - Other	73	77	4 ATPC transfers
Fee for Service	187	199	6% caseload growth
Foster Care	280	280	
Purchase of Care Residential	1,134	1,321	17 aging-out clients, 2 ATPC transfers, and 168 client caseload growth
Adult Day	1,007	1,186	23 aging-out clients and 156 client caseload growth
Children Services	498	523	5% caseload growth
Support Services	1,313	1,444	10% caseload growth
Acute Care ^{2/}	3,911	4,333	422 client caseload growth

^{1/} As of June 30, 1990, however, the actual client count was lower than 20.

^{2/} The Acute Care estimate includes Title XIX eligible clients not currently in certified settings. As a result, the Acute Care estimate is higher than the overall caseload projection of Long Term Care clients.

(Continued)

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

Certification Schedule Adjustment - The original FY 1990 appropriation was based upon the assumption that 186 residents of 9 cottages at the Arizona Training Program at Coolidge would transfer from the 100% state-funded Developmental Disabilities program to the federal Long Term Care program.

Under the current plan, only four cottages with 78 clients will be certified to participate in the Long Term Care program by the end of FY 1991. The main barrier to such certification involves the institution's failure to meet federal standards for an active day treatment program.

DES currently plans to phase in federal certification of the Coolidge residential cottages throughout FY 1991. As soon as a cottage is certified, its residents will become eligible for federal funding. In the interim, these clients' cost of care will be incurred in the 100% state-funded Developmental Disabilities program.

The approved amount assumes that 20 clients will be in certified facilities prior to July 1, 1990, with the following certification schedule for 58 additional Coolidge residents:

<u>Certification Date</u>	<u># of clients</u>
July 1, 1990	20
January 1, 1991	18
June 30, 1991	20

The approved amount also assumes that 8 Coolidge residents will transfer outside the facility as follows: federal Long Term Care state-operated group home, 4 residents; federal Long Term Care vendor-operated group home, 2 residents; and 100% state-funded vendor operated group home, 2 residents.

The Department also expects to redirect 30 clients at the Arizona Training Program at Tucson to state and vendor-operated group homes during FY 1991. Such a transfer, however, is not currently reflected in the approved amount. It is the intent of the Legislature that it be kept informed of any transfers.

FTE Positions - The approved amount reflects an increase of 26.4 state-funded (S) and 68.8 total expenditure authority (T) positions and a transfer-out of 78 (S) and 194.9 (T) FTE positions.

- Certification Schedule Adjustment - The approved amount includes a transfer-out of 78 (S) and 194.9 (T) FTE positions to the Developmental Disabilities program.

The original FY 1990 appropriation was based upon the assumption that 186 residents of the Arizona Training Program at Coolidge would transfer from the 100% state-funded Developmental Disabilities program to the federal Long Term Care program. With such a transfer, the staff associated with these clients would be moved to the Long Term Care program as well.

Since only 78 clients are now projected to transfer to Long Term Care coverage by the end of FY 1991, the number of Long Term Care FTE positions has been adjusted downward.

(Continued)

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

- ASH Coordinator - The approved amount includes 0.4 (S) and 1 (T) FTE position and \$15,900 (S) and \$41,400 (T) to coordinate the relocation of 15 Arizona State Hospital residents to community placements.
- Case Managers - The approved amount includes 15.3 (S) and 40 (T) FTE positions and \$573,800 (S) and \$1,494,600 (T) for case management services. This amount should allow the department to meet its agreement with the federal government to provide 1 case manager per 30 clients, with any shortage being covered by a transfer of case managers from the Developmental Disabilities program. The approved amount would fund Human Service Specialist II's, Human Service Unit Supervisors and Secretaries, but is not intended to include Information Processing Specialists.
- Claims Processing - The approved amount includes 2.3 (S) and 6 (T) FTE positions and \$74,600 (S) and \$194,500 (T) for additional information processing and claims specialists, which would help ensure the timely payment of Purchase of Care and Acute Care claims.
- Certification Staffing - The approved amount includes 3.5 (S) and 9 (T) FTE positions and \$232,200 (S) and \$604,500 (T) to help ensure that the department can meet federal Long Term Care certification standards. The positions include 1 Long Term Care Program Administrator (Grade 24) who will have overall responsibility for insuring implementation of federal standards; 4 certification coordinators (2 Grade 22 and 2 Grade 19 positions) who will monitor compliance with federal standards on a daily basis; and 4 nurses (Grade 18) who will provide direct therapy services and will perform staff training.
- Licensing and Monitoring - The approved amount includes 3.1 (S) and 8 (T) FTE positions and \$137,200 (S) and \$357,300 (T) to license and monitor community residential placements. State statute requires an inspection of each licensed setting annually and a reinspection whenever a setting relocates.
- Nursing Staff - The approved amount includes 1.5 (S) and 4 (T) FTE positions and \$159,800 (S) and \$416,100 (T) to assess the health of certain clients in need of monitoring.
- Provider Registration - The approved amount includes 2.3 (S) and 6 (T) FTE positions and \$106,600 (S) and \$277,900 (T) to serve as contract management specialists. This staff would a) ensure that contracts are processed in a timely fashion and b) monitor contract compliance.
- FTE Reduction Policy - The approved amount eliminates 2 (S) and 5.2 (T) FTE positions as part of the FTE reduction policy.

Personal Services - The approved amount is based upon a 1.7% vacancy factor, which results in vacancy savings of \$126,800 (S) and \$330,300 (T). The approved amount includes a permanent reduction of \$39,900 (S) and \$103,900 (T) related to the loss of 2 (S) and 5.2 (T) FTE positions in the FTE reduction policy. The following positions are exempt from a vacancy factor: Habilitation Nurse I and II and Habilitation Technician I, II and III.

(Continued)

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

Professional and Outside Services - The approved amount includes \$106,000 (S) and \$276,000 (T) for contracted nursing support to supplement the services performed by the 4 new nursing FTE positions.

Other Operating Expenses - The approved amount includes \$116,300 (S) and \$303,000 (T) in one-time expenditures for non-capitalized equipment and telephone installation.

Acute Care - The department is required by state law to provide acute as well as long term care for its Title XIX clients. The approved amount will fund an average of 4,122 clients throughout the year and 4,333 clients by the end of FY 1991. The approved amount has also been adjusted by 10% for medical inflation.

The approved amount includes \$96,900 (T) for the cost of providing federally-required Qualified Medicare Beneficiary (QMB) coverage to a projected 942 clients by the end of FY 1991.

Fee for Service - Medically fragile children and on-reservation American Indians receive assistance on a traditional fee for service basis rather than through a capitated payment system. The approved amount will fund 186 American Indians and 13 medically fragile children by the end of FY 1991 — an increase of 12 clients, or 6%, above the end of FY 1990 caseload.

Foster Care - The approved amount provides services for 280 developmentally disabled children adjudicated dependent by the courts, the same number as in FY 1990. The approved amount funds 127 children in group homes and 153 children in family settings.

The federal government does not reimburse the state for Foster Care room and board, which is projected to cost \$1,128,300 in FY 1991. The approved amount is based upon the state paying \$483,400, or 42.8% of this cost, with the remaining \$644,900 being financed by client billing revenue.

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

	(S)	(T)
Residential Services	\$11,971,200	\$31,183,300
Residential Room and Board	1,017,000	5,128,600
Adult Day (100% state)	3,107,300	3,107,300
Adult Day (Title XIX)	2,005,100	5,223,000
Children Services (100% state)	926,500	926,500
Children Services (Title XIX)	232,000	604,400
Support Services	2,489,500	6,484,700
Caseload Adjustment	(621,600)	(1,619,200)
Total	\$21,127,000	\$51,038,600

(Continued)

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

The approved amount includes the following:

- Aging-out residential services - The approved amount funds part-year residential services for 18 year-olds no longer receiving foster care. The Legislature has approved a) \$71,300 (S) and \$185,700 (T) to annualize the cost for 14 clients partially funded in FY 1990 and b) \$85,600 (S) and \$239,500 (T) to fund 6 months of care for 17 foster care children turning 18 during FY 1991.
- Residential Services -- Caseload Growth - The approved amount includes \$776,200 (S) and \$2,022,000 (T) in residential services and \$67,000 (S) and \$338,500 (T) in room and board for 10% caseload growth and a projected increase of 54 off-reservation American Indian referrals. Excluding these referrals, caseload is expected to grow from 1,134 clients at the end of FY 1990 to 1,248 clients at the end of FY 1991.
- Residential Services -- Vendor Salary - The approved amount includes \$202,300 (S) and \$527,000 (T) to increase the salaries of direct care staff in vendor-operated facilities.
- Residential Services -- Client Transfers - The approved amount includes \$18,500 (S) and \$48,100 (T) in residential services and \$1,600 (S) and \$8,100 (T) in room and board to transfer 2 clients from the Arizona Training Program at Coolidge to a vendor-operated residential facility.
- Residential Room and Board - The federal government does not reimburse the state for room and board, which is projected to cost \$5,128,600 in FY 1991. The approved amount is based upon the state General Fund paying \$1,017,000, or 19.8% of this cost, with the remaining \$4,111,600 being financed by client billing revenue.
- Aging-out adult day programs - The approved amount funds part-year adult day services for 22 year-olds no longer receiving a public education. The Legislature has approved a) \$27,100 (S) and \$70,600 (T) to annualize the cost for 24 clients partially funded in FY 1990 and b) \$32,400 (S) and \$84,300 (T) to fund 6 months of care for 23 newly-eligible FY 1991 clients.
- Adult Day (100% state) - The approved amount funds 409 Long Term Care clients that are ineligible to receive federal reimbursement for their adult day program. While a client may receive Long Term Care residential services, the federal government will not reimburse certain types of adult day vocational training for that client. The approved amount does not assume any growth in this population during FY 1991.
- Adult Day (Title XIX) - The approved amount includes \$219,600 (S) and \$572,000 (T) for 17% caseload growth and a projected increase of 54 off-reservation American Indian referrals. Excluding these referrals, caseload is expected to grow from 598 clients at the end of FY 1990 to 700 clients at the end of FY 1991.

(Continued)

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

- Children Services (100% state) - The approved amount is based upon the assumption that the Title XIX federal Medicaid program will not reimburse educational expenses such as developmental day training. The approved amount includes:
 - a transfer-out of \$478,700 (S and T) to the Department of Education (ADE) for the preschool-based training of 178 children age 3 to 5. Federal legislation (PL 99-457) mandates that the state set standards for handicapped preschool services by the 1991-1992 school year. This transfer will help ensure that a single state agency is responsible for all educational services to children with special needs. DES will retain at least short-term responsibility for the childrens' summer program.
 - \$33,600 (S and T) for 7.8% caseload growth for an average of 6 months. Caseload is expected to grow from 320 clients at the end of FY 1990 to 347 clients at the end of FY 1991.
- Children Services (Title XIX) - The approved amount is based upon the assumption that the Title XIX federal Medicaid program will reimburse a summer training program. The approved amount includes \$5,500 (S) and \$14,300 (T) for 5% caseload growth. Caseload is expected to grow from 398 clients at the end of FY 1990 to 418 clients at the end of FY 1991.
- Support Services - The approved amount includes \$218,400 (S) and \$569,000 (T) for 10% caseload growth. Caseload is expected to grow from 1,313 clients at the end of FY 1990 to 1,444 at the end of FY 1991.
- Caseload Adjustment - The approved amount includes a reduction of \$600,000 (S) and \$1,562,900 (T) to be allocated as appropriate among the various services. The caseload growth factors may be overstated and this adjustment is intended as a correction factor.

Stipends and Allowances - The approved amount provides weekly allowances to 335 residents of state facilities.

Provider Increase - It is the intent of the Legislature that the Department of Economic Security shall grant providers an average increase of 3.6%. This increase has been allocated to the appropriate special line items.

JLBC Analyst: Stavneak

Linda Moore-Cannon, Director (Tel. 542-5678)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>660.5</u>	<u>709.9</u> ^{1/}	<u>826.9</u> ^{1/}
Personal Services	<u>13,117,900</u>	<u>13,812,700</u>	<u>16,421,200</u>
Employee Related Exp.	<u>2,972,400</u>	<u>2,976,800</u>	<u>4,046,900</u>
Prof. & Outside Services	85,800	50,100	50,100
Travel - State	279,200	284,700	358,500
Other Operating Exp.	2,351,200	2,237,800	3,282,500
Equipment	<u>267,200</u>	<u>4,000</u>	<u>102,000</u>
All Other Operating Exp.	<u>2,983,400</u>	<u>2,576,600</u>	<u>3,793,100</u>
OPERATION SUBTOTAL	19,073,700	19,366,100	24,261,200
AFDC	40,766,200	48,869,500 ^{2/}	55,147,500 ^{3/4/}
Child Support Automation	-0-	299,800	291,100
Child Support Restructuring	-0-	1,200,000 ^{1/}	1,229,200 ^{1/3/}
Emergency Assistance	1,003,600	1,093,000	849,500 ^{3/}
General Assistance	9,991,400	11,510,300	14,348,700 ^{3/}
SLIAG Reimbursement	26,100	738,700	-0-
Supplemental Payments	928,200	-0-	-0-
Tuberculosis Control	25,100	27,800	29,400 ^{3/}
Food Distribution Information	22,900	23,200	24,000 ^{3/}
Homeless Shelter	378,100	264,400	318,900 ^{3/}
Information and Referral	79,600	87,800	111,000 ^{3/5/}
Rural Food Bank Project	<u>57,600</u>	<u>62,600</u>	<u>64,900</u> ^{3/}
TOTAL	72,352,500	83,543,200	96,675,400 ^{6/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Homeless Coordination Office, Ch. 260	--	--	80,000
→ Homeless Trust Fund, Ch. 315	--	--	705,000
Assistance Payments, Ch. 406	--	--	<u>547,000</u>
TOTAL APPROPRIATIONS	<u>72,352,500</u>	<u>83,543,200</u>	<u>98,007,400</u>

(Continued)

- 1/ Includes 38.4 FTE positions funded in the Child Support Restructuring line item.
- 2/ The amount includes a \$1,876,200 supplemental appropriation [Laws 1989, Chapter 2 (H.B. 2003), 2nd Special Session] and a \$1,319,300 transfer (as approved by the Joint Legislative Budget Committee, May 16, 1990).
- 3/ This program is subject to the standardized evaluation system approved by the Joint Legislative Budget Committee.

(Footnotes Continued on Following Page)

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

The approved amount includes \$707,100 in Personal Services and \$91,800 in Employee Related Expenditures for the operating budget's general salary adjustment.

FTE Positions - The approved amount includes an additional 117 FTE positions for the following:

- Eligibility Workers - The approved amount includes 102 FTE positions and \$2,812,700 for additional Aid to Families with Dependent Children (AFDC) and Food Stamp eligibility workers. Since the federal government will match AFDC/Food Stamp state administrative expenses on a dollar-for-dollar basis, this appropriation will result in a total increase of 204 positions. The new staff include 130 Public Assistance Eligibility Interviewer IIs and 74 related staff.

This adjustment would increase the number of eligibility workers by 18.3%, the same percentage growth as occurred in the number of AFDC/Food Stamp recipients during the last year. Given that staff is increasing at the same rate as recipients, caseload staffing ratios should remain stable. Significant increases in the caseload per worker would hamper efforts to reduce the AFDC/Food Stamp error rate and to maintain the current timely determination of benefits.

- Welfare Reform -- AFDC-UP Staff - The approved amount is based upon 23 new staff, including 11.5 state-funded FTE positions, and \$392,400 to implement the AFDC-Unemployed Parent (UP) program. The new staff includes 13 Public Assistance Eligibility Interviewer IIs and 10 related staff.
- Welfare Reform -- Information and Screening - The approved amount is based upon 26 new staff, including 13 state-funded FTE positions, and \$423,700 to meet federal requirements for providing recipients with information on support services and for assessing their job readiness. The new staff includes 18 Public Assistance Eligibility Interviewer IIs and 8 related staff.

(Continued)

(Footnotes Continued From Previous Page)

- 4/ Except as otherwise provided by law, the \$55,147,500 appropriated for Aid to Families with Dependent Children is based on 47.2% of need as defined by the 1983 Uniform Assistance Payments Standard. This appropriation shall be exempt from the transfer of funds provisions of A.R.S. § 35-173 (C), and a transfer of funds to or from this account shall require approval of the Joint Legislative Budget Committee. (NOTE: Chapter 406 (H.B. 2524) revised the AFDC payment standard to 36% of the 1990 federal poverty level.)
- 5/ It is the intent of the Legislature that the \$111,000 appropriated for information and referral services shall be used to fund such services in each city of the state with a population of more than 250,000 persons and that no contract shall be for less than \$20,000.
- 6/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

- Welfare Reform -- Transitional Child and Health Care Eligibility - The approved amount is based upon 5 new staff, including 2.5 state-funded FTE positions, and \$79,800 to determine eligibility for transitional child and health care. The new staff includes 4 Public Assistance Eligibility Interviewer IIs and 1 related staff.
- Vacant Position Adjustment - The approved amount eliminates 8 FTE positions held vacant for 2 years. The funding for these positions was eliminated in the FY 1988 ex-appropriation bill (Laws 1988, Chapter 9).
- FTE Reduction Policy - The approved amount eliminates 4 FTE positions as part of the FTE reduction policy.

Personal Services - The approved amount is based upon a 1% vacancy factor, which results in vacancy savings of \$133,200. The approved amount includes a permanent reduction of \$83,100 related to the loss of the 4 FTE positions in the FTE reduction policy. The following positions are exempt from a vacancy factor: Public Assistance Eligibility Interviewer II, Public Assistance Eligibility Unit Supervisor and the clerical staff of the Family Assistance Administration.

The approved amount also includes \$24,400 in Personal Services and ERE to annualize the cost of the FY 1990 classification maintenance review (CMR) adjustments for eligibility workers. This amount is over and above the \$402,700 included in the FY 1990 estimate for the first year cost of the CMR.

Other Operating Expenditures - The approved amount includes \$685,700 in one-time expenditures for non-capitalized equipment and telephone installation.

Aid to Families with Dependent Children - The approved amount will fund monthly payments for an average of 137,359 recipients in single-parent households -- an increase of 15,909 individuals, or 13.1%, above estimated FY 1990 participation. This percentage growth factor is based upon the program's caseload increase during the last 12 months.

The approved amount also incorporates the following assumptions:

- 1) assistance payments based on 47.2% of need, as defined by the 1983 payments standard. As described below, Chapter 406 (H.B. 2524) revises the payment standard to 36% of the federal poverty level, as of June 1991. Chapter 406 appropriates \$531,500 to cover the cost of the benefit increase.
- 2) an average monthly grant of \$88.95, a 0.6%, or 53 cent, increase above the estimated FY 1990 average cost; and
- 3) a state match rate of 36.3%, with the federal government financing the remainder.

The approved amount also funds the benefit payments for the AFDC-Unemployed Parent (UP) program. Federal law requires the state to implement AFDC-UP by October 1, 1990. While the state had previously opted to assist only one-parent households, this program provides cash payments to two-parent families if the principal wage earner is unemployed or otherwise incapacitated.

(Continued)

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

Starting October 1990, the approved amount includes \$1,896,200 to fund an average caseload of 7,403 recipients at an average cost of \$78.50 per month. The federal government is expected to provide \$3,334,000 in matching funds.

AFDC-UP is expected to increase the Arizona AFDC population by 5%. Nationwide, UP households represent 11.8% of the AFDC caseload. Two factors, however, are likely to reduce Arizona's UP participation below the nationwide average: a) households can only participate for 6 of every 12 months, an option previously not exercised by most states and b) UP households will have to participate in some work activity before they receive benefits.

Child Support Automation - The approved amount funds the lease-purchase of automation equipment for the Child Support Enforcement Administration. Several studies had singled out the department's lack of automation as the biggest obstacle to improving the program's collection rate.

The approved amount represents the second year of a 5-year lease-purchase of both a central processing unit upgrade and individual hardware. The lease-purchase schedules appear on page 98 of the FY 1990 Appropriations Report.

Child Support Restructuring - Laws 1989, Chapter 295, appropriated \$1,200,000 as part of a multi-year restructuring plan to increase child support collections by reducing collector caseloads from 5,600:1 to 1,500:1. The appropriation funded 113 new staff, including 38.4 state-funded FTE positions.

Under the restructuring plan originally promoted by DES, the Child Support Enforcement Administration would eventually become self-sufficient through the use of retained AFDC child support collections. The DES plan would have reduced the state General Fund contribution to \$600,000 in FY 1991. Since DES has had difficulty filling its new positions, the increase in collections is less than expected. As a result, DES will not generate sufficient revenue to permit a reduction in the General Fund contribution and still hire more staff to reduce the collector caseload ratios.

The approved amount retains the \$1,200,000 General Fund subsidy in FY 1991. With this same level of General Fund support, DES will have sufficiently higher retained collections to hire another 175 positions. (These new positions do not count against the FTE ceiling since they are funded with retained collections.)

The approved amount also includes \$25,800 in Personal Services and \$3,400 in Employee Related Expenditures for the general salary adjustment.

The line item detail of the approved amount is as follows:

FTE Positions	38.4
Personal Services	\$ 598,700
Employee Related Expenditures	147,600
All Other Operating	<u>482,900</u>
Total	\$1,229,200

(Continued)

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

Emergency Assistance - This state-funded program provides temporary financial assistance in emergency situations without reference to certain eligibility factors required for other welfare programs. The approved amount will fund an average of 548 payments per month at an average cost of \$129.08.

The approved amount represents a 25% reduction from the prior year. The implementation of the AFDC-UP program, as described above, reduces the need for this type of service. AFDC-UP is projected to increase the level of cash benefits in the state by \$5,230,200.

General Assistance - This state-funded program provides financial aid to persons who are unemployable because of a physical or mental disability. The approved amount will fund payments for an average of 7,200 recipients per month -- an increase of 1,200 individuals, or 20%, above estimated FY 1990 participation. The percentage growth factor is based upon the program's caseload increase during the last 12 months.

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 "reimbursable." The state must assist ELAs with its own funds, then be reimbursed for this expense by the federal government.

In FY 1989, the Legislature initially approved over \$800,000 in "up-front" funding to prevent a cash-flow problem. Given that DES only spent \$26,100 in FY 1989, however, the need for up-front funding has declined. As a result, the approved amount contains no funds for SLIAG.

Tuberculosis Control - The appropriation provides assistance to persons certified unemployable by the State Tuberculosis Control Office because of communicable tuberculosis. The approved amount will fund payments to 17 recipients at an average monthly cost of \$144.12.

Food Distribution Information - A.R.S. § 41-1954 requires the department to coordinate and assist public and private nonprofit organizations that aid the hungry throughout the state. These funds are used to a) inform the hungry about potential sources of food and b) operate a toll-free telephone line for donors to notify food banks of the availability of food.

Homeless Shelter - Along with private sector, city and county funds, this program addresses the emergency and transition shelter needs of the homeless. The approved amount includes an additional \$45,000 to expand services beyond the 11 shelters currently receiving assistance. In addition, Chapter 315 (H.B. 2177), as described below, appropriates another \$705,000 for this purpose.

(Continued)

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

Information and Referral Services - The approved amount, when matched with an estimated \$261,100 of the Social Services Block Grant, 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. The approved amount funds information and referral services for a minimum of \$20,000 in each city of the state with a population of more than 250,000 persons.

Rural Food Bank - The approved amount funds a rural food bank project in Willcox.

Provider Increase - It is the intent of the Legislature that the Department of Economic Security shall grant providers an average increase of 3.6%. This increase has been allocated to the appropriate special line items.

ADDITIONAL APPROPRIATIONS

Homeless Coordination Office - Chapter 260 (H.B. 2318) - The bill establishes an office within the department to coordinate assistance to public and private nonprofit organizations which prevent homelessness or aid homeless individuals throughout the state. The legislation appropriates \$80,000 for the purpose of defraying the administrative costs associated with establishing this office.

Homeless Trust Fund - Chapter 315 (H.B. 2177) - The bill appropriates \$705,000 to expand assistance for homeless shelters and supportive services. This amount will supplement the \$318,900 appropriation for homeless shelters in the General Appropriation Act.

In addition, the bill also establishes the Homeless Trust Fund. Unclaimed void warrants, up to a level of \$1 million, will serve as the source of financing for the fund. During the first year, trust fund expenditures are limited to not more than \$200,000 of the proceeds. In subsequent years, expenditures are limited to interest earned in the fund.

Trust fund monies may be spent on homeless shelter and supportive services as provided in guidelines to be established by the newly mandated Homeless Trust Fund Oversight Committee.

Assistance Payments - Chapter 405 (H.B. 2524) - The bill increases the AFDC payment level from 47.2% of the 1983 standard of need to 36% of the 1990 federal poverty level, as of June 1, 1991. Beginning July 1, 1991, and each fiscal year thereafter, payments shall continued to be indexed to that year's federal poverty level. As a result, the maximum monthly payment for a family of three is expected to increase from the current \$293 to \$317 in June 1991 and \$334 in July 1991.

The bill includes an appropriation of \$531,500 for the June 1991 benefit increase and \$15,500 for administrative costs. In addition, the bill contains a \$103,300 appropriation for the Arizona Health Care Cost Containment System (AHCCS). The estimated FY 1992 cost of the bill is \$12 million.

(Continued)

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

ADDITIONAL LEGISLATION

Senior Utility Assistance - Chapter 156 (S.B. 1128) - The bill delays the repeal of the electric and natural gas utility assistance program for low-income senior citizens from June 30, 1990 to June 30, 1991.

Linda Moore-Cannon, Director (542-5678)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>461.0</u>	<u>462.0</u> ^{1/}	<u>540.5</u> ^{1/}
Personal Services	<u>12,914,700</u>	<u>13,078,400</u>	<u>15,183,600</u>
Employee Related Exp.	<u>2,907,800</u>	<u>2,626,700</u>	<u>3,470,200</u>
Prof. & Outside Services	38,000	39,500	239,500
Travel - State	297,500	405,700	471,100
Other Operating Exp.	1,165,600	1,232,500	1,921,400
Equipment	-0-	-0-	79,600
All Other Operating Exp.	<u>1,501,100</u>	<u>1,677,700</u>	<u>2,711,600</u>
OPERATION SUBTOTAL	17,323,600	17,382,800	21,365,400
Adoption Services	9,155,300	12,589,500 ^{2/}	14,879,500 ^{3/}
Adult Services	6,396,000	7,157,000 ^{2/}	7,422,600 ^{3/}
Children Services	29,405,200	31,543,100 ^{2/}	38,637,200 ^{3/}
Child Severance Project	195,800	182,600	189,200 ^{3/}
CMDP	6,312,000	8,030,700 ^{4/}	11,210,800 ^{3/}
Day Care	15,487,800	17,888,900 ^{2/}	19,487,600 ^{3/5/}
LTC Ombudsman	-0-	116,000	116,000
Intensive Family Services	-0-	-0-	489,700 ^{3/}
High Risk Infant Services	-0-	-0-	475,000 ^{3/}
Institutional Support Payments	-0-	490,300 ^{2/}	490,800 ^{3/}
Transitional Child Care	-0-	106,100	948,600 ^{3/}
JOBS Child Care	-0-	-0-	856,100 ^{3/}
TOTAL	84,275,700	95,487,000	116,568,500 ^{6/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Omnibus Child Protection Act, Ch. 237	<u>---</u>	<u>---</u>	<u>1,893,000</u>
TOTAL APPROPRIATIONS	<u>84,275,700</u>	<u>95,487,000</u>	<u>118,461,500</u>

(Continued)

- ^{1/} In addition, 0.5 FTE position is funded from the Long-Term Care (LTC) Ombudsman line item in FY 1990 and FY 1991.
- ^{2/} Laws 1989, Chapter 2, 2nd Special Session included the following Social Services supplemental appropriations, which have been incorporated into the FY 1990 estimate: Adoption Services, \$1,500,000; Adult Services \$480,400; Children Services, \$1,200,000; Day Care, \$2,772,400; and Institutional Support Payments, \$64,500.
- ^{3/} This program is subject to the standardized evaluation system approved by the Joint Legislative Budget Committee.
- ^{4/} The amount includes a transfer-out of \$1,319,300 (as approved by the Joint Legislative Budget Committee, May 16, 1990).
- ^{5/} The \$19,487,600 appropriated for day care represents a day care subsidy for children of families whose income does not exceed a maximum of 65% of the state median income as determined by the Department of Economic Security.
- ^{6/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

The approved amount includes \$653,800 in Personal Services and \$87,600 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes an additional 78.5 FTE positions for the following:

- Adult Protective Services - The approved amount includes 9 FTE positions and \$312,700 to improve the current 73% investigation rate of elderly abuse, neglect, and exploitation reports. The new staff include 1 Human Services Unit Supervisor, 3 Human Services Specialist IIIs, 4 Human Service Worker IIs, and 1 Secretary.
- Child Protective Services (CPS) - The approved amount includes 68 FTE positions and \$2,058,200 to improve the current 87% investigation rate of child abuse, abandonment, neglect, or exploitation reports. Although FY 1990 reports increased by 15% and no new staff were provided, CPS has been able to increase its investigation rate over FY 1989's 86% rate. Based upon the current year's performance and the inclusion of new staff, CPS' FY 1991 investigation rate should increase.

Thirty-four FTE positions are fully funded at a cost of \$1,218,500, and 34 FTE positions are funded for 8 months at a cost of \$839,700. The new staff include 41 Human Services Specialist IIIs, who are responsible for screening and investigating reports, and 27 related staff.

- Welfare Reform - Transitional and JOBS Child Care - The approved amount is based upon 23 new staff, including 11.5 state-funded FTE positions, and \$346,400 to implement two new federally-mandated child care programs. As described in more detail below, these programs will serve households a) transitioning from welfare to work or b) participating in job training. The federal government will match state administrative costs on a dollar for dollar basis.

The new staff include 11 Human Services Specialist Is, who will act as case managers, and 7 related staff. The number of case managers is based upon a staffing ratio of 1 worker per 250 cases. Of the new positions, 9 transitional child care staff have been funded for 12 months and 9 JOBS staff have been funded for 10.5 months.

The approved amount for the Division of Family Support also includes 5 new positions for transitional child care. While the Family Support staff will determine eligibility for these benefits, the Social Services case managers will a) provide information on the types and location of reasonably accessible child care, b) determine the family co-payment and c) authorize hours and payments.

In addition, the approved amount includes an administrative staff of 5 to set policies and write procedures for the new program. These positions have been funded for 10.5 months.

(Continued)

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

FTE Positions (Cont'd)

- Vacant Position Adjustment - The approved amount eliminates 7 FTE positions held vacant for 2 years. The funding for these positions was eliminated in the FY 1988 ex-appropriation bill (Laws 1988, Chapter 9).
- FTE Reduction Policy - The approved amount eliminates 3 FTE positions as part of the FTE reduction policy.

Personal Services - The approved amount is based upon a 0.5% vacancy factor, which results in vacancy savings of \$75,700. The approved amount includes a permanent reduction of \$85,500 related to the elimination of the 3 FTE positions as part of the FTE reduction policy. The following positions are exempt from a vacancy factor: Human Services Unit Supervisor, Human Services Specialist I, II and III, Human Services Worker II, Contract Management Specialist II, Secretary and Clerk Typist II.

Professional and Outside Services - The approved amount funds \$200,000 for the independent review of the need for medical/mental health services provided by Adoption Services and the Comprehensive Medical and Dental Program (CMDP).

Other Operating Expenditures - The approved amount includes \$316,100 in one-time expenditures for non-capitalized equipment and telephone installation.

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 will fund services for an average of 1,750 children per year -- an increase of 165 children, or 10.5%, above estimated FY 1990 participation. The approved amount is also based upon a) an average annual cost per child of \$8,905.55 and b) Title IV-E federal and other trust revenues of \$701,800.

Laws 1989, Chapter 2, 2nd Special Session included a \$1,500,000 supplemental for Adoption Services.

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

- o Adult Protective Services \$ 120,000
Evaluates allegations of abuse. The approved amount includes an additional \$20,500 for emergency services.

(Continued)

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

Adult Services (Cont'd)

- o Supplemental Payments 3,475,600
 Provides housekeeper, home health aide and visiting nurse services for SSI-eligible households. The approved amount will fund the following caseload growth: 2.6% in housekeeping, 0.0% in home health aid, and 10.1% in visiting nurse services. The caseload and the average cost estimates are as follows:

	<u># of New Clients</u>	<u>Avg. # of Clients</u>	<u>Avg. Monthly Cost</u>
Home Health Aide	0	600	\$63.85
Housekeeping Payments	85	3,348	68.05
Visiting Nurse	39	431	54.52

This estimate also incorporates \$480,400 in supplemental funding, which was approved as part of the Laws 1989, Chapter 2, 2nd Special Session.

- o Home Care 2,107,200
 Provides supplemental payment services plus personal care to non-SSI households. The approved amount will fund an average of 60 hours of services for 2,536 individuals at an average cost of \$13.85 per hour.

- o Older Americans Act 835,900
 Matches federal funds for congregate and home-delivered meals as well as other social services. The approved amount will provide home-delivered meals to 10,723 individuals and congregate meals to 43,132 individuals. The approved amount includes a \$22,500 state match for the federal cost sharing requirements of Title III-B, and \$100,000 in 100% state funds to the 8 Area Agencies on Aging to provide support services, senior centers, and nutrition services.

- o Assessments and Case Management 731,200
 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. The approved amount will provide case management services to 15,888 persons.

- o Advisory Committee on Alzheimer's Disease -0-
 Funding for this program has been dropped from the Division of Social Services. Laws 1990, Chapter 155 funds this program for FY 1991 (see DES' Division of Administration).

- o Geriatric Nurse 20,000
 The approved amount will help fund the cost of a geriatric nurse to dispense drugs to the elderly.

(Continued)

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

Adult Services (Cont'd)

- o Provider Increase 132,700
FY 1990 provider adjustment of 3.6%.

TOTAL

\$7,422,600

Children Services - The appropriation funds a range of services to ensure the well-being of children. The approved amount is based on an estimated 10% increase in Child Protective Services reports that are classified as "appropriate for investigation". Investigations result in use of contracted services. Based on the 10% increase in reports, the funds for each of the following type of services has increased 10% over FY 1990 estimates.

- o In-home services \$4,456,400
Resolves family problems through the use of counseling, day support and parent aides -- while the child remains in the home.
- o Out-of-home services (Foster Care) 28,911,700
Requires removal of the child from the home and his/her placement in family foster care or other residential setting.
- o Child protective services 4,409,100
Provides support services -- assessments, transportation-- related to removing abused children from the home.
- o Title IV-E Offset (500,000)
In FY 1990, DES used \$2,800,000 in Title IV-E and other funds to offset the cost of Children Services. Title IV-E represents federal funds for foster care children from Aid to Families with Dependent Children (AFDC) households. In FY 1991, the budgeted offset has been reduced to \$500,000.
- o Provider increase 1,360,000
FY 1991 provider adjustment of 3.6%.

TOTAL

\$38,637,200

Laws 1989, Chapter 2, 2nd Special Session contained a \$1,200,000 Children Services supplemental.

Child Severance Project - Based upon Laws 1986, Chapter 205, this project is designed 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 includes \$6,600 for the 3.6% provider increase adjustment.

(Continued)

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

Comprehensive Medical and Dental - The appropriation provides full coverage of the medical and dental expenses of foster children under the jurisdiction of the Department of Economic Security, Juvenile Probation Offices and the Department of Corrections.

The approved amount will fund medical services for an average of 5,664 children — an increase of 515 children, or 10%, above estimated FY 1990 participation. The amount is based upon an average annual cost of \$2,739 per child, a 9% increase from the expected FY 1990 cost.

With \$308,100 in Independent Professional Review Team fees, the total program would be expected to cost \$15,511,500. The program will be funded from the following sources:

- | | |
|--|--------------|
| o State General Fund | \$11,210,800 |
| o AHCCCS Title XIX and Third Party Liability Payments | 4,300,700 |
| This amount reflects a) Arizona Health Care Cost Containment System reimbursement of children eligible for federal assistance, including the federal as well as the state matching share of the per person capitation rate, and b) the private insurance share of medical costs. | |

TOTAL	<u>\$15,511,500</u>
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Day Care - The appropriation provides a day care subsidy for children of families whose income does not exceed 65% of the state median income. The approved amount funds an average of 21,958 children per month, a net increase of 1,288 children above the projected FY 1990 caseload. The projected caseload increase is based upon 2 factors: a) 10.3% caseload growth, which adds 2,129 children per month, and b) a new federal program offset, which reduces participation by 841 children per month. Approximately 20% of the 9,500 families in state Day Care may qualify for federal Transitional or JOBS Child Care programs, which are described in more detail below. After the provider adjustment, the average monthly cost per child is \$95.68.

Day Care has traditionally been funded through 2 sources, a state appropriation and the federal Social Services Block Grant. The approved amount is based upon the assumption that the cost of the caseload and the provider adjustments will be divided proportionately between the General Fund and the block grant.

In FY 1991, the program's total cost is estimated at \$25,212,700, including a \$300,900 contract in Pima County for child care recruitment and referral services. The state General Fund will pay \$19,487,600 of this expense. The Department is then expected to use the Social Services Block Grant or other sources to finance the remaining \$5,725,100.

The FY 1990 estimate has been adjusted to include a \$2,772,400 supplemental, as approved in Laws 1989, Chapter 2.

(Continued)

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

Long-Term Care (LTC) Ombudsman - The approved amount funds the administrative costs and a 0.5 FTE position of the Office of State Long-Term Care Ombudsman (Laws 1989, Chapter 215). The Office was established during FY 1990 in accordance with the requirements of the federal Older Americans Act. The 0.5 FTE position is for legal services provided by the Attorney General.

Intensive Family Services - The approved amount funds 5 contracted teams to target 200 families whose children are at imminent risk of out-of-home placement due to abuse, neglect, or dependency. A team consists of 1 Parent Aide, 1 Counselor, and 1 Coordinator. A team will respond within 24 hours to the child abuse report and to family emergencies as well as provide services to the family within its home. The services are to be intensive, time-limited (6 to 8 weeks) and geared toward keeping the child in the home. The program will emphasize in-home crisis intervention and parent education.

High Risk Infant Services - The approved amount funds contracted case management services for 200 families whose children are exposed to substance abuse. Eleven contracted counselors/parent aides will provide in-home services including parent education. Services per family will be limited to 6 months with the contracted counselor aiding 18 families a year. The contracted counselors/parent aides will also work closely with the Department of Health Services and county public health nurses who will provide medical services for the infant and behavioral services and substance abuse treatment for the parent.

Institutional Support Payments - This program provides monthly payments to eligible aged, blind or disabled persons in the following settings: private nursing homes; public nursing homes and supervisory care homes. The approved amount is based on the following monthly payments and caseloads:

	Change in # of <u>Clients</u>	Avg. # of <u>Clients</u>	Monthly <u>Payment</u>	FY 1991 <u>Cost</u>
Private Nursing Homes	(7)	56	\$ 80	\$ 53,700
Public Nursing Homes	(1)	1	174	2,100
Supervisory Care Homes	16	725	50	435,000

Prior to FY 1990, this program had been funded in the Division of Family Support.

The FY 1990 estimate has been adjusted to include a \$64,500 supplemental, as approved in Laws 1989, Chapter 2.

Transitional Child Care - The approved amount funds transitional day care assistance. Starting April 1, 1990, federal law required the state to guarantee child care for 1 year to former AFDC recipients who are no longer eligible for cash assistance due to increased earnings. The approved amount is based upon the following assumptions:

- 17,164 months of participation, or an average caseload of approximately 1,430 children;
- an average cost of \$144 per month, after deducting a parental co-payment of 30%;
- a 33% participation rate among eligible households; and
- a 61.62% federal matching rate, which will result in the state receiving \$1,523,000 in federal funds.

(Continued)

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

JOBS Child Care - The approved amount funds child care assistance to AFDC recipients in the Job Opportunities and Basic Skills (JOBS) program. Federal law requires the state to begin providing assistance by October 1, 1990.

The approved amount of \$494,200 for single-parent AFDC households is based upon the following assumptions:

- 8,271 months of child care, or an average caseload of approximately 1,505 children. Children would participate an average of 5.5 months in the first year, reflecting the gradual phase-in of the JOBS program during FY 1991;
- an average cost of \$130 per month, assuming the parent attends job training 3 days each week;
- a 33% participation rate among eligible households;
- a 61.72% federal matching rate, which will result in the state receiving \$796,800 in federal funds; and
- child care for job search applicants and tribal participants totalling \$82,600 in General Funds.

The approved amount of \$361,900 for AFDC-UP households is based upon the following:

- 7,272 months of child care, or an average caseload of approximately 808 children;
- an average cost of \$130 per month, assuming the parents attend job training 3 days each week;
- 38% of AFDC-UP households will be exempt from JOBS participation as a result of having a child under 3 years of age. Of the remaining 62% of households, one-third will participate in the child care program; and
- a 61.72% federal matching rate, which will result in the state receiving \$583,500 in federal funds.

Provider Increase - It is the intent of the Legislature that the Department of Economic Security shall grant providers an average increase of 3.6%. This increase has been allocated to the appropriate special line items.

ADDITIONAL APPROPRIATIONS

Omnibus Child Protection Act - Chapter 237 (H.B. 2690) - The legislation appropriates \$1,893,000 for the following:

- \$818,000 and 28 FTE positions for the increased workload associated with "relative placement" and out-of-home removal reviews. The bill requires immediate notification and interviews with the custodial parents, early assessment and placement with relatives and team review of cases where DES removes the child from the home.

The new staff includes 1 Human Services Program Development Specialist, 1 Training Officer, 18 Human Service Specialist IIIs, who investigate and manage cases, and 9 related staff.

(Continued)

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

Omnibus Child Protection Act (Cont'd)

- \$121,000 and 4 FTE positions funded for 9 months to meet federal requirements that the state make "reasonable efforts" to maintain the child within its family. The new staff includes 1 Training Officer who will provide training to staff on "reasonable efforts" requirements. In addition, 1 Social Services Administrator and 2 Human Services Program Development Specialists will be added to the division's quality assurance staff to monitor compliance for "reasonable efforts" as well as evaluate the quality and impact of all services offered through CPS and the Children Services program.
- \$704,000 for a salary adjustment for child protective services staff, which becomes effective February 1, 1991. The approved amount is based upon upgrading salaries for 3 positions:

<u>Position</u>	<u>Prior Salary</u>	<u>New Salary</u>	<u>Change</u>
Human Service Specialist II	\$19,000	\$23,400	\$4,400
Human Service Specialist III	\$22,200	\$25,700	\$3,500
Human Service Unit Supervisor	\$24,100	\$28,300	\$4,200

- \$50,000 and 3 FTE positions funded for 3 months to conduct a pilot program for videotaping child sex abuse victims. To lessen the number of investigative interviews of a victim, the Department is to coordinate all such interviews with law enforcement officials and the county attorney's office. DES shall submit a report evaluating the program to the Governor, the Joint Legislative Committee on Children and Family Services, the President of the Senate, and the Speaker of the House of Representatives on or before April 1, 1992.
- \$200,000 for 9 months to purchase psychological and medical evaluations and assessments necessary to comply with the juvenile courts' 120-day dependency hearing requirement.

ADDITIONAL LEGISLATION

Runaway and Homeless Youth Task Force - Chapter 221 (H.B. 2662) - This legislation creates a 15-member task force to outline the causes for runaway and homeless youth; to evaluate existing programs for these youth, including transitional independent living programs and local community programs; identify barriers to providing services to these youth; and make recommendations for the establishment of a coordinated statewide system for providing services to runaway and homeless youth. DES shall provide support staff services to assist the Task Force in completing its tasks.

The Task Force is to submit a report to the Governor and Legislature on or before September 26, 1991.

(Continued)

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

Child Care System - Chapter 275 (H.B. 1205) - This bill allows DES to establish a statewide system for child care resources and referrals. If the Department establishes such a system, program coordination and implementation design must be performed on or before July 1, 1991 and complete phase-in of services must be done by January 1, 1993. If the system is created, it must serve families of all socioeconomic groups, make referrals to all forms of lawful child care, maintain ongoing relationships with all local groups interested in child care, and help match developing child resources with the needs of local communities.

If DES establishes a statewide child care system, the Department shall submit a status report to the Governor and Legislature on or before March 1, 1991.

Nonrecurring Adoption Expenses - Chapter 386 (H.B. 2537) - This legislation requires DES to establish and administer a program for the payment of non-recurring adoption expenses. Payment shall be provided from monies appropriated to the Department or made available from other Department sources. Payment for each eligible child shall not exceed \$2,000. The Department is required to maintain records which include information on the child's age, sex, ethnicity, country or state of origin, type of placement agency, and category of the qualifying expenses.

JLBC Analyst: Stavneak/Cawley

Linda Moore-Cannon, Director (Tel. 542-5678)

<u>CHILDREN AND FAMILY SERVICES TRAINING PROGRAM</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>4.5</u>	<u>7.0</u>	<u>7.0</u>
Personal Services	<u>126,500</u>	<u>181,400</u>	<u>189,600</u>
Employee Related Exp.	<u>29,400</u>	<u>36,200</u>	<u>44,100</u>
Prof. & Outside Services	32,200	59,800	59,800
Travel - State	47,100	74,900	80,900
Travel - Out of State	4,800	5,900	6,100
Other Operating Exp.	<u>24,600</u>	<u>72,000</u>	<u>69,500</u>
All Other Operating Exp.	<u>108,700</u>	<u>212,600</u>	<u>216,300</u>
TOTAL APPROPRIATIONS	<u>264,600</u>	<u>430,200</u>	<u>450,000</u> ^{1/}

The approved amount includes \$8,200 in Personal Services and \$1,200 in Employee Related Expenditures for the general salary adjustment.

A.R.S. § 8-503.01 establishes a Children and Family Services Training Program Fund for child protective services staff training. Revenue is generated through the collection of support fees assessed on the parents or guardian of a child in the custody of the Department or a county juvenile probation office. The Department may also expend up to 10% of the fund on collecting these fees.

Personal Services - The approved amount does not include a vacancy factor.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Stavneak

Linda Moore-Cannon, Director (Tel. 542-5678)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>67.4</u>	<u>67.4</u>	<u>110.1</u>
Personal Services	<u>1,457,200</u>	<u>1,572,500</u>	<u>2,258,200</u>
Employee Related Exp.	<u>349,800</u>	<u>320,200</u>	<u>523,300</u>
Prof. & Outside Services	39,200	41,400	60,600
Travel - State	29,200	31,300	42,000
Travel - Out of State	-0-	-0-	3,600
Other Operating Exp.	138,200	143,200	406,800
Equipment	<u>-0-</u>	<u>-0-</u>	<u>19,500</u>
All Other Operating Exp.	<u>206,600</u>	<u>215,900</u>	<u>532,500</u>
OPERATION SUBTOTAL	2,013,600	2,108,600	3,314,000
Comp. Svcs. For Ind. Living	519,400	533,500	552,700 ^{2/}
Vocational Rehab. Svcs.	1,598,300	1,702,000	1,763,300 ^{2/}
Job Search Stipends	39,100	139,100	139,100 ^{2/}
Manpower Services	141,400	143,500	-0-
Navajo Employment Svcs. ^{1/}	90,400	257,000	257,000
Work Incentive Demo. Proj.	117,900	119,700	-0-
JOBS	<u>-0-</u>	<u>-0-</u>	<u>3,838,500</u> ^{2/}
TOTAL EXPENDITURE AUTHORITY	4,520,100	5,003,400	9,864,600
Other Receipts	<u>-0-</u>	<u>(850,000)</u>	<u>(1,000,000)</u> ^{3/}
TOTAL APPROPRIATIONS	<u>4,520,100</u>	<u>4,153,400</u>	<u>8,864,600</u> ^{4/}

The approved amount includes \$97,100 in Personal Services and \$13,000 in Employee Related Expenditures for the general salary adjustment.

(Continued)

- ^{1/} In addition, 8 FTE positions are funded from the Navajo Employment Services line item in FY 1989 - FY 1991.
- ^{2/} This program is subject to the standardized evaluation system approved by the Joint Legislative Budget Committee.
- ^{3/} It is the intent of the Legislature that the Special Administration Fund serve as the source of other receipts.
- ^{4/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

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

FTE Positions - The approved amount includes an additional 42.7 FTE positions:

- JOBS - The approved amount includes 99.5 staff, including 45.7 state-funded FTE positions, and \$1,035,000 to implement the Job Opportunities and Basic Skills (JOBS) program for single-headed Aid to Families with Dependent Children (AFDC) households. The approved amount represents 10.5 months of funding.

The 99.5 staff are distributed as follows: 11 central office administrative staff, 61.5 Phoenix field operations and 27 Tucson field operations staff. The Phoenix and Tucson office will each operate from one central location in each city.

The field operations staff will provide direct intake and case management services to single-parent AFDC households. (As described below, DES will contract out all case management and job training services for two-parent AFDC-Unemployed Parent (UP) participants.)

- Vacant Position Adjustment - The approved amount eliminates 2 FTE positions held vacant for 2 years. The funding for these positions was eliminated in the FY 1988 ex-appropriation bill (Laws 1988, Chapter 9).
- FTE Reduction Policy - The approved amount eliminates 1 FTE position as part of the FTE reduction policy.

Personal Services - The approved amount is based upon a 0.7% vacancy factor, which results in vacancy savings of \$11,500. The approved amount includes a permanent reduction of \$23,700 related to the loss of the 1 FTE position in the FTE reduction policy. The following positions are exempt from a vacancy factor: Vocational Rehabilitation (VR) District Program Representative and VR Services Specialist II and III.

Professional and Outside Services - The approved amount includes \$15,000 to be transferred to the Department of Library, Archives and Public Records to supplement the funding for the Statewide Radio Reading Service for the Blind.

Other Operating Expenditures - The approved amount includes \$62,100 in one-time expenditures for non-capitalized equipment and telephone installation. The amount also includes \$43,500 for check processing costs of the new JOBS program.

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.

The program consists of:

- Services to Individuals, \$338,600. An estimated 1,535 persons will receive independent living services during the year, including case management and counseling.
- Medical Services for Clients, \$214,100. This program will fund 8,212 eye examinations and 6,613 eye glasses and other eye appliances for eligible low-income individuals at an average cost of \$27.36 per person.

(Continued)

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

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% rate.

The approved amount will permit the department to serve 14,900 individuals at an average cost of \$679.66, before provider adjustments.

To ensure the drawdown of all available federal dollars, DES has identified other sources of state match -- either existing appropriated or non-appropriated funds.

In FY 1990, these other matching sources are:

-- Developmental Disabilities General Fund	
-- original appropriation	\$ 119,200
-- additional transfer	71,500
-- Pima County Schools	92,400
-- Department of Health Services -- Behavioral Health	97,000
-- Blind Enterprises Program	439,800
-- Client Billing Revenue	200,000
-- Arizona Industries for the Blind	251,900
-- Establishment Grant Contributions	<u>221,500</u>
 Total	 <u>\$1,493,300</u>

Local non-profit organizations are usually the source of the Establishment Grant Contributions. These funds can be used to establish new facilities, but cannot finance a client's actual rehabilitation.

The department may also consider expanding its relationship with the Department of Corrections (DOC) and the Division of Behavioral Health in the Department of Health Services (DHS), both of which currently fund rehabilitative programs with 100% state dollars. DOC and DHS could use their existing State appropriations as the match and possibly expand their programs four-fold -- given the 80/20 federal matching ratio.

Job Search Stipends - The federal food stamp statute requires states to pay allowances to recipients searching for a job. The state provides \$25 per participant for up to 2 months. The approved amount will fund 1,128 participants for 1 month and 5,000 participants for 2 months.

Manpower Services - The program provides state matching funds for job training, transportation, stipends and other training-related expenses of the "Arizona Works!" program. Manpower Services will be replaced by the JOBS program on October 1, 1990. The JOBS appropriation includes \$40,000 to continue Manpower Services during the first quarter of FY 1991.

(Continued)

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

Navajo Employment Services - Laws 1988, Chapter 304 requires DES to establish 2-person employment services offices in Window Rock, Chinle, Kayenta and Tuba City. According to this legislation, "it is the intent of the legislature to provide complete funding for 3 years for the program of employment services for the Navajo Indian reservation. . ." The approved amount represents the third year of funding and includes Personal Services, \$160,000; Employee Related Expenditures \$37,800; and All Other Operating Expenditures, \$59,200.

Work Incentive Demonstration Project (WIDP) - This project provides remedial education services to AFDC recipients. WIDP will be replaced by the JOBS program on October 1, 1990. The JOBS appropriation includes \$30,000 to continue WIDP during the first quarter of FY 1991.

JOBS - The approved amount funds contracted services under the Job Opportunities and Basic Skills (JOBS) program. Federal law requires the state to begin offering this education, employment and/or training program to AFDC recipients by October 1, 1990.

The approved amount funds the following:

AFDC Households	\$ 757,600
AFDC-UP Households	3,110,900
First Quarter Continuation	70,000
Current Funds Offset	(100,000)
TOTAL	\$3,838,500

Both the AFDC and AFDC-UP amounts will be matched by a like amount of federal funds, \$3,868,500. This total represents the state's full allocation of available federal JOBS funding from October 1990 to June 1991.

AFDC For single-parent households, DES staff will provide case management and initial appraisal and assessment services to 3,488 clients. Of that number, 2,651 clients will receive more extensive assistance in the form of employment plans and literacy tests. Of the 2,651 clients, 795 will advance to employment search and 1,060 will receive training (English as a second language, remedial training, or general equivalency degree [G.E.D.]). Ultimately, 663 clients will enter jobs and 21 clients will be referred to a work experience (workfare) program.

The approved amount includes \$757,600 to provide single-parent households the following services:

Assessment Activities	\$ 9,000
Employment Activities	165,400
Support Services	198,300
(\$6 daily stipend)	
Vocational Training	31,800
Basic Education	261,700
Teen Parent Project	91,400
TOTAL	\$757,600

(Continued)

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

AFDC-UP For two-parent households in the AFDC-UP program, DES will contract out its case management function. Besides case management, the approved amount will fund employment plan development, skills training, basic education and employment services for up to 7,946 primary wage earners and their spouses.

First Quarter Continuation - The approved amount includes funding to continue the current Manpower Services and Work Incentive Demonstration Project programs until JOBS begins on October 1, 1990.

Other Receipts - It is the intent of the Legislature that the cost of the Employment and Rehabilitative Services program be offset by \$1,000,000 from the Special Administration Fund, which consists of penalties collected for late payment of unemployment compensation charges. The federal government permits states flexibility in their use of these funds.

In FY 1990, these "other receipts" will be used to fund the JOBS line item.

Provider Increase - It is the intent of the Legislature that the Department of Economic Security shall grant providers an average increase of 3.6%. This increase has been allocated to the appropriate special line items.

ADDITIONAL LEGISLATION

Talking Book Machine Services - Chapter 59 (S.B. 1117) - The bill transfers FTE positions, records and monies appropriated for the Talking Book Machine Services program to the Department of Library, Archives and Public Records.

JOBS Participation - Chapter 343 (H.B. 2358) - The bill clarifies that a parent in an AFDC-UP household who is personally caring for a child under three years of age may be exempt from JOBS participation.

Unemployment Benefits - Chapter 407 (H.B. 2592) - The bill increases the maximum weekly unemployment compensation benefit from \$155 in FY 1990 to \$165 in FY 1991 and thereafter. This change does not involve state appropriated funds.

JLBC Analyst: Blanton

Randolph Wood, Director (Tel. 257-2300)

GENERAL FUND AND AIR QUALITY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>254.0</u>	<u>259.0</u>	<u>258.0</u>
Personal Services	<u>6,428,600</u>	<u>6,669,200</u>	<u>7,016,200</u>
Employee Related Exp.	<u>1,404,500</u>	<u>1,344,000</u>	<u>1,535,000</u>
Prof. & Outside Services	172,500	402,500	214,500
Travel - State	183,600	244,400	247,100
Travel - Out of State	12,200	18,700	18,700
Other Operating Exp.	1,371,000	1,490,700	1,415,600
Equipment	<u>163,800</u>	<u>108,900</u>	<u>68,500</u>
All Other Operating Exp.	<u>1,903,100</u>	<u>2,265,200</u>	<u>1,964,400</u>
OPERATION SUBTOTAL	9,736,200	10,278,400	10,515,600
Water Quality Assurance Revolving Fund	6,000,000	6,000,000	-0-
Mine Tailings	241,300	-0-	-0-
Clean Burn Use Fuel Tax	198,100	-0-	-0-
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(101,700)</u>
TOTAL APPROPRIATIONS	<u>16,175,600</u>	<u>16,278,400</u>	<u>10,413,900</u> ^{1/2/3/}
<u>Fund Summary</u>			
General Fund	15,977,500	16,278,400	10,413,900
Other Fund	<u>198,100</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>16,175,600</u>	<u>16,278,400</u>	<u>10,413,900</u>

The approved amount includes \$302,100 in Personal Services and \$39,500 in Employee Related Expenditures for the general salary adjustment.

(Continued)

- 1/ If Laws 1986, Chapter 368, section 149, as amended by Laws 1989, Chapter 312, section 19, is repealed by H.B. 2562 without an emergency effective date, then notwithstanding Laws 1986, Chapter 368, section 149, as amended by Laws 1989, Chapter 312, section 19, the \$5,000,000 transferred by the State Treasurer to the water quality assurance revolving fund shall revert to the State General Fund on July 1, 1990.
- 2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items within "All Other Operating Exp." are shown for information 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

Personal Services - The approved amount reflects a permanent base reduction of 2 FTE positions and \$53,200 in accordance with the FTE reduction policy; a vacancy factor of 3.75% or \$261,900, and the addition of 1 FTE position to expedite installation permits for proposed facilities located outside Maricopa County.

ADDITIONAL LEGISLATION

Used Oil Management Fund - Chapter 331 (S.B. 1215) - Establishes a Used Oil Management Fund to be administered by the Director of the Department of Environmental Quality.

The fund consists of monies appropriated by the Legislature and used oil fees collected pursuant to A.R.S. § 49-814. Monies deposited to the fund are exempt from A.R.S. § 35-190, relating to lapsing of appropriations.

Monies deposited to the fund shall be used for the following purposes:

1. Informing, educating and training the general public, generators, transporters, burners of used oil and commercial enterprises which store used oil within the state of their legal obligations under this article.
2. Supporting statewide used oil planning and program development activities.
3. Compliance monitoring, investigation and enforcement activities pertaining to generating, transporting, treating, storing, beneficially using and disposing of used oil under this article.
4. Amortization of current capital obligations and future obligations for the purchase of capital equipment by the Department of Weights and Measures as necessary to accomplish sampling and testing responsibilities pursuant to A.R.S. § 41-2065, subsection A, paragraph 25.
5. To amortize loans made to the fund pursuant to the purposes of this act.

Water Quality Assurance Revolving Fund (WQARF) - Chapter 230 (H.B. 2562)- Provides dedicated funding sources for the WQARF, which include: increases of \$100 and \$75 in fertilizer and pesticide permitting fees, respectively; a new 8.5% wholesale surtax on hazardous products; new water use taxes; and fees related to certain activities and facilities involving hazardous substances. Repeals Laws 1986, Chapter 368, section 149, as amended by Laws 1989, Chapter 312, section 19 and Laws 1986, Chapter 368, section 150. The repealed laws provided for an annual \$5,000,000 transfer from the General Fund to the WQARF and authorized this transfer as long as no other, dedicated funding source for WQARF existed. H.B. 2562 eliminates the need for this transfer by creating a dedicated funding source.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

GENERAL FUND AND EMS OPERATING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Office of the Director	9,054,700	9,403,400	10,346,400
EMS/Health Care Facilities	4,934,300	6,470,300	7,029,700
Disease Prevention Svcs.	5,535,600	6,663,500	6,975,700
Family Health	12,349,800	16,709,400	17,906,300
Behavioral Health	78,443,800	100,615,800	131,827,100
Division of Lab Services	2,182,400	2,480,300	2,629,800
Sec. 109 Lump Sum Reduction	-0-	-0-	(414,400)
TOTAL APPROPRIATIONS	<u>112,500,600</u>	<u>142,342,700</u>	<u>176,300,600</u>
<u>Expenditure Detail</u>			
FTE Positions ^{1/}	<u>1,478.5</u>	<u>1,501.5</u>	<u>1,544.5</u>
Personal Services	<u>31,553,600</u>	<u>34,609,200</u>	<u>34,315,700</u>
Employee Related Exp.	<u>7,860,600</u>	<u>7,723,900</u>	<u>8,621,900</u>
Prof. & Outside Services	2,852,400	4,153,900	4,337,800
Travel - State	298,000	530,900	505,900
Travel - Out of State	40,300	52,900	52,900
Other Operating Exp.	8,141,400	7,096,700	7,609,000
Food	721,700	795,000	795,000
Equipment	877,600	732,200	447,800
All Other Operating Exp.	<u>12,931,400</u>	<u>13,361,600</u>	<u>13,748,400</u>
OPERATION SUBTOTAL	52,345,600	55,694,700	56,686,000
Special Line Items ^{2/}	60,155,000	86,648,000	96,285,200
Additional Appropriations	-	-	23,743,800
Sec. 109 Lump Sum Reduction	-0-	-0-	(414,400)
TOTAL APPROPRIATIONS	<u>112,500,600</u>	<u>142,342,700</u>	<u>176,300,600</u> ^{3/}
<u>Fund Summary</u>			
General Fund	110,702,400	139,965,400	173,778,100
EMS Operating Fund	<u>1,798,200</u>	<u>2,377,300</u>	<u>2,522,500</u>
TOTAL APPROPRIATIONS	<u>112,500,600</u>	<u>142,342,700</u>	<u>176,300,600</u>

The approved amount includes \$1,477,800 in Personal Services and \$218,700 in Employee Related Expenditures for the general salary adjustment, and \$64,800 for salary adjustments in special line items.

- 1/ In addition to the FTE positions shown there are 55.65 FTE positions funded in special line items.
- 2/ Details for the Special Line Items are included on the individual program pages.
- 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. 542-1024)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>179.0</u>	<u>187.0</u>	<u>182.0</u>
Personal Services	<u>4,160,900</u>	<u>4,465,800</u>	<u>4,580,900</u>
Employee Related Exp.	<u>927,700</u>	<u>904,000</u>	<u>1,053,400</u>
Prof. & Outside Services	256,700	619,300	723,300
Travel - State	21,000	40,900	41,800
Travel - Out of State	5,800	6,200	6,200
Other Operating Exp.	2,104,200	1,879,700	2,494,800
Equipment	<u>300,400</u>	<u>209,500</u>	<u>168,000</u>
All Other Operating Exp.	<u>2,688,100</u>	<u>2,755,600</u>	<u>3,434,100</u>
OPERATION SUBTOTAL	7,776,700	8,125,400	9,068,400
Direct Grants	578,000	578,000	578,000 ^{2/3/}
Reimbursement to Counties	<u>700,000</u>	<u>700,000</u>	<u>700,000</u> ^{3/4/}
TOTAL APPROPRIATIONS	<u>9,054,700</u>	<u>9,403,400</u>	<u>10,346,400</u> ^{5/}

The approved amount includes \$197,300 in Personal Services and \$26,300 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a permanent base reduction of 5 unspecified FTE positions and \$124,000 in accordance with the FTE reduction policy; a 1.82% vacancy factor or \$81,600, 8 months funding for 5 new FTE positions for automation: 1 EDP Systems Project Leader; 2 EDP Program Analyst II's, 1 EDP Technical Support Specialist I and 1 EDP Computer Operator II, and the elimination of 5 FTE positions in Human Resource Development: 2 Training Officer I's; 1 Program/Project Specialist II; 1 Administrative Assistant I and 1 Secretary.

- 1/ The 15 Health Advisory Committee members are not included in the number of FTE positions.
- 2/ 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 1 Public Health Nurse and 1 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.
- 3/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 4/ 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.
- 5/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>84.5</u>	<u>91.5</u>	<u>109.5</u>
Personal Services	<u>1,964,300</u>	<u>2,117,900</u>	<u>2,344,600</u>
Employee Related Exp.	<u>460,200</u>	<u>434,900</u>	<u>558,300</u>
Prof. & Outside Services	39,100	156,600	156,600
Travel - State	54,600	117,000	138,400
Travel - Out of State	8,400	12,400	12,400
Other Operating Exp.	501,600	768,800	735,700
Equipment	<u>76,200</u>	<u>35,400</u>	<u>22,200</u>
All Other Operating Exp.	<u>679,900</u>	<u>1,090,200</u>	<u>1,065,300</u>
OPERATION SUBTOTAL	3,104,400	3,643,000	3,968,200
Arizona Poison Control	-0-	450,000	450,000
Certified Day Care Group Homes	<u>31,700</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	3,136,100	4,093,000	4,418,200 ^{1/2/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Adult Care Homes, Ch. 292	<u>---</u>	<u>---</u>	<u>89,000</u>
TOTAL APPROPRIATIONS	<u>3,136,100</u>	<u>4,093,000</u>	<u>4,507,200</u>

The approved amount includes \$101,000 in Personal Services and \$14,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a permanent base reduction of 1 unspecified FTE position and \$20,500 in accordance with the FTE reduction policy and a 3.47% vacancy factor or \$81,500 and 6 months funding for 19 new FTE positions: 10 for Small Group Home Certification: 6 Day Care Licensing Specialists; 1 Team Leader; 2 Secretaries; and 1 Investigator II, and 9 for Child Day Care Licensure: 6 Day Care Facilities License Specialists; 2 Secretaries; and 1 Investigator II.

Arizona Poison Control System - Provides for a statewide system of poison information, education and treatment services.

(Continued)

- 1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.
- 2/ No appropriated funds shall be utilized to support any poison control center other than the one at the University of Arizona.

DEPARTMENT OF HEALTH SERVICES - EMS/HEALTH CARE FACILITIES - (Cont'd)
GENERAL FUND

ADDITIONAL APPROPRIATIONS

Adult Care Homes - Chapter 292 (H.B. 2174) - Appropriates the sum of \$89,000 from the General Fund to the Department of Health Services for the purposes provided in the act. This appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

EMERGENCY MEDICAL SERVICES OPERATING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	19.0	45.0	45.0
Personal Services	193,600	1,037,600	1,082,200
Employee Related Exp.	45,400	213,100	257,900
Prof. & Outside Services	57,500	48,000	50,000
Travel - State	23,200	57,000	57,000
Other Operating Exp.	89,800	121,600	225,400
Equipment	72,800	50,000	-0-
All Other Operating Exp.	243,300	276,600	332,400
OPERATION SUBTOTAL	482,300	1,527,300	1,672,500
Ambulance Emergency Contracts	358,300	400,000	400,000 ^{1/}
Arizona Poison Control	425,000	-0-	-0-
State EMS Spec. Projects	122,200	200,000	200,000
EMSCOM Development	244,000	100,000	100,000
Rural Amb. Response Development	22,100	150,000	150,000
Local EMS Coordinating System	144,300	-0-	-0-
TOTAL APPROPRIATIONS	1,798,200	2,377,300	2,522,500 ^{2/}

The approved amount includes \$44,900 in Personal Services and \$6,300 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 3% vacancy factor or \$32,100.

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.

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

2/ Represents General Appropriation Act funds. Appropriated as a Modified Lump Sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>69.0</u>	<u>67.0</u>	<u>67.0</u>
Personal Services	<u>1,531,100</u>	<u>1,670,600</u>	<u>1,725,400</u>
Employee Related Exp.	<u>358,300</u>	<u>344,800</u>	<u>397,100</u>
Prof. & Outside Services	71,600	133,700	133,700
Travel - State	46,500	96,100	100,100
Travel - Out of State	11,800	10,000	10,000
Other Operating Exp.	2,115,600	552,500	559,000
Equipment	<u>11,200</u>	<u>6,000</u>	<u>7,400</u>
All Other Operating Exp.	<u>2,256,700</u>	<u>798,300</u>	<u>810,200</u>
OPERATION SUBTOTAL	4,146,100	2,813,700	2,932,700
TB Provider Hospital Care	844,700	966,100	966,100 ^{2/}
Sex Transmitted Control	71,900	76,800	76,800 ^{2/}
Aids Reporting/Surveillance	96,700	125,000	125,000 ^{2/}
Kidney Program	39,400	100,000	100,000
Pesticide Poisoning	61,400	-0-	-0-
Health Effects Study - West	97,400	157,500	157,500
Chronic Disease Surveillance	178,000	192,500	192,500
Vaccines	-0-	1,931,900	2,125,100
Environmental Assessment - Phoenix Area	<u>-0-</u>	<u>300,000</u>	<u>300,000</u> ^{2/3/}
TOTAL APPROPRIATIONS	<u>5,535,600</u>	<u>6,663,500</u>	<u>6,975,700</u> ^{4/}

The approved amount includes \$74,300 in Personal Services and \$10,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 4.45% vacancy factor or \$76,900.

(Continued)

- ^{1/} In addition to the FTE positions shown there are 10 FTE positions funded in special line items.
- ^{2/} This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- ^{3/} This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations.
- ^{4/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

DEPARTMENT OF HEALTH SERVICES - DISEASE PREVENTION SERVICES (Cont'd)
GENERAL FUND

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 Program - Provides for reimbursement to provider hospitals and licensed dialysis centers of costs for transportation and medications for patients ineligible for public assistance.

Sexually Transmitted Disease Control Subventions - Provides assistance to local venereal disease control programs.

AIDS Reporting/Surveillance - Provides a data base system to control the spread of AIDS and AIDS related conditions.

Health Effects Study - West - Provides support to investigate areas where reported adverse health effects have occurred and collect environmental samplings used to identify possible source of exposure.

Environmental Assessment - Phoenix Area - Provides support for investigating risk factors that may be associated with cancer cases throughout the Phoenix Metropolitan area.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>74.0</u>	<u>75.0</u>	<u>76.0</u>
Personal Services	<u>1,678,700</u>	<u>1,776,500</u>	<u>1,866,100</u>
Employee Related Exp.	<u>396,700</u>	<u>365,000</u>	<u>436,600</u>
Prof. & Outside Services	53,500	364,300	143,800
Travel - State	71,100	92,500	95,700
Travel - Out of State	2,300	3,000	3,000
Other Operating Exp.	349,000	429,600	374,400
Equipment	<u>51,200</u>	<u>14,700</u>	<u>-0-</u>
All Other Operating Exp.	<u>527,100</u>	<u>904,100</u>	<u>616,900</u>
OPERATION SUBTOTAL	2,602,500	3,045,600	2,919,600
Adult Cystic Fibrosis	166,400	221,400	221,400 ^{2/}
Adult Sickle Cell Anemia	15,100	69,400	69,400 ^{2/}
Information/Referral Service	38,300	52,000	52,000
Child Rehab. Services	5,853,100	7,012,400	7,688,200 ^{2/}
Newborn Intensive Care	3,165,600	4,485,600	4,921,200 ^{2/}
Perinatal Care Services	201,600	262,900	269,400 ^{2/}
Teen Prenatal Express	-0-	1,035,000	1,035,000
Rural Obstetrical Svcs.	-0-	195,000	195,000
Nutrition Subventions	<u>307,200</u>	<u>330,100</u>	<u>330,100</u> ^{2/}
TOTAL	12,349,800	16,709,400	17,701,300 ^{3/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Medical Malpractice/Obstetrical Medical Services, Ch. 381	<u>—</u>	<u>—</u>	<u>205,000</u>
TOTAL APPROPRIATIONS	<u>12,349,800</u>	<u>16,709,400</u>	<u>17,906,300</u>

The approved amount includes \$80,400 in Personal Services and \$10,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 4.43% vacancy factor or \$82,700 and the transfer in of 1 FTE position from the Division of Behavioral Health.

(Continued)

- 1/ In addition to the FTE positions shown there are 2 FTE positions funded in special line items.
- 2/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

DEPARTMENT OF HEALTH SERVICES - FAMILY HEALTH (Cont'd)
GENERAL FUND

Cystic Fibrosis - Provides care and treatment services for adult residents of the state suffering from cystic fibrosis.

Adult Sickle Cell Anemia - Provides funding for adults suffering from sickle cell anemia.

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.

Child Rehabilitative Services - Provides for physicians, hospital care and ancillary services for children whose condition is diagnosed at the several divisional out-patient clinics.

Newborn Intensive Care - Provides for transport to and care for newborns in intensive care centers. The approved amount includes \$48,800 for provider increases.

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.

Nutrition Subventions - Provides support to counties participating in the Nutritional Assessment Program, which provides screening, education, counseling and referrals to persons identified as needing nutrition services.

Teen Prenatal Express Program - Provides \$1,035,000 for prenatal care, hospital delivery and nursing case management for low income pregnant adolescents not enrolled in AHCCCS. This program is a component of the Perinatal Health Care Program.

Rural Obstetrical Services - Provides annual financial assistance for physicians performing obstetrical services in underserved areas of the state as determined by the Department.

ADDITIONAL APPROPRIATIONS

Medical Malpractice/Obstetrical Medical Services - Chapter 381 (S.B. 1140)-
Appropriates:

The sum of \$5,000 from the State General Fund to the Department of Health Services to pay medical malpractice premium costs to continue the provision of obstetrical medical services to underserved rural areas in accordance with Laws 1989, Chapter 290.

The sum of \$200,000 from the State General Fund to the Department of Health Services to pay medical malpractice premium costs paid by nonprofit, community-based, non-hospital affiliated, primary care clinics, having a community-based board of directors, for obstetrical medical services provided in a federally designated underserved area in this state.

These appropriations are exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>997.0</u>	<u>1,021.0</u>	<u>1,005.0</u> ^{1/}
Personal Services	<u>20,683,100</u>	<u>22,038,700</u>	<u>22,251,200</u>
Employee Related Exp.	<u>5,342,400</u>	<u>5,147,700</u>	<u>5,805,300</u>
Prof. & Outside Services	2,370,300	2,823,200	3,171,600
Travel - State	67,600	105,400	107,100
Travel - Out of State	5,000	15,100	15,100
Other Operating Exp.	2,598,800	2,903,200	2,976,200
Food	721,700	795,000	795,000
Equipment	<u>262,300</u>	<u>231,100</u>	<u>45,800</u>
All Other Operating Exp.	<u>6,025,700</u>	<u>6,873,000</u>	<u>7,110,800</u>
OPERATION SUBTOTAL	32,051,200	34,059,400	35,167,300
CMI Pilot Program	4,612,700	6,100,000	1,825,000
Non-CMI Services	518,600	-0-	-0-
CMI Non-Pilot Program	3,061,200	-0-	-0-
Arizona State Hospital	2,635,200	-0-	-0-
Regional Resid./Psych. Beds	1,873,500	3,677,400	3,875,900
Children's Beh. Health Services	3,376,000	13,495,500	20,544,100
CMI Services	3,206,600	20,408,600	21,672,500 ^{2/}
Mental Health Services	918,700	9,147,600	9,963,800 ^{2/}
Substance Abuse	692,200	12,056,500	13,144,300 ^{2/}
Residential Svcs. For EHC	733,500	-0-	-0-
Transitional Living Unit	316,700	370,800	384,400 ^{2/}
Behavioral Health Sub.	24,447,700	-0-	-0-
CMI Medications	-0-	1,300,000	1,300,000 ^{2/3/}
CMI Clozaril Program	-0-	-0-	500,000 ^{2/4/}
TOTAL	78,443,800	100,615,800	108,377,300 ^{5/6/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Behavioral Health, Ch. 403	--	--	22,000,000
EPSDT, Ch. 334	--	--	746,800
Additional Appropriations - 39th Leg., 3rd Spec. Session			
Drug Abuse, Ch. 4	--	--	703,000
TOTAL APPROPRIATIONS	<u>78,443,800</u>	<u>100,615,800</u>	<u>131,827,100</u>

(Continued)

^{1/} In addition to the FTE positions shown there are 43.65 FTE positions funded in special line items.

(Footnotes Continued on Following Page)

DEPARTMENT OF HEALTH SERVICES - BEHAVIORAL HEALTH (Cont'd)
GENERAL FUND

The approved amount includes \$958,200 in Personal Services and \$147,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a permanent base reduction of 9 unspecified FTE positions and \$198,900 in accordance with the FTE reduction policy; a 3.57% vacancy factor or \$796,700; the elimination of 6 Laundry Workers and the transfer out of 1 FTE position to the Division of Family Health.

CMI Pilot Program - Provides an alternative service delivery system for chronically mentally ill persons.

Mental Health - The approved amount provides \$470,000 to expand 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. The sum of \$346,200 is included for provider increases.

Substance Abuse - The approved amount provides \$631,000 to expand 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. The sum of \$456,800 is included for provider increases.

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 \$11,800 in Personal Services and \$1,800 in Employee Related Expenditures for salary increases.

Regional Beds - The approved amount includes \$198,500 for provider increases. It is the intent of the Legislature that \$1,837,600 of the monies appropriated in Chapter 403 (H.B. 2191) be utilized to expand the regional beds program which is designed to provide more appropriate use of funds and reduce growth in the Arizona State Hospital (ASH) census by developing secure residential/inpatient alternatives in local areas.

(Continued)

(Footnotes Continued From Previous Page)

- 2/ This program is subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 3/ It is the intent of the legislature that counties not reduce funding to provide these medications within their responsibilities under A.R.S. § 11-291 below the level expended during FY 1990. The department will request and report semi-annually on county expenditure levels in comparison with the base year.
- 4/ Persons receiving Clozaril will, on a priority basis, be included in this program consistent with the Division of Behavioral Health Services criteria for providing services. The Department will provide the Senate and House Health Committee Chairmen quarterly status reports of the program to include patient utilization and effectiveness.
- 5/ 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.
- 6/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

DEPARTMENT OF HEALTH SERVICES - BEHAVIORAL HEALTH (Cont'd)
GENERAL FUND

Childrens Behavioral Health Delivery System - The approved amount provides \$6,300,000 for expansion of the comprehensive childrens behavioral health delivery system to include an increase in the availability of residential services, clinical consultations and case management services for seriously emotionally handicapped children. The sum of \$748,600 is included for provider increases.

CMI Medications - The approved amount provides for CMI medications to enhance the continuum of care coverage and initiate a phased-in approach to achieve full services for CMI in the community. This service will improve patient lifestyle and insure more cost effective utilization of appropriated funds.

Chronically Mentally Ill (CMI) - The approved amount provides \$1,263,900 for the Chronically Mentally Ill (CMI) to provide a balance in the continuum of care and initiate a phase-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.

ADDITIONAL APPROPRIATIONS

Behavioral Health - Chapter 403 (H.B. 2191) - Appropriates:

- A. The sum of \$1,000,000 from the State General Fund to the Division of Behavioral Health in the Department of Health Services for the provision of psychotropic drugs to the chronically mentally ill.
- B. The sum of \$21,000,000 from the State General Fund to the Department of Health Services for the provision of services to the chronically mentally ill defined pursuant to A.R.S. § 36-550 to be distributed as follows: \$2,000,000 for service at the Arizona State Hospital, \$4,300,000 for continuation of the pilot program for the Chronically Mentally Ill established pursuant to Laws 1986, Chapter 398, section 59, and \$14,700,000 for services for the Chronically Mentally Ill.
- C. These appropriations are exempt from the provision of A.R.S. § 35-190, relating to lapsing of appropriations.

Early Periodic Screening Diagnostic Testing (EPSDT) - Chapter 334 (H.B. 2554)- Appropriates the sum of \$746,800 from the State General Fund to the Department of Health Services for administrative costs associated with implementation of the EPSDT childrens mental health services.

The appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations except that any monies remaining unexpended or unencumbered on June 30, 1991 shall revert to the State General Fund.

Drug Abuse Treatment - Chapter 4 (S.B. 1006) - Appropriates the sum of \$703,000 from the State General Fund to the Department of Health Services to fund existing drug treatment waiting list reduction programs. This appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

Youth Suicide Prevention - Chapter 214 (H.B. 2630) - Requires the Department, in conjunction with the Council on Children's Behavioral Health, to establish and oversee the implementation of 2 youth suicide prevention demonstration projects, 1 rural and 1 urban, which, subject to legislative appropriation, are to be conducted over a 3 year period. It is legislative intent that up to \$300,000, of which not more than \$15,000 can be for administration, will be made available from the existing appropriations for the Children's Behavioral Health Services line for the purpose of this act.

JLBC Analyst: Blanton

Ted Williams, Director (Tel. 542-1024)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>56.0</u>	<u>60.0</u>	<u>60.0</u>
Personal Services	<u>1,341,900</u>	<u>1,502,100</u>	<u>1,547,500</u>
Employee Related Exp.	<u>329,900</u>	<u>314,400</u>	<u>371,200</u>
Prof. & Outside Services	3,700	8,800	8,800
Travel - State	14,000	22,000	22,800
Travel - Out of State	7,000	6,200	6,200
Other Operating Exp.	382,400	441,300	468,900
Equipment	<u>103,500</u>	<u>185,500</u>	<u>204,400</u>
All Other Operating Exp.	<u>510,600</u>	<u>663,800</u>	<u>711,100</u>
TOTAL APPROPRIATIONS	<u>2,182,400</u>	<u>2,480,300</u>	<u>2,629,800</u> ^{1/}

The approved amount includes \$66,600 in Personal Services and \$9,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 4.46% vacancy factor or \$69,100.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Fusak

Stuart R. Brackney, Executive Director (Tel. 542-3323)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>3,0</u>	<u>5,0</u>	<u>5,0</u>
Personal Services	<u>83,600</u>	<u>126,400</u>	<u>132,700</u>
Employee Related Exp.	<u>17,400</u>	<u>24,900</u>	<u>30,900</u>
Prof. & Outside Services	700	7,200	5,400
Travel - State	3,300	6,600	6,500
Travel - Out of State	-0-	3,300	3,000
Other Operating Exp.	21,500	27,600	26,400
Equipment	-0-	7,800	-0-
All Other Operating Exp.	<u>25,500</u>	<u>52,500</u>	<u>41,300</u>
TOTAL APPROPRIATIONS	<u>126,500</u>	<u>203,800</u>	<u>204,900</u> ^{1/}

The approved amount includes \$5,700 in Personal Services and \$700 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes a decrease of \$400 for travel as well as a decrease of \$3,100 for consumer workshops.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Burgess

Tony Machukay, Director (Tel. 542-3123)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>3.5</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>94,900</u>	<u>106,600</u>	<u>111,100</u>
Employee Related Exp.	<u>22,100</u>	<u>23,700</u>	<u>27,000</u>
Travel - State	6,400	10,600	11,600
Travel - Out of State	400	-0-	-0-
Other Operating Exp.	20,200	14,500	14,400
Equipment	-0-	-0-	-0-
All Other Operating Exp.	<u>27,000</u>	<u>25,100</u>	<u>26,000</u>
TOTAL APPROPRIATIONS	<u>144,000</u>	<u>155,400</u>	<u>164,100</u> ^{1/}

The approved amount includes \$4,700 in Personal Services and \$600 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes an additional \$1,000 for increased travel costs and a \$100 reduction in risk management fees.

ADDITIONAL LEGISLATION

Publications Fund - Chapter 36 (S.B. 1040) - This bill establishes a Publications Fund consisting of monies received from the sale of publications pursuant to A.R.S. § 41-542. The monies in the Fund are appropriated to the Commission for further production and distribution of documents. Monies in the Fund of \$15,000 or less are exempt from A.R.S. § 35-190, relating to lapsing funds.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Comick

Doris Marlowe, R.N. (Tel. Prescott 445-2181)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>110.0</u>	<u>110.0</u>	<u>110.0</u>
Personal Services	<u>2,015,000</u>	<u>2,055,900</u>	<u>2,095,000</u>
Employee Related Exp.	<u>564,300</u>	<u>634,400</u>	<u>606,900</u>
Food	199,100	222,700	222,700
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(28,200)</u>
TOTAL APPROPRIATIONS	<u>2,778,400</u>	<u>2,913,000</u>	<u>2,896,400</u> ^{1/2/}

The approved amount includes \$90,200 in Personal Services and \$14,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount is based upon a 2.4% vacancy savings factor, which results in a vacancy savings of \$50,100.

- 1/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency.
- 2/ In addition to the amounts appropriated, earnings on state lands and interest on the investment of the permanent land funds are appropriated for the Pioneers' Home and the hospital for disabled miners in compliance with the enabling act and the constitution.

JLBC Analyst: Comick

The Honorable Rose Mofford, Governor (Tel. 542-4331)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
Gov. - Az. Rangers' Pension	<u>16,200</u>	<u>16,800</u>	<u>8,800</u>
TOTAL APPROPRIATIONS	<u>16,200</u>	<u>16,800</u>	<u>8,800</u> ^{1/}

The appropriation includes a 4.5% adjustment for inflation, as per the provisions of A.R.S. § 41-951(B). The pension for the remaining sole survivor is \$733 per month.

^{1/} Represents General Appropriation Act funds.

JLBC Analyst: Comick

Norman O. Gallion, Director (Tel. 255-4713)

GENERAL FUND AND VETERANS' GUARDIANSHIP FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
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Program Summary

Veterans' Affairs	692,600	720,700	826,000
Veterans' Conservatorship	<u>328,800</u>	<u>390,000</u>	<u>348,200</u>
TOTAL APPROPRIATIONS	<u>1,021,400</u>	<u>1,110,700</u>	<u>1,174,200</u>

Expenditure Detail

FTE Positions	<u>33.0</u>	<u>34.0</u>	<u>34.0</u>
Personal Services	<u>617,300</u>	<u>694,600</u>	<u>682,500</u>
Employee Related Exp.	<u>149,900</u>	<u>170,800</u>	<u>173,000</u>
Prof. & Outside Services	5,400	-0-	-0-
Travel - State	18,400	32,300	28,200
Travel - Out of State	2,900	8,300	6,400
Other Operating Exp.	158,500	152,900	157,700
Equipment	<u>27,700</u>	<u>11,800</u>	<u>-0-</u>
All Other Operating Exp.	<u>212,900</u>	<u>205,300</u>	<u>192,300</u>
OPERATION SUBTOTAL	980,100	1,070,700	1,047,800
Special Line Items ^{1/}	<u>41,300</u>	<u>40,000</u>	<u>126,400</u>
TOTAL APPROPRIATIONS	<u>1,021,400</u>	<u>1,110,700</u>	<u>1,174,200</u>

Fund Summary

General Fund	692,600	720,700	826,000
Veterans' Guardianship Fund	<u>328,800</u>	<u>390,000</u>	<u>348,200</u>
TOTAL APPROPRIATIONS	<u>1,021,400</u>	<u>1,110,700</u>	<u>1,174,200</u>

^{1/} Details for the Special Line Items are included on the individual program pages.

JLBC Analyst: Comick

Norman O. Gallion, Director (Tel. 255-4713)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>20.0</u>	<u>20.0</u>	<u>20.0</u>
Personal Services	<u>426,500</u>	<u>445,600</u>	<u>459,700</u>
Employee Related Exp.	<u>103,100</u>	<u>99,100</u>	<u>112,900</u>
Travel - State	16,000	26,800	22,500
Travel - Out of State	2,100	8,300	6,400
Other Operating Exp.	93,800	95,100	98,100
Equipment	<u>9,800</u>	<u>5,800</u>	<u>-0-</u>
All Other Operating Exp.	<u>121,700</u>	<u>136,000</u>	<u>127,000</u>
OPERATION SUBTOTAL	651,300	680,700	699,600
Veterans' Organization			
Contracts	39,300	40,000	40,000
Native American Veterans' War Memorial	2,000	-0-	-0-
Veterans' Cemetery Fund	<u>-0-</u>	<u>-0-</u>	<u>86,400</u>
TOTAL APPROPRIATIONS	<u>692,600</u>	<u>720,700</u>	<u>826,000</u> ^{1/}

The approved amount includes \$19,800 in Personal Services and \$2,600 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - Computer equipment and related software will be transferred from the Treasurer's Office to the Veterans' Service Commission for conversion of the record card index file to an electronic medium.

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).

Veterans' Cemetery - The Arizona Veteran's Cemetery was transferred to the National Cemetery System effective April 1, 1989. The Cemetery operations have been funded from the Non-Appropriated Veterans' Cemetery Fund in the recent past. The transfer agreement provides for the Legislature to appropriate sufficient funds for the maintenance of the cemetery for 3 years after the transfer, such appropriations not to exceed a total of \$390,000. Current projections indicate that a final appropriation of approximately \$80,000 will be required in FY 1992. Laws 1989, Chapter 29, authorized conveyance to the U.S. National Cemetery System.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

VETERANS' SERVICES COMMISSION - VETERANS' AFFAIRS (Cont'd)
GENERAL FUND

CAPITAL OUTLAY

Korean War Veterans' Memorial - Laws 1989, Chapter 109 - This bill appropriates \$100,000 from the State General Fund in FY 1991 and establishes a Korean War Veterans' Memorial Fund. This fund is to pay for the costs and expenses of constructing and dedicating a memorial to Arizona's Korean War Veterans in accordance with Executive Order No. 87-6, dated March 26, 1987. The Arizona Veterans' Service Commission shall deposit all monies it receives pursuant to this act with the State Treasurer who shall invest all monies in the fund, and any interest earned shall be deposited in the fund. The monies in the fund are appropriated to the Arizona Veterans' Service Commission for purposes of this act. This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations except that any monies remaining unexpended or unencumbered in the fund on June 30, 1992 revert to the State General Fund.

Veterans' Nursing Home - Chapter 203 (H.B. 2149) - This bill appropriates \$1,250,000 for FY 1991 and \$1,250,000 for FY 1992 from the state General Fund for deposit with and investment by the state treasurer to be used for construction of a state veterans' nursing home on the Indian school land, provided that the federal government pays for 65% of the cost of construction. Interest earned on the monies is also appropriated to the Arizona Veterans' Service Commission for such use. This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations unless the appropriation stands until December 31, 1992 without an expenditure or encumbrance. These monies, in addition to the \$2,500,000 appropriated in Laws 1989, Chapter 205, complete the total (35%) state matching requirement.

JLBC Analyst: Comick

Norman O. Gallion, Director (Tel. 255-4713)

VETERANS' GUARDIANSHIP FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>13.0</u>	<u>14.0</u>	<u>14.0</u>
Personal Services	<u>190,800</u>	<u>249,000</u>	<u>222,800</u>
Employee Related Exp.	<u>46,800</u>	<u>71,700</u>	<u>60,100</u>
Prof. & Outside Services	5,400	-0-	-0-
Travel - State	2,400	5,500	5,700
Travel - Out of State	800	-0-	-0-
Other Operating Exp.	64,700	57,800	59,600
Equipment	<u>17,900</u>	<u>6,000</u>	<u>-0-</u>
All Other Operating Exp.	<u>91,200</u>	<u>69,300</u>	<u>65,300</u>
TOTAL APPROPRIATIONS	<u>328,800</u>	<u>390,000</u>	<u>348,200</u> ^{1/}

The approved amount includes \$9,600 in Personal Services and \$1,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy savings factor of 11%, or \$26,400, until such time that revenues increase to support full funding of all positions.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: McNeil

Maxine McCarthy, Executive Secretary (Tel. 542-5989)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>106,500</u>	<u>116,200</u>	<u>120,500</u>
Employee Related Exp.	<u>22,800</u>	<u>22,800</u>	<u>28,900</u>
Prof. & Outside Services	24,600	29,500	29,500
Travel - State	7,500	9,200	9,200
Other Operating Exp.	<u>8,700</u>	<u>11,300</u>	<u>11,300</u>
All Other Operating Exp.	<u>40,800</u>	<u>50,000</u>	<u>50,000</u>
OPERATION SUBTOTAL	170,100	189,000	199,400
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(9,300)</u>
TOTAL APPROPRIATIONS	<u>170,100</u>	<u>189,000</u>	<u>190,100</u> ^{1/}

The approved amount includes \$5,200 in Personal Services and \$700 in Employee Related Expenditures for the general salary adjustment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: McNeil

Dr. Ivan J. Shields, Director (Tel. 542-4373)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Office of the Director	709,600	639,200	686,300
Field Operations	4,988,400	5,019,100	5,178,000
State Chemist	441,300	562,600	597,900
Fruit & Veg. Standardization	758,200	782,900	839,500
Sec. 109 Lump Sum Reduction	-0-	-0-	(56,800)
TOTAL APPROPRIATIONS	<u>6,897,500</u>	<u>7,003,800</u>	<u>7,244,900</u> ^{1/}
<u>Expenditure Detail</u>			
FTE Positions	<u>198.0</u>	<u>196.0</u>	<u>197.0</u>
Personal Services	<u>4,231,200</u>	<u>4,309,700</u>	<u>4,536,600</u>
Employee Related Exp.	<u>1,024,400</u>	<u>847,000</u>	<u>1,164,600</u>
Prof. & Outside Services	106,500	183,000	206,600
Travel - State	305,300	389,200	389,200
Travel - Out of State	27,100	26,800	26,800
Other Operating Exp.	666,600	695,000	995,400
Equipment	<u>147,800</u>	<u>66,100</u>	<u>110,900</u>
All Other Operating Exp.	<u>1,253,300</u>	<u>1,360,100</u>	<u>1,728,900</u>
OPERATION SUBTOTAL	6,508,900	6,516,800	7,430,100
Special Line Items	388,500	487,000	142,700
Sec. 109 Lump Sum Reduction	-0-	-0-	(56,800)
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(271,100)</u>
TOTAL APPROPRIATIONS	<u>6,897,400</u>	<u>7,003,800</u>	<u>7,244,900</u> ^{1/}
<u>Fund Summary</u>			
General Fund	5,698,000	5,658,300	5,807,500
Fertilizer Materials Fund	126,000	161,200	187,100
Pesticide Fund	163,800	202,300	207,600
Commercial Feed Fund	151,500	199,100	203,200
Citrus, Fruit, & Veg. Fund	<u>758,100</u>	<u>782,900</u>	<u>839,500</u>
TOTAL APPROPRIATIONS	<u>6,897,400</u>	<u>7,003,800</u>	<u>7,244,900</u>

(Continued)

^{1/} The approved amount reflects a lump sum reduction total of \$327,900, which is made up of \$33,600 shown in the Office of the Director cost center, \$237,500 shown in the Field Operations cost center, and \$56,800 shown on this page as the Section 109 Lump Sum Reduction.

COMMISSION OF AGRICULTURE AND HORTICULTURE - SUMMARY (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

The approved amount includes \$195,400 in Personal Services and \$26,600 in Employee Related Expenditures for the general salary adjustment, and \$2,500 for salary adjustments in special line items.

Per Laws 1989, Chapter 162: As of January 1, 1991, all unexpended and unencumbered monies appropriated to the Commission of Agriculture and Horticulture shall be transferred to the Department of Agriculture.

ADDITIONAL LEGISLATION

Arizona Citrus Research Council - Chapter 105 (S.B. 1308) - Establishes a Citrus Research Council which may engage in, authorize, or contract for, activities, research, or other tasks related to the citrus industry in Arizona. The Council is to support itself with fees to be assessed against standard cartons of citrus. The legislation requires the Council to reimburse the Commission or the Department of Agriculture, as appropriate, for administrative services performed on behalf of the Council.

Department of Agriculture - Chapter 374 (H.B. 2416) - Modifies A.R.S. to facilitate the implementation of Laws 1989, Chapter 162, which created the Department of Agriculture. Additionally, the legislation creates an Office of Commodity Development, and expands on Chapter 162 provisions regarding aquaculture and the Office of Agricultural Safety. The Staff had estimated the FY 1991 cost of these additional provisions at \$112,800 (General Fund) and \$4,500 (Other Funds).

JLBC Analyst: McNeil

Dr. Ivan J. Shields, Director (Tel. 542-4373)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>9.0</u>	<u>13.0</u>	<u>15.0</u> ^{1/2/}
Personal Services	<u>218,900</u>	<u>312,500</u>	<u>357,000</u>
Employee Related Exp.	<u>43,700</u>	<u>62,000</u>	<u>80,100</u>
Prof. & Outside Services	50,700	71,500	71,500
Travel - State	2,300	9,700	9,700
Travel - Out of State	5,700	4,700	4,700
Other Operating Exp.	130,600	136,300	123,400
Equipment	<u>6,500</u>	<u>-0-</u>	<u>5,800</u>
All Other Operating Exp.	<u>195,800</u>	<u>222,200</u>	<u>215,100</u>
OPERATION SUBTOTAL	458,400	596,700	652,200
Environmental Quality	213,400	-0-	-0-
Market News	37,800	42,500	45,900
Department of Agriculture	-0-	-0-	21,800
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(33,600)</u>
TOTAL APPROPRIATIONS	<u>709,600</u>	<u>639,200</u>	<u>686,300</u> ^{3/}

The approved amount includes \$15,400 in Personal Services and \$1,900 in Employee Related Expenditures for the general salary adjustment.

Market News - The approved amount includes \$1,400 in Personal Services and \$200 in Employee Related Expenditures for the general salary adjustment.

Department of Agriculture - The approved amount reflects funding for an Administrative Secretary III position to support the Director of the new Department of Agriculture. The approved amount includes \$800 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

- 1/ In addition, 2.2 FTE positions are funded in the Market News Service line item.
- 2/ Includes 2 FTE positions over FY 1990 - a secretary for the Department of Agriculture and an unfunded secretarial position for the Integrated Pest Management Program.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: McNeil

Dr. Ivan J. Shields, Director (Tel. 542-4373)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>158.0</u>	<u>152.0</u>	<u>151.0</u>
Personal Services	<u>3,337,200</u>	<u>3,292,000</u>	<u>3,441,600</u>
Employee Related Exp.	<u>805,600</u>	<u>616,100</u>	<u>902,400</u>
Prof. & Outside Services	26,600	48,300	48,300
Travel - State	201,800	217,800	217,800
Travel - Out of State	8,900	9,000	9,000
Other Operating Exp.	415,100	406,900	704,500 ^{1/}
Equipment	<u>115,900</u>	<u>44,500</u>	<u>91,900</u>
All Other Operating Exp.	<u>768,300</u>	<u>726,500</u>	<u>1,071,500</u>
OPERATION SUBTOTAL	4,911,100	4,634,600	5,415,500
Environmental Quality - Field	77,300	-0-	-0-
Ag Lab Equipment	-0-	384,500	-0-
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(237,500)</u>
TOTAL APPROPRIATIONS	<u>4,988,400</u>	<u>5,019,100</u>	<u>5,178,000</u> ^{2/}

The approved amount includes \$148,200 in Personal Services and \$20,400 in Employee Related Expenditures for the general salary adjustment.

^{1/} \$300,000 is for the relocation and leasing costs of the State Agricultural Laboratory. All unexpended and unencumbered funds from the relocation/leasing amount shall revert to the General Fund.

^{2/} Represents General Appropriation Act fund. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: McNeil

Dr. Ivan J. Shields, Director (Tel. 542-4373)

FERTILIZER MATERIALS, PESTICIDE, AND COMMERCIAL FEED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>
Personal Services	<u>273,300</u>	<u>297,100</u>	<u>310,600</u>
Employee Related Exp.	<u>63,500</u>	<u>64,800</u>	<u>72,900</u>
Prof. & Outside Services	16,100	49,500	73,100
Travel - State	18,600	27,500	27,500
Travel - Out of State	11,900	12,000	12,000
Other Operating Exp.	38,700	96,400	94,300
Equipment	<u>19,200</u>	<u>15,300</u>	<u>7,500</u>
All Other Operating Exp.	<u>104,500</u>	<u>200,700</u>	<u>214,400</u>
TOTAL APPROPRIATIONS	<u>441,300</u>	<u>562,600</u>	<u>597,900</u> ^{1/}
Fund Summary			
Fertilizer Materials Fund	126,000	161,200	187,100
Pesticide Fund	163,800	202,300	207,600
Commercial Feed Fund	<u>151,500</u>	<u>199,100</u>	<u>203,200</u>
TOTAL APPROPRIATIONS	<u>441,300</u>	<u>562,600</u>	<u>597,900</u>

The approved amount includes \$13,400 in Personal Services and \$1,800 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes an increase of \$23,600 to provide funds for testing compounds that the lab cannot handle; for second tests of certain materials by certified labs; and to pay for consultants and other services related to the development, operation, and maintenance of the State Chemist's portion of the Commission's computer system.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

COMMISSION OF AGRICULTURE AND HORTICULTURE -
FRUIT AND VEGETABLE STANDARDIZATION

A.R.S. 3-481

JLBC Analyst: McNeil

Dr. Ivan J. Shields, Director (Tel. 542-4373)

CITRUS, FRUIT, AND VEGETABLE REVOLVING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>20.0</u>	<u>20.0</u>	<u>20.0</u>
Personal Services	<u>401,800</u>	<u>408,100</u>	<u>427,400</u>
Employee Related Exp.	<u>111,600</u>	<u>104,100</u>	<u>109,200</u>
Prof. & Outside Services	13,100	13,700	13,700
Travel - State	82,600	134,200	134,200
Travel - Out of State	600	1,100	1,100
Other Operating Exp.	82,200	55,400	73,200
Equipment	<u>6,200</u>	<u>6,300</u>	<u>5,700</u>
All Other Operating Exp.	<u>184,700</u>	<u>210,700</u>	<u>227,900</u>
OPERATION SUBTOTAL	698,100	722,900	764,500
Cooperative Agreement	<u>60,000</u>	<u>60,000</u>	<u>75,000</u>
TOTAL APPROPRIATIONS	<u>758,100</u>	<u>782,900</u>	<u>839,500</u> ^{1/}
<u>Fund Summary</u>			
Fruit & Veg. Revolving Fund	666,000	774,700	-0-
Citrus Fruit Revolving Fund	92,100	8,200	-0-
Citrus, Fruit, & Vegetable (CF&V) Revolving Fund 2/	<u>-0-</u>	<u>-0-</u>	<u>839,500</u>
TOTAL APPROPRIATIONS	<u>758,100</u>	<u>782,900</u>	<u>839,500</u>

The approved amount includes \$18,400 in Personal Services and \$2,500 in Employee Related Expenditures for the general salary adjustment.

Other Operating Expenditures - The increase over FY 1990 is due to the addition of \$18,200 for office leasing costs.

Cooperative Agreement - The federal government, based on a cooperative agreement with the state, inspects watermelons being imported into the state from Mexico. The approved amount reflects the total state payment for this service. In addition to the inspection services, federal personnel, on the state's behalf, bill importers \$.75 per ton of watermelons inspected. Monies collected are deposited into the CF&V Revolving Fund. The increase of \$15,000 over FY 1990 is due to the extension of the agreement to the San Luis crossing area.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

2/ Per Laws 1989, Chapter 66, the Fruit and Vegetable Revolving Fund and the Citrus Fruit Revolving Fund were merged into a single fund to be known as the Citrus, Fruit, and Vegetable Revolving Fund.

JLBC Analyst: Pitcairn

William H. Rivoir, III, Superintendent (255-4421)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>89.0</u>	<u>97.0</u>	<u>90.0</u> ^{1/}
Personal Services	<u>1,886,900</u>	<u>2,278,700</u>	<u>2,219,800</u>
Employee Related Exp.	<u>428,900</u>	<u>485,800</u>	<u>492,900</u>
Prof. & Outside Services	1,700	142,600	117,600
Travel - State	66,700	105,900	103,200
Travel - Out of State	16,300	25,700	22,700
Other Operating Exp.	262,500	272,700	260,900
Equipment	-0-	17,000	12,600
All Other Operating Exp.	<u>347,200</u>	<u>563,900</u>	<u>517,000</u>
OPERATION SUBTOTAL	2,663,000	3,328,400	3,229,700
Receiverships	291,700	499,200	665,800 ^{2/3/}
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(37,800)</u>
TOTAL APPROPRIATIONS	<u>2,954,700</u>	<u>3,827,600</u>	<u>3,857,700</u> ^{4/}

The approved amount includes \$102,300 in Personal Services and \$12,600 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a reduction of 6 FTE Examiner positions and \$144,000 in Personal Services. Under the FTE reduction policy, another 1 FTE position was eliminated, resulting in a permanent reduction of \$28,700. The approved vacancy factor is 2.39%, or \$52,100.

All Other Operating Expenditures - The approved amount includes \$32,100 for increased rent charges, \$12,600 for replacement of the high speed copier. The amount also reflects a \$25,000 reduction in Professional and Outside Services to account for revised automation programming costs.

(Continued)

- ^{1/} Includes 9 FTE positions from the Receiverships special line.
- ^{2/} From the amount appropriated for Receiverships, the Department will revert at fiscal year-end an amount not greater than the amount credited to the Banking Department Receivership Revolving Fund pursuant to A.R.S. § 6-131.01 in accordance with the following formula: 100% of the first \$250,000, 90% of the next \$100,000, and 80% of any remainder.
- ^{3/} This amount includes \$9,700 in Personal Services and \$1,200 in Employee Related Expenditures for the general salary adjustment.
- ^{4/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

BANKING DEPARTMENT (Cont'd)
GENERAL FUND

Receiverships - The appropriation for the Receiverships special line was increased by \$166,600. The appropriation is to be offset by a percentage of revenues received in the newly created Banking Department Receivership Revolving Fund. (See "Additional Legislation" below and footnote 2 on the previous page.)

ADDITIONAL LEGISLATION

Banking Department Receivership Revolving Fund - Chapter 66 (H.B. 2374) - This bill authorizes the Banking Department to recover expenses incurred in its capacity as receiver from the proceeds of receiverships and establishes a Banking Department Receivership Revolving fund for use by the department in administering receiverships. The Department is required to revert a portion of the revenues deposited in this fund to the General Fund in FY 1991 (see footnote 2).

State Banking Department Fees - Chapter 215 (H.B. 2676) - This bill revises the application and annual fees for those institutions under the supervision of the department as well as the hourly rate for examinations. The fees continue to be deposited to the General Fund.

JLBC Analyst: Fusak

Don Reville, Director (Tel. 255-4072)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>70.0</u>	<u>73.0</u>	<u>72.5</u>
Personal Services	<u>1,654,900</u>	<u>1,814,200</u>	<u>1,852,900</u>
Employee Related Exp.	<u>377,200</u>	<u>403,900</u>	<u>452,000</u>
Prof. & Outside Services	3,400	4,200	5,900
Travel - State	142,100	222,800	224,400
Travel - Out of State	6,900	9,400	9,400
Other Operating Exp.	338,000	367,200	373,600
Equipment	<u>46,000</u>	<u>27,000</u>	<u>16,800</u>
All Other Operating Exp.	<u>536,400</u>	<u>630,600</u>	<u>630,100</u>
OPERATION SUBTOTAL	2,568,500	2,848,700	2,935,000
Fire Training School	24,000	24,000	30,000
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(28,700)</u>
TOTAL APPROPRIATIONS	<u>2,592,500</u>	<u>2,872,700</u>	<u>2,936,300</u> ^{1/2/}

The approved amount includes \$79,700 in Personal Services and \$10,500 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes a 0.5 clerical FTE position to be utilized in the Bullhead City field office. The Appropriations Committee recommends that the Office of Manufactured Housing raise their fees to offset the cost of the position. The appropriation also eliminates a position which has been vacant for over 2 years.

Personal Services - The approved amount is based upon a 2.44% vacancy factor, resulting in vacancy savings of \$45,500.

All Other Operating Expenditures - The approved amount includes \$13,000 for the relocation of the home office; however, the anticipated move occurred in FY 1990. It is the intent of the Legislature that the \$13,000 revert to the General Fund at the end of FY 1991. The appropriation includes funding to purchase National Building and Fire Code Books as well as a vehicle for the State Fire Marshal.

Fire Training School - The approved amount includes \$6,000 to fund the Fire Training School.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

2/ It is the intent of the Legislature that \$1,421,100 of the appropriation shall be for the Office of the State Fire Marshal and that \$1,515,200 shall be for the Office of Manufactured Housing.

JLBC Analyst: Fusak

Rhonda K. Davis, Registrar (Tel. 542-1525)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>107.6</u>	<u>108.6</u>	<u>108.1</u>
Personal Services	<u>2,089,000</u>	<u>2,335,200</u>	<u>2,412,800</u>
Employee Related Exp.	<u>499,100</u>	<u>532,100</u>	<u>606,100</u>
Prof. & Outside Services	21,500	70,700	36,900
Travel - State	135,900	279,900	185,800
Travel - Out of State	1,800	1,800	1,800
Other Operating Exp.	783,400	661,400	669,800
Equipment	<u>183,500</u>	<u>140,100</u>	<u>11,100</u>
All Other Operating Exp.	<u>1,126,100</u>	<u>1,153,900</u>	<u>905,400</u>
OPERATION SUBTOTAL	3,714,200	4,021,200	3,924,300
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(38,100)</u>
TOTAL APPROPRIATIONS	<u>3,714,200</u>	<u>4,021,200</u>	<u>3,886,200</u> ^{1/}

The approved amount includes \$103,900 in Personal Services and \$13,600 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes 1 new FTE position to assist in automating the Revenue Collection System as recommended by the Arizona Cost Efficiency Commission. The appropriation also transfers 1.5 FTE positions from the General Fund to the Recovery Fund.

Personal Services - The approved amount is based upon a 2% vacancy factor which results in a vacancy savings of \$59,900.

Professional and Outside Services - The approved amount includes a decrease of \$33,800. The agency's software training and automation equipment installation was completed.

Travel - The approved amount includes a decrease of \$94,100. The reduction is due to a change in the mileage averages used in the basic calculation for inspector travel.

All Other Operating Expenditures - The approved amount includes \$6,700 for operating supplies as well as \$11,100 for replacement equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Administration/Hearing Corporations	1,788,400	1,827,400	1,830,700
Securities	1,011,500	1,058,800	1,108,700
Railroad Safety	1,430,200	1,566,500	1,651,700
Utilities	413,600	1,113,600	341,400
Legal	4,172,400	5,071,300	4,793,800
Sec. 190 Lump Sum Reduction	881,700	852,300	977,200
	-0-	-0-	(47,500)
TOTAL APPROPRIATIONS	<u>9,697,800</u>	<u>11,489,900</u>	<u>10,656,000</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>217.0</u>	<u>223.0</u>	<u>227.5</u>
Personal Services	<u>5,790,600</u>	<u>6,148,100</u>	<u>6,555,200</u>
Employee Related Exp.	<u>1,228,300</u>	<u>1,193,100</u>	<u>1,478,400</u>
Prof. & Outside Services	435,300	438,800	439,800
Travel - State	149,800	170,100	177,600
Travel - Out of State	70,700	88,300	89,500
Other Operating Exp.	1,201,500	1,395,500	1,463,000
Equipment	<u>163,300</u>	<u>49,600</u>	<u>20,600</u>
All Other Operating Exp.	<u>2,020,600</u>	<u>2,142,300</u>	<u>2,190,500</u>
OPERATION SUBTOTAL	9,039,500	9,483,500	10,224,100
Special Line Items	658,300	2,006,400	479,400 ^{1/}
Sec. 109 Lump Sum Reduction	-0-	-0-	(47,500)
TOTAL APPROPRIATIONS	<u>9,697,800</u>	<u>11,489,900</u>	<u>10,656,000</u>
<u>Fund Summary</u>			
General Fund	4,645,300	5,541,300	4,859,200
Utility Reg. Revolving Fund	5,021,700	5,923,600	5,771,000
Pipeline Safety Revolving Fund	30,800	-0-	-0-
Arizona Arts Trust Fund	-0-	25,000	25,800
TOTAL APPROPRIATIONS	<u>9,697,800</u>	<u>11,489,900</u>	<u>10,656,000</u>

The approved amount includes: a) \$278,700 in Personal Services and \$35,300 in Employee Related Expenditures for the general salary adjustment; and b) \$3,000 in Personal Services and \$400 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

^{1/} Details for the Special Line Items are included on the individual program pages.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>38.0</u>	<u>38.0</u>	<u>35.0</u>
Personal Services	<u>1,066,500</u>	<u>1,074,000</u>	<u>1,067,000</u>
Employee Related Exp.	<u>216,400</u>	<u>206,600</u>	<u>239,000</u>
Prof. & Outside Services	212,000	210,700	210,700
Travel - State	10,200	10,200	11,100
Travel - Out of State	17,400	16,500	16,500
Other Operating Exp.	234,200	309,400	286,400
Equipment	<u>31,700</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>505,500</u>	<u>546,800</u>	<u>524,700</u>
TOTAL APPROPRIATIONS	<u>1,788,400</u>	<u>1,827,400</u>	<u>1,830,700</u> ^{1/}

The approved amount includes: a) \$39,400 in Personal Services and \$5,000 in Employee Related Expenditures for the general salary adjustment; and b) \$3,000 in Personal Services and \$400 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

FTE Positions - The approved amount includes a net decrease of 3 FTE positions, as follows:

- Transfer of Docket Control Section to Utilities Division - The approved amount reflects a transfer of 4 FTE positions and \$107,400 to the Utilities Division.
- Hearing Officer - The approved amount includes 1 FTE Hearing Officer position to handle the increased number of hearings.

Personal Services - The approved amount includes a reduction of \$67,000 in Personal Services resulting from the transfer of the 4 FTE Docket Control positions to the Utilities Division, and an increase of \$32,300 in Personal Services for the new Hearing Officer. The approved amount reflects a vacancy factor of 2%, or \$21,000. The three Corporation Commissioners each received a salary increase of \$1,000, resulting in an increase of \$3,000 in Personal Services.

All Other Operating Expenditures - The approved amount includes a \$24,800 reduction in Other Operating Expenses resulting from the transfer of the Docket Control section to the Utilities Division and a \$2,200 increase in In-State Travel and Other Operating Expenses for the new Hearing Officer.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

GENERAL FUND AND OTHER APPROPRIATED FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>37.0</u>	<u>38.0</u>	<u>38.0</u>
Personal Services	<u>628,800</u>	<u>645,300</u>	<u>683,000</u>
Employee Related Exp.	<u>157,500</u>	<u>155,600</u>	<u>198,100</u>
Prof. & Outside Services	54,300	45,800	45,800
Travel - State	300	100	100
Travel - Out of State	1,700	-0-	-0-
Other Operating Exp.	156,500	187,000	181,700
Equipment	<u>12,400</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>225,200</u>	<u>232,900</u>	<u>227,600</u>
OPERATION SUBTOTAL	1,011,500	1,033,800	1,108,700
Arizona Arts Trust Fund	<u>-0-</u>	<u>25,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,011,500</u>	<u>1,058,800</u>	<u>1,108,700</u> ^{1/}
<u>Fund Summary</u>			
General Fund	1,011,500	1,033,800	1,082,900
Arizona Arts Trust Fund	<u>-0-</u>	<u>25,000</u>	<u>25,800</u> ^{2/}
TOTAL APPROPRIATIONS	<u>1,011,500</u>	<u>1,058,800</u>	<u>1,108,700</u>

The approved amount includes \$29,400 in Personal Services and \$3,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$14,900 for an Examiner Technician position. This position was added in FY 1990 from the \$25,000 Arizona Arts Trust Fund appropriation contained in Laws 1989, Chapter 305. The funding for this position was originally included in a special line, but is shown above the line for FY 1991. The approved amount reflects a vacancy factor of 2%, or \$13,100.

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

2/ This amount includes \$700 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>39.0</u>	<u>41.0</u>	<u>41.0</u>
Personal Services	<u>1,091,700</u>	<u>1,192,400</u>	<u>1,263,200</u>
Employee Related Exp.	<u>217,400</u>	<u>214,600</u>	<u>282,100</u>
Prof. & Outside Services	17,000	27,000	27,000
Travel - State	4,500	7,100	7,200
Travel - Out of State	2,300	2,000	2,000
Other Operating Exp.	86,100	84,800	90,800
Equipment	<u>-0-</u>	<u>13,600</u>	<u>-0-</u>
All Other Operating Exp.	<u>109,900</u>	<u>134,500</u>	<u>127,000</u>
OPERATION SUBTOTAL	1,419,000	1,541,500	1,672,300
Expert Testimony	11,200	25,000	25,000
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(45,600)</u>
TOTAL APPROPRIATIONS	<u>1,430,200</u>	<u>1,566,500</u>	<u>1,651,700</u> ^{1/}

The approved amount includes \$54,400 in Personal Services and \$6,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a vacancy factor of 3%, or \$37,100.

Lump Sum Reduction - The amount approved for Lump Sum Reduction is \$45,600. The General Appropriation Act requires that the Commission report, within 30 days of the bill's enactment, those areas from which the reductions will be taken and the impact those reductions will have on the operations of the program.

ADDITIONAL LEGISLATION

Securities; Registration - Chapter 216 (H.B. 2685) - This bill amends several provisions of the securities statutes, including annual fees for dealers, brokers, salesmen, and registration of securities. The bill establishes the Securities Regulatory and Enforcement Fund, funded through a portion of the increased fees. The Commission is directed to use the monies in the fund for education and regulatory, investigative and enforcement operations in the securities division. The fund is not subject to appropriation or lapsing.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>
Personal Services	<u>212,300</u>	<u>215,700</u>	<u>223,400</u>
Employee Related Exp.	<u>51,600</u>	<u>49,900</u>	<u>55,400</u>
Prof. & Outside Services	800	-0-	-0-
Travel - State	36,000	40,500	41,300
Travel - Out of State	3,100	3,800	3,800
Other Operating Exp.	13,300	22,000	17,500
Equipment	<u>5,800</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>59,000</u>	<u>66,300</u>	<u>62,600</u>
OPERATION SUBTOTAL	322,900	331,900	341,400
Railroad Warning Systems	<u>90,700</u>	<u>781,700</u> ^{1/}	<u>-0-</u> ^{1/}
TOTAL APPROPRIATIONS	<u>413,600</u>	<u>1,113,600</u>	<u>341,400</u> ^{2/}

The approved amount includes \$9,600 in Personal Services and \$1,300 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a vacancy factor of 1%, or \$2,200.

Railroad Warning Systems - No funds were appropriated to this program for FY 1991 because of a substantial balance carried forward from previous years.

^{1/} This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations. Of the \$781,700 appropriation shown in FY 1990, \$581,700 was carried forward from the previous year. Though no new funds were appropriated for FY 1991, a balance of \$690,000 will be carried forward into FY 1991 from the previous year.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

UTILITY REGULATION REVOLVING FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>81.0</u>	<u>84.0</u>	<u>89.0</u>
Personal Services	<u>2,247,200</u>	<u>2,469,700</u>	<u>2,681,700</u>
Employee Related Exp.	<u>485,400</u>	<u>475,100</u>	<u>582,400</u>
Prof. & Outside Services	80,600	94,300	94,300
Travel - State	91,100	107,200	111,600
Travel - Out of State	26,600	45,000	46,200
Other Operating Exp.	588,300	669,300	757,000
Equipment	<u>96,800</u>	<u>36,000</u>	<u>20,600</u>
All Other Operating Exp.	<u>883,400</u>	<u>951,800</u>	<u>1,029,700</u>
OPERATION SUBTOTAL	3,616,000	3,896,600	4,293,800
Pipeline Safety Revolving Fund	30,800	-0-	-0-
Audits and Rate Hearings	<u>525,600</u>	<u>1,174,700</u> ^{1/}	<u>500,000</u> ^{2/}
TOTAL APPROPRIATIONS	<u>4,172,400</u>	<u>5,071,300</u>	<u>4,793,800</u> ^{3/4/}

Fund Summary

General Fund	1,600	-0-	-0-
Utility Reg. Revolving Fund	4,140,000	5,071,300	4,793,800
Pipeline Safety Revolving Fund	<u>30,800</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>4,172,400</u>	<u>5,071,300</u>	<u>4,793,800</u>

The approved amount includes \$115,500 in Personal Services and \$14,700 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes 5 FTE positions as follows:

- Docket Control - The approved amount reflects transfer of the Docket Control section, which includes 4 FTE positions and \$107,400, from the Administration/Hearing cost center. Approximately 70% of the workload of the Docket Control section is utilities-related.

(Continued)

- 1/ Of this amount, \$674,700 was carried forward from the previous year.
- 2/ This appropriation is exempt from A.R.S. § 35-190, relating to lapsing of appropriations.
- 3/ It is the intent of the Legislature that the Commission hire either a Utility Diversification Analyst or a Manager of Technical Analysis, depending upon the Commission's assessment of its needs in FY 1991.
- 4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

CORPORATION COMMISSION - UTILITIES (Cont'd)
UTILITY REGULATION REVOLVING
FUND AND OTHER APPROPRIATED FUNDS

- Utility Diversification/Manager of Technical Analysis - The approved amount includes \$44,200 for either a Senior Rate Analyst to address utility diversification or a Manager of Technical Analysis to manage the reorganized Accounting and Rates section. As indicated in Footnote 3, the Commission is directed to select one of the above positions based on an assessment of its needs in FY 1991.

Personal Services - The approved amount includes \$67,000 for the Docket Control positions and \$29,500 for the Senior Rate Analyst or the Manager of Technical Analysis. The approved amount reflects a vacancy factor of 4.5%, or \$116,400.

All Other Operating Expenditures - The approved amount includes \$24,800 in Other Operating Expenditures for the Docket Control positions, and \$8,200 in Travel, Other Operating Expenditures, and Equipment for the Senior Rate Analyst/Manager of Technical Analysis. The approved amount for Other Operating Expenditures also includes \$61,900 in increased Risk Management assessments. The approved amount for Equipment includes \$17,400 to replace 5 personal computers.

JLBC Analyst: Pitcairn

The Honorable Marcia Weeks, Chair (Tel. 542-4143)

UTILITY REGULATION REVOLVING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>14.0</u>	<u>14.0</u>	<u>16.5</u>
Personal Services	<u>544,100</u>	<u>551,000</u>	<u>636,900</u>
Employee Related Exp.	<u>100,000</u>	<u>91,300</u>	<u>121,400</u>
Prof. & Outside Services	70,600	61,000	62,000
Travel - State	7,700	5,000	6,300
Travel - Out of State	19,600	21,000	21,000
Other Operating Exp.	123,100	123,000	129,600
Equipment	<u>16,600</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>237,600</u>	<u>210,000</u>	<u>218,900</u>
TOTAL APPROPRIATIONS	<u>881,700</u>	<u>852,300</u>	<u>977,200</u> ^{1/}

The approved amount includes \$27,400 in Personal Services and \$3,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$28,500 for 3 seasonal law clerk positions (1.5 FTE), and \$30,000 for 1 FTE Attorney II position for the Pipeline and Railroad Safety section.

All Other Operating Expenditures - The approved amount includes \$8,600 in Professional and Outside Services, Travel and Other Operating Expenditures for the law clerks and attorney.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: McNeil

Roy Collier, Commissioner (Tel. 255-4189)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>7.5</u>	<u>8.0</u>	<u>8.0</u>
Personal Services	<u>210,400</u>	<u>233,000</u>	<u>235,400</u>
Employee Related Exp.	<u>44,500</u>	<u>49,500</u>	<u>57,300</u>
Prof. & Outside Services	129,700	128,700	137,600
Travel - State	22,700	30,300	29,100
Travel - Out of State	4,000	4,400	4,400
Other Operating Exp.	41,300	41,000	43,000
Equipment	<u>2,100</u>	<u>40,000</u>	<u>-0-</u>
All Other Operating Exp.	<u>199,800</u>	<u>244,400</u>	<u>214,100</u>
OPERATION SUBTOTAL	454,700	526,900	506,800
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(24,500)</u>
TOTAL APPROPRIATIONS	<u>454,700</u>	<u>526,900</u> ^{1/}	<u>482,300</u> ^{2/}

The approved amount includes \$10,100 in Personal Services and \$1,300 in Employee Related Expenditures for the general salary adjustment.

Per Laws 1989, Chapter 162: As of January 1, 1991, all unexpended and unencumbered monies appropriated to the Dairy Commissioner shall be transferred to the Department of Agriculture.

^{1/} Does not reflect the mid-year reversion of \$10,500.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

<u>SPECIAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
<u>Program Summary</u>			
Administration	1,744,000	2,887,000	2,878,100
Claims	2,663,600	2,858,300	2,768,200
Administrative Law Judge	2,960,000	3,185,900	3,291,400
Labor	328,300	339,900	411,800
Special Fund	396,200	420,500	466,500
Occupational Safety & Health	1,388,400	1,570,200	1,657,600
Legal Counsel	449,500	594,600	674,100
TOTAL APPROPRIATIONS	9,930,000	11,856,400	12,147,700

Expenditure Detail

FTE Positions	<u>245.0</u>	<u>248.0</u>	<u>257.0</u>
Personal Services	<u>5,307,000</u>	<u>5,873,700</u>	<u>6,277,300</u>
Employee Related Exp.	<u>1,199,800</u>	<u>1,280,400</u>	<u>1,559,200</u>
Prof. & Outside Services	1,377,800	1,908,500	1,465,400
Travel - State	97,200	149,700	158,500
Travel - Out of State	6,300	14,100	12,100
Other Operating Exp.	1,797,000	2,588,800	2,628,100
Equipment	<u>144,900</u>	<u>41,200</u>	<u>47,100</u>
All Other Operating Exp.	<u>3,423,200</u>	<u>4,702,300</u>	<u>4,311,200</u>
TOTAL APPROPRIATIONS	9,930,000	11,856,400	12,147,700

The approved amount includes \$268,600 in Personal Services and \$34,200 in Employee Related Expenditures for the general salary adjustment.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 1.(C) of the Capital Outlay Bill appropriates \$33,000 from the Industrial Commission Special Fund to the Department of Administration for the maintenance and repair of state buildings.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

<u>SPECIAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>36.0</u>	<u>38.0</u>	<u>43.0</u>
Personal Services	<u>764,900</u>	<u>940,700</u>	<u>1,078,800</u>
Employee Related Exp.	<u>181,300</u>	<u>203,000</u>	<u>270,400</u>
Prof. & Outside Services	49,600	339,100	106,900
Travel - State	10,900	16,600	16,600
Travel - Out of State	1,100	5,500	3,500
Other Operating Exp.	681,100	1,367,500	1,384,700
Equipment	<u>55,100</u>	<u>14,600</u>	<u>17,200</u>
All Other Operating Exp.	<u>797,800</u>	<u>1,743,300</u>	<u>1,528,900</u>
TOTAL APPROPRIATIONS	<u>1,744,000</u>	<u>2,887,000</u>	<u>2,878,100</u> ^{1/}

The approved amount includes \$44,700 in Personal Services and \$5,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$35,500 for 2 new FTE positions, a Fiscal Services Specialist I and an EDP AVX Equipment Operator II. \$58,200 is transferred from Professional and Outside Services for 3 FTE positions for building maintenance currently on contract with the Department of Administration. Also included is funding for reclassification of FTE positions and a reduction due to hiring new personnel at lower salaries than their predecessors.

All Other Operating Expenditures - The approved amount includes a reduction of \$236,300 for one-time costs for training on the optical disk system. Also included is \$17,500 for a 4.5% general inflation increase, \$900 for increased risk management costs, and \$3,500 for non-capitalized equipment for the new FTE positions.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

<u>SPECIAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>85.0</u>	<u>85.0</u>	<u>85.0</u>
Personal Services	<u>1,276,900</u>	<u>1,378,800</u>	<u>1,432,800</u>
Employee Related Exp.	<u>310,100</u>	<u>354,600</u>	<u>428,600</u>
Prof. & Outside Services	601,200	630,500	414,100
Travel - State	1,600	5,200	5,200
Travel - Out of State	1,200	4,700	4,700
Other Operating Exp.	446,800	473,100	482,800
Equipment	<u>25,800</u>	<u>11,400</u>	<u>-0-</u>
All Other Operating Exp.	<u>1,076,600</u>	<u>1,124,900</u>	<u>906,800</u>
TOTAL APPROPRIATIONS	<u>2,663,600</u>	<u>2,858,300</u>	<u>2,768,200</u> ^{1/}

The approved amount includes \$61,700 in Personal Services and \$7,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of \$7,700 due to the retirement of a person and the replacement of that person at a lower salary.

All Other Operating Expenditures - The approved amount includes a reduction of \$245,200 for reduced data processing costs, a 4.5% general inflation increase of \$38,500, and a reduction of \$11,400 in Equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

SPECIAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>49.0</u>	<u>50.0</u>	<u>50.0</u>
Personal Services	<u>1,596,200</u>	<u>1,686,200</u>	<u>1,763,200</u>
Employee Related Exp.	<u>320,500</u>	<u>304,400</u>	<u>344,300</u>
Prof. & Outside Services	658,100	834,300	834,300
Travel - State	13,000	13,600	13,600
Other Operating Exp.	345,300	345,600	336,000
Equipment	<u>26,900</u>	<u>1,800</u>	<u>-0-</u>
All Other Operating Exp.	<u>1,043,300</u>	<u>1,195,300</u>	<u>1,183,900</u>
TOTAL APPROPRIATIONS	<u><u>2,960,000</u></u>	<u><u>3,185,900</u></u>	<u><u>3,291,400</u></u> ^{1/}

The approved amount includes \$75,900 in Personal Services and \$9,700 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount represents a decrease of \$15,400 due to lower anticipated operating costs, a 4.5% general inflation increase of \$5,800, and a reduction of \$1,800 in Equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

<u>SPECIAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>11.0</u>	<u>11.0</u>	<u>13.0</u>
Personal Services	<u>211,300</u>	<u>222,100</u>	<u>266,600</u>
Employee Related Exp.	<u>44,900</u>	<u>56,100</u>	<u>71,500</u>
Prof. & Outside Services	100	600	600
Travel - State	5,100	6,000	8,500
Travel - Out of State	2,200	1,400	1,400
Other Operating Exp.	61,100	53,700	61,500
Equipment	<u>3,600</u>	<u>-0-</u>	<u>1,700</u>
All Other Operating Exp.	<u>72,100</u>	<u>61,700</u>	<u>73,700</u>
TOTAL APPROPRIATIONS	<u>328,300</u>	<u>339,900</u>	<u>411,800</u> ^{1/}

The approved amount includes \$11,500 in Personal Services and \$1,500 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$33,000 for 2 new FTE positions, an Investigator II and a Clerk Typist III.

All Other Operating Expenditures - The approved amount includes \$2,500 in additional travel expenditures for the new FTE positions as well as \$6,000 in additional operating expenditures and a 4.5% general inflation increase of \$1,800. Also included is \$1,700 in Equipment for the new FTE positions.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

SPECIAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>14.0</u>	<u>14.0</u>	<u>15.0</u>
Personal Services	<u>269,700</u>	<u>280,600</u>	<u>309,600</u>
Employee Related Exp.	<u>63,300</u>	<u>64,800</u>	<u>79,400</u>
Prof. & Outside Services	14,100	16,700	17,800
Travel - State	1,400	4,700	4,700
Other Operating Exp.	47,000	52,100	55,000
Equipment	700	1,600	-0-
All Other Operating Exp.	<u>63,200</u>	<u>75,100</u>	<u>77,500</u>
TOTAL APPROPRIATIONS	<u><u>396,200</u></u>	<u><u>420,500</u></u>	<u><u>466,500</u></u> ^{1/}

The approved amount includes \$13,300 in Personal Services and \$1,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$20,600 for 1 new FTE position, a Claims Specialist II, and a reduction of \$4,900 due to the resignation of a person and the replacement of that person at a lower salary.

All Other Operating Expenditures - The approved amount includes \$1,100 for additional data processing costs, \$500 for operating expenditures and equipment for the new FTE position, a 4.5% general inflation increase of \$2,400, and a reduction of \$1,600 in Equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

SPECIAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>36.0</u>	<u>36.0</u>	<u>36.0</u>
Personal Services	<u>903,400</u>	<u>989,300</u>	<u>1,009,300</u>
Employee Related Exp.	<u>214,100</u>	<u>209,900</u>	<u>263,400</u>
Prof. & Outside Services	20,600	52,200	52,200
Travel - State	59,800	94,800	97,200
Travel - Out of State	1,800	2,000	2,000
Other Operating Exp.	167,400	220,000	220,300
Equipment	<u>21,300</u>	<u>2,000</u>	<u>13,200</u>
All Other Operating Exp.	<u>270,900</u>	<u>371,000</u>	<u>384,900</u>
TOTAL APPROPRIATIONS	<u>1,388,400</u>	<u>1,570,200</u>	<u>1,657,600</u> ^{1/}

The approved amount includes \$43,500 in Personal Services and \$5,900 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes an increase of \$2,400 in In-State Travel, an additional \$11,100 for replacement equipment, and a 4.5% general inflation increase of \$400 .

ADDITIONAL LEGISLATION

Asbestos Regulation - Chapter 314 (H.B. 2360) - This bill directs the Division of Occupational Safety and Health to develop and implement standards for the certification of training programs for employees working with asbestos and to issue photo identification cards to employees successfully completing a certification program. The bill imposes a fee for the certification or recertification of the training programs which are to be used to defray expenses incurred with the operation of the program. Any needed additional funds will be provided from the Industrial Commission Special Fund. It is expected that the program will utilize 3 FTE positions and an estimated FY 1991 operating budget of \$48,500, which includes partial year costs for the FTE positions and operating expenditures as well as one-time equipment purchases.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Larry Etchechury, Director (Tel. 542-4411)

SPECIAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>14.0</u>	<u>14.0</u>	<u>15.0</u>
Personal Services	<u>284,600</u>	<u>376,000</u>	<u>417,000</u>
Employee Related Exp.	<u>65,600</u>	<u>87,600</u>	<u>101,600</u>
Prof. & Outside Services	34,100	35,100	39,500
Travel - State	5,400	8,800	12,700
Travel - Out-of-State	-0-	500	500
Other Operating Exp.	48,300	76,800	87,800
Equipment	<u>11,500</u>	<u>9,800</u>	<u>15,000</u>
All Other Operating Exp.	<u>99,300</u>	<u>131,000</u>	<u>155,500</u>
TOTAL APPROPRIATIONS	<u>449,500</u>	<u>594,600</u>	<u>674,100</u> ^{1/}

The approved amount includes \$18,000 in Personal Services and \$2,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$19,100 for a new FTE position, an Investigator II.

All Other Operating Expenditures - The approved amount includes \$5,600 for operating expenditures and equipment for the new FTE position, \$5,400 for a maintenance contract on a copier whose warranty is expiring, and \$4,400 for increased legal costs. Also included is \$3,900 for additional In-State Travel and \$5,200 for additional equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Pitcairn

Susan Gallinger, Director (Tel. 255-5400)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>69.0</u>	<u>78.0</u>	<u>84.0</u>
Personal Services	<u>1,507,100</u>	<u>1,752,100</u>	<u>1,932,700</u>
Employee Related Exp.	<u>323,600</u>	<u>354,700</u>	<u>445,700</u>
Prof. & Outside Services	67,600	23,200	62,100
Travel - State	5,800	11,100	11,400
Travel - Out of State	17,500	16,200	16,200
Other Operating Exp.	452,800	533,400	614,900
Equipment	<u>23,200</u>	<u>26,900</u>	<u>12,600</u>
All Other Operating Exp.	<u>566,900</u>	<u>610,800</u>	<u>717,200</u>
OPERATION SUBTOTAL	2,397,600	2,717,600	3,095,600
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(30,100)</u>
TOTAL APPROPRIATIONS	<u>2,397,600</u>	<u>2,717,600</u>	<u>3,065,500</u> ^{1/}

The approved amount includes \$80,200 in Personal Services and \$9,800 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes an additional 6 FTE positions at a total cost of \$145,400 for the following two areas:

- Consumer Affairs - The approved amount includes 3 FTE Consumer Specialist positions and \$64,600 to respond to increased consumer questions and complaints.
- Property and Casualty - The approved amount includes 3 FTE positions and \$80,800 to review rate filings in the Property and Casualty section.

Personal Services - The approved amount includes \$9,100 for the Director's salary adjustment; \$47,700 for the 3 FTE Consumer Affairs positions; and \$62,300 for the 3 FTE Property and Casualty positions. The appropriation reflects a vacancy factor of 1%, or \$18,700.

Professional and Outside Services - The approved amount includes \$36,300 for computer maintenance expenses no longer covered by the initial warranty and \$35,000 to hire an additional attorney from the Attorney General's Office.

Other Operating Expenditures/Equipment - The appropriation includes \$32,400 for additional office space and \$12,600 to replace a high speed copier.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

ADDITIONAL LEGISLATION

Medical Malpractice Rate Regulation - Chapter 52 (H.B. 2216) - Removes language in the law which prohibits the Department from finding a medical malpractice insurance rate excessive if competition exists in the marketplace, and allows the Department to contract with independent examiners for reviewing rates and reserves of the providers. The examination expenses are to be paid by the insurer being examined.

Insurance Computer Fund - Chapter 69 (S.B. 1046) - This bill authorizes the Department to expend the balance remaining in the Insurance Computer Fund by retroactively extending the fund's sunset date from January 1, 1990 to January 1, 1994 at which time any balance remaining in the fund reverts to the General Fund. The balance in the fund as of July 1, 1990 was approximately \$268,000. The appropriation contained in the General Appropriations Act assumes use of these funds.

Fingerprints; Criminal History Information - Chapter 70 (S.B. 1067) - Authorizes the Department to request fingerprint information for certain of its licensees or applicants from the Department of Public Safety (DPS). The fees charged by DPS would likely be paid directly by the applicants to DPS.

Health Maintenance Organizations - Chapter 205 (H.B. 2213) - This bill changes several provisions regarding enrollment and insolvency protection for Health Maintenance Organizations (HMOs). The provisions include the requirement that 2% of annual premiums, up to \$1 million maximum annually, be deposited on a quarterly basis with the State Treasurer, for protection of HMO enrollees, and that the Department's examination expenses be borne by the HMO being examined.

Fire Insurance Premium Tax - Chapter 279 (S.B. 1328) - Reduces the premium tax rate for fire insurance written on property in incorporated cities that do not have their own fire departments and must contract with private fire companies, from 2.2% to 0.66%. Eighty-five percent of the revenues from this tax go to the firefighters pension fund or to the public safety pension fund, with the balance deposited to the General Fund.

JLBC Analyst: Burgess

Hugh Ennis, Superintendent (Tel. 542-5141)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>59.0</u>	<u>59.0</u>	<u>56.0</u>
Personal Services	<u>1,226,100</u>	<u>1,282,400</u>	<u>1,237,800</u>
Employee Related Exp.	<u>285,700</u>	<u>293,600</u>	<u>323,100</u>
Prof. & Outside Services	63,000	75,000	75,000
Travel - State	74,200	90,000	90,000
Travel - Out of State	2,000	2,000	2,000
Other Operating Exp.	340,500	330,000	327,100
Equipment	<u>76,800</u>	<u>10,600</u>	<u>-0-</u>
All Other Operating Exp.	<u>556,500</u>	<u>507,600</u>	<u>494,100</u>
OPERATION SUBTOTAL	2,068,300	2,083,600	2,055,000
Debt Service	3,800	-0-	-0-
Microfilm System	-0-	-0-	40,000
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(20,400)</u>
TOTAL APPROPRIATIONS	<u>2,072,100</u>	<u>2,083,600</u>	<u>2,074,600</u> ^{1/}

The approved amount includes \$53,000 in Personal Services and \$6,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of 3 FTE positions, 2 Investigative Supervisors II and 1 Investigative Supervisor I, for a savings of \$84,800. Also included is a 2.1% vacancy savings of \$24,900.

All Other Operating Expenditures - The approved amount includes a \$2,900 reduction in risk management and the elimination of \$10,600 in replacement equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: McNeil

William Allen, Director (Tel. 542-4196)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Administrative Services	615,300	605,100	710,200
Animal Disease Control	129,300	146,400	133,700
Livestock Inspection	2,109,900	2,243,700	2,701,600
Meat and Poultry Inspection	825,100	847,000	878,300
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(36,700)</u>
TOTAL APPROPRIATIONS	<u><u>3,679,600</u></u>	<u><u>3,842,200</u></u>	<u><u>3,757,100</u></u> ^{1/}
<u>Expenditure Detail</u>			
FTE Positions	<u>108.2</u>	<u>108.2</u>	<u>109.2</u>
Personal Services	<u>2,344,300</u>	<u>2,449,300</u>	<u>2,511,200</u>
Employee Related Exp.	<u>603,300</u>	<u>564,800</u>	<u>633,400</u>
Prof. & Outside Services	56,800	42,000	43,200
Travel - State	253,100	364,300	361,500
Travel - Out of State	5,100	6,600	6,600
Other Operating Exp.	237,000	200,900	168,600
Equipment	<u>105,000</u>	<u>139,300</u>	<u>-0-</u>
All Other Operating Exp.	<u>657,000</u>	<u>753,100</u>	<u>579,900</u>
OPERATION SUBTOTAL	3,604,600	3,767,200	3,724,500
Animal Damage Control	75,000	75,000	75,000
Department of Agriculture	-0-	-0-	95,200
Sec. 109 Lump Sum Reduction	-0-	-0-	(36,700)
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(100,900)</u>
TOTAL APPROPRIATIONS	<u><u>3,679,600</u></u>	<u><u>3,842,200</u></u>	<u><u>3,757,100</u></u> ^{1/}

The approved amount includes \$108,100 in Personal Services and \$14,600 in Employee Related Expenditures for the general salary adjustment.

Per Laws 1989, Chapter 162: As of January 1, 1991, all unexpended and unencumbered monies appropriated to the Arizona Livestock Board shall be transferred to the Department of Agriculture.

(Continued)

^{1/} The approved amount reflects a lump sum reduction total of \$137,600, which is made up of \$100,900 shown in the Livestock Inspection cost center, and \$36,700 shown on this page as the Section 109 Lump Sum Reduction.

ARIZONA LIVESTOCK BOARD - SUMMARY (Cont'd)
GENERAL FUND

ADDITIONAL LEGISLATION

Livestock Regulation - Chapter 76 (H.B. 2307) - Amends sections of Title 24 pertaining to the self-inspection program for livestock, notification of seizure, impoundment of strays, and issues regarding the reclamation of seized horses. The legislation also adds a service fee to be charged to certain equine owners whose horses must be inspected prior to being transported to auction or immediate slaughter. This provision's impact on total Livestock Board collections is expected to be minimal.

JLBC Analyst: McNeil

William Allen, Director (Tel. 542-4196)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>17.5</u>	<u>18.5</u>	<u>19.5</u>
Personal Services	<u>357,300</u>	<u>362,100</u>	<u>367,400</u>
Employee Related Exp.	<u>81,400</u>	<u>77,100</u>	<u>86,100</u>
Prof. & Outside Services	44,100	35,900	37,100
Travel - State	5,800	6,900	8,200
Travel - Out of State	1,300	1,500	1,500
Other Operating Exp.	<u>50,400</u>	<u>46,600</u>	<u>39,700</u>
All Other Operating Exp.	<u>101,600</u>	<u>90,900</u>	<u>86,500</u>
OPERATION SUBTOTAL	540,300	530,100	540,000
Animal Damage Control	75,000	75,000	75,000
Department of Agriculture	<u>-0-</u>	<u>-0-</u>	<u>95,200</u>
TOTAL APPROPRIATIONS	<u>615,300</u>	<u>605,100</u>	<u>710,200</u> ^{1/}

The approved amount includes \$15,800 in Personal Services and \$1,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects the imposition of a 1.01% vacancy factor (\$3,600).

Animal Damage Control - The approved amount represents funding for the cooperative agreement between the United State Department of Agriculture's Animal Damage Control (ADC) program and the Arizona Livestock Board (A.R.S. §§ 24-801ff). ADC's activities include efforts to limit threats to public health, livestock, poultry, agriculture, and losses resulting from noxious rodents and predatory animals.

Department of Agriculture - The approved amount includes \$93,000 for the Director of the Department of Agriculture's salary and Employee Related Expenditures, as well as \$2,200 for the Advisory Council's mileage reimbursement (Laws 1989, Chapter 162).

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: McNeil

William Allen, Director (Tel. 542-4196)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>4.0</u>	<u>3.0</u>	<u>3.0</u>
Personal Services	<u>85,300</u>	<u>90,500</u>	<u>87,300</u>
Employee Related Exp.	<u>20,800</u>	<u>24,300</u>	<u>19,800</u>
Travel - State	8,400	16,000	11,700
Travel - Out of State	2,600	2,200	2,200
Other Operating Exp.	<u>12,200</u>	<u>13,400</u>	<u>12,700</u>
All Other Operating Exp.	<u>23,200</u>	<u>31,600</u>	<u>26,600</u>
TOTAL APPROPRIATIONS	<u>129,300</u>	<u>146,400</u>	<u>133,700</u> ^{1/}

The approved amount includes \$3,800 in Personal Services and \$500 in Employee Related Expenditures for the general salary adjustment.

Personal Services/Employee Related Expenditures - The approved amount reflects the imposition of a .95% vacancy factor (\$800).

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: McNeil

William Allen, Director (Tel. 542-4196)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>61.0</u>	<u>62.0</u>	<u>62.0</u>
Personal Services	<u>1,307,900</u>	<u>1,389,600</u>	<u>1,431,300</u>
Employee Related Exp.	<u>361,100</u>	<u>335,800</u>	<u>382,000</u>
Prof. & Outside Services	10,500	-0-	-0-
Travel - State	184,900	269,000	269,000
Travel - Out of State	1,200	1,700	1,700
Other Operating Exp.	139,600	108,300	88,500
Equipment	<u>104,700</u>	<u>139,300</u>	<u>-0-</u>
All Other Operating Exp.	<u>440,900</u>	<u>518,300</u>	<u>359,200</u>
OPERATION SUBTOTAL	2,109,900	2,243,700	2,172,500
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(100,900)</u>
TOTAL APPROPRIATIONS	<u>2,109,900</u>	<u>2,243,700</u> ^{1/}	<u>2,071,600</u> ^{2/}

The approved amount includes \$61,600 in Personal Services and \$8,700 in Employee Related Expenditures for the general salary adjustment.

^{1/} Does not reflect the mid-year reversion of \$76,800.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: McNeil

William Allen, Director (Tel. 542-4196)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>25.7</u>	<u>24.7</u>	<u>24.7</u>
Personal Services	<u>593,800</u>	<u>607,100</u>	<u>625,200</u>
Employee Related Exp.	<u>140,000</u>	<u>127,600</u>	<u>145,500</u>
Prof. & Outside Services	2,200	6,100	6,100
Travel - State	54,000	72,400	72,600
Travel - Out of State	-0-	1,200	1,200
Other Operating Exp.	<u>35,100</u>	<u>32,600</u>	<u>27,700</u>
All Other Operating Exp.	<u>91,300</u>	<u>112,300</u>	<u>107,600</u>
TOTAL APPROPRIATIONS	<u>825,100</u>	<u>847,000</u>	<u>878,300</u> ^{1/}

The approved amount includes \$26,900 in Personal Services and \$3,500 in Employee Related Expenditures for the general salary adjustment.

This program operates under a 50% cost-sharing agreement with the United States Department of Agriculture (USDA). Federal funds will be deposited in the General Fund, and will reimburse the state for 50% of the "Total Appropriations" line.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Burgess

The Honorable Douglas K. Martin, State Mine Inspector (Tel. 542-5971)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>16.0</u>	<u>12.0</u>	<u>11.0</u>
Personal Services	<u>428,500</u>	<u>353,900</u>	<u>331,300</u>
Employee Related Exp.	<u>85,400</u>	<u>76,300</u>	<u>77,200</u>
Travel - State	63,100	58,400	45,700
Travel - Out of State	2,200	1,400	1,400
Other Operating Exp.	132,500	77,300	81,700
Equipment	-0-	13,600	-0-
All Other Operating Exp.	<u>197,800</u>	<u>150,700</u>	<u>128,800</u>
OPERATION SUBTOTAL	711,700	580,900	537,300
Mine Safety Program	<u>35,600</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>747,300</u>	<u>580,900</u> ^{1/}	<u>537,300</u> ^{1/2/}

The approved amount includes \$12,700 in Personal Services and \$1,600 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$700 in Personal Services for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The approved amount includes a reduction of \$36,000 for 1 FTE position, the Assistant Mine Inspector.

All Other Operating Expenditures - The approved amount includes an additional \$41,900 for Risk Management and a reduction of \$12,700 in In-State Travel due to the reduction in authorized positions. Also included is the elimination of \$37,500 for rent, due to the agency's move into a State facility where rent will not be incurred, as well as the elimination of \$13,600 in replacement Equipment.

^{1/} Included in this appropriation is funding for the Mine Safety Program.

^{2/} Represents General Fund Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Burgess

Jack Duncan, Chairman (Tel. 864-0893)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Personal Services	800	1,000	1,000
Employee Related Exp.	-0-	-0-	-0-
Prof. & Outside Services	6,400	8,400	7,500
Travel - State	1,100	800	800
Other Operating Exp.	100	100	100
All Other Operating Exp.	7,600	9,300	8,400
TOTAL APPROPRIATIONS	8,400	10,300 ^{1/}	9,400 ^{2/3/}

All Other Operating Expenditures - The approved amount represents a \$900 decrease in Professional and Outside Services due to lower anticipated legal costs.

- 1/ The FY 1990 expenditure was expended from carry-forward funds.
- 2/ The appropriation is exempt from A.R.S. § 35-190 relating to lapsing appropriations.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Bradley

William Linton, Director (Tel. 542-5151)

GENERAL FUND AND COUNTY FAIR RACING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Commercial Racing	1,919,500	2,413,000	2,508,000
County Fair Racing	244,100	321,400	350,700
Arizona Racing Industry	14,600	23,600	21,800
TOTAL APPROPRIATIONS	2,178,200	2,758,000	2,880,500
FTE Positions	54.9	59.7	58.3
Personal Services	1,171,800	1,474,100	1,509,000
Employee Related Exp.	252,000	324,700	380,100
Prof. & Outside Services	416,000	558,800	579,300
Travel - State	90,900	146,300	151,700
Travel - Out of State	8,200	9,000	11,300
Other Operating Exp.	205,400	245,100	247,300
Equipment	33,900	-0-	1,800
All Other Operating Exp.	754,400	959,200	991,400
OPERATION SUBTOTAL	2,178,200	2,758,000	2,880,500
Sec. 109 Lump Sum Reduction	-0-	-0-	(24,600)
TOTAL APPROPRIATIONS	2,178,200	2,758,000	2,855,900
<u>Fund Summary</u>			
General Fund	1,934,100	2,436,600	2,505,200
County Fair Racing Fund	244,100	321,400	350,700
TOTAL APPROPRIATIONS	2,178,200	2,758,000	2,855,900

ADDITIONAL LEGISLATION

Relating to Amusements and Sports - Chapter 212 (H.B. 2623) - This legislation removes the statutory limit on the number of race days a permittee may conduct. The bill authorizes off track wagering sites in more than one location in counties with less than 500,000 in population, or more than 1,500,000 in population according to the latest census. The legislation also redefines "Simul-cast" to include races originating in this state and telecast to other states. The amount counties must deduct for purses is raised from 3½% to 4% of the pari-mutuel wagering and must be deposited daily in a trust account. All counties with a population less than 500,000 according to the latest census may reduce their payments to the state by 2% of the pari-mutuel wagering pool for approved capital projects. Formerly, all counties could reduce payments by only 1% of the pari-mutuel wagering pool. Counties with population in excess of 500,000, according to the latest census, would continue to be restricted to a 1% reduction to fund capital projects. The minimum cost of a qualifying capital project is reduced from the bifurcated system of \$100,000 or \$200,000 depending upon county size, to an amount of \$50,000 for all counties.

JLBC Analyst: Bradley

William Linton, Director (Tel. 542-5151)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>48.0</u>	<u>52.8</u>	<u>51.4</u>
Personal Services	<u>1,040,100</u>	<u>1,314,300</u>	<u>1,342,000</u>
Employee Related Exp.	<u>227,700</u>	<u>286,000</u>	<u>336,400</u>
Prof. & Outside Services	396,300	534,500	543,400
Travel - State	37,300	53,700	56,000
Travel - Out of State	3,400	4,600	5,500
Other Operating Exp.	183,300	219,900	222,900
Equipment	<u>31,400</u>	<u>-0-</u>	<u>1,800</u>
All Other Operating Exp.	<u>651,700</u>	<u>812,700</u>	<u>829,600</u>
TOTAL APPROPRIATIONS	<u><u>1,919,500</u></u>	<u><u>2,413,000</u></u>	<u><u>2,508,000</u></u> ^{1/}

The approved amount includes \$57,800 in Personal Services and \$7,500 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy factor of 2.56%, or \$33,200. The approved amount also reflects a decrease in the allocated funding to Rillito Park from 150 days to 120 days to reflect anticipated race days. This resulted in the deletion of 1.4 FTE positions and \$30,600 in personal services.

Professional and Outside Services - The appropriation includes \$514,100 for animal drug testing.

Other Operating Expenditures - The approved amount includes \$1,400 for the purchase of computer memory expansion.

Equipment - The appropriation of \$1,800 is for the purchase of new microfiche equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Bradley

William Linton, Director (Tel. 542-5151)

<u>COUNTY FAIR FACING FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>6.9</u>	<u>6.9</u>	<u>6.9</u>
Personal Services	<u>131,700</u>	<u>159,800</u>	<u>167,000</u>
Employee Related Exp.	<u>24,300</u>	<u>38,700</u>	<u>43,700</u>
Prof. & Outside Services	19,000	21,300	32,700
Travel - State	53,000	85,100	91,600
Other Operating Exp.	13,600	16,500	15,700
Equipment	<u>2,500</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>88,100</u>	<u>122,900</u>	<u>140,000</u>
TOTAL APPROPRIATIONS	<u><u>244,100</u></u>	<u><u>321,400</u></u>	<u><u>350,700</u></u> ^{1/}

The approved amount includes \$7,200 in Personal Services and \$1,000 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes \$32,000 for animal drug testing.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Bradley

William Linton, Director (Tel. 542-5151)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
Prof. & Outside Services	700	3,000	3,200
Travel - State	600	7,500	4,100
Travel - Out-of-State	4,800	4,400	5,800
Other Operating Exp.	<u>8,500</u>	<u>8,700</u>	<u>8,700</u>
All Other Operating Exp.	<u>14,600</u>	<u>23,600</u>	<u>21,800</u>
TOTAL APPROPRIATIONS	<u>14,600</u>	<u>23,600</u>	<u>21,800</u> ^{1/}

Funds are appropriated to the Arizona Racing Industry in support of the duties of the Arizona Racing Commission under the authority of A.R.S. § 5-104.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Fusak

Charles F. Tedford, Director (Tel. 255-4845)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Rad. Evaluation/Compliance	1,271,100	1,274,000	1,162,400
Med. Radiologic Tech. Bd.	<u>99,000</u>	<u>89,700</u>	<u>93,500</u>
TOTAL APPROPRIATIONS	<u>1,370,100</u>	<u>1,363,700</u>	<u>1,255,900</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>28.0</u>	<u>28.0</u>	<u>26.0</u>
Personal Services	<u>816,200</u>	<u>839,100</u>	<u>786,600</u>
Employee Related Exp.	<u>192,600</u>	<u>198,100</u>	<u>188,500</u>
Prof. & Outside Services	7,500	15,700	15,700
Travel - State	23,500	37,500	40,100
Travel - Out of State	4,200	8,200	8,500
Other Operating Exp.	234,300	206,600	205,600
Equipment	<u>91,800</u>	<u>58,500</u>	<u>22,300</u>
All Other Operating Exp.	<u>361,300</u>	<u>326,500</u>	<u>292,200</u>
OPERATION SUBTOTAL	1,370,100	1,363,700	1,267,300
Special Line Items ^{1/}	306,200	320,100	-0-
Additional Appropriation	-0-	330,900	-0-
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(11,400)</u>
TOTAL APPROPRIATIONS	<u>1,676,300</u>	<u>2,014,700</u>	<u>1,255,900</u> ^{2/}
<u>Fund Summary</u>			
General Fund	1,271,100	1,274,000	1,162,400
Nuclear Emergency Mgt. Fund	306,200	651,000 ^{3/}	-0-
Rad. Tech. Cert. Fund	<u>99,000</u>	<u>89,700</u>	<u>93,500</u>
TOTAL APPROPRIATIONS	<u>1,676,300</u>	<u>2,014,700</u>	<u>1,255,900</u>

- ^{1/} Details for the Special Line Items and Additional Appropriation are included on the individual program pages.
- ^{2/} Represents General Appropriation Act funds. Appropriated in a lump sum by program format. The line items are shown for information only.
- ^{3/} Appropriated from the General Fund to the Nuclear Emergency Management Fund — \$320,100 in Laws 1989, Chapter 136 (H.B. 2024) and \$330,900 in Laws 1990, Chapter 72 (H.B. 2062).

JLBC Analyst: Fusak

Charles F. Tedford, Director (Tel. 255-4845)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>26.0</u>	<u>26.0</u>	<u>24.0</u>
Personal Services	<u>762,900</u>	<u>787,400</u>	<u>732,600</u>
Employee Related Exp.	<u>179,100</u>	<u>183,500</u>	<u>172,900</u>
Prof. & Outside Services	6,000	12,000	12,000
Travel - State	22,000	34,700	37,300
Travel - Out of State	3,300	6,300	6,600
Other Operating Exp.	215,800	191,600	190,100
Equipment	<u>82,000</u>	<u>58,500</u>	<u>22,300</u>
All Other Operating Exp.	<u>329,100</u>	<u>303,100</u>	<u>268,300</u>
OPERATION SUBTOTAL	1,271,100	1,274,000	1,173,800
Nuclear Emergency Management	306,200	320,100	-0-
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(11,400)</u>
TOTAL	1,577,300	1,594,100	1,162,400 ^{1/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Nuclear Emer. Mgt., Ch. 72	<u>---</u>	<u>330,900</u>	<u>---</u>
TOTAL APPROPRIATIONS	<u>1,577,300</u>	<u>1,925,000</u>	<u>1,162,400</u>
<u>Fund Summary</u>			
General Fund	1,271,100	1,274,000	1,162,400
Nuclear Emergency Mgmt. Fund	<u>306,200</u>	<u>651,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,577,300</u>	<u>1,925,000</u>	<u>1,162,400</u>

The approved amount includes \$31,500 in Personal Services and \$4,100 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes a net decrease of 2 FTE positions as outlined below:

- X-Ray Compliance - The approved amount includes 1 X-ray inspector FTE position which will help the agency meet its tube inspection obligation.
- Emergency Response - The approved amount eliminates the Emergency Response Program Manager. The position will be funded for FY 1991 from the Nuclear Emergency Management Fund (NEMF) Chapter 72 (HB 2062).

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

RADIATION REGULATORY AGENCY -
RADIATION EVALUATION AND COMPLIANCE (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

FTE Positions (Cont'd)

- Administrative Services - The approved amount eliminates 1 FTE position and downgrades another FTE position. The appropriation downgrades the Low Level Waste Manager position to a Computer Analyst and transfers costs to the Administrative Services Department. When California's low level waste site comes on line in FY 1993, the agency will retain surcharge rebates from entities operating Low Level Waste in Arizona to fund an inspector position. In the meantime, California has agreed to fund the Manager position with surcharge rebate monies from the U.S. Department of Energy which were intended to pass through Arizona to the host state.
- Consolidate Programs - The approved amount eliminates a Program Manager. Both the Radioactive Materials and X-Ray Compliance Programs will have a common Manager oversee the operations of both programs.

Personal Services - The approved amount includes a 1.94% vacancy factor which results in a \$15,800 savings.

All Other Operating Expenditures - The approved amount includes \$13,900 for replacement equipment.

ADDITIONAL APPROPRIATIONS

Nuclear Emergency Appropriation and Assessment - Chapter 72 (H.B. 2062)- Appropriates \$651,200 from the General Fund to the Nuclear Emergency Management Fund of which \$330,900 is allocated for use by the Radiation Regulatory Agency as follows: Personal Services - \$139,100; Employee Related Expenditures-\$34,900; Other Operating Expenditures - \$116,300; and Equipment - \$40,600. Monies appropriated to the Nuclear Emergency Management Fund are exempt from A.R.S. § 35-190, relating to lapsing of appropriations.

JLBC Analyst: Fusak

Charles F. Tedford, Director (Tel. 255-4845)

RADIOLOGIC TECHNOLOGIST CERTIFICATION FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Personal Services	<u>53,300</u>	<u>51,700</u>	<u>54,000</u>
Employee Related Exp.	<u>13,500</u>	<u>14,600</u>	<u>15,600</u>
Prof. & Outside Services	1,500	3,700	3,700
Travel - State	1,500	2,800	2,800
Travel - Out of State	900	1,900	1,900
Other Operating Exp.	18,500	15,000	15,500
Equipment	<u>9,800</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>32,200</u>	<u>23,400</u>	<u>23,900</u>
TOTAL APPROPRIATIONS	<u><u>99,000</u></u>	<u><u>89,700</u></u>	<u><u>93,500</u></u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	179,000	238,300	169,900
Add Revenues	<u>158,300</u>	<u>21,300</u>	<u>162,300</u> ^{2/}
TOTAL FUNDS AVAILABLE	337,300	259,600	332,200
Expenditures	<u>99,000</u>	<u>89,700</u>	<u>93,500</u>
BALANCE END OF FISCAL YEAR	<u><u>238,300</u></u>	<u><u>169,900</u></u>	<u><u>238,700</u></u>

The approved amount includes \$2,300 in Personal Services and \$300 in Employee Related Expenditures for the general salary adjustment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

^{2/} The program has a biennial licensing cycle.

JLBC Analyst: Pitcairn

Joe Sotello, Commissioner (Tel. 255-4670)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>73.0</u>	<u>75.0</u>	<u>76.0</u>
Personal Services	<u>1,591,200</u>	<u>1,701,300</u>	<u>1,807,700</u>
Employee Related Exp.	<u>369,200</u>	<u>388,100</u>	<u>450,300</u>
Prof. & Outside Services	81,500	95,000	100,000
Travel - State	54,100	52,000	57,900
Travel - Out of State	11,200	7,600	7,600
Other Operating Exp.	442,500	530,700	553,400
Equipment	<u>31,100</u>	<u>8,400</u>	<u>13,200</u>
All Other Operating Exp.	<u>620,400</u>	<u>693,700</u>	<u>732,100</u>
OPERATION SUBTOTAL	2,580,800	2,783,100	2,990,100
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(98,400)</u> ^{1/}
TOTAL APPROPRIATIONS	<u>2,580,800</u>	<u>2,783,100</u>	<u>2,891,700</u> ^{2/}

The approved amount includes \$77,800 in Personal Services and \$10,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$40,700 for a Supervisor and Clerk Typist to staff an office at Kingman. One FTE position was added for this purpose, with the assumption that the other FTE position could be found within existing staffing. The approved amount also includes 1 FTE position and \$20,100 for an Examiner Technician to process the license applications pursuant to Chapter 117 (H.B. 2613), which permits licensing of nonresident agents and brokers.

The appropriation includes \$7,100 to reclassify the following positions: Licensing Supervisor, Education Secretary, Switchboard Operator, and Information Processing Technician. One FTE position was eliminated as part of the FTE reduction policy, resulting in a permanent reduction of \$22,300. The appropriation includes a vacancy factor of 1.19%, or \$20,400.

(Continued)

^{1/} Includes a reduction of \$28,300 as required by Section 109 of the General Appropriation Act.

^{2/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency, with special line items. The line items within "All Other Operating Exp." are shown for information only.

REAL ESTATE DEPARTMENT (Cont'd)
GENERAL FUND

All Other Operating Expenditures - The approved amount includes: \$18,800 in Travel, Other Operating Expenditures, and Equipment for the Kingman office; \$9,900 in Professional and Outside Services and Other Operating Expenditures for the Examiner Technician for nonresident licensing; \$1,000 in Other Operating Expenditures and \$4,200 in Equipment for purchase of 2 terminals to automate the subdivision filing system; and \$8,000 in Equipment funding for remodeling of the Tucson office using modular furniture and partitions.

Lump Sum Reduction - Includes a reduction of \$28,300 as required by Section 109 of the General Appropriation Act and \$70,100 as a general lump sum reduction. The General Appropriation Act requires that the Department report, within 30 days of the bill's enactment, those areas from which the \$70,100 in general reductions will be taken and the impact those reductions will have on the operations of the program.

ADDITIONAL LEGISLATION

Licensing of Nonresident Real Estate Agents and Brokers - Chapter 117 (H.B. 2613) - This bill changes the qualifications for real estate agents and brokers, including eliminating the residency requirement and increasing the number of classroom hours required for an initial agent's license. (Nonresident licensees must still conduct transactions through a resident broker.) The licensing fees for nonresident licensees are the same as for residents. The number of licensees and license fee revenues are expected to increase. Should revenues increase above 110% of current revenues, the Department would revise the fees downward, pursuant to A.R.S. § 32-2132. The General Appropriation Act provides \$30,000 for the anticipated workload from the nonresident licensees.

JLBC Analyst: Pitcairn

Douglas M. Brooks, Director (Tel. 255-1431)

<u>RESIDENTIAL UTILITY CONSUMER OFFICE REVOLVING FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>
Personal Services	<u>336,000</u>	<u>400,600</u>	<u>461,600</u>
Employee Related Exp.	<u>65,500</u>	<u>71,800</u>	<u>101,300</u>
Prof. & Outside Services	346,700	355,500	355,500
Travel - State	10,400	8,000	13,100
Travel - Out of State	6,100	8,100	8,500
Other Operating Exp.	102,300	79,200	89,600
Equipment	<u>11,100</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>476,600</u>	<u>450,800</u>	<u>466,700</u>
TOTAL APPROPRIATIONS	<u>878,100</u>	<u>923,200</u>	<u>1,029,600</u> ^{1/}

The approved amount includes \$19,800 in Personal Services and \$2,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes \$41,800 for prior year reclassifications and positions hired above the hiring rate.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: McNeil

Raymond H. Helmick, Director (Tel. 255-5211)

<u>GENERAL FUND AND AIR QUALITY FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>46.0</u>	<u>55.0</u>	<u>61.0</u>
Personal Services	<u>895,300</u>	<u>1,161,400</u>	<u>1,281,800</u>
Employee Related Exp.	<u>220,000</u>	<u>293,600</u>	<u>324,200</u>
Prof. & Outside Services	25,300	43,700	43,700
Travel - State	144,300	221,200	243,800
Travel - Out of State	8,000	3,600	6,100
Other Operating Exp.	188,100	254,600	308,900
Equipment	<u>68,300</u>	<u>142,300</u>	<u>155,100</u>
All Other Operating Exp.	<u>434,000</u>	<u>665,400</u>	<u>757,600</u>
OPERATION SUBTOTAL	1,549,300	2,120,400	2,363,600
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(19,200)</u>
TOTAL APPROPRIATIONS	<u>1,549,300</u> ^{1/}	<u>2,120,400</u> ^{2/3/}	<u>2,344,400</u> ^{4/}
<u>Fund Summary</u>			
General Fund	1,549,300	2,120,400	1,961,600
Air Quality Fund	<u>-0-</u>	<u>-0-</u>	<u>382,800</u> ^{5/6/7/}
TOTAL APPROPRIATIONS	<u>1,549,300</u>	<u>2,120,400</u>	<u>2,344,400</u>

(Continued)

- 1/ Includes \$254,800 in expenditures from the non-lapsing appropriation of Laws 1988, Chapter 252.
- 2/ Includes \$110,400 carry-forward monies from the non-lapsing appropriation of Laws 1988, Chapter 252.
- 3/ Does not reflect the mid-year reversion of \$69,900 in Personal Services and \$10,400 in Employee Related Expenditures.
- 4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.
- 5/ Of the \$382,800 Air Quality Fund appropriation, \$170,300 is to cover a portion of the start-up costs associated with the Pima County oxygenated fuel testing program.
- 6/ If S.B. 1215 or other legislation requiring the Department of Weights and Measures to test recycled oil is not enacted, 4 FTE positions shall remain vacant and the remaining \$212,500 appropriation from the Air Quality Fund shall immediately revert to that fund. If such legislation is enacted, all unexpended and unencumbered monies from the appropriation of \$212,500 shall revert to the Air Quality Fund at the end of FY 1990-1991 in accordance with A.R.S. § 35-190.
- 7/ It is the intent of the Legislature that Air Quality Fund monies not be appropriated to the Department of Weights and Measures in future fiscal years.

DEPARTMENT OF WEIGHTS AND MEASURES (Cont'd)
GENERAL FUND AND AIR QUALITY FUND

The approved amount includes \$55,200 in Personal Services and \$7,300 in Employee Related Expenditures for the general salary adjustment.

A summary of the FY 1991 appropriation by program follows:

	<u>Continuing Services</u>	<u>Pima County Oxy Fuels Program</u>	<u>Used Oil Testing</u>
FTE Positions	<u>54.0</u>	<u>3.0</u>	<u>4.0</u>
Personal Services	<u>1,160,700</u>	<u>50,800</u>	<u>70,300</u>
Employee Related Exp.	<u>293,300</u>	<u>13,100</u>	<u>17,800</u>
Prof. & Outside Services	43,700	-0-	-0-
Travel - State	218,200	13,700	11,900
Travel - Out of State	3,100	3,000	-0-
Other Operating Exp.	236,800	47,100	25,000
Equipment	<u>4,200</u>	<u>60,000</u>	<u>90,900</u>
All Other Operating Exp.	<u>506,000</u>	<u>123,800</u>	<u>127,800</u>
OPERATION SUBTOTAL	1,960,000	187,700	215,900
Sec. 109 Lump Sum Reduction	<u>(19,200)</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,940,800</u>	<u>187,700</u>	<u>215,900</u>
<u>Fund Summary</u>			
General Fund	1,940,800	17,400	3,400
Air Quality Fund	<u>-0-</u>	<u>170,300</u>	<u>212,500</u>
TOTAL APPROPRIATIONS	<u>1,940,800</u>	<u>187,700</u>	<u>215,900</u>

Continuing Services

Personal Services - The approved amount reflects the elimination of a vacant Inspector position. This position had been held open due to the lack of a rental car regulation provision in Laws 1989, Chapter 150. The approved amount also includes \$50,000 in Personal Services for the general salary adjustment. Finally, the approved amount reflects the imposition of a 2.51% vacancy factor (\$28,600).

Employee Related Expenditures - The approved amount includes \$6,600 for the general salary adjustment.

Equipment - The approved amount includes \$4,200 for a replacement copier.

Section 109 Lump Sum Reduction - Shown in this section for display purposes only; the Director retains the authority to determine how to achieve the reduction.

(Continued)

DEPARTMENT OF WEIGHTS AND MEASURES (Cont'd)
GENERAL FUND AND AIR QUALITY FUND

Pima County Oxygenated - Fuels Program

Personal Services - The approved amount includes funding for the following positions: Weights/Measures Inspector II, Lab Technician, and a Driver. The approved amount also includes \$2,200 in for the general salary adjustment.

Employee Related Expenditures - The approved amount includes \$300 for the general salary adjustment.

Equipment - The approved amount includes funding for 2 Vehicles (\$23,000) and a Reid Vapor Pressure Unit including a fume hood (\$37,000).

Used Oil Testing

Personal Services - The approved amount includes funding for 2 Weights/Measures Inspector II positions and 2 Lab Technicians. These positions were approved during the appropriations process based on S.B. 1215, as amended by the Senate Transportation Committee, which required the Department to test recycled oil. The final version of the bill, however, expands the Department's testing role, and adds certain reporting requirements (see the explanation below regarding Laws 1990, Chapter 311). The approved amount also includes \$3,000 for the general salary adjustment.

Employee Related Expenditures - The approved amount includes \$400 for the general salary adjustment.

Equipment - The approved amount includes funding for a gas chromatograph, a flash point tester, an atomic absorption spectrophotometer, and 2 vehicles.

ADDITIONAL LEGISLATION

Multi-Blend Gasoline Dispensers; Fees - Chapter 286 (S.B. 1059) - This legislation allows the Department to license motor fuel devices according to either the number of nozzle dispensers or the number of blends each device dispenses. The legislation also increases motor fuel device license fees by 25%. The JLBC Staff estimated that with this change, license fee revenue would increase by approximately \$27,000 in FY 1991 and an additional \$80,900 in FY 1992. All revenue that the Department derives from license fees and other charges is deposited into the General Fund.

Used Oil Fuel Management - Chapter 331 (S.B. 1215) - This legislation requires the Department to sample and test used oil to determine whether it exceeds allowable levels of specified contaminants. The Department is to establish, by rule, fees to be paid by transporters, generators, marketers, or burners of used oil fuel that will cover testing costs. These fees are to be deposited, on a monthly basis, into the state General Fund. The legislation also provides full enforcement powers to the Director of the Department, which include the authority to issue stop-use, hold, and/or removal orders. Additionally, the Department is to provide, no later than July 1, 1991 and annually thereafter for the next 4 years, a report concerning the testing and regulation of used oil during the prior calendar year.

(Continued)

DEPARTMENT OF WEIGHTS AND MEASURES (Cont'd)
GENERAL FUND AND AIR QUALITY FUND

Finally, the legislation creates a Used Oil Management Fund (UOMF) which the Director of the Department of Environmental Quality is to administer. Allowable uses of the UOMF include:

1. Compliance monitoring, investigation, and enforcement activities pertaining to generating, transporting, treating, storing, beneficially using, and disposing of used oil;
2. Amortization of current capital obligations and future obligations for the purchase of capital equipment by the Department of Weights and Measures as necessary to accomplish sampling and testing responsibilities; and
3. Amortization of loans made to the fund pursuant to the Act.

OCCUPATIONAL AND LICENSING AGENCIES
Summary of Receipts, Appropriations and Balance Forward
Fiscal Year 1991^{1/}

<u>Agency/Board</u>	<u>Balance Forward FY 1991</u>	<u>90% of FY 1991 Receipts</u>	<u>FY 1991 Appropriations</u>	<u>Balance Forward FY 1992</u>
Accountancy	\$596,500	\$653,200	\$664,600	\$585,100
Appraisal	0	720,000	100,000 ^{2/}	545,000
Barber	174,400	138,900	138,800	174,500
Behavioral Health Examiners	NA	241,300	135,800 ^{3/}	55,500
Boxing	7,200	7,100	7,100	7,200
Chiropractic	89,100	284,400	219,700	153,800
Cosmetology	678,600	544,400	550,200	672,800
Dental	331,500	451,800	408,400	374,900
Dispensing Opticians	25,800	62,300	51,100	37,000
Egg Inspection	108,000	205,400	193,600	119,900
Funeral Directors and Embalmers	29,100	244,000	155,800	117,300
Homeopaths	34,100	14,400	15,100	33,400
Medical Examiner	1,013,300	2,199,800	2,294,100	919,000
Naturopath	8,400	31,000	27,000	12,400
Nursing	135,600	1,758,600	1,055,200	839,000
Nursing Care Institution Admin.	46,900	49,500	63,400 ^{4/}	27,500
Optometry	110,200	28,200	99,900	38,500
Osteopaths	91,000	475,200	257,800	308,400
Pharmacy	610,000	863,700	633,100	840,600
Physical Therapy	52,700	98,700	65,400	86,000
Podiatry	11,900	40,300	38,800	13,400
Private Postsecondary Education	88,900	142,000	133,400	97,500
Psychologist	352,300	303,600	123,700	532,200
Structural Pest Control	253,500	1,365,000	1,107,000	511,400
Technical Registration	309,400	1,065,300	783,300	591,400
Veterinary Medical Examiners	<u>46,500</u>	<u>241,800</u>	<u>157,000</u>	<u>131,300</u>
TOTALS	<u>\$5,204,900</u>	<u>\$12,229,900</u>	<u>\$9,479,300</u>	<u>\$7,825,000</u>

^{1/} Does not include Board of Occupational Therapy Examiners.

^{2/} Does not include \$75,000 which must be repaid to the General Fund by September 30, 1991.

^{3/} Does not include \$50,000 which must be repaid to the General Fund by June 30, 1991.

^{4/} Does not include \$5,500 which will be repaid to the General Fund by June 30, 1991.

JLBC Analyst: Fusak

Ruth R. Lee, Director (Tel. 255-3648)

BOARD OF ACCOUNTANCY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
Personal Services	<u>157,900</u>	<u>182,900</u>	<u>190,900</u>
Employee Related Exp.	<u>38,400</u>	<u>44,200</u>	<u>45,700</u>
Prof. & Outside Services	173,500	238,400	241,800
Travel - State	7,000	14,100	14,100
Travel - Out of State	2,600	6,400	5,600
Other Operating Exp.	122,500	164,100	166,500
Equipment	<u>1,700</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>307,300</u>	<u>423,000</u>	<u>428,000</u>
TOTAL APPROPRIATIONS	<u>503,600</u>	<u>650,100</u>	<u>664,600</u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	555,500	504,100	596,500
Add Revenues	<u>452,200</u>	<u>742,500</u>	<u>653,200</u>
TOTAL FUNDS AVAILABLE	1,007,700	1,246,600	1,249,700
Expenditures	<u>503,600</u>	<u>650,100</u>	<u>664,600</u>
BALANCE END OF FISCAL YEAR	<u>504,100</u>	<u>596,500</u>	<u>585,100</u>

The approved amount includes \$8,000 in Personal Services and \$1,000 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes \$6,900 for proctoring services as well as a (\$3,500) net decrease for data processing.

All Other Operating Expenditures - The approved amount includes \$3,000 for printing and telecommunication costs.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Pitcairn

GENERAL FUND AND BOARD OF APPRAISAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Additional Appropriations - 39th Leg., 2nd Reg. Session			
State Board of Appraisal, Ch. 313	---	75,000	100,000
TOTAL APPROPRIATIONS	---	75,000	100,000
<u>Fund Summary</u>			
General Fund	---	75,000	-0-
Board of Appraisal Fund	---	-0-	100,000
TOTAL APPROPRIATIONS	---	75,000	100,000
BOARD OF APPRAISAL FUND			
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	-0-	-0-	-0-
Add Revenues	-0-	-0-	720,000 ^{1/}
TOTAL FUNDS AVAILABLE	-0-	-0-	720,000
Expenditures	-0-	-0-	175,000 ^{2/}
BALANCE END OF FISCAL YEAR	-0-	-0-	545,000

ADDITIONAL APPROPRIATIONS

State Board of Appraisal - Chapter 313 (H.B. 2333) - Establishes the State Board of Appraisal to license and regulate real estate appraisers. The bill appropriates \$75,000 from the General Fund to the Board in FY 1990 for start-up costs, which is exempt from A.R.S. § 35-190, relating to lapsing of appropriations. For FY 1991, the bill appropriates \$100,000 from the Board of Appraisal Fund for operations of the Board. In addition, the Board is directed to reimburse the General Fund from the Board of Appraisal Fund in the amount of \$75,000 by December 31, 1991. Ten percent of all revenues received by the Board is deposited to the General Fund and the remainder is deposited in the Board of Appraisal Fund.

(Continued)

- ^{1/} Revenue estimate assumes 2,000 applicants in FY 1991. Licenses must be renewed every 3 years.
- ^{2/} Includes \$100,000 appropriation and \$75,000 repayment to the General Fund, pursuant to Laws 1990, Chapter 313.

BOARD OF APPRAISAL (Cont'd)
GENERAL FUND AND BOARD OF APPRAISAL FUND

ADDITIONAL LEGISLATION

Registration of Property Tax Agents - Chapter 360 (S.B. 1174) - This bill modifies several provisions relating to the property tax appeals process, and requires that property tax agents be registered with the Board of Tax Appeals. The bill provides for the agent registration fees to be deposited in the Board of Appraisal Fund, but does not specifically provide an appropriation from the fund for the purposes of the act.

JLBC Analyst: Wilcox

Mario Herrera, Executive Director (Tel. 542-4498)

<u>BOARD OF BARBERS EXAMINERS FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>
Personal Services	<u>84,400</u>	<u>81,600</u>	<u>82,100</u>
Employee Related Exp.	<u>17,100</u>	<u>21,100</u>	<u>21,000</u>
Prof. & Outside Services	300	300	900
Travel - State	8,100	10,500	10,600
Travel - Out of State	800	1,700	1,400
Other Operating Exp.	<u>15,900</u>	<u>19,000</u>	<u>22,000</u>
All Other Operating Exp.	<u>25,100</u>	<u>31,500</u>	<u>34,900</u>
TOTAL APPROPRIATIONS	<u><u>126,600</u></u>	<u><u>134,200</u></u>	<u><u>138,800</u></u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	173,800	162,300	174,400
Add Revenues	<u>115,100</u>	<u>146,300</u>	<u>138,900</u>
TOTAL FUNDS AVAILABLE	288,900	308,600	313,300
Expenditures	<u>126,600</u>	<u>134,200</u>	<u>138,800</u>
BALANCE END OF FISCAL YEAR	<u><u>162,300</u></u>	<u><u>174,400</u></u>	<u><u>174,500</u></u>

The approved amount includes \$3,500 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Comick

Patricia Conditt, Executive Director (Tel. 542-1882)

GENERAL FUND AND BEHAVIORAL HEALTH EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	0.0	1.0	2.0
Personal Services	-0-	21,000	63,700
Employee Related Exp.	-0-	6,300	15,300
Prof. & Outside Services	-0-	2,000	15,000
Travel - State	-0-	3,000	15,000
Travel - Out of State	-0-	-0-	5,000
Other Operating Exp.	-0-	13,800	21,800
Equipment	-0-	3,900	-0-
All Other Operating Exp.	-0-	22,700	56,800
TOTAL APPROPRIATIONS	-0-	50,000 ^{1/}	135,800 ^{2/}
<u>Fund Summary</u>			
General Fund	-0-	50,000	-0-
Behavioral Health Exam. Fund	-0-	-0-	135,800
TOTAL APPROPRIATIONS	-0-	50,000	135,800

BEHAVIORAL HEALTH
EXAMINERS FUND

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	-0-	-0-	-0-
Add Revenues	-0-	-0-	241,300
TOTAL FUNDS AVAILABLE	-0-	-0-	241,300
Expenditures	-0-	-0-	135,800
Payback of General Fund	-0-	-0-	50,000
BALANCE END OF FISCAL YEAR	-0-	-0-	55,500

The approved amount includes \$2,300 in Personal Services and \$300 in Employee Related Expenditures for the general salary adjustment.

- 1/ The Behavioral Health Board was established in FY 1990 with \$50,000 from the General Fund for start-up costs. Expenditures in subsequent years will be funded by the Behavioral Health Examiners Fund.
- 2/ Represents General Appropriations Act Funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.
- 3/ Behavioral Health Board - Laws 1990, Chapter 4 (S.B. 1144), specifies that the State Treasurer shall deposit 10% of the monies collected pursuant to this act in the State General Fund. An additional 10% of the monies collected pursuant to this act will be collected by the Treasurer to repay the appropriation of \$50,000 until such time that all monies appropriated have been repaid to the State General Fund. All monies shall be repaid within the fiscal year 1990-1991. If the monies have not been repaid in full by June 30, 1991, the State Treasurer shall transfer from the Board of Behavioral Health Examiners Fund to the State General Fund such monies as necessary to repay in full the appropriated amount of \$50,000.

JLBC Analyst: Bradley

John Montano, Executive Secretary (Tel. 542-1417)

GENERAL FUND AND BOXING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1.0</u>	<u>1.5</u>	<u>1.5</u>
Personal Services	<u>21,900</u>	<u>38,100</u>	<u>36,500</u>
Employee Related Exp.	<u>6,700</u>	<u>10,100</u>	<u>11,400</u>
Prof. & Outside Services	-0-	2,100	1,900
Travel - State	2,900	2,000	2,600
Travel - Out of State	1,800	1,000	1,400
Other Operating Exp.	6,700	8,100	8,100
Equipment	<u>300</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>11,700</u>	<u>13,200</u>	<u>14,000</u>
TOTAL APPROPRIATIONS	<u>40,300</u>	<u>61,400</u>	<u>61,900</u> ^{1/}
Fund Summary			
General Fund	36,100	55,300	54,800
Boxing Fund	<u>4,200</u>	<u>6,100</u>	<u>7,100</u>
TOTAL APPROPRIATIONS	<u>40,300</u>	<u>61,400</u>	<u>61,900</u>
BOXING FUND			
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	3,300	7,200	7,200
Add Revenues	<u>8,100</u>	<u>6,100</u>	<u>7,100</u>
TOTAL FUNDS AVAILABLE	11,400	13,300	14,300
Expenditures	<u>4,200</u>	<u>6,100</u>	<u>7,100</u>
BALANCE END OF FISCAL YEAR	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>

The approved amount includes \$1,500 in Personal Services and \$200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a reduction of \$3,100 to adjust for anticipated meeting attendance of Commissioners.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Comick

Elaine LeTarte, Director (Tel. 255-1444)

BOARD OF CHIROPRACTIC EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>65,500</u>	<u>85,700</u>	<u>107,800</u>
Employee Related Exp.	<u>15,500</u>	<u>20,800</u>	<u>26,700</u>
Prof. & Outside Services	24,300	18,000	18,000
Travel - State	4,000	4,300	4,500
Travel - Out of State	5,400	5,300	5,300
Other Operating Exp.	41,900	51,900	52,100
Equipment	<u>4,400</u>	<u>-0-</u>	<u>5,300</u>
All Other Operating Exp.	<u>80,000</u>	<u>79,500</u>	<u>85,200</u>
TOTAL APPROPRIATIONS	<u><u>161,000</u></u>	<u><u>186,000</u></u>	<u><u>219,700</u></u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	188,000	131,200	89,100
Add Revenues	<u>132,200</u>	<u>143,900</u>	<u>284,400</u>
TOTAL FUNDS AVAILABLE	320,200	275,100	373,500
Expenditures	<u>189,000</u>	<u>186,000</u>	<u>219,700</u>
BALANCE END OF FISCAL YEAR	<u><u>131,200</u></u>	<u><u>89,100</u></u>	<u><u>153,800</u></u>

The approved amount includes \$3,700 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes funding for an increase in board member per diem rate from \$30 per day to \$100 per day.

All Other Operating Expenditures - The approved amount includes funding to purchase a computer and software to improve records management and licensing operations.

ADDITIONAL LEGISLATION

Board of Chiropractic Examiners - Chapter 175 (S.B. 1206) - This legislation increases the original license fee from \$50 to \$100; increases the renewal license fee from \$50 to \$100; institutes a reexamination fee of \$75 per subject; and institutes a specialty certificate fee of \$100.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Wilcox

Sue Sanson, Executive Director (Tel. 542-5301)

BOARD OF COSMETOLOGY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>
Personal Services	<u>279,000</u>	<u>287,200</u>	<u>300,100</u>
Employee Related Exp.	<u>65,700</u>	<u>66,300</u>	<u>79,600</u>
Prof. & Outside Services	51,600	51,900	43,700
Travel - State	19,600	23,100	23,900
Travel - Out of State	6,700	1,300	1,300
Other Operating Exp.	101,900	102,900	101,600
Equipment	<u>14,600</u>	<u>2,000</u>	<u>-0-</u>
All Other Operating Exp.	<u>194,400</u>	<u>181,200</u>	<u>170,500</u>
TOTAL APPROPRIATIONS	<u>539,100</u>	<u>534,700</u>	<u>550,200</u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	663,600	668,900	678,600
Add Revenues	<u>544,400</u>	<u>544,400</u>	<u>544,400</u>
TOTAL FUNDS AVAILABLE	1,208,000	1,213,300	1,223,000
Expenditures	<u>539,100</u>	<u>534,700</u>	<u>550,200</u>
BALANCE END OF FISCAL YEAR	<u>668,900</u>	<u>678,600</u>	<u>672,800</u>

The approved amount includes \$12,900 in Personal Services and \$1,700 in Employee Related Expenditures for the general salary adjustment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Wilcox

Mathew Wheeler, Executive Director (Tel. 255-3696)

DENTAL BOARD FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>7.0</u>	<u>8.0</u>	<u>8.0</u>
Personal Services	<u>193,600</u>	<u>199,800</u>	<u>208,800</u>
Employee Related Exp.	<u>37,600</u>	<u>43,100</u>	<u>50,800</u>
Prof. & Outside Services	28,200	24,000	24,000
Travel - State	3,300	6,900	6,900
Travel - Out of State	6,400	6,800	6,800
Other Operating Exp.	112,000	96,900	91,100
Equipment	23,700	-0-	-0-
All Other Operating Exp.	<u>173,600</u>	<u>134,600</u>	<u>128,800</u>
OPERATION SUBTOTAL	404,800	377,500	388,400
Impaired Dentist Program	<u>-0-</u>	<u>-0-</u>	<u>20,000</u>
TOTAL APPROPRIATIONS	<u>404,800</u>	<u>377,500</u>	<u>408,400</u> ^{1/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	314,500	284,200	331,500
Add Revenues	<u>374,500</u>	<u>424,800</u>	<u>451,800</u>
TOTAL FUNDS AVAILABLE	689,000	709,000	783,300
Expenditures	<u>404,800</u>	<u>377,500</u>	<u>408,400</u>
BALANCE END OF FISCAL YEAR	<u>284,200</u>	<u>331,500</u>	<u>374,900</u>

The approved amount includes \$9,000 in Personal Services and \$1,100 in Employee Related Expenditures for the general salary adjustment.

Impaired Dentist Program - The approved amount provides \$20,000 for the implementation of an Impaired Dentist Monitoring and Rehabilitative program to monitor and treat dentists with dependency problems.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: McNeil

Dart Easterday, State Egg Inspector (Tel. 542-5741)

EGG INSPECTION FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>5.0</u>	<u>5.6</u>	<u>5.6</u>
Personal Services	<u>118,500</u>	<u>132,600</u>	<u>134,600</u>
Employee Related Exp.	<u>23,700</u>	<u>27,500</u>	<u>28,200</u>
Travel - State	11,100	13,800	14,300
Other Operating Exp.	<u>14,800</u>	<u>17,000</u>	<u>16,500</u>
All Other Operating Exp.	<u>25,900</u>	<u>30,800</u>	<u>30,800</u>
TOTAL APPROPRIATIONS	<u><u>168,100</u></u>	<u><u>190,900</u></u>	<u><u>193,600</u></u> ^{1/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	31,300	68,000	108,100
Add Revenues	<u>204,800</u>	<u>231,000</u>	<u>205,400</u>
TOTAL FUNDS AVAILABLE	236,100	299,000	313,500
Expenditures	<u>168,100</u>	<u>190,900</u>	<u>193,600</u>
BALANCE END OF FISCAL YEAR	<u><u>68,000</u></u>	<u><u>108,100</u></u>	<u><u>119,900</u></u>

The approved amount includes \$5,800 in Personal Services and \$800 in Employee Related Expenditures for the general salary adjustment.

Per Laws 1989, Chapter 162: As of January 1, 1991, all unexpended and unencumbered monies appropriated to the Egg Inspection Board shall be transferred to the Department of Agriculture.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Fusak

Jean Ellzey, Director (Tel. 542-3095)

BOARD OF FUNERAL DIRECTORS AND EMBALMERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Personal Services	<u>47,400</u>	<u>67,200</u>	<u>61,500</u>
Employee Related Exp.	<u>8,200</u>	<u>12,300</u>	<u>14,600</u>
Prof. & Outside Services	24,900	30,200	40,400
Travel - State	7,400	11,200	15,300
Travel - Out of State	1,800	-0-	-0-
Other Operating Exp.	7,600	23,500	24,000
Equipment	-0-	-0-	-0-
All Other Operating Exp.	<u>41,700</u>	<u>64,900</u>	<u>79,700</u>
TOTAL APPROPRIATIONS	<u><u>97,300</u></u>	<u><u>144,400</u></u>	<u><u>155,800</u></u> ^{1/2/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	9,600	68,000	29,100
Add Revenues	<u>155,700</u>	<u>105,500</u>	<u>244,000</u> ^{3/}
TOTAL FUNDS AVAILABLE	165,300	173,500	273,100
Expenditures	<u>97,300</u>	<u>144,400</u>	<u>155,800</u>
BALANCE END OF FISCAL YEAR	<u><u>68,000</u></u>	<u><u>29,100</u></u>	<u><u>117,300</u></u>

The approved amount includes \$2,300 in Personal Services and \$300 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes \$4,100 in In-State Travel for new Board members.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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 Board of Office.
- 3/ This agency has a biennial licensing cycle.

JLBC Analyst: Fusak

John C. Reed, M.D., President (Tel. 542-3095)

BOARD OF HOMEOPATHIC MEDICAL EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.3</u>
Personal Services	<u>300</u>	<u>1,200</u>	<u>6,100</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>400</u>
Prof. & Outside Services	4,300	5,800	7,400
Travel - State	-0-	200	-0-
Other Operating Exp.	<u>1,100</u>	<u>1,200</u>	<u>1,200</u>
All Other Operating Exp.	<u>5,400</u>	<u>7,200</u>	<u>8,600</u>
TOTAL APPROPRIATIONS	<u><u>5,700</u></u>	<u><u>8,400</u></u>	<u><u>15,100</u></u> ^{1/2/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	20,000	26,900	34,100
Add Revenues	<u>12,600</u>	<u>15,600</u>	<u>14,400</u>
TOTAL FUNDS AVAILABLE	32,600	42,500	48,500
Expenditures	<u>5,700</u>	<u>8,400</u>	<u>15,100</u>
BALANCE END OF FISCAL YEAR	<u><u>26,900</u></u>	<u><u>34,100</u></u>	<u><u>33,400</u></u>

The approved amount includes \$200 in Personal Services and \$-0- in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes \$3,000 in Personal Services and Employee Related Expenditures to fund a 0.3 FTE position.

Personal Services/Employee Related Expenditures - The approved amount includes a transfer of \$2,100 from Professional and Outside Services to Personal Services to help fund the 0.3 FTE position.

Professional and Outside Services - The approved amount includes \$2,900 for joint office costs as well as \$700 for computer services.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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: Wilcox

Douglas N. Cerf, Executive Director (255-3751)

BOARD OF MEDICAL EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>31.0</u>	<u>35.0</u>	<u>39.0</u>
Personal Services	<u>843,100</u>	<u>947,700</u>	<u>1,071,000</u>
Employee Related Exp.	<u>180,500</u>	<u>190,000</u>	<u>246,000</u>
Prof. & Outside Services	348,200	355,000	360,000
Travel - State	28,900	37,300	42,700
Travel - Out of State	8,600	9,200	9,700
Other Operating Exp.	279,300	301,400	330,600
Equipment	<u>11,900</u>	<u>22,200</u>	<u>17,700</u>
All Other Operating Exp.	<u>676,900</u>	<u>725,100</u>	<u>760,700</u>
OPERATION SUBTOTAL	1,700,500	1,862,800	2,077,700
AG Interagency Contract	112,400	150,000	166,400
Office Automation	<u>-0-</u>	<u>125,000</u>	<u>50,000</u>
TOTAL APPROPRIATIONS	<u>1,812,900</u>	<u>2,137,800</u>	<u>2,294,100</u> ^{1/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	1,034,500	1,065,800	1,013,300
Add Revenues	<u>1,844,200</u>	<u>2,085,300</u>	<u>2,199,800</u>
TOTAL FUNDS AVAILABLE	2,878,700	3,151,100	3,213,100
Expenditures	<u>1,812,900</u>	<u>2,137,800</u>	<u>2,294,100</u>
BALANCE END OF FISCAL YEAR	<u>1,065,800</u>	<u>1,013,300</u>	<u>919,000</u>

The approved amount includes \$46,100 in Personal Services and \$5,600 in Employee Related Expenditures for the general salary adjustment.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

BOARD OF MEDICAL EXAMINERS - (Cont'd)
BOARD OF MEDICAL EXAMINERS FUND

FTE Positions - The approved amount includes an additional 4 FTE positions for the following programs:

- Joint Board Administrative Assistant - The approved amount includes funds for an Administrative Assistant position to be responsible for the Physicians Assistant Program. This issue includes \$20,100 in Personal Services, \$4,700 in Employee Related Expenditures and \$5,500 in All Other Operating Expenditures.
- Investigation and Biological Fluid Testing - The approved amount includes funds and 2 FTE positions for the implementation of an in-house Investigation and Biological Fluid Testing Program. Previously, this program was contracted out by the Board. Due to issues of liability and cost, the program was moved in-house. This issue included \$41,100 in Personal Services, \$9,700 in Employee Related Expenditures and a reduction of \$52,400 in All Other Operating Expenditures.
- Additional Position - The approved amount includes \$25,100 and 1 FTE position for either a Board Secretary position or a Nurse position for community liaison.

JLBC Analyst: Fusak

Glenn T. Ozalan, N.D., Chairman (Tel. 542-3095)

BOARD OF NATUROPATHIC PHYSICIANS EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Personal Services	<u>1,500</u>	<u>2,400</u>	<u>2,400</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Prof. & Outside Services	18,900	21,200	20,400
Travel - State	800	1,900	1,900
Travel - Out of State	-0-	-0-	-0-
Other Operating Exp.	<u>1,800</u>	<u>2,300</u>	<u>2,300</u>
All Other Operating Exp.	<u>21,500</u>	<u>25,400</u>	<u>24,600</u>
TOTAL APPROPRIATIONS	<u><u>23,000</u></u>	<u><u>27,800</u></u>	<u><u>27,000</u></u> ^{1/2/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	3,900	6,500	8,400
Add Revenues	<u>25,600</u>	<u>29,700</u>	<u>31,000</u>
TOTAL FUNDS AVAILABLE	29,500	36,200	39,400
Expenditures	<u>23,000</u>	<u>27,800</u>	<u>27,000</u>
BALANCE END OF FISCAL YEAR	<u><u>6,500</u></u>	<u><u>8,400</u></u>	<u><u>12,400</u></u>

Professional and Outside Services - The approved amount includes a decrease in joint office costs of (\$1,100).

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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: Wilcox

Fran Roberts, Executive Director (255-5092)

BOARD OF NURSING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>19.2</u>	<u>19.2</u>	<u>22.2</u>
Personal Services	<u>497,800</u>	<u>516,600</u>	<u>578,500</u>
Employee Related Exp.	<u>104,000</u>	<u>110,100</u>	<u>121,600</u>
Prof. & Outside Services	40,000	85,900	83,000
Travel - State	22,000	17,300	15,600
Travel - Out of State	10,000	7,400	7,900
Other Operating Exp.	216,200	215,800	247,100
Food	700	-0-	-0-
Equipment	<u>1,500</u>	<u>-0-</u>	<u>1,500</u>
All Other Operating Exp.	<u>290,400</u>	<u>326,400</u>	<u>355,100</u>
TOTAL APPROPRIATIONS	<u>892,200</u>	<u>953,100</u>	<u>1,055,200</u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	470,500	651,700	135,600 ^{2/}
Add Revenues	<u>1,073,400</u>	<u>437,000</u>	<u>1,758,600</u> ^{3/}
TOTAL FUNDS AVAILABLE	1,543,900	1,088,700	1,894,200
Expenditures	<u>892,200</u>	<u>953,100</u>	<u>1,055,200</u>
BALANCE END OF FISCAL YEAR	<u>651,700</u>	<u>135,600</u>	<u>839,000</u>

The approved amount includes \$24,900 in Personal Services and \$3,100 in Employee Related Expenditures for the general salary adjustment.

(Continued)

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.
- 2/ The Board lacks sufficient funds and cash flow to cover expenditures for the first 6 months of the fiscal year until January 1 when licensing renewals are due. The General Accounting Office has agreed to postpone cash auditing of the Board until after January, 1991. Based upon the budget approved, the Joint Legislative Budget Committee Staff forecasts another revenue shortfall requiring a fee increase for FY 1993.
- 3/ This agency has a biennial licensing cycle.

BOARD OF NURSING
BOARD OF NURSING FUND

FTE Positions

- Nurse Consultant and Clerk Typist - The approved amount includes \$31,200 and 2 FTE positions, 1 Nurse Consultant and 1 Clerk Typist, to administer the Nurses Aide Training and Computing Evaluation program. The Omnibus Budget Reconciliation Act of 1987 (P.L. 100-203) as amended by the Medicaid Catastrophic Coverage Act of 1988 mandates the testing, certification and registration of approximately 15,000 nurses aides in Arizona. These funds provide the required 50% state fund match for the program.

- Disciplinary Monitoring Clerk - The approved amount includes \$17,000 and 1 FTE position, a Clerk Typist, to monitor over 200 practitioners on disciplining orders from the Board.

JLBC Analyst: Fusak

Christine Springer, Executive Director (Tel. 542-3095)

<u>GENERAL FUND AND BOARD OF NURSING CARE INSTITUTION ADMINISTRATORS FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>
Personal Services	<u>20,800</u>	<u>20,700</u>	<u>21,500</u>
Employee Related Exp.	<u>4,500</u>	<u>4,200</u>	<u>6,800</u>
Prof. & Outside Services	18,200	28,600	26,700
Travel - State	900	2,800	2,800
Travel - Out of State	600	-0-	-0-
Other Operating Exp.	6,100	4,800	5,600
Equipment	<u>1,300</u>	<u>200</u>	<u>-0-</u>
All Other Operating Exp.	<u>27,100</u>	<u>36,400</u>	<u>35,100</u>
TOTAL	52,400	61,300 ^{1/}	63,400 ^{2/3/}
Additional Appropriations - 39th Leg., 2nd Spec. Session			
Adult Care Homes, Ch. 292	<u>—</u>	<u>—</u>	<u>7,000</u>
TOTAL APPROPRIATIONS	<u>52,400</u>	<u>61,300</u>	<u>70,400</u> ^{2/3/}
<u>Fund Summary</u>			
General Fund	-0-	16,500	7,000
Nursing Care Inst. Admin. Fund	<u>52,400</u>	<u>44,800</u>	<u>63,400</u>
TOTAL APPROPRIATIONS	<u>52,400</u>	<u>61,300</u>	<u>70,400</u>
NURSING CARE INSTITUTION ADMINISTRATORS FUND			
RECEIPTS, EXPENDITURES AND BALANCE FORWARD			
Balance Beg. of Fiscal Year	34,300	7,000	46,900
General Fund Supplemental	-0-	16,500	-0-
Add Revenues	<u>25,100</u>	<u>90,200</u> ^{4/}	<u>49,500</u> ^{5/6/}
TOTAL FUNDS AVAILABLE	59,400	113,700	96,400
Expenditures	<u>52,400</u>	<u>66,800</u> ^{7/}	<u>68,900</u> ^{7/}
BALANCE END OF FISCAL YEAR	<u>7,000</u>	<u>46,900</u>	<u>27,500</u>

(Continued)

(See Footnotes on Following Page)

NURSING CARE INSTITUTION ADMINISTRATORS BOARD (Cont'd)
GENERAL FUND AND BOARD OF NURSING CARE
INSTITUTION ADMINISTRATORS FUND

The approved amount includes \$800 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes a decrease of \$800 for joint office costs as well as \$1,300 for examinations.

All Other Operating Expenditures - The approved amount includes \$600 for dues and registration for the National Board of Examiners of Nursing Care.

FY 1990 General Fund Supplemental - Chapter 3 (H.B. 2005) - Appropriates \$16,500 from the state General Fund to the Nursing Care Institution Administrators Fund in the form of a supplemental. The supplemental repayment date was postponed by Laws 1990, Chapter 250 (H.B. 2589) to June 30, 1992.

(Continued)

- 1/ The agency was given a Supplemental in the 39th Legislature, Chapter 3, 2nd Special Session, from the General Fund. Although FY 1990 was a renewal year, the renewal period did not start until the end of the fiscal year. The FY 1990 balance forward could not carry the agency to their renewal period. The supplemental was not an addition to the FY 1990 appropriation, but rather a loan to the Nursing Care Institution Administrators Fund to help the agency meet their appropriation limit. The supplemental was used for the following:
- | | |
|------------------------------------|----------|
| Personal Services: | \$12,200 |
| Professional and Outside Services: | 4,100 |
| Other Operating Expenditures: | 200 |
| TOTAL | \$16,500 |
- 2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.
- 3/ 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.
- 4/ The revenue estimates for FY 1990 are based on an emergency fee increase which was established by an emergency clause in Laws 1990, Chapter 250 (H.B. 2589). In FY 1988, a significant number of licensees did not renew their licenses, reducing the agency's anticipated revenue and leaving them with an insufficient balance forward. A fee increase was necessary to offset the revenue lost to the decrease in the number of renewals.
- 5/ This agency has a biennial licensing cycle.
- 6/ The revenue estimates for FY 1991 are based on Laws 1990, Chapter 250 (H.B. 2589) which raises the fee cap level and gives the Board the authority to set the fees. The new fees set by the Board will be slightly higher than the emergency fee level. The Board recently developed a fee structure and will inform the licensees of the changes.
- 7/ The expenditure totals for both FY 1990 and FY 1991 include supplemental repayments of \$5,500. The agency plans to pay the remaining \$5,500 owed to the General Fund in FY 1992.

NURSING CARE INSTITUTION ADMINISTRATORS BOARD (Cont'd)
GENERAL FUND AND BOARD OF NURSING CARE
INSTITUTION ADMINISTRATORS FUND

ADDITIONAL APPROPRIATIONS

Adult Care Homes; Licensure; Regulation - Chapter 292 (H.B. 2174) - This bill requires the agency to license and regulate "supervisory" adult care home managers. Currently, the agency licenses "skilled" nursing care home administrators only. The bill also appropriates \$7,000, effective June 30, 1990, for start-up costs associated with the licensure of the homes.

ADDITIONAL LEGISLATION

Fee Cap Levels; Licensure Requirements - Chapter 250 (H.B. 2589) - The bill increases the license fee cap levels, giving the Board the authority to set the fee level within the limits of the fee cap. Additionally, the bill strengthens the requirements for temporary licensure and reduces the non-renewable time period for issuance of a temporary license from 1 year to 750 days. Pursuant to A.R.S. § 35-312, the State Treasurer will invest the Nursing Care Institution Administrators Fund and credit the interest to the fund.

JLBC Analyst: Fusak

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
Start-up Costs	-0-	-0-	25,000
TOTAL APPROPRIATIONS	-0-	-0-	25,000 ^{1/}

Laws 1989, Chapter 296 established the Board of Occupational Therapy Examiners. The Board shall consist of 5 members who are appointed by the Governor for 3-year terms. The Board members have the authority to establish examination and licensure requirements, issue licenses and limited permits, and establish and collect fees. According to statute, "Occupational Therapy is the use of occupational therapy services with individuals who are limited by physical injury or illness, psychosocial dysfunction, developmental or learning disabilities, socioeconomic and cultural differences or the aging process in order to achieve optimum functional performance, maximize independence, and prevent disability and maintain health including evaluation, treatment, and consultation".

Repayment - Fee receipts generated from the licensure of Occupational Therapists shall be deposited to the Occupational Therapy Fund. The \$25,000 General Fund appropriation for start-up costs shall be repaid from the Occupational Therapy Fund by June 30, 1991. Pursuant to A.R.S. § 35-143.01, 10% of all monies collected shall be deposited in the General Fund by the State Treasurer and 90% shall be transferred to the Occupational Therapy Fund. The Board has the authority to set the fee level, however, the fees may not exceed the fee cap levels established by A.R.S. § 32-3427.

The fee caps are as follows:

Type of Fee	Maximum
license	\$100
re-examination	50
initial license	300
renewal license	300
application for reinstatement	300
limited permit	75
duplicate license	50

^{1/} Laws 1989, Chapter 296 appropriates \$25,000 from the General Fund to the Occupational Therapy Fund for start-up costs. This appropriation shall be repaid through Occupational Therapist fee receipts by June 30, 1991.

JLBC Analyst: Fusak

Cathy Feagan, Executive Director (Tel. 542-3095)

<u>BOARD OF DISPENSING OPTICIANS FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>
Personal Services	<u>23,600</u>	<u>25,200</u>	<u>22,700</u>
Employee Related Exp.	<u>2,900</u>	<u>2,200</u>	<u>6,100</u>
Prof. & Outside Services	13,200	14,500	14,000
Travel - State	1,900	4,100	2,500
Other Operating Exp.	<u>7,000</u>	<u>5,900</u>	<u>5,800</u>
All Other Operating Exp.	<u>22,100</u>	<u>24,500</u>	<u>22,300</u>
TOTAL APPROPRIATIONS	<u>48,600</u>	<u>51,900</u>	<u>51,100</u> ^{1/2/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	9,300	16,600	25,800
Add Revenues	<u>55,900</u>	<u>61,100</u>	<u>62,300</u>
TOTAL FUNDS AVAILABLE	65,200	77,700	88,100
Expenditures	<u>48,600</u>	<u>51,900</u>	<u>51,100</u>
BALANCE END OF FISCAL YEAR	<u>16,600</u>	<u>25,800</u>	<u>37,000</u>

The approved amount includes \$800 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

Personal Services/Employee Related Expenditure Adjustments - The approved amount includes a decrease of (\$4,200).

All Other Operating Expenditures - The approved amount includes a decrease in travel of (\$1,600).

1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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: Fusak

Florence Moore, Executive Director (Tel. 542-3095)

BOARD OF OPTOMETRY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Personal Services	<u>41,600</u>	<u>45,900</u>	<u>47,700</u>
Employee Related Exp.	<u>11,900</u>	<u>11,200</u>	<u>11,600</u>
Prof. & Outside Services	14,200	28,300	27,500
Travel - State	3,800	5,700	5,400
Travel - Out of State	-0-	1,000	700
Other Operating Exp.	<u>2,900</u>	<u>7,100</u>	<u>7,000</u>
All Other Operating Exp.	<u>20,900</u>	<u>42,100</u>	<u>40,600</u>
TOTAL APPROPRIATIONS	<u><u>74,400</u></u>	<u><u>99,200</u></u>	<u><u>99,900</u></u> ^{1/2/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	95,400	37,400	110,200
Add Revenues	<u>16,400</u>	<u>172,000</u>	<u>28,200</u> ^{3/}
TOTAL FUNDS AVAILABLE	111,800	209,400	138,400
Expenditures	<u>74,400</u>	<u>99,200</u>	<u>99,900</u>
BALANCE END OF FISCAL YEAR	<u><u>37,400</u></u>	<u><u>110,200</u></u>	<u><u>38,500</u></u>

The approved amount includes \$1,800 in Personal Services and \$200 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes a decrease of (\$1,400) for joint office costs as well as a decrease of (\$600) for travel.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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: Wilcox

Mary Tucker, Executive Director (Tel. 255-1747)

BOARD OF OSTEOPATHIC EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>
Personal Services	<u>126,700</u>	<u>131,000</u>	<u>136,900</u>
Employee Related Exp.	<u>28,600</u>	<u>29,500</u>	<u>30,400</u>
Prof. & Outside Services	1,100	5,700	43,700
Travel - State	3,800	5,900	6,100
Travel - Out of State	3,900	3,700	4,800
Other Operating Exp.	33,200	35,100	35,900
Equipment	<u>2,300</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>44,300</u>	<u>50,400</u>	<u>90,500</u>
TOTAL APPROPRIATIONS	<u>199,600</u>	<u>210,900</u>	<u>257,800</u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	131,400	268,600	91,000
Add Revenues	<u>336,800</u>	<u>33,300</u>	<u>475,200</u> ^{2/}
TOTAL FUNDS AVAILABLE	468,200	301,900	566,200
Expenditures	<u>199,600</u>	<u>210,900</u>	<u>257,800</u>
BALANCE END OF FISCAL YEAR	<u>268,600</u>	<u>91,000</u>	<u>308,400</u>

The approved amount includes \$5,900 in Personal Services and \$700 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes \$25,000 for the implementation of a substance abuse monitoring and rehabilitative program for chemically dependent physicians and \$13,000 for anticipated Attorney General expenses.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

^{2/} This agency has a biennial licensing cycle.

JLBC Analyst: Wilcox

Llyn A. Lloyd, Executive Secretary (255-5125)

BOARD OF PHARMACY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>12.0</u>	<u>11.0</u>	<u>11.0</u>
Personal Services	<u>325,600</u>	<u>355,500</u>	<u>371,500</u>
Employee Related Exp.	<u>65,300</u>	<u>70,900</u>	<u>84,500</u>
Prof. & Outside Services	27,600	27,000	39,000
Travel - State	32,200	33,200	35,200
Travel - Out of State	4,400	5,500	5,400
Other Operating Exp.	85,600	88,100	87,100
Equipment	<u>13,000</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>162,800</u>	<u>153,800</u>	<u>166,700</u>
OPERATION SUBTOTAL	553,700	580,200	622,700
Automation	<u>22,700</u>	<u>24,400</u>	<u>10,400</u>
TOTAL	576,400	604,600	633,100
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Appropriation; Board of Pharmacy, Ch. 29	<u>—</u>	<u>5,000</u>	<u>—</u>
TOTAL APPROPRIATIONS	<u>576,400</u>	<u>609,600</u>	<u>633,100</u> ^{1/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	143,300	381,000	610,000
Add Revenues	<u>814,100</u>	<u>838,600</u>	<u>863,700</u>
TOTAL FUNDS AVAILABLE	957,400	1,219,600	1,473,700
Expenditures	<u>576,400</u>	<u>609,600</u>	<u>633,100</u>
BALANCE END OF FISCAL YEAR	<u>381,000</u>	<u>610,000</u>	<u>840,600</u>

The approved amount includes \$16,000 in Personal Services and \$2,000 in Employee Related Expenditures for the general salary adjustment.

ADDITIONAL APPROPRIATIONS

Appropriation; Board of Pharmacy - Chapter 29 (H.B. 2093) - This legislation appropriates \$5,000 for FY 1990 unanticipated administrative expenses from the Board of Pharmacy Fund.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Fusak

Patricia Plack, Executive Director (Tel. 542-3095)

BOARD OF PHYSICAL THERAPY EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Personal Services	<u>25,500</u>	<u>26,600</u>	<u>27,700</u>
Employee Related Exp.	<u>3,300</u>	<u>5,000</u>	<u>7,300</u>
Prof. & Outside Services	15,200	20,200	19,000
Travel - State	2,300	3,200	2,700
Travel - Out of State	1,000	1,700	1,500
Other Operating Exp.	<u>5,300</u>	<u>7,100</u>	<u>7,200</u>
All Other Operating Exp.	<u>23,800</u>	<u>32,200</u>	<u>30,400</u>
TOTAL APPROPRIATIONS	<u>52,600</u>	<u>63,800</u>	<u>65,400</u> ^{1/2/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	44,400	91,500	52,700
Add Revenues	<u>99,700</u>	<u>25,000</u>	<u>98,700</u> ^{3/}
TOTAL FUNDS AVAILABLE	144,100	116,500	151,400
Expenditures	<u>52,600</u>	<u>63,800</u>	<u>65,400</u>
BALANCE END OF FISCAL YEAR	<u>91,500</u>	<u>52,700</u>	<u>86,000</u>

The approved amount includes \$1,100 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes a decrease of (\$1,400) for joint office costs as well as a decrease of (\$700) for travel.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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: Fusak

M. Barry Rosenthal, D.P.N., (Tel. 542-3095)

BOARD OF PODIATRY EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Personal Services	<u>5,600</u>	<u>6,000</u>	<u>6,000</u>
Employee Related Exp.	<u>100</u>	<u>-0-</u>	<u>-0-</u>
Prof. & Outside Services	25,100	27,400	24,200
Travel - State	3,200	3,700	3,600
Other Operating Exp.	<u>4,800</u>	<u>5,000</u>	<u>5,000</u>
All Other Operating Exp.	<u>33,100</u>	<u>36,100</u>	<u>32,800</u>
TOTAL APPROPRIATIONS	<u><u>38,800</u></u>	<u><u>42,100</u></u>	<u><u>38,800</u></u> ^{1/2/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	11,700	13,500	11,900
Add Revenues	<u>40,600</u>	<u>40,500</u>	<u>40,300</u>
TOTAL FUNDS AVAILABLE	52,300	54,000	52,200
Expenditures	<u>38,800</u>	<u>42,100</u>	<u>38,800</u>
BALANCE END OF FISCAL YEAR	<u><u>13,500</u></u>	<u><u>11,900</u></u>	<u><u>13,400</u></u>

All Other Operating Expenditures - The approved amount includes a decrease of (\$3,800) for joint office costs.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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 by the State Boards Office.

JLBC Analyst: Brainard

Dona M. Markley, Executive Director (Tel. 542-5709)

BOARD OF PRIVATE POSTSECONDARY EDUCATION FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>3.0</u>	<u>3.2</u>	<u>3.2</u>
Personal Services	<u>73,200</u>	<u>80,300</u>	<u>80,700</u>
Employee Related Exp.	<u>14,100</u>	<u>13,000</u>	<u>19,600</u>
Prof. & Outside Services	5,700	6,000	6,000
Travel - State	2,100	3,000	3,200
Travel - Out of State	-0-	900	900
Other Operating Exp.	18,600	19,100	19,900
Equipment	<u>7,200</u>	<u>700</u>	<u>3,100</u>
All Other Operating Exp.	<u>33,600</u>	<u>29,700</u>	<u>33,100</u>
TOTAL APPROPRIATIONS	<u>120,900</u>	<u>123,000</u>	<u>133,400</u> ^{1/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	72,500	74,700	88,900
Add Revenues	<u>123,100</u>	<u>137,200</u>	<u>142,000</u>
TOTAL FUNDS AVAILABLE	195,600	211,900	230,900
Expenditures	<u>120,900</u>	<u>123,000</u>	<u>133,400</u>
BALANCE END OF FISCAL YEAR	<u>74,700</u>	<u>88,900</u>	<u>97,500</u>

The approved amount includes \$3,200 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Fusak

Peggy C. LaVoy, Executive Director (Tel. 542-3095)

BOARD OF PSYCHOLOGIST EXAMINERS FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Personal Services	<u>28,100</u>	<u>30,500</u>	<u>31,700</u>
Employee Related Exp.	<u>6,100</u>	<u>7,900</u>	<u>7,800</u>
Prof. & Outside Services	35,300	66,100	65,400
Travel - State	2,600	4,500	4,500
Travel - Out of State	1,600	1,000	1,000
Other Operating Exp.	9,900	14,200	13,300
Equipment	-0-	-0-	-0-
All Other Operating Exp.	<u>49,400</u>	<u>85,800</u>	<u>84,200</u>
TOTAL APPROPRIATIONS	<u>83,600</u>	<u>124,200</u>	<u>123,700</u> ^{1/2/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	262,400	430,800	352,300
Add Revenues	<u>252,000</u>	<u>45,700</u>	<u>303,600</u> ^{3/}
TOTAL FUNDS AVAILABLE	514,400	476,500	655,900
Expenditures	<u>83,600</u>	<u>124,200</u>	<u>123,700</u>
BALANCE END OF FISCAL YEAR	<u>430,800</u>	<u>352,300</u>	<u>532,200</u>

The approved amount includes \$1,200 in Personal Services and \$100 in Employee Related Expenditures for the general salary adjustment.

All Other Operating Expenditures - The approved amount includes a decrease of (\$1,300) for joint office costs.

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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: Fusak

Dolores DeBaca, Director (Tel. 255-3095)

STATE BOARDS OFFICE REVOLVING FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4.0</u>	<u>5.0</u>	<u>5.0</u>
Personal Services	<u>72,700</u>	<u>86,700</u>	<u>74,600</u>
Employee Related Exp.	<u>13,600</u>	<u>22,800</u>	<u>16,800</u>
Prof. & Outside Services	15,900	13,000	17,700
Other Operating Exp.	47,300	53,000	55,000
Equipment	<u>2,100</u>	<u>2,200</u>	<u>1,500</u>
All Other Operating Exp.	<u>65,300</u>	<u>68,200</u>	<u>74,200</u>
TOTAL APPROPRIATIONS	<u>151,600</u>	<u>177,700</u>	<u>165,600</u>

The approved amount includes \$3,200 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

STATE BOARDS OFFICE

Funding Breakdown

Contributing Boards	Personal Services	E.R.E.	Acctg. & Computer	Rent	Other Operating	Total	% of Total
Homeopaths	\$ 1,650	\$ 356	\$ 680	\$ 2,232	\$ 650	\$ 5,568	3.60%
Disp. Opticians	4,498	988	1,891	3,707	2,195	13,279	8.60%
Funeral Directors	12,798	2,928	1,891	5,570	2,194	25,382	9.80%
Naturopaths	7,818	1,729	1,891	2,235	2,195	15,868	10.30%
Nursing Care Admin.	4,498	988	1,891	2,910	2,194	12,481	8.10%
Optometry	11,280	2,579	1,891	4,557	2,195	22,502	14.40%
Physical Therapy	4,498	988	1,891	3,315	2,194	12,886	8.40%
Podiatry	11,733	2,683	1,891	2,235	2,195	20,737	13.20%
Psychologists	11,284	2,580	1,891	3,428	2,194	21,377	13.70%
Veterinary	<u>4,501</u>	<u>989</u>	<u>1,891</u>	<u>5,934</u>	<u>2,194</u>	<u>15,509</u>	9.90%
TOTAL	\$ 74,558	\$ 16,808	\$ 17,700	\$ 36,123	\$20,400	\$ 165,589	100.00%

The State Boards Office is funded through the Professional and Outside Services line of the participating boards. These line items are presented for information only.

JLBC Analyst: Fusak

Jack D. Root, Executive Director (Tel. 255-3664)

STR. PEST CONTROL COMM. FUND AND STRUCTURAL PEST CONTROL COMM. INSPECTION SUPPORT FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>19.0</u>	<u>21.0</u> ^{1/}	<u>26.0</u>
Personal Services	<u>201,900</u>	<u>397,300</u>	<u>551,400</u>
Employee Related Exp.	<u>35,800</u>	<u>94,100</u>	<u>132,100</u>
Prof. & Outside Services	32,800	160,600	141,300
Travel - State	15,800	53,200	77,200
Travel - Out of State	3,700	9,400	9,400
Other Operating Exp.	90,400	114,200	142,100
Equipment	<u>222,400</u>	<u>136,300</u>	<u>53,500</u>
All Other Operating Exp.	<u>365,100</u>	<u>473,700</u>	<u>423,500</u>
TOTAL APPROPRIATIONS	<u>602,800</u>	<u>965,100</u>	<u>1,107,000</u> ^{2/3/}
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	33,800	68,500	253,400
Add Revenues	<u>637,500</u>	<u>1,150,000</u>	<u>1,365,000</u>
TOTAL FUNDS AVAILABLE	671,300	1,218,500	1,618,400
Expenditures	<u>602,800</u>	<u>965,100</u>	<u>1,107,000</u>
BALANCE END OF FISCAL YEAR	<u>68,500</u>	<u>253,400</u>	<u>511,400</u>

The approved amount includes \$23,500 in Personal Services and \$3,000 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes \$216,000 to fully fund 5 additional Pest Control Inspectors. The agency is mandated under Laws 1988, Chapter 348, to maintain a ratio of 1 inspector per every 200 industry members. The additional inspectors will bring the agency closer to their statutory requirement with a total of 14 inspectors, 1 inspector per 229 members.

(Continued)

- 1/ The Commission received a supplemental appropriation of \$256,000 for FY 1989 in Laws 1989, Chapter 3 (H.B. 2103). With the supplemental appropriation, the Commission was authorized 7 additional FTE positions, for a total of 19.
- 2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.
- 3/ It is the intent of the Legislature that not more than 25% of the appropriation shall be expended from the Structural Pest Control Commission Fund.

STRUCTURAL PEST CONTROL COMMISSION (Cont'd)
STR. PEST CONTROL COMM. FUND AND STRUCTURAL PEST CONTROL COMM.
INSPECTION SUPPORT FUND

Personal Services/Employee Related Expenditures - The approved amount includes \$28,700 for inspector positions which were reclassified to a higher grade and given a special hire rate, as well as a salary increase for the Director as recommended by the Board.

All Other Operating Expenditures - The approved amount includes \$14,300 for increased legal costs. With this increase, the agency will have a total of \$31,300 to spend on an estimated 60 hearings. The appropriation also includes \$19,700 for computer programming. The termite inspection fund and its database need to be linked to the licensing and termite project database. Due to the completion of the Local Area Network System and the stabilization of the Lab Analysis program, the appropriation provides for a reduction of \$33,600. The appropriation decreases the Lease Agreement by \$6,100, to reflect the true cost of the lease.

JLBC Analyst: Brainard

Ronald Dalrymple, Director (Tel. 255-4053)

<u>TECHNICAL REGISTRATION FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>
Personal Services	<u>288,000</u>	<u>299,700</u>	<u>312,700</u>
Employee Related Exp.	<u>63,200</u>	<u>61,100</u>	<u>78,600</u>
Prof. & Outside Services	168,000	176,800	213,900
Travel - State	9,900	12,900	13,400
Travel - Out of State	6,000	9,100	9,100
Other Operating Exp.	128,700	146,400	151,400
Equipment	<u>6,500</u>	<u>3,500</u>	<u>4,200</u>
All Other Operating Exp.	<u>319,100</u>	<u>348,700</u>	<u>392,000</u>
TOTAL APPROPRIATIONS	<u>670,300</u>	<u>709,500</u>	<u>783,300</u> ^{1/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	385,100	243,700	309,400
Add Revenues	<u>528,900</u>	<u>775,200</u>	<u>1,065,300</u>
TOTAL FUNDS AVAILABLE	914,000	1,018,900	1,374,700
Expenditures	<u>670,300</u>	<u>709,500</u>	<u>783,300</u>
BALANCE END OF FISCAL YEAR	<u>243,700</u>	<u>309,400</u>	<u>591,400</u>

The approved amount includes \$13,200 in Personal Services and \$1,700 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes \$191,000 for examination purchases. These expenses are passed on to registrants.

Other Operating Expenditures - The approved amount includes \$44,400 for office space lease costs, \$30,400 for postage, and \$21,900 for printing expenses.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Fusak

Judy Zingg, Director (Tel. 542-3095)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>2.0</u>	<u>2.0</u>	<u>3.0</u>
Personal Services	<u>64,100</u>	<u>70,300</u>	<u>87,800</u>
Employee Related Exp.	<u>14,600</u>	<u>15,000</u>	<u>17,100</u>
Prof. & Outside Services	36,300	35,600	30,800
Travel - State	7,700	11,100	9,200
Travel - Out of State	-0-	900	700
Other Operating Exp.	11,700	11,400	11,400
Equipment	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>55,700</u>	<u>59,000</u>	<u>52,100</u>
TOTAL APPROPRIATIONS	<u>134,400</u>	<u>144,300</u>	<u>157,000</u> ^{1/2/}

RECEIPTS, EXPENDITURES AND BALANCES FORWARD

Balance Beg. of Fiscal Year	71,300	133,100	46,500
Add Revenues	<u>196,200</u>	<u>57,700</u>	<u>241,800</u> ^{3/}
TOTAL FUNDS AVAILABLE	267,500	190,800	288,300
Expenditures	<u>134,400</u>	<u>144,300</u>	<u>157,000</u>
BALANCE END OF FISCAL YEAR	<u>133,100</u>	<u>46,500</u>	<u>131,300</u>

The approved amount includes \$3,300 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes \$7,900 to fund 1 FTE position. The position will help the agency reduce complaint response time.

Personal Services/Employee Related Expenditures - The approved amount includes a transfer of \$9,100 from joint office costs to Personal Services. The Board currently pays for a half-time secretary through joint office costs, however, the transfer will help offset the cost of the position.

(Continued)

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information 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)
GENERAL FUND

All Other Operating Expenditures - The approved amount includes \$4,500 for examinations. The examination process has unique facility requirements, which necessitate renting private sector space to hold the exams. The appropriation also decreases joint office costs by \$400 as well as travel by \$2,100.

JLBC Analyst: Cawley

Shelly M. Cohn, Executive Director (Tel. 255-5882)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>
Personal Services	<u>296,200</u>	<u>307,200</u>	<u>313,100</u>
Employee Related Exp.	<u>63,800</u>	<u>59,400</u>	<u>68,400</u>
Travel - State	10,700	13,500	13,800
Travel - Out of State	800	800	800
Other Operating Exp.	91,500	91,500	94,900
Equipment	<u>18,600</u>	<u>500</u>	<u>500</u>
All Other Operating Exp.	<u>121,600</u>	<u>106,300</u>	<u>110,000</u>
OPERATION SUBTOTAL	481,600	472,900	491,500
Community Service Projects	1,063,400	1,113,400	1,083,400
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(15,600)</u>
TOTAL APPROPRIATIONS	<u>1,545,000</u>	<u>1,586,300</u>	<u>1,559,300</u> ^{1/}

The approved amount includes \$13,500 in Personal Services and \$1,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$3,000, was deducted when the approved amount was computed.

Other Operating Expenditures - The approved amount includes an increase of \$2,800 for rent of the Commission's office space, which is privately owned, and an increase of \$600 for risk management.

Community Service Projects - The approved amount includes a \$30,000 deduction from the FY 1990 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.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Hernandez

Wayne M. McGrath, Ed.D., Executive Director (Tel. 255-4037)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>9.0</u>	<u>9.0</u>	<u>10.0</u>
Personal Services	<u>338,100</u>	<u>359,100</u>	<u>409,800</u>
Employee Related Exp.	<u>64,300</u>	<u>67,900</u>	<u>79,300</u>
Prof. & Outside Services	2,900	1,400	33,300
Travel - State	32,300	30,100	36,400
Travel - Out of State	800	3,000	4,000
Other Operating Exp.	68,100	59,000	62,600
Equipment	<u>21,800</u>	<u>1,200</u>	<u>9,600</u>
All Other Operating Exp.	<u>125,900</u>	<u>94,700</u>	<u>145,900</u>
OPERATION SUBTOTAL	528,300	521,700	635,000
County Vocational Planning	40,000	40,000	-0-
Equalization Aid	4,212,300	4,651,300	5,408,100
Operating State Aid	62,581,500	60,368,700 ^{1/}	70,983,500
Capital Outlay Aid	7,756,200	8,025,600	8,344,200
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(853,500)</u>
TOTAL APPROPRIATIONS	<u>75,118,300</u>	<u>73,607,300</u>	<u>84,517,300</u> ^{2/}

The approved amount includes \$17,600 in Personal Services and \$2,300 in Employee Related expenditures for the general salary adjustment.

(Continued)

1/ This amount does not include \$4,941,800 of the original appropriation for Operating State Aid. The 1989 General Appropriation Act contained the following stipulation: "If the Arizona Supreme Court upholds the Court of Appeals in the Palo Verde case before August 20, 1989, the State Board of Directors shall revert to the General Fund \$4,941,800 from Maricopa County Community College District's share of operating state aid. Maricopa County Community College District would be operating at its expenditure limit, and would not be able to expend this portion of its Operating State Aid without lowering its property tax rate." On July 11, 1989, the Arizona Supreme Court declined to hear the Palo Verde case (Arizona Tax Research Association et al. vs. Maricopa County/Arizona Department of Revenue), effectively upholding the Court of Appeals. Accordingly, the sum of \$4,941,800 reverted to the General Fund as of July 11, 1989.

2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency, with special line items. The line items within the "Operation Subtotal" are shown for information only.

STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES (Cont'd)
GENERAL FUND

Personal Services - The approved amount includes 1 FTE position and \$45,000 for an Assistant Director for Minority Affairs. The purpose of this position is to coordinate statewide efforts to recruit and retain minority students, faculty, and staff in Arizona's community college districts.

All Other Operating Expenditures - The approved amount includes \$30,000 in Professional and Outside Services and \$2,200 in In-State Travel to provide funding for 2 graduate research assistants.

State Aid to Community Colleges - Operating Budget - The approved amount for Operating State Aid is based upon the funding formula specified in A.R.S. §§ 15-1401 and 15-1666, and the following projections for total and vocational-technical full-time student equivalent (FTSE) enrollment:

	<u>Total FTSE</u>	<u>Voc-Tech FTSE</u>
Cochise	3,250	1,575
Graham	2,600	1,300
Maricopa	40,850	13,007
Mohave	1,800	800
Navajo	2,350	940
Pima	14,800	5,175
Pinal	3,300	1,700
Yavapai	2,800	840
Yuma - La Paz	<u>2,810</u>	<u>741</u>
TOTAL	74,560	26,078

This represents 25% of total community college operational funding.

The formula amount was then reduced by an amount equivalent to each district's savings because the employer's share of the retirement contribution rate was reduced from 5.09% in FY 1989 to 3.82% of payroll. The lump sum appropriation is based upon the following estimated amounts for each community college district:

	<u>Formula Amount</u> <u>At 25%</u>	<u>Retirement</u> <u>Savings</u>	<u>Appropriation</u>
Cochise	4,622,200	81,800	4,540,400
Graham	3,907,600	57,000	3,850,600
Maricopa	31,921,300	939,300	30,982,000
Mohave	2,680,600	36,000	2,644,600
Navajo	3,446,500	47,400	3,399,100
Pima	13,695,200	274,000	13,421,200
Pinal	4,730,000	84,900	4,645,100
Yavapai	3,850,300	85,000	3,765,300
Yuma - La Paz	<u>3,808,700</u>	<u>73,500</u>	<u>3,735,200</u>
TOTAL	72,662,400	1,678,900	70,983,500

Equalization Aid - Equalization aid is paid to a community college district which has a property tax base that is less than the minimum assessed value specified in A.R.S. § 15-1468. The approved amount represents full funding of the equalization aid formula. The appropriation includes \$716,200 for Cochise County Community College District and \$4,691,900 for Graham County Community College District.

(Continued)

STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES (Cont'd)
GENERAL FUND

State Aid to Community Colleges - Capital Outlay - The approved amount for Capital Outlay State Aid represents full funding of the Capital Outlay formula specified in A.R.S. § 15-1464. The State Board of Directors for Community Colleges will allocate capital outlay funds to each community college district based on its actual FY 1985 FTSE enrollment. The lump sum appropriation is based on the following estimated amounts for each community college district:

Cochise	430,800
Graham	374,500
Maricopa	4,293,000
Mohave	205,100
Navajo	302,600
Pima	1,586,800
Pinal	426,800
Yavapai	351,100
Yuma - La Paz	373,400
TOTAL	<u>8,344,100</u>

ADDITIONAL LEGISLATION

Levy Limit Override - Chapter 165 (S.B. 1162) - This legislation allows the community college districts to override the property tax levy limit for a 2-7 year period and a stated maximum dollar amount per year, with voter approval.

Tuition Waiver, Children of Fire Fighters or Emergency Paramedics Killed in the Line of Duty - Chapter 206 (H.B. 2232) - Under this legislation, children of fire fighters or emergency paramedics who were killed in the line of duty are entitled to tuition waiver scholarships at any of Arizona's state universities or community colleges. Spouses of slain peace officers are also eligible for tuition waivers. This legislation also establishes the Arizona Fire Fighters and Emergency Paramedics Fund, which will consist of voluntary donations.

Revision of the Capital Outlay Aid Formula - Chapter 397 (S.B. 1163) - The legislation revises the capital outlay aid formula for community colleges to use the most recent fiscal year actual student enrollment counts rather than FY 1985 enrollment to determine the funding level. This revision will add an estimated \$3,361,700 to the FY 1992 formula requirement.

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
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Program Summary

Phoenix Day School	1,912,400	2,324,400	2,560,100
Arizona Diagnostic Treatment and Education Center	1,176,200	1,114,300	1,253,000
Tucson Campus	7,769,600	8,324,000	9,465,700
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(132,800)</u>
TOTAL APPROPRIATIONS	<u>10,858,200</u>	<u>11,762,700</u>	<u>13,146,000</u>

Expenditure Detail

FTE Positions	<u>431.9</u>	<u>446.4</u>	<u>482.9</u>
Personal Services	<u>10,221,000</u>	<u>11,103,900</u>	<u>12,104,700</u>
Employee Related Exp.	<u>2,184,300</u>	<u>2,396,000</u>	<u>2,834,300</u>
Prof. & Outside Services	304,500	280,300	308,200
Travel - State	62,700	28,600	31,400
Travel - Out of State	4,200	-0-	-0-
Other Operating Exp.	1,465,100	1,513,300	1,930,400
Food	118,400	170,000	174,000
Equipment	<u>246,800</u>	<u>232,900</u>	<u>434,600</u>
All Other Operating Exp.	<u>2,201,700</u>	<u>2,225,100</u>	<u>2,878,600</u>
OPERATION SUBTOTAL	14,607,000	15,725,000	17,817,600
Special Education			
Institutional Voucher Fund	(3,748,800)	(3,962,300)	(4,293,800)
Endowment Earnings and Out-of-State Tuition	-0-	-0-	(245,000)
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(132,800)</u>
TOTAL APPROPRIATIONS	<u>10,858,200</u>	<u>11,762,700</u>	<u>13,146,000</u> ^{1/}

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for each program. The line items within "All Other Operating Exp." are shown for information only.

SCHOOL FOR THE DEAF AND THE BLIND - SUMMARY (Cont'd)
GENERAL FUND

ADDITIONAL LEGISLATION

Sensory Impairment Program - Chapter 283 (S.B. 1532) - Continues the Regional Services Cooperative Program through FY 1994 and provides that costs of educational and related services provided by the Cooperatives shall be paid by school districts, either through tuition agreements or, beginning in FY 1992, by a special education voucher. Also makes the Arizona State School for the Deaf and the Blind (ASDB) an optional resource to school districts, state institutions and other educational programs for assessments, special curriculum, equipment and materials and other services.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B.1007), 3rd Special Session - Section 2 of the Capital Outlay Bill appropriates \$548,100 from the General Fund as follows:

o Property Acquisition	\$152,500
Acquisition of 4.6 acres adjacent to the Tucson campus for construction of a high school as proposed in the School's Master Plan.	
o Church Building Renovation	157,400
Renovation of the Phoenix campus church building to house a bookstore, meeting room, and snack bar.	
o Temporary Facilities	238,200
Acquisition of temporary facilities in Tucson while permanent facilities are under construction.	
Total Capital Outlay Appropriations	<u>\$548,100</u>

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>97.4</u>	<u>107.4</u>	<u>118.9</u>
Personal Services	<u>2,359,600</u>	<u>2,769,700</u>	<u>3,028,600</u>
Employee Related Exp.	<u>527,200</u>	<u>605,800</u>	<u>637,400</u>
Prof. & Outside Services	32,700	39,400	47,800
Travel - State	3,900	4,300	4,300
Other Operating Exp.	328,800	399,500	452,400
Food	31,900	36,100	40,100
Equipment	<u>100,900</u>	<u>114,300</u>	<u>149,500</u>
All Other Operating Exp.	<u>498,200</u>	<u>593,600</u>	<u>694,100</u>
OPERATION SUBTOTAL	3,385,000	3,969,100	4,360,100
Special Education			
Institutional Voucher Fund	<u>(1,472,600)</u>	<u>(1,644,700)</u>	<u>(1,800,000)</u> ^{1/}
TOTAL APPROPRIATIONS	<u>1,912,400</u>	<u>2,324,400</u>	<u>2,560,100</u> ^{2/3/}

Personal Services - The approved amount includes \$129,200 to provide inequity salary adjustments for teachers, credentialed specialists and other personnel unique to ASDB. The inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with similar personnel in school districts providing significant programs for sensory impaired children. Laws 1988, Chapter 237 provided that the Department of Administration (DOA) shall conduct salary inequity studies and that the Joint Legislative Budget Committee (JLBC) shall use the results in making its recommendations for funding personal services. The approved amount also provides \$3,300 for coaching salary adjustments. In addition, the appropriation includes \$103,500 to fund the Accountability Pay Plan (Career Ladder Plan).

(Continued)

- 1/ Prior to the expenditure of any voucher funds in excess of the \$1,800,000 shown above, the School for the Deaf and the Blind shall report the intended use of the funds to the Joint Legislative Budget Committee.
- 2/ If H.B. 2120, relating to extended school year programs for eligible handicapped students, is enacted, \$23,500 of the amount appropriated above shall revert to the General Fund.
- 3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

SCHOOL FOR THE DEAF AND THE BLIND - PHOENIX DAY SCHOOL (Cont'd)
GENERAL FUND

Personal Services (Cont'd) - The approved amount provides funding for an additional net 10.3 FTE positions. Included in the appropriation is \$23,900 to provide quarter-year funding for 9 FTE positions to allow the agency to provide preschool transportation services for all students. The approved FTE positions include 4.5 Bus Drivers and 4.5 Bus Aides. In addition, the approved amount includes \$51,500 to provide continued funding for 2 Academic Teachers employed on additional voucher funds received in FY 1990. The approved amount also includes \$8,300 to provide funding for a .5 Administrative Secretary position transferred from Endowment Earnings. A vacancy factor of 2%, or \$61,200, was deducted when the approved amount was computed.

All Other Operating Expenditures - The approved amount for Professional and Outside Services includes an additional \$1,400 for medical and hospital services and an additional \$7,000 for other professional services. The approved amount for Other Operating includes an additional \$14,000 for non-capitalized equipment, \$18,400 for utilities, and \$7,600 for bulk fuel. The appropriation also includes an additional \$3,300 for operating costs associated with the expanded preschool transportation program and an additional \$9,600 for miscellaneous operating costs. The approved amount for Food includes an additional \$4,000. The Equipment appropriation includes \$32,000 for the final lease-purchase payment for 3 school buses, \$31,700 for the second lease-purchase payment for 3 school buses, \$53,500 for the first lease-purchase payment for 5 lift vans, and \$32,300 for non-educational replacement equipment.

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>56.6</u>	<u>56.6</u>	<u>56.6</u>
Personal Services	<u>1,059,600</u>	<u>1,167,500</u>	<u>1,224,500</u>
Employee Related Exp.	<u>226,000</u>	<u>229,800</u>	<u>325,100</u>
Prof. & Outside Services	17,100	19,100	25,100
Travel - State	900	1,000	1,000
Other Operating Exp.	<u>13,500</u>	<u>14,500</u>	<u>17,600</u>
All Other Operating Exp.	<u>31,500</u>	<u>34,600</u>	<u>43,700</u>
OPERATION SUBTOTAL	1,317,100	1,431,900	1,593,300
Special Education			
Institutional Voucher Fund	<u>(140,900)</u>	<u>(317,600)</u>	<u>(340,300)</u> ^{1/}
TOTAL APPROPRIATIONS	<u>1,176,200</u>	<u>1,114,300</u>	<u>1,253,000</u> ^{2/3/}

Personal Services - The approved amount includes \$53,700 to provide inequity salary adjustments for teachers, credentialed specialists and other positions unique to ASDB. The inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with similar personnel in school districts providing significant programs for sensory impaired children. Laws 1988, Chapter 237 provided that the Department of Administration (DOA) shall conduct salary inequity studies and that the Joint Legislative Budget Committee (JLBC) shall use the results in making its recommendation for funding personal services. The appropriation also provides \$6,200 for performance-based increases for non-credentialed staff. In addition, the appropriation includes \$22,000 to fund the Accountability Pay Plan (Career Ladder Plan). A vacancy factor of 2%, or \$24,900, was deducted when the approved amount was computed.

All Other Operating Expenditures - The approved amount for Professional and Outside Services includes an additional \$6,000 for medical and hospital services and other professional services. The approved amount for Other Operating includes an increase of \$3,100 for miscellaneous operating costs.

- 1/ Prior to the expenditure of any voucher funds in excess of the \$340,300 shown above, the School for the Deaf and the Blind shall report the intended use of the funds to the Joint Legislative Budget Committee.
- 2/ If H.B. 2120, relating to extended school year programs for eligible handicapped students, is enacted, \$5,300 of the amount appropriated above shall revert to the General Fund.
- 3/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Neisent

Barry L. Griffing, Ed.D., Superintendent (Tel. 628-5261)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>277.9</u>	<u>282.4</u>	<u>307.4</u>
Personal Services	<u>6,801,800</u>	<u>7,166,700</u>	<u>7,851,600</u>
Employee Related Exp.	<u>1,431,100</u>	<u>1,560,400</u>	<u>1,871,800</u>
Prof. & Outside Services	254,700	221,800	235,300
Travel - State	57,900	23,300	26,100
Travel - Out of State	4,200	-0-	-0-
Other Operating Exp.	1,122,800	1,099,300	1,460,400
Food	86,500	133,900	133,900
Equipment	<u>145,900</u>	<u>118,600</u>	<u>285,100</u>
All Other Operating Exp.	<u>1,672,000</u>	<u>1,596,900</u>	<u>2,140,800</u>
OPERATION SUBTOTAL	9,904,900	10,324,000	11,864,200
Special Education			
Institutional Voucher Fund	(2,135,300)	(2,000,000)	(2,153,500) ^{1/}
Endowment Earnings and Out-of-State Tuition	<u>-0-</u>	<u>-0-</u>	<u>(245,000)</u>
TOTAL APPROPRIATIONS	<u>7,769,600</u>	<u>8,324,000</u>	<u>9,465,700</u> ^{2/3/}

Personal Services - The approved amount includes \$332,000 to provide inequity salary adjustments for teachers, credentialed specialists and other personnel unique to ASDB. The inequity adjustment is based upon a comparison of ASDB's salaries, by educational level, with similar personnel in school districts providing significant programs for sensory impaired children. Laws 1988, Chapter 237 provided that the Department of Administration (DOA) shall conduct salary inequity studies, and that the Joint Legislative Budget Committee (JLBC) shall use the results in making its recommendations for funding personal services. The appropriation also provides \$27,800 for position reclassifications as required by Chapter 237, \$3,100 for upgrading the Superintendent's position, and \$9,100 for performance based increases for non-credentialed staff.

(Continued)

- ^{1/} Prior to the expenditure of any voucher funds in excess of the \$2,153,500 shown above, the School for the Deaf and the Blind shall report the intended use of the funds to the Joint Legislative Budget Committee.
- ^{2/} If H.B. 2120, relating to extended school year programs for eligible handicapped students, is enacted, \$25,300 of the amount appropriated above shall revert to the General Fund.
- ^{3/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

SCHOOL FOR THE DEAF AND THE BLIND - TUCSON CAMPUS (Cont'd)
GENERAL FUND

Personal Services (Cont'd) - In addition, the appropriation includes \$170,900 to fund the Accountability Pay Plan (Career Ladder Plan). The appropriation provides funding for an additional net 21.9 positions. Included is \$222,300 for 13.5 positions transferred to the General Fund from Endowment Earnings and \$21,300 for quarter-year funding for 8 positions associated with the preschool transportation program. The positions transferred to the General Fund include 1 Accounting Clerk IV, 1 Accounting Clerk III, 1 Security Officer, 1 Bus Driver, 2 Secretary II's, 1 Instructional Aide, 1 Nurse's Assistant, 1 Personnel Technician, 1 Facilities Coordinator, .5 Nurse II, .5 Custodian, .5 Swimming Instructor, .5 Study Hall Monitor, and 1.5 Summer Maintenance Staff. The preschool transportation positions include 4 Bus Drivers and 4 Bus Aides. The approved amount also includes \$50,000 to provide continued funding for 3.5 FTE positions employed on additional voucher funds received in FY 1990. The positions include 1 Academic Teacher and 2.5 Instructional Aides. A vacancy factor of 2%, or \$157,000, was deducted when the approved amount was computed.

All Other Operating Expenditures - The approved amount for Professional and Outside Services includes an increase of \$6,600 for medical and hospital services and an increase of \$6,900 associated with the transfer of 13.5 positions to the General Fund from Endowment Earnings. The approved amount for Other Operating includes an additional \$303,300 for the first lease-purchase payment on the food service building, an additional \$48,000 for the lease of a new preschool site, and an increase of \$8,400 for utilities. The Equipment appropriation includes \$16,000 for non-educational replacement equipment, \$34,000 for specialized educational replacement equipment, \$11,000 for the first lease-purchase payment for 1 bus, \$50,800 for the first year lease-purchase of 5 mini-buses, and \$118,600 for the final lease-purchase payment for 9 buses. The approved amount also includes \$34,700 for 2 Suburbans and \$20,000 for 2 station wagons.

DEPARTMENT OF EDUCATION - SUMMARY

A.R.S. 15-201

JLBC Analyst: Neisent

The Honorable C. Diane Bishop, Superintendent (Tel. 542-4361)

GENERAL FUND AND LOCAL	Fiscal 89	Fiscal 90	Fiscal 91
NARCOTICS ENFORCEMENT FUND	Actual	Estimate	Approved

Program Summary

State Board of Education	138,400	152,300	164,400
General Services Administration	7,985,000	8,129,900	8,233,200
Assistance to Schools	1,099,824,900	1,173,966,100	1,227,091,000
Vocational Education	1,201,500	1,202,100	1,251,700
TOTAL APPROPRIATIONS	1,109,149,800	1,183,450,400	1,236,740,300

Expenditure Detail

FTE Positions	180.8	183.8	182.8
Personal Services	5,155,000	5,290,700	5,366,400
Employee Related Exp.	1,084,800	1,063,300	1,160,300
Prof. & Outside Services	429,100	500,000	499,800
Travel - State	95,100	121,200	129,800
Travel - Out of State	27,900	23,200	23,400
Other Operating Exp.	881,200	976,900	985,700
Equipment	282,000	138,000	59,200
All Other Operating Exp.	1,715,300	1,759,300	1,697,900
OPERATION SUBTOTAL	7,955,100	8,113,300	8,224,600
Special Line Items ^{1/}	1,101,194,700	1,175,337,100	1,222,355,700
TOTAL	1,109,149,800	1,183,450,400	1,230,580,300

Additional Appropriations -
39th Leg., 2nd Reg. Session

Educ. Voucher Fund, Ch. 164	--	--	560,000
Preschool Handicapped Pupils, Ch. 258	--	--	900,000
Extended School Year, Ch. 322	--	--	500,000
Voc. and Tech. Ed., Ch. 330	--	--	2,000,000
Preschool Pilot Proj., Ch. 345	--	--	600,000
School Finance; Tech. Corrections, Ch. 348	--	--	100,000
School Restructuring; Ch. 357	--	--	100,000
Full-Day Kindergarten, Ch. 392	--	--	1,400,000
TOTAL APPROPRIATIONS	1,109,149,800	1,183,450,400	1,236,740,300

Fund Summary

General Fund	1,109,149,800	1,183,021,700	1,236,740,300
Local Narcotics Enforce. Fund	-0-	428,700	-0-
TOTAL APPROPRIATIONS	1,109,149,800	1,183,450,400	1,236,740,300

(Continued)

^{1/} Details for the Special Line Items are included on the individual program pages.

DEPARTMENT OF EDUCATION - SUMMARY (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

The approved amount includes \$228,900 in Personal Services and \$29,100 in Employee Related Expenditures for the general salary adjustment. This amount also includes \$1,000 in Personal Services and \$200 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991, and \$37,800 for salary adjustments in special line items.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 8 of the Capital Outlay Bill appropriates \$200,000 from the General Fund to the Department of Education to assist Native Americans in the building renovation of special education schools.

JLBC Analyst: Neisent

The Honorable C. Diane Bishop, Superintendent (Tel. 542-4361)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>2.5</u>	<u>2.5</u>	<u>2.5</u>
Personal Services	<u>36,200</u>	<u>50,200</u>	<u>54,700</u>
Employee Related Exp.	<u>10,900</u>	<u>12,200</u>	<u>19,100</u>
Prof. & Outside Services	38,800	33,000	33,000
Travel - State	4,200	8,300	12,700
Travel - Out of State	200	5,100	5,300
Other Operating Exp.	40,500	39,600	39,600
Equipment	<u>7,600</u>	<u>3,900</u>	<u>-0-</u>
All Other Operating Exp.	<u>91,300</u>	<u>89,900</u>	<u>90,600</u>
TOTAL APPROPRIATIONS	<u>138,400</u>	<u>152,300</u>	<u>164,400</u> ^{2/}

The approved amount includes \$2,400 in Personal Services and \$300 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 1%, or \$500, was deducted when the approved amount was computed.

All Other Operating Expenditures - The approved amount for In-State Travel includes an additional \$4,400 for increased lodging rates.

^{1/} The number of FTE positions does not include the 9 members of the State Board of Education.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Neisent

The Honorable C. Diane Bishop, Superintendent (Tel. 542-4361)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>152.0</u>	<u>155.0</u>	<u>154.0</u> ^{1/}
Personal Services	<u>4,232,200</u>	<u>4,342,500</u>	<u>4,389,800</u>
Employee Related Exp.	<u>886,800</u>	<u>881,700</u>	<u>953,200</u>
Prof. & Outside Services	317,500	402,100	401,900
Travel - State	78,500	99,400	103,300
Travel - Out of State	27,700	18,100	18,100
Other Operating Exp.	798,100	881,000	887,200
Equipment	<u>274,400</u>	<u>134,100</u>	<u>55,000</u>
All Other Operating Exp.	<u>1,496,200</u>	<u>1,534,700</u>	<u>1,465,500</u>
OPERATION SUBTOTAL	6,615,200	6,758,900	6,808,500
Achievement Testing	970,000	907,300	996,000
Education Commission of the States	37,700	39,400	41,200
SLIAG Administration	14,100	207,000	61,500
Special Education Audit	209,600	217,300	226,000
Teachers' Retirement	<u>138,400</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	7,985,000	8,129,900	8,133,200
Additional Appropriations - 39th Leg., 2nd Reg. Session			
School Restructuring, Ch. 357	<u>---</u>	<u>---</u>	<u>100,000</u>
TOTAL APPROPRIATIONS	<u>7,985,000</u>	<u>8,129,900</u>	<u>8,233,200</u>

The approved amount includes \$186,800 in Personal Services and \$23,700 in Employee Related Expenditures for salary increases. This amount also includes \$1,000 in Personal Services and \$200 in Employee Related Expenditures for elected officials' salary adjustments, which become effective January 1, 1991.

Personal Services - The appropriation includes a reduction of \$28,000 to reflect the elimination of 1 FTE position associated with the FTE reduction policy. A vacancy factor of 2.6%, or \$112,500 was deducted when the approved amount was computed.

(Continued)

^{1/} In addition, 5 FTE positions are funded in the Special Education Audit line item.

(Footnotes Continued on Following Page)

DEPARTMENT OF EDUCATION - GENERAL SERVICES ADMINISTRATION (Cont'd)
GENERAL FUND

All Other Operating Expenditures - The approved amount for In-State Travel includes an additional \$3,900 for increased lodging rates. The approved amount for Other Operating includes an additional \$7,000 for the maintenance contract on the Department's mini-computer. Other Operating also includes a decrease of \$15,300 for risk management, an increase of \$11,800 for non-capitalized equipment and furniture, and an increase of \$2,700 for miscellaneous operating supplies. The Equipment appropriation includes \$44,500 to complete the automation of the department's budgeting, purchasing and accounting functions through the purchase of computer workstations, printers and software. The approved amount for Equipment also includes \$1,000 for a postage machine, \$1,000 for a video recorder, \$2,100 for a laser jet feeder for the School Finance section and \$6,400 for 2 IBM computers for School Finance.

Achievement Testing - The approved amount provides funding for the test materials, scoring, and cumulative match for the testing of approximately 477,100 students on nationally norm-referenced achievement tests. The Iowa Tests of Basic Skills will be used for grades 2 through 8 and the Tests of Achievement and Proficiency will be used for grades 9 through 12. Laws 1990, Chapter 233 requires the State Board of Education to adopt and implement essential skills tests that measure pupil achievement in reading, writing, and mathematics in grades 3, 8, and 12. The law also allows the Board to administer assessments in social studies and science. Chapter 233 requires the Board to use subtests of the nationally norm-referenced tests.

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.

Special Education Audit - A.R.S. § 15-236 provides that the Department of Education shall annually request a separate line item appropriation for program and fiscal audits of special education programs. The audits are designed to determine the degree of school district compliance with existing statutes and regulations and to ensure the appropriate placement of students in special education programs. The approved amount is based on the following objects of expenditure:

(Continued)

(Footnotes Continued From Previous Page)

- 2/ The \$61,500 appropriation for state legalization impact assistance administration shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants, authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is the intent of the Legislature that the General Fund be fully reimbursed for this appropriation.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

DEPARTMENT OF EDUCATION - GENERAL SERVICES ADMINISTRATION (Cont'd)
GENERAL FUND

Special Education Audit (Cont'd)

FTE Positions	<u>5.0</u>
Personal Services	\$145,000
Employee Related Expenditures	32,100
Prof. & Outside Services	17,700
Travel - State	9,200
Travel - Out of State	500
Other Operating Expenditures	20,500
Equipment	<u>1,000</u>
TOTAL	<u>\$226,000</u>

The approved amount includes \$6,200 in Personal Services and \$800 in Employee Related Expenditures for the general salary adjustment.

Teachers' Retirement - A.R.S. § 38-747 provides that prior service credits be given members of the Arizona State Retirement System who were members of the Arizona Teachers' Retirement System prior to their membership in the state system. The state paid for the prior service credits, and the amount of \$138,400 was appropriated for each fiscal year beginning with FY 1980. The final payment was made in FY 1989.

ADDITIONAL APPROPRIATIONS

School Restructuring - Chapter 357 (S.B. 1552) - Establishes the Joint Legislative Committee on School Restructuring Incentives, prescribes requirements for schools wishing to participate in the school restructuring incentives program and appropriates \$100,000 to the Department of Education (ADE) for FY 1991 for an evaluation of the restructuring program. Schools wishing to participate in the program for FY 1991 must submit program proposals to the committee by October 15, 1990. No more than 16 schools shall be approved for participation by the committee. Program proposals must include documentation that the restructuring plans were developed in conjunction with teachers and parents and must include the objectives and goals that are to be achieved through participation in the program. Schools receiving approval to participate in the program may increase their Base Support Levels (BSL) by up to \$40,000, depending upon student count.

JLBC Analyst: Neisent

The Honorable C. Diane Bishop, Superintendent (542-4361)

GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Statutory Formula Programs</u>			
Basic State Aid	876,098,800 ^{4/}	898,762,700 ^{5/}	927,619,100 ^{1/2/3}
Prior Year State Aid	56,276,000	80,250,000	100,313,000 ^{6/}
Additional State Aid	142,208,200	157,000,000	153,800,000
Assistance to School Districts	324,500	340,000	385,100
Cert. of Ed. Convenience	6,777,600	7,529,300	7,964,200
Perm. Education Voucher	1,395,800	1,400,000	1,608,700
Perm. Spec. Ed. Inst. Voucher	3,976,900	4,500,000	4,572,400
<u>Non-Formula Programs</u>			
Academic Contest Fund	48,700	50,000	75,000 ^{7/}
Academic Decathlon	75,900	81,200	83,500
Adult Education Assistance	1,049,100	3,050,000	3,058,700 ^{8/}
Arizona Principals' Institute	39,800	40,000	40,300
AZ Teacher Evaluation Program	446,200	445,200	404,400
ASSET	234,000	234,000	234,000
Chemical Abuse	367,900	849,800 ^{9/}	864,000
Chemical Abuse - Chap. 307	65,600	-0-	-0-
Computer and Tech. Equipment	-0-	-0-	850,000
Dropout Prevention	1,165,400	1,499,500	1,502,300
Gifted Support	-0-	1,000,000	1,002,400
K-3 Support	2,923,800	5,499,400	5,507,900
Preschool Handicapped	1,044,100	-0-	1,911,000 ^{10/}
School Buses-Native Americans	-0-	-0-	450,000
School District Housing	-0-	-0-	850,000
SLIAG Adult Education	1,472,100	6,300,000	4,000,000 ^{11/}
SLIAG K-12	-0-	1,300,000	100,000 ^{12/}
Vocational Ed. Assistance	2,834,700	2,835,000	2,835,000
Vocational Ed. Prog. Support	999,800	1,000,000	1,000,000
TOTAL	1,099,824,900	1,173,966,100	1,221,031,000 ^{13/}
<u>Additional Appropriations -</u> 39th Leg., 2nd Reg. Session			
Educ. Voucher Fund, Ch. 164	--	--	560,000
Preschool Handicapped Pupils, Ch. 258	--	--	900,000
Extended School Year, Ch. 322	--	--	500,000
Voc. and Tech. Ed., Ch. 330	--	--	2,000,000
Preschool Pilot Proj., Ch. 345	--	--	600,000
School Finance; Tech. Corrections, Ch. 348	--	--	100,000
Full-Day Kindergarten, Ch. 392	--	--	1,400,000
TOTAL APPROPRIATIONS	1,099,824,900	1,173,966,100	1,227,091,000
<u>Fund Summary</u>			
General Fund	1,099,824,900	1,173,537,400	1,227,091,000
Local Narcotics Enforce. Fund	-0-	428,700	-0-
TOTAL APPROPRIATIONS	1,099,824,900	1,173,966,100	1,227,091,000

(Continued)

(See Footnotes on Following Page)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

- 1/ The approved amount includes a reduction of \$142,500,000 to reflect FY 1991 Basic State Aid payments deferred to FY 1992. Laws 1990, Chapter 1, 3rd Special Session, appropriates \$142,500,000 in FY 1992 for the FY 1991 apportionment reduction, with the funds to be disbursed on July 1, 1991 in amounts equal to the reductions taken in Basic State Aid and Additional State Aid. The bill also appropriates \$696,400 in FY 1992 to the State Board of Education for distribution, on July 1, 1991, to school districts if the districts incurred interest expenses associated with the registering of warrants related to the FY 1991 reduction.
- 2/ The approved amount includes a reduction of \$18,000,000 for estimated savings in employer contributions to the State Retirement System for school district personnel. Laws 1990, Chapter 310 provides that if the employer contribution rate to the State Retirement Plan is less than 5.09%, for the current year, school district expenditures and State Aid shall be reduced. The law provides that each school district shall report to the State Board of Education by October 1, the estimated savings based on a rate reduction from 5.09% to the rate for the current year. Before May 1, each district shall calculate the actual amount of savings and before May 15, each school district shall decrease its Revenue Control Limit (RCL) and District Support Level (DSL) by the actual amount of employer contribution savings. Equalization assistance shall be determined on the adjusted RCL and DSL. School districts not qualifying for equalization assistance shall have their Additional State Aid reduced. The State Board may begin reducing State Aid apportionment payments beginning with the October payment. The salary base upon which the savings is computed shall not include salaries paid from funds other than maintenance and operation or capital outlay or from items exempt from the RCL or Capital Outlay Revenue Limit (CORL), and which are limited to specific purposes. The salary base shall also be adjusted so as not to include salaries paid from maintenance and operation overrides or PL 81-874 funds allocated for handicapped children and children with specific learning disabilities.
- 3/ The approved amount includes a reduction of \$32,800,000 to reflect the effect of maintaining the assessment ratios for Property Classes 1 and 2 at 30% and setting Class 6 at 14% for tax year 1990. Laws 1990, Chapter 3, 3rd Special Session, provides that the 30% assessment ratio for Classes 1 and 2 shall apply to tax year 1990 and each tax year thereafter. The assessment ratio for Class 6 shall be 14% for tax year 1990, 13% for tax year 1991 and 12% for tax year 1992 and each tax year thereafter. Laws 1988, Chapter 271 provided that the 1987 assessment ratios for Property Classes 1, 2, and 6 would also apply for tax years 1988 and 1989. Previously, the assessment ratios for all three Classes were, by statute, declining.
- 4/ Laws 1988, Chapter 9 required the State Board of Education to reduce, on a pro rata basis, the June 1988 apportionment of Basic State Aid and Additional State Aid by \$56,100,000. Chapter 9 appropriated \$56,100,000 in FY 1989, with the amount to be disbursed on July 1, 1988. Chapter 9 also appropriated \$176,000 to the State Board for distribution to school districts incurring interest expenses associated with the registering of warrants related to the FY 1988 State Aid reduction.

(Footnotes Continued on Following Page)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

(Footnotes Continued From Previous Page)

- 5/ Laws 1988, Chapter 296 required the State Board of Education to reduce, on a pro rata basis, the June 1989 apportionment of Basic State Aid and Additional State Aid by \$80,000,000. Laws 1988, Chapter 260 appropriated \$80,000,000 in FY 1990, with the funds to be disbursed on July 1, 1989. Chapter 260 also appropriated \$250,000 to the State Board for distribution to school districts incurring interest expenses associated with the registering of warrants related to the FY 1989 State Aid reduction.
- 6/ Laws 1989, Chapter 273 required the State Board of Education to reduce, on a pro rata basis, the June 1990 apportionment of Basic State Aid and Additional State Aid by \$100,000,000. Laws 1989, Chapter 311 appropriated \$100,000,000 in FY 1991, with the funds to be disbursed on July 1, 1990. Chapter 311 also appropriated \$313,000 to the State Board for distribution to school districts incurring interest expenses associated with the registering of warrants related to the FY 1990 State Aid reduction.
- 7/ The \$75,000 appropriation for the Academic Contest Fund includes \$25,000 for costs associated with sending state level winners of the National Bicentennial Competition on the Constitution and Bill of Rights to the national competition.
- 8/ It is the intent of the Legislature that no more than 10% of the appropriation for adult education assistance be used by the Department of Education for operating the Division of Adult Education. It is also the intent of the Legislature that the greatest possible proportion of monies appropriated for adult education programs be devoted to instructional, rather than administrative, aspects of the programs.
- 9/ The estimate includes \$428,700 transferred from the Local Narcotics Enforcement Fund pursuant to Laws 1989, Chapter 2, 1st Special Session.
- 10/ Laws 1988, Chapter 281 provided for the voluntary inclusion of preschool handicapped children, ages 3 to 5, in the Group A support level category in the State Aid formula and allowed school districts to begin budgeting for such pupils in FY 1990. The approved amount for FY 1991 represents the transfer of \$1,911,000 from the Department of Economic Security (DES) for preschool handicapped education services provided by that agency. The transfer is made pursuant to Laws 1989, Chapter 96.
- 11/ The \$4,000,000 appropriation for state legalization impact assistance-adult education shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants, authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is the intent of the Legislature that the General Fund be fully reimbursed for this appropriation.
- 12/ The \$100,000 appropriation for state legalization impact assistance-kindergarten through grade 12 shall be available to the extent that the General Fund will be reimbursed for these expenditures by the State Legalization Impact Assistance Grants, authorized by section 204 of P.L. 99-603, the Immigration Reform and Control Act of 1986. It is the intent of the Legislature that the General Fund be fully reimbursed for this appropriation.
- 13/ Represents General Appropriation Act funds. Appropriated as a lump sum for each program.

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

STATUTORY FORMULA PROGRAMS

Basic State Aid Entitlement - The General Fund appropriation, when combined with the General Fund appropriation made pursuant to Laws 1990, Chapter 1, 3rd Special Session, reflects the major portion of the estimated \$1,121,619,100 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 A.R.S. § 15-973. 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 4.1% in the G.N.P. Price Deflator, bringing the Base Level to \$2,374.52. It is also based on an FY 1990 estimated student count of 595,057.7 (435,865.8 elementary Average Daily Membership (ADM) and 159,191.9 secondary ADM) and an increase in 1990 overall assessed valuation of approximately 8%. The approved amount is based on the following computation:

FY 1991 Equalization Requirement	\$1,283,742,900
Add:	
Sudden Growth	9,000,000
CEC's and Transportation - Unorganized Districts	<u>1,300,000</u>
Total Equalization Requirement	1,294,042,900
Deduct:	
County Equalization	(110,623,800)
Public Law 81-874	(11,000,000)
Endowments	<u>(51,500,000)</u>
Required Funding	1,120,919,100
Less Other Legislation:	
Chapter 1, 3rd Special Session	(142,500,000)
Chapter 3, 3rd Special Session	(32,800,000)
Chapter 310	<u>(18,000,000)</u>
FY 1991 General Fund Appropriation	<u>\$ 927,619,100</u>

Additional State Aid to Schools - The appropriation is made to enable the state to carry out the requirements of A.R.S. § 15-972. This program is also known as the "homeowners' rebate" program. The Additional State Aid for education provided by this appropriation shall be apportioned as provided in A.R.S. § 15-973.

The approved amount is based on an increase of 8% in Class Five (residential) assessed valuation in 1990, an average increase of 3% in school district tax rates and a reduction in the "buydown" rate from 56% to 50%. Laws 1990, Chapter 3, 3rd Special Session, provides that the reduction rate shall be 50% in tax year 1990, and shall decline by 5% every year until it reaches 0% in tax year 2000. Laws 1988, Chapter 271 amended A.R.S. § 15-972 to provide that the maximum state reduction in property taxes for any residential parcel shall not exceed \$500.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

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 A.R.S. § 15-976.

Certificates of Educational Convenience - For the reimbursement of school districts that have students enrolled on certificates of educational convenience as provided by A.R.S. § 15-825.

The approved amount is based on the following estimated student counts and estimated FY 1991 average costs per ADM:

	<u>ADM</u>	<u>Average Cost</u>
Regular	973	\$3,721
Special Education	501	8,670

Permanent Education Voucher Fund - For education costs of students placed in private institutions by the Department of Economic Security, Department of Corrections, Department of Juvenile Corrections, Department of Health Services or the Juvenile Courts, as provided by A.R.S. § 15-1182. Laws 1990, Chapter 164 changes the Permanent Special Education Voucher Fund to the Permanent Education Voucher Fund to allow funding to be provided for certain children not classified as special education.

The approved amount is based on the following estimated student counts and FY 1991 rates per ADM:

	<u>ADM</u>	<u>Rate</u>
Emotionally Handicapped	258.7	\$6,086.30
Multiply Handicapped	4.2	8,147.39

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 A.R.S. § 15-1202.

The approved amount is based on the following estimated student counts and FY 1991 rates per ADM:

	<u>ADM</u>	<u>Rate</u>
Visually Handicapped	64.0	\$ 9,410.63
Hearing Handicapped	366.3	8,014.41
Multiply Handicapped	5.0	8,147.39
Multiply Handicapped Severely		
Sensory Impaired	82.0	12,022.61
Physically Handicapped	.9	8,812.25

NON-FORMULA PROGRAMS

Academic Contest Fund - The Academic Contest Fund was established by Laws 1988, Chapter 308. As specified in A.R.S. § 15-1241, monies in the fund are to be used to send state level winners of academic contests and their chaperons to the national levels of the contests. The approved amount includes an increase of \$25,000 for costs associated with sending state level winners of the National Bicentennial Competition on the Constitution and Bill of Rights to the national competition.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

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	\$34,300
Employee Related Expenditures	8,300
Prof. & Outside Services	3,600
Travel - State	2,000
Travel - Out of State	1,000
Other Operating Expenditures	<u>34,300</u>
TOTAL	<u>\$83,500</u>

The approved amount includes \$1,500 in Personal Services and \$200 in Employee Related Expenditures for the general salary adjustment.

Adult Education Assistance - The appropriation provides funding for classes in adult basic education, general education development and citizenship, on a statewide basis. A.R.S. § 15-232 establishes the Division of Adult Education within the Department of Education. A.R.S. § 15-234 provides that the appropriation for adult education may be expended for operating the division and for providing assistance to school districts and counties offering adult education programs. The approved amount will be distributed by the Department of Education based on a formula which allocates \$300 per adult student for 80 hours of instruction. Laws 1989, Chapter 101 established an adult education committee of the State Board of Education. Before October 1, 1990, the committee is to recommend to the State Board standards of accountability and evaluation for adult education programs and to develop a formula for distributing federal and state adult education monies. The appropriation is based on the following objects of expenditure:

FTE Positions	<u>4.5</u>
Personal Services	\$ 137,600
Employee Related Expenditures	31,300
Prof. & Outside Services	50,000
Travel - State	5,000
Other Operating Expenditures	31,900
Equipment	6,000
Program Assistance	<u>2,796,900</u>
TOTAL	<u>\$3,058,700</u>

The approved amount includes \$5,900 in Personal Services and \$800 in Employee Related Expenditures for the general salary adjustment.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

Arizona Principals' Institute - The approved amount continues funding in support of the Institute as established by Laws 1984, Chapter 348. As specified in A.R.S. § 15-562, the Institute may be an educational program of 2 weeks' duration, offered during the summer for at least 300 participants. Monies are to be used for the costs of administering the Principals' Institute and for the instructional or program costs of the Institute. The appropriation is based on the following objects of expenditure:

FTE Positions	<u>.5</u>
Personal Services	\$ 7,600
Employee Related Expenditures	4,800
Prof. & Outside Services	<u>27,900</u>
TOTAL	<u>\$40,300</u>

The approved amount includes \$300 in Personal Services and \$0 in Employee Related Expenditures for the general salary adjustment.

Arizona Teacher Evaluation Program - The approved amount provides funding for administering the Arizona Teacher Proficiency Examination (ATPE) and the Arizona Teacher Residency Program. A.R.S. § 15-533 requires entrants into teacher training programs and nonresidents seeking teaching certificates to pass a reading, grammar, and mathematics proficiency examination. The Residency Program is 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>3.0</u>
Personal Services	\$ 91,300
Employee Related Expenditures	20,900
Prof. & Outside Services	11,700
Travel - State	3,000
Travel - Out of State	1,000
Other Operating Expenditures	31,300
Assistance to School Districts	<u>245,200</u>
TOTAL	<u>\$404,400</u>

The approved amount includes \$3,900 in Personal Services and \$500 in Employee Related Expenditures for the general salary adjustment.

ASSET (Arizona School Services through Educational Technology) - The approved amount provides funding to assist districts in enhancing educational instruction through television course work. The appropriation provides approximately \$160,000 for the payment of transmission costs and approximately \$74,000 for the shipping and distribution of printed materials.

Chemical Abuse - The approved amount continues funding in support of the Chemical Abuse program as established by Laws 1985, Chapter 242. As specified in A.R.S. § 15-712, 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 1 through 12. The appropriation is based on the following objects of expenditure:

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

Chemical Abuse (Cont'd)

FTE Positions	<u>6.6</u>
Personal Services	\$199,100
Employee Related Expenditures	47,100
Prof. & Outside Services	153,300
Travel - State	7,000
Other Operating Expenditures	18,000
Assistance to School Districts	<u>439,500</u>
TOTAL	<u>\$864,000</u>

The approved amount includes \$8,600 in Personal Services and \$1,100 in Employee Related Expenditures for the general salary adjustment.

Computer and Technological Equipment - The appropriation provides funding to assist school districts, with enrollments of at least 50,000 pupils in a county with a population of more than 400,000 but less than 1,500,000, in the allocation and purchase of computer and technological equipment. A portion of the appropriation may be used for staff training and technical support. The equipment shall be allocated to schools having large percentages of pupils in kindergarten programs and grades 1 through 8 who are at risk of not succeeding in the education system.

Dropout Prevention - Laws 1988, Chapter 308 established a 4-year pilot project of grants to school districts having large percentages of pupils in grades 7 through 12 who are at risk of dropping out of school prior to completing high school graduation requirements. The appropriation is based on the following objects of expenditure:

FTE Positions	<u>1.5</u>
Personal Services	\$ 41,900
Employee Related Expenditures	9,200
Prof. & Outside Services	76,400
Travel - State	5,000
Travel - Out of State	3,000
Other Operating Expenditures	16,800
Assistance to School Districts	<u>1,350,000</u>
TOTAL	<u>\$1,502,300</u>

The approved amount includes \$1,800 in Personal Services and \$200 in Employee Related Expenditures for the general salary adjustment.

Gifted Support - Laws 1989, Chapter 273 provided for the establishment of a program of grants for additional services to meet the educational needs of gifted pupils and to establish school district gifted demonstration and training sites. The bill provided that a school district which complies with the statutory provisions relating to programs for gifted students may apply to the State Board of Education for additional funding equal to \$55 per pupil for 3% of its student count, or \$1,000, whichever is more. Chapter 273 provided that \$900,000 of the appropriation shall be allocated for direct grants to school districts, \$50,000 shall be utilized to establish gifted demonstration and training sites and \$50,000 shall be used by the Department of Education to provide staff for technical assistance and support to school districts. The appropriation is based on the following objects of expenditure:

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

Gifted Support (Cont'd)

FTE Positions	<u>2.0</u>
Personal Services	\$ 37,100
Employee Related Expenditures	12,500
Other Operating Expenditures	2,800
Assistance to School Districts	<u>950,000</u>
TOTAL	<u>\$1,002,400</u>

The approved amount includes \$1,600 in Personal Services and \$200 in Employee Related Expenditures for the general salary adjustment.

K-3 Support - Laws 1988, Chapter 308 established a 4-year pilot project of grants to school districts having large percentages of pupils in kindergarten programs and grades 1 through 3 who are at risk of not succeeding in the educational system. Laws 1989, Chapter 273 established a second phase of the K-3 at risk pilot project, for fiscal years 1990 through 1992. Of the additional \$2,500,000 approved by the Legislature for K-3 support for FY 1990, \$500,000 was allocated to strengthen and expand first phase projects, \$100,000 was allocated by the Department of Education for technical assistance and evaluation, and \$1,900,000 was provided to fund new second phase projects. The FY 1991 appropriation is based on the following objects of expenditure:

FTE Positions	<u>3.0</u>
Personal Services	\$ 86,800
Employee Related Expenditures	20,900
Prof. & Outside Services	236,200
Travel - State	5,000
Travel - Out of State	3,000
Other Operating Expenditures	46,000
Equipment	10,000
Assistance to School Districts	<u>5,100,000</u>
TOTAL	<u>\$5,507,900</u>

The approved amount includes \$3,700 in Personal Services and \$500 in Employee Related Expenditures for the general salary adjustment.

School Buses for Native American Preschool Programs - The appropriation is to assist in the purchase of buses for preschool programs for Native Americans. The amounts are to be matched from any available source of monies.

School District Housing Facilities - The appropriation is for deposit in the School District Housing Facilities Fund for the purposes prescribed in A.R.S. § 15-977.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

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.

Vocational Education Assistance - The appropriation provides assistance to school districts offering vocational education programs as specified in A.R.S. § 15-787. To be eligible to receive state funds, districts must meet the minimum standards and requirements established by the State Board of Vocational Education. Funding is allocated to school districts offering vocational training programs emphasizing "high-demand" occupations. The State Vocational Education Funding Model priority listing of vocations serves as the basis for funding allocation.

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. The funding is allocated to school districts offering vocational training programs requiring extensive vocational education equipment.

ADDITIONAL APPROPRIATIONS

Education Voucher Fund - Chapter 164 (S.B. 1160) - Establishes a new Permanent Education Voucher Fund and appropriates \$500,000 to the Department of Education (ADE) for FY 1991 for additional voucher costs associated with the fund and \$60,000 to ADE for administering the provisions of the bill. The bill changes the Permanent Special Education Voucher Fund to the Permanent Education Voucher Fund to allow funding to be provided for children with behavioral problems and special education children whose parents retain custody of the children. The bill also adds the Department of Health Services (DHS) as a "placing agency."

Preschool Handicapped Pupils - Chapter 258 (H.B. 2259) - Requires school districts to provide educational programs for handicapped preschool children and appropriates \$900,000 to the Department of Education (ADE) to assist districts that must increase enrollment in existing programs or establish new programs for such children. The bill requires school districts to provide educational programs for 4-year-old handicapped preschool children, who are not already receiving services through the Department of Education or the Department of Economic Security (DES), beginning in the 1990-1991 school year. Requires the State Board of Education to develop rules for use by school districts in providing services for handicapped children and prescribes the children that may be counted as handicapped for purposes of calculating Average Daily Membership (ADM). The bill adds a new Group B weight in the State Aid formula for Preschool Handicapped Severely Developmentally Delayed (PSH-SDD) children.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

Extended School Year - Chapter 322 (H.B. 2120) - Requires school districts to provide extended school year programs for handicapped students and appropriates \$500,000 to the Department of Education (ADE) for the purpose of supplying supplemental monies to districts that require additional monies to provide such programs. The bill requires all school districts to provide an extended school year program for handicapped pupils if such a program is necessary to prevent harm to the pupils' ability to maintain identified skills or to accommodate critical learning periods for pupils who are unlikely to receive other opportunities to learn targeted skills or behavior. Requires the State Board of Education to prescribe rules for use by school districts in establishing extended school year programs and in determining eligibility for the programs. Prescribes the method for computing the base support levels and transportation support level for extended school year programs and adds a new Group B weight in the State Aid formula for Seriously Emotionally Handicapped (SEH), Educable Mentally Handicapped (EMH), Learning Disabled (LD), Speech Handicapped (SH), and Other Health Impaired (OHI) children.

Vocational and Technological Education - Chapter 330 (H.B. 2680) - Establishes the State Board for Vocational and Technological Education to provide program evaluation services and to integrate the vocational and technological education programs being offered by the state's grade schools and community colleges. The bill replaces the State Board for Vocational and Technical Education with a new expanded member State Board for Vocational and Technological Education and appropriates \$2,000,000 to the board for FY 1991 to expand existing vocational education pilot programs and to provide training in vocational and technological education for teachers. The appropriation is also to be used to develop comprehensive legislation regarding statewide vocational education programs, to provide staffing to the board to develop an integrated plan for statewide vocational and technological education, and to develop a proposal for the establishment of a tax on employers as a new source of funding for vocational education programs. The bill also establishes a Vocational and Technological Education Advisory Committee and expands the grade levels for vocational and technological education programs from 9 through 12 to 7 through 12.

Preschool Pilot Projects - Chapter 345 (H.B. 2565) - Establishes a 4-year pilot project of preschool grants to school districts for FY 1991-FY 1994 and appropriates \$500,000 to the State Board of Education for grants for at-risk preschool pilot projects and \$100,000 to the Department of Education (ADE) for providing technical assistance, training, monitoring, and evaluation to the projects. The \$500,000 appropriation is subject to receiving matching funds of at least \$500,000 from private industry. The grants shall be disbursed by the State Board to school districts to be used in individual schools to provide preschool services to at-risk children who have reached the age of 4. Schools shall be selected for grants based on the percentage of at-risk children in their kindergarten through third grade populations and on the quality of their programs. Establishes a Joint Legislative Committee on Preschool Programs and requires the committee to study the role of the public schools in providing preschool education to at-risk pupils. The committee is to develop a written report containing its findings and recommendations and submit a final report to the President of the Senate and the Speaker of the House by December 31, 1994.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

School Finance; Technical Corrections - Chapter 348 (S.B. 1063) - Amends several sections of statute relating to school district budgets and finance for technical corrections and appropriates \$100,000 to the Department of Education (ADE) for FY 1991 to establish a new tuition fund to facilitate the most appropriate placement of sensory impaired pupils. Monies in the fund shall be distributed through an application and approval process to pay or supplement tuition costs for:

- o part-time attendance at a regular public school by a pupil enrolled in a regional cooperative program.
- o part-time or full-time attendance at a program of a cooperative if the school district of residence is unable to pay the full tuition.
- o part-time or full-time attendance of a pupil from a school district in a special program at another school district, if the resident school district is unable to pay the full tuition.
- o part-time attendance at a regular public school by an Arizona School for the Deaf and the Blind (ASDB) special purpose pupil.

Full-Day Kindergarten for At-Risk Pupils - Chapter 392 (H.B. 2002) - Prescribes a procedure for the disbursement of additional monies to schools providing kindergarten programs serving large numbers of at-risk pupils and appropriates \$1,400,000 for FY 1991 to the State Board of Education for allocation to qualifying schools. The bill provides that \$100,000 of the appropriation shall be used by the Department to provide technical assistance to schools receiving additional monies.

ADDITIONAL LEGISLATION

Career Ladder Programs - Chapter 319 (S.B. 1521) - Provides for the continuation of the career ladder program, establishes the State Career Ladder Advisory Committee and sets in statute the program participation requirements and funding levels for the program. The bill defines the implementation phases for districts participating in the program and provides that the Joint Legislative Committee on Career Ladders shall prescribe program requirements for approval to budget for career ladder programs through FY 1993. The State Board of Education may approve the participation of at least 7 additional districts beginning in FY 1993. For FY 1991 and FY 1992 career ladder districts shall have their apportionment of Basic State Aid decreased by an amount equal to .000375 multiplied by their Base Support Level (BSL). The savings in Basic State Aid shall be used by the Department of Education (ADE) for personnel and other costs associated with providing technical assistance to the State Board of Education, the State Career Ladder Advisory Committee and school districts on matters relating to the implementation, operation and monitoring of career ladder programs. For FY 1993 and thereafter, the Department shall regularly request, as part of its budget, an amount to cover expenses of providing career ladder technical assistance.

(Continued)

DEPARTMENT OF EDUCATION - ASSISTANCE TO SCHOOLS (Cont'd)
GENERAL FUND AND LOCAL NARCOTICS ENFORCEMENT FUND

Homeless Children - Chapter 367 (S.B. 1060) - Provides that school districts must admit, without payment of tuition, nonresident children residing with relatives other than their parents, if evidence suggests that the child's well-being is best served by such placement. Also allows school districts to admit abandoned children and children of homeless parents, without payment of tuition, if the children reside in a publicly or privately operated shelter or in a temporary residence.

Schools; Omnibus Budget and Finance - Chapter 399 (S.B. 1343) - Amends several sections of statute relating to school budgets and finance. Specifically, the bill addresses the budgeting of carry forward balances, the calculation of the teacher experience index, budgeting for costs associated with financial and compliance audits and budgeting for desegregation costs. The bill increases the county equalization tax rate from 50¢ to 53¢, provides for continuation of the dropout prevention program, and prescribes the method for reallocation of excess career ladder funding. The bill requires the Auditor General, in conjunction with the Superintendent of Public Instruction, to conduct a study of school district desegregation programs and expenditures and to submit a report to the Joint Legislative Committee to Study Funding Priorities of the Public School System by November 15, 1990. An appropriation of \$70,000 is provided to the Auditor General to conduct the desegregation study.

JLBC Analyst: Neisent

The Honorable C. Diane Bishop, Superintendent (Tel. 542-4361)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>26.3</u>	<u>26.3</u>	<u>26.3</u>
Personal Services	<u>886,600</u>	<u>898,000</u>	<u>921,900</u>
Employee Related Exp.	<u>187,100</u>	<u>169,400</u>	<u>188,000</u>
Prof. & Outside Services	72,800	64,900	64,900
Travel - State	12,400	13,500	13,800
Other Operating Exp.	42,600	56,300	58,900
Equipment	<u>-0-</u>	<u>-0-</u>	<u>4,200</u>
All Other Operating Exp.	<u>127,800</u>	<u>134,700</u>	<u>141,800</u>
TOTAL APPROPRIATIONS	<u>1,201,500</u>	<u>1,202,100</u>	<u>1,251,700</u> ^{1/2/3}

The approved amount includes \$39,700 in Personal Services and \$5,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - A vacancy factor of 2.1%, or \$19,100, was deducted when the approved amount was computed.

- 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% 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 Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Hernandez

Dr. Michael F. Weber, Director (Tel. 628-5774)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>46.3</u>	<u>49.3</u>	<u>49.5</u>
Personal Services	<u>1,013,100</u>	<u>1,095,100</u>	<u>1,135,500</u>
Employee Related Exp.	<u>223,500</u>	<u>237,300</u>	<u>249,100</u>
Prof. & Outside Services	48,200	53,200	39,100
Travel - State	5,200	9,900	9,600
Travel - Out of State	400	-0-	-0-
Other Operating Exp.	469,800	531,500	1,696,600
Equipment	<u>31,500</u>	<u>23,400</u>	<u>23,000</u>
All Other Operating Exp.	<u>555,100</u>	<u>618,000</u>	<u>1,768,300</u>
OPERATION SUBTOTAL	1,791,700	1,950,400	3,152,900
Journal of Arizona History	5,000	5,000	5,000
Historical Society Grants	30,000	30,000	30,000
Library Acquisitions	1,500	1,500	1,500
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(31,300)</u>
TOTAL APPROPRIATIONS	<u>1,828,200</u>	<u>1,986,900</u>	<u>3,158,100</u> ^{1/}

The approved amount includes \$48,900 in Personal Services and \$6,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes funding for 2 new FTE positions: a custodian at the Tucson Museum and half-year funding for a Building Maintenance Technician III at the new Papago Park Museum. These increases were offset by a permanent reduction of 1.8 FTE positions and \$15,900 for the FTE reduction policy. The appropriation also includes a 3% vacancy factor for a savings of \$33,500.

All Other Operating Expenditures - The appropriation includes \$1,159,200 for the annual lease-purchase payment and minimal operating costs for the new Papago Park Museum, \$23,000 for replacement equipment and safety equipment, and a reduction of \$12,500 for the outside janitorial services contract at the Tucson Museum which will no longer be needed.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

ARIZONA HISTORICAL SOCIETY (Cont'd)
GENERAL FUND

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 2.(B)
of the Capital Outlay Bill appropriates \$215,000 from the General Fund as follows:

o Tucson Museum Renovation	\$ 25,000
Design and initial development of a 4-year project to renovate and upgrade the Tucson Museum, which will include asbestos removal and installation of a fire sprinkler system.	
o Molina Block Renovation	95,000
Ongoing restoration of a series of Yuma buildings as part of a project receiving federal, state, local, and private support. The adobe structures will be stabilized; mechanical and electrical repairs will be made; and security and fire alarms will be installed.	
o Old Adobe Restoration	25,000
Initial restoration of the donated Charles O. Brown House in Tucson.	
o Douglas Williams House Restoration	55,000
Preservation of this historic home in Douglas. Funding will cover alarm installation, upgrading of the electrical wiring, and installation of air conditioning.	
o Mohave II Design	15,000
The appropriation will allow the Society to complete the engineering and design phase of a project to build a full-sized replica steamboat as part of the Yuma Crossing Park Project.	
Total Capital Outlay Appropriations	<u>\$215,000</u>

JLBC Analyst: Hernandez

Kenneth Kimsey, Ph.D., Museum Director (Tel. Prescott 445-3122)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>14.5</u>	<u>15.5</u>	<u>15.5</u>
Personal Services	<u>307,700</u>	<u>334,600</u>	<u>346,200</u>
Employee Related Exp.	<u>95,200</u>	<u>101,200</u>	<u>99,300</u>
Prof. & Outside Services	2,900	5,000	5,000
Travel - State	200	300	300
Other Operating Exp.	70,800	70,000	70,000
Equipment	<u>4,200</u>	<u>3,500</u>	<u>-0-</u>
All Other Operating Exp.	<u>78,100</u>	<u>78,800</u>	<u>75,300</u>
TOTAL APPROPRIATIONS	<u>481,000</u>	<u>514,600</u>	<u>520,800</u> ^{1/}

The approved amount includes \$14,900 in Personal Services and \$2,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a 1% vacancy factor for a savings of \$3,300.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 2.(B) of the Capital Outlay Bill appropriates \$28,000 from the General Fund as follows:

- o Gurley Street Lease-Purchase \$25,000
The state's required lease-purchase payment for property acquisition.
- o Bashford House Sidewalks 3,000
Replacement and widening of sidewalks in front of the Bashford House. Existing sidewalks are deteriorated and present a potential state liability.

Total Capital Outlay Appropriations \$28,000

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Brainard

Andrew M. Goldner, Ph.D., Vice Chairman of the Board (Tuc. Tel. 626-7145)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
Medical Student Loans	<u>10,000</u>	<u>5,000</u>	<u>3,000</u>

Medical Student Loans - The amount appropriated to the Board shall be deposited in the Medical Student Loan Fund as prescribed by A.R.S. § 15-1725. The appropriated amount, along with the available student loan fund, will provide funding for 15 medical students. These loans are available to Arizona residents who agree to provide medical services in medically under-served 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

	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Estimate</u>
Balance Beg. of Fiscal Year	115,500	81,600	51,100
Add: Loan Collections	46,100	60,500	94,600
General Fund	<u>10,000</u>	<u>5,000</u>	<u>3,000</u>
TOTAL FUNDS AVAILABLE	171,600	147,100	148,700
Medical Student Loans	<u>90,000</u>	<u>96,000</u>	<u>90,000</u>
BALANCE END OF FISCAL YEAR	<u>81,600</u>	<u>51,100</u>	<u>58,700</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 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>39.75</u>	<u>43.75</u>	<u>41.0</u>
Personal Services	<u>1,432,100</u>	<u>1,653,500</u>	<u>1,461,200</u>
Employee Related Exp.	<u>282,500</u>	<u>278,000</u>	<u>258,700</u>
Prof. & Outside Services	3,600	-0-	-0-
Travel - State	29,800	23,600	21,800
Other Operating Exp.	<u>304,800</u>	<u>273,700</u>	<u>224,000</u>
All Other Operating Exp.	<u>338,200</u>	<u>297,300</u>	<u>245,800</u>
OPERATION SUBTOTAL	2,052,800	2,228,800	1,965,700 ^{1/}
WICHE Office	62,000	65,100	68,400
WICHE Student Subsidies	1,823,500	1,944,100	1,962,600
Course Equivalency Guide	12,100	12,600	13,200
Student Financial Aid Trust Fund	-0-	1,036,000	1,058,900
St. Student Incentive Grant	1,238,000	1,238,000	1,238,000 ^{2/3/}
Teacher Loan Forgiveness Fund	<u>10,000</u>	<u>100,000</u>	<u>100,000</u>
Sec. 109 Lump Sum Reduction	-0-	-0-	(63,400)
TOTAL	5,198,400	6,624,600	6,343,400
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Loan Forgiveness Program for Teachers of the Deaf and the Blind, Ch. 340	--	--	95,000
Arizona Area Health Education System, Ch. 342	--	--	<u>262,000</u>
TOTAL APPROPRIATIONS	<u>5,198,400</u>	<u>6,624,600</u>	<u>6,700,400</u> ^{4/}

The approved amount includes \$62,700 in Personal Services and \$6,900 in Employee Related Expenditures for the general salary adjustment.

(Continued)

^{1/} Appropriated as an operating lump sum for the agency. The line items are shown for information only.

(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

Personal Services - The approved amount deletes 2.75 FTE positions.

Other Operating Expenditures - The approved amount includes \$130,800 for commercial lease of office space and \$10,800 for Risk Management insurance.

(Continued)

(Footnotes Continued From Previous Page)

- 2/ The \$1,238,000 appropriated for State Student Incentive Grant 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 according to the provisions of applicable federal and state laws and regulations relating to this program 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.
- 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 State Student Incentive Grant program. Administrative expenses incurred by the Board of Regents shall be paid from institutional matching funds and shall not exceed 13% of the funds.
- 4/ In addition to the General Fund amount shown, it is anticipated that \$559,500 will be available for operating expenditures from local funds, which includes no more than \$379,900 from indirect cost revenues contributed by the three universities, \$160,900 from institutional SSIG funds and \$18,700 from Education for Economic Security Act grants. In addition to the operating expenditures, total local fund budget is based upon the following objects of expenditures:

	Indirect Cost Revenues	SSIG	Other	Total
FTE Positions	0.0	4.0	-	4.0
Personal Services	\$ 117,900	\$ 123,900	13,700	\$ 255,500
Employee Related Exp.	23,100	26,300	2,100	51,500
All Other Operating Exp.	<u>238,900</u>	<u>10,700</u>	<u>2,900</u>	<u>252,500</u>
OPERATION SUB-TOTAL	379,900	160,900	18,700	559,500
SSIG Federal Match	-0-	1,223,100	-	1,223,100
SSIG Institutional Match	-0-	1,077,100	-	1,077,100
Paul Douglas Teacher Scholarships	-	-	239,800	239,800
EESA Grants	-	-	<u>356,000</u>	<u>356,000</u>
TOTAL	<u>\$ 379,900</u>	<u>\$2,461,100</u>	<u>\$614,500</u>	<u>\$3,455,500</u>

BOARD OF REGENTS - REGENTS, STAFF AND
 WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE),
 AND COMMISSION FOR POSTSECONDARY EDUCATION (Cont'd)
GENERAL FUND

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.

WICHE Student Subsidies - The approved amount provides funding for subsidies to 101 continuing WICHE students and 36 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	6	2	\$ 85,600
Dentistry	27	9	460,200
Veterinary Medicine	52	18	1,288,000
Occupational Therapy	8	4	57,300
Optometry	8	3	71,500
TOTAL	<u>101</u>	<u>36</u>	<u>\$ 1,962,600</u>

Course Equivalency Guide - The approved amount 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.

Student Financial Aid Trust Fund - The approved amount provides funds to the Universities for the purposes of providing immediate aid to students with verifiable financial need and creating an endowment for future financial aid. Laws 1989, Chapter 123 (H.B. 2144) authorized the Board of Regents to establish such a fund.

State Student Incentive Grant Program - The approved amount is to match federal funds for scholarships to students who attend accredited post-secondary educational institutions in the state and who demonstrate financial need.

Teacher Loan Forgiveness Fund - The approved amount provides funding for a loan forgiveness incentive program to encourage students in the 3 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 deposit in the Teacher Loan Forgiveness Fund for the purpose of implementing the Teacher Loan Forgiveness Program.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 1.(B) of the Capital Outlay Bill appropriates \$3,000,000 from the General Fund to the Board of Regents for allocation to the universities for maintenance and repair activities of university buildings in accordance with A.R.S. § 41-790 and § 41-793.01.

(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 shall require each university to establish a major maintenance and repair account for deposit of amounts allocated to the university from the appropriation made to the Board. Amounts deposited in the account shall be annually audited by the Board.

The approved monies may only be used for facilities on the state building inventory approved by the Joint Committee on Capital Review. The monies appropriated may not be spent on infrastructure replacement or repairs nor for maintenance contracts on building components and equipment.

ADDITIONAL APPROPRIATIONS

Loan Forgiveness Program for Teachers of the Deaf and the Blind - Chapter 340 (H.B. 2225) - Section 3 authorizes the Arizona Board of Regents to require that the University of Arizona establish and administer a loan program to persons in teacher training programs in the areas of the deaf and the blind within the College of Education at the University of Arizona, if funds are appropriated for this purpose.

For fiscal year 1991, \$95,000 is appropriated from the state General Fund to the Arizona Board of Regents to be distributed as follows:

- (1) \$50,000 to be distributed to 10 students in the form of loans in equal amounts of \$5,000 per student.
- (2) \$45,000 for instructional support of the teacher training program in the areas of the deaf and the blind within the College of Education at the University of Arizona.

Arizona Area Health Education System - Chapter 342 (H.B. 2344) - Authorizes the Arizona Board of Regents to establish the Arizona Area Health Education System in the College of Medicine of the University of Arizona. The System will consist of 5 Area Health Education Centers with Governing Boards, and the Board of Regents shall appoint a statewide Area Health Education Centers Commission. Each Area Health Education Center may grant scholarships to at least 2 students for whom the Board of Regents shall waive all tuition and fees if the Legislature appropriates funds for this purpose. The bill appropriates \$262,000 from the state General Fund to the Board of Regents for the purposes of distribution to the Arizona Area Health Education System to establish and maintain the Area Health Education Centers.

ADDITIONAL LEGISLATION

The Southwest Forest Science Complex for Northern Arizona University - Chapter 195 (H.B. 2692) - Authorizes the Arizona Board of Regents to acquire, for and on behalf of NAU, its portion of the project known as the Southwest Forest Science Complex, a joint project with the federal government, and to issue revenue bonds in one or more series but not exceeding in the aggregate \$5,000,000.

(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 shall not issue revenue bonds for the project unless the project is first reviewed by the Joint Committee on Capital Review and the federal portion of funding for the facility is assured.

Cost of Living Salary Increases for University Employees - Chapter 138 (S.B. 1084) - Monies appropriated to a university under the jurisdiction of the Arizona Board of Regents for cost of living salary increases for university employees shall be used to provide cost of living salary increases to all university employees including graduate student assistants. If monies are appropriated to a university for salary increases based on merit, the monies shall be used to provide merit increases according to the merit pay plan adopted by the Board of Regents.

JLBC Analyst: Lee

Lattie F. Coor, Ph.D., President (Tel. 965-5606)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4,653.3</u>	<u>4,850.6</u>	<u>4,912.0</u>
Personal Services	<u>137,966,300</u>	<u>147,866,700</u>	<u>-0-</u>
Employee Related Exp.	<u>25,898,900</u>	<u>27,893,600</u>	<u>-0-</u>
Prof. & Outside Services	2,541,300	1,537,400	-0-
Travel - State	109,900	363,600	-0-
Travel - Out of State	1,217,900	841,800	-0-
Other Operating Exp.	30,011,300	33,485,300	-0-
Library Acquisitions	4,842,800	4,314,900	-0-
Equipment	<u>10,596,600</u>	<u>11,144,200</u>	<u>-0-</u>
All Other Operating Exp.	<u>49,319,800</u>	<u>51,687,200</u>	<u>-0-</u>
OPERATION SUBTOTAL	213,185,000	227,447,500	-0-
Minority Recruitment and Retention	-0-	1,190,000	-0-
Student Financial Aid	<u>-0-</u>	<u>658,500</u>	<u>-0-</u>
TOTAL EXP. AUTHORITY	213,185,000	229,296,000	-0-
Collections	(44,981,400)	(51,382,500)	-0-
Other Receipts	(1,245,500)	(1,529,400)	-0-
Balances Forward	<u>43,400</u>	<u>-0-</u>	<u>-0-</u>
SUBTOTAL	<u>(46,183,500)</u>	<u>(52,911,900)</u>	<u>-0-</u>
Lump Sum Appropriation	-0-	-0-	188,318,600
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(1,156,900)</u>
TOTAL APPROPRIATIONS	<u>167,001,500</u>	<u>176,384,100</u>	<u>187,161,700</u>

The approved amount includes \$6,683,200 in Personal Services and \$864,700 in Employee Related Expenditures for the general salary adjustment. Included in the salary adjustment is \$44,100 for Minority Recruitment and Retention.

(Continued)

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum to give the University maximum flexibility on expenditures and collections. Section 108 of the General Appropriation Act requires all agencies with lump sum appropriations to report actual, estimated and requested expenditures by budget programs and budget classes for FY 1992.
- 2/ The amount appropriated includes funding for faculty positions based on 3-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.
- 3/ The appropriated monies are not to be used for scholarships.

(Footnotes Continued on Following Page)

ARIZONA STATE UNIVERSITY - MAIN CAMPUS (Cont'd)
GENERAL FUND

Funding Information - The Legislature appropriated a lump sum General Fund amount with maximum flexibility given to the University. The General Fund lump sum appropriation was calculated as follows:

	<u>FTE</u>	<u>Amount</u>
<u>FY 1990 Expenditure Authority Base</u>	4,850.6	\$229,296,000
<u>Changes to the Base</u>		
Vacancy Savings	-	(1,589,700)
Permanent FTE Reduction Policy	(10.0)	(367,900)
ERE Rate Adjustments	-	1,738,900
Risk Management Insurance	-	56,500
Equipment Adjustment	-	172,800
Lodging	-	17,700
Library Acquisitions	-	504,800
Annualization	-	759,200
Cost Study Equity Funding Phase II	-	-
Student Enrollment Growth	4.5	209,900
New Facilities Support	9.5	500,600
Market Salary Equity (4.0%)	-	6,351,200
General Salary Adjustment (4.5%)	-	7,547,900
Minority Recruitment and Retention	7.0	200,000
Student Financial Aid	-	827,400
New Programs	50.4	1,300,000
Reduction in All Other Operating Exp.	-	(381,500)
	<hr/>	<hr/>
Total Changes	61.4	\$ 17,847,800
<u>Other Fund Estimate</u>		
Collections		(57,369,000)
Other Receipts		(1,350,400)
Balance Forward		(105,800)
Subtotal		<hr/> (58,825,200)
Sec. 109 Lump Sum Reduction		(1,156,900)
<u>FY 1991 General Fund Lump Sum Appropriation</u>		<hr/> <u>\$187,161,700</u>

(Continued)

(Footnotes Continued From Previous Page)

4/ Any unencumbered balances remaining in the collections account on June 30, 1990, 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.

ARIZONA STATE UNIVERSITY - MAIN CAMPUS (Cont'd)

GENERAL FUND

Cost Study Equity Funding Phase II - The appropriation does not include funding for the second of two years' equity funding identified in the Tri-University Cost Study. It is the intent of the Legislature that Cost Study Equity Funding Phase II will be funded in FY 1992.

Student Enrollment Growth - The enrollment funding is based upon a 3-year weighted average enrollment of 34,628 full-time equivalent students during the following fall semesters:

Fall of 1988 (Actual)	- 34,562;	at 25%	=	8,641
Fall of 1989 (Estimate)	- 34,618;	at 50%	=	17,309
Fall of 1990 (Projection)	- 34,713;	at 25%	=	<u>8,678</u>
Total				<u>34,628</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.

Market Salary Equity - Includes \$5,620,600 for Personal Services and \$730,600 for Employee Related Expenditures.

Minority Recruitment and Retention - Provides for an on-going and comprehensive plan to facilitate student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.

Student Financial Aid - Provides funds from the registration and tuition fee increases to accommodate the economically marginal students who need financial assistance due to the fee increases.

JLBC Analyst: Lee

Lattie F. Coor, Ph.D., President (Tel. 965-5606)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>255.9</u>	<u>354.65</u>	<u>511.2</u>
Personal Services	<u>5,762,200</u>	<u>9,719,500</u>	<u>-0-</u>
Employee Related Exp.	<u>1,092,700</u>	<u>2,167,100</u>	<u>-0-</u>
Prof. & Outside Services	332,500	411,700	-0-
Travel - State	36,000	95,300	-0-
Travel - Out of State	69,700	199,800	-0-
Other Operating Exp.	2,425,000	1,746,300	-0-
Library Acquisitions	1,234,400	1,453,700	-0-
Equipment	<u>726,900</u>	<u>966,300</u>	<u>-0-</u>
All Other Operating Exp.	<u>4,824,500</u>	<u>4,873,100</u>	<u>-0-</u>
OPERATION SUBTOTAL	11,679,400	16,759,700	-0-
Sundome	250,000	260,000	-0-
Student Financial Aid	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL EXP. AUTHORITY	11,929,400	17,019,700	-0-
Collections	(546,500)	(1,000,000)	-0-
Other Receipts	-0-	(10,000)	-0-
Balances Forward	<u>(733,400)</u>	<u>(1,727,800)</u>	<u>-0-</u>
SUBTOTAL	<u>(1,279,900)</u>	<u>(2,737,800)</u>	<u>-0-</u>
Lump Sum Appropriation	-0-	-0-	25,438,100
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(158,700)</u>
TOTAL APPROPRIATIONS	<u>10,649,500</u>	<u>14,281,900</u>	<u>25,279,400</u> ^{1/2/3/}

(Continued)

- 1/ Represents General Appropriation Act funds. Appropriated as a lump sum to give ASU-West maximum flexibility on expenditures and collections. Section 108 of the General Appropriation Act requires all agencies with lump sum appropriations to report actual, estimated and requested expenditures by budget programs and budget classes for FY 1992.
- 2/ The appropriated monies are not to be used for scholarships.
- 3/ Any unencumbered balances remaining in the collections account on June 30, 1990, 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.

ARIZONA STATE UNIVERSITY - WEST (Cont'd)
GENERAL FUND

The approved amount includes \$572,800 in Personal Services and \$76,100 in Employee Related Expenditures for the general salary adjustment.

Funding Information - The Legislature appropriated a lump sum General Fund amount with maximum flexibility given to the University. The General Fund lump sum appropriation was calculated as follows:

	<u>FTE</u>	<u>Amount</u>
<u>FY 1990 Expenditure Authority Base</u>	354.65	\$ 17,019,700
<u>Changes to the Base</u>		
Vacancy Savings	-	(158,200)
Permanent FTE Reduction Policy	(1.0)	(32,000)
ERE Rate Adjustments	-	80,100
Equipment Adjustment	-	(550,800)
Lodging	-	200
Library Acquisitions	-	170,100
Lease-Purchase Payment	-	4,415,500
Student Enrollment Growth	56.5	2,159,800
New Facilities Support	48.0	2,613,100
Market Salary Equity (4.0%)	-	386,800
General Salary Adjustment (4.5%)	-	648,900
Student Financial Aid	-	21,200
New Programs	53.05	2,000,000
Reduction in All Other Operating Exp.	-	(77,400)
 Total Changes	 156.55	 \$ 11,677,300
<u>Other Fund Estimate</u>		
Collections		(3,245,000)
Other Receipts		(10,000)
Balance Forward		(3,900)
Subtotal		<u>(3,258,900)</u>
Sec. 109 Lump Sum Reduction		(158,700)
<u>FY 1991 General Fund Lump Sum Appropriation</u>		<u>\$ 25,279,400</u>

Student Enrollment Growth - The projected enrollment is 1,988 full-time equivalent students during the fall semester of 1990.

Market Salary Equity - Includes \$342,300 for Personal Services and \$44,500 for Employee Related Expenditures.

Student Financial Aid - Provides funds from the registration and tuition fee increases to accommodate the economically marginal students who need financial assistance due to the fee increases.

JLBC Analyst: Lee

Eugene M. Hughes, Ph.D., President (Tel. Flagstaff 523-3232)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>1,571.56</u>	<u>1,762.0</u>	<u>1,884.5</u>
Personal Services	<u>45,386,800</u>	<u>50,905,600</u>	<u>-0-</u>
Employee Related Exp.	<u>8,528,400</u>	<u>9,836,000</u>	<u>-0-</u>
Prof. & Outside Services	656,300	512,500	-0-
Travel - State	390,700	508,200	-0-
Travel - Out of State	266,400	276,000	-0-
Other Operating Exp.	11,663,200	12,547,900	-0-
Library Acquisitions	1,817,800	1,574,500	-0-
Equipment	<u>5,121,100</u>	<u>2,616,800</u>	<u>-0-</u>
All Other Operating Exp.	<u>19,915,500</u>	<u>18,035,900</u>	<u>-0-</u>
OPERATION SUBTOTAL	73,830,700	78,777,500	-0-
Minority Recruitment & Retention	323,600	402,000	-0-
Student Financial Aid	<u>-0-</u>	<u>246,000</u>	<u>-0-</u>
TOTAL EXP. AUTHORITY	74,154,300	79,425,500	-0-
Collections	(13,015,300)	(15,545,800)	-0-
Other Receipts	(496,100)	(500,000)	-0-
Balances Forward	<u>87,700</u>	<u>(100,000)</u>	<u>-0-</u>
SUBTOTAL	<u>(13,423,700)</u>	<u>(16,145,800)</u>	<u>-0-</u>
Lump Sum Appropriation	-0-	-0-	70,362,800
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(432,800)</u>
TOTAL APPROPRIATIONS	<u>60,730,600</u>	<u>63,279,700</u>	<u>69,930,000</u> ^{1/2/} _{3/4/}

The approved amount includes \$2,424,000 in Personal Services and \$314,800 in Employee Related Expenditures for the general salary adjustment. Included in the salary adjustment is \$12,200 for Minority Recruitment and Retention.

(Continued)

1/ Represents General Appropriation Act funds. Appropriated as a lump sum to give the University maximum flexibility on expenditures and collections. Section 108 of the General Appropriation Act requires all agencies with lump sum appropriations to report actual, estimated and requested expenditures by budget programs and budget classes for FY 1992.

2/ The amount appropriated includes funding for faculty positions based on 3-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.

(Footnotes Continued on Following Page)

NORTHERN ARIZONA UNIVERSITY - SUMMARY (Cont'd)
GENERAL FUND

Funding Information - The Legislature appropriated a lump sum General Fund amount with maximum flexibility given to the University. The General Fund lump sum appropriation was calculated as follows:

	<u>FTE</u>	<u>Amount</u>
<u>FY 1990 Expenditure Authority Base</u>	1,762.0	\$ 79,425,500
<u>Changes to the Base</u>		
Vacancy Savings	-	(613,700)
Permanent FTE Reduction Policy	(3.0)	(105,600)
ERE Rate Adjustments	-	1,195,300
Equipment Adjustment	-	16,300
Lodging	-	14,200
Library Acquisitions	-	184,300
Cost Study Equity Funding Phase II	-	-
Student Enrollment Growth	94.5	3,602,500
New Facilities Support	15.0	286,500
Market Salary Equity (4.0%)	-	2,117,200
General Salary Adjustment (4.5%)	-	2,738,800
Minority Recruitment and Retention	2.0	100,000
Student Financial Aid	-	278,100
New Programs	14.0	644,000
Reduction in All Other Operating Exp.	-	(131,700)
	<hr/>	<hr/>
Total Changes	122.5	\$ 10,326,200
<u>Other Fund Estimate</u>		
Collections		(18,788,900)
Other Receipts		(500,000)
Balance Forward		(100,000)
Subtotal		<hr/> (19,388,900)
Sec. 109 Lump Sum Reduction		<hr/> (432,800)
<u>FY 1991 General Fund Lump Sum Appropriation</u>		<hr/> <u>\$ 69,930,000</u>

(Continued)

(Footnotes Continued From Previous Page)

- 3/ The appropriated monies are not to be used for scholarships.
- 4/ Any unencumbered balances remaining in the collections account on June 30, 1990, 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.

NORTHERN ARIZONA UNIVERSITY - SUMMARY (Cont'd)
GENERAL FUND

Cost Study Equity Funding Phase II - The appropriation does not include funding for the second of two years' equity funding identified in the Tri-University Cost Study. It is the intent of the Legislature that Cost Study Equity Funding Phase II will be funded in FY 1992.

Student Enrollment Growth - The enrollment funding is based upon a 3-year weighted average enrollment of 14,158 full-time equivalent students during the following fall semesters:

Fall of 1988 (Actual)	-	13,233;	at 25%	=	3,308
Fall of 1989 (Estimate)	-	14,252;	at 50%	=	7,126
Fall of 1990 (Projection)	-	14,893;	at 25%	=	3,724
Total					<u>14,158</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.

Market Salary Equity - Includes \$1,873,600 for Personal Services and \$243,600 for Employee Related Expenditures.

Minority Recruitment and Retention - Provides for an on-going and comprehensive plan to facilitate student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.

Student Financial Aid - Provides funds from the registration and tuition fee increases to accommodate the economically marginal students who need financial assistance due to the fee increases.

JLBC Analyst: Lee

Henry Koffler, Ph.D., President (Tel. Tucson 621-5511)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>4,870.0</u>	<u>5,237.9</u>	<u>5,380.2</u>
Personal Services	<u>131,280,700</u>	<u>139,175,200</u>	<u>-0-</u>
Employee Related Exp.	<u>21,450,500</u>	<u>25,166,600</u>	<u>-0-</u>
Prof. & Outside Services	2,022,600	1,356,000	-0-
Travel - State	296,700	667,400	-0-
Travel - Out of State	676,400	683,200	-0-
Other Operating Exp.	26,913,500	25,918,900	-0-
Library Acquisitions	4,857,900	5,109,600	-0-
Equipment	<u>10,068,700</u>	<u>9,065,400</u>	<u>-0-</u>
All Other Operating Exp.	<u>44,835,800</u>	<u>42,800,500</u>	<u>-0-</u>
OPERATION SUBTOTAL	197,567,000	207,142,300	-0-
Agriculture	34,590,000	36,495,700	32,673,900
Minority Recruitment & Retention	644,100	1,008,000	-0-
Student Financial Aid	<u>-0-</u>	<u>559,500</u>	<u>-0-</u>
TOTAL EXP. AUTHORITY	232,801,100	245,205,500	-0-
Collections	(41,916,600)	(50,526,300)	-0-
Other Receipts	(4,775,600)	(4,197,000)	-0-
Balances Forward	<u>(9,500)</u>	<u>(766,100)</u>	<u>-0-</u>
SUBTOTAL	<u>(46,701,700)</u>	<u>(55,489,400)</u>	<u>-0-</u>
Lump Sum Appropriation	-0-	-0-	171,156,200
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(1,250,100)</u> ^{2/3/}
TOTAL APPROPRIATIONS	<u>186,099,400</u>	<u>189,716,100</u>	<u>202,580,000</u> ^{4/5/}

(Continued)

- 1/ Includes the FTE positions within the Agriculture program.
- 2/ Represents General Appropriation Act funds. Appropriated as a lump sum to give the University maximum flexibility on expenditures and collections. Section 108 of the General Appropriation Act requires all agencies with lump sum appropriations to report actual, estimated and requested expenditures by budget programs and budget classes for FY 1992.
- 3/ The amount appropriated includes funding for faculty positions based on 3-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.
- 4/ The appropriated monies are not to be used for scholarships.

(Footnotes Continued on Following Page)

UNIVERSITY OF ARIZONA - MAIN CAMPUS SUMMARY (Cont'd)
 GENERAL FUND

The approved amount includes \$6,408,800 in Personal Services and \$811,300 in Employee Related Expenditures for the general salary adjustment. Included in the salary adjustment is \$36,800 for Minority Recruitment and Retention.

In addition, the approved amount for the Agriculture program includes \$1,140,000 in Personal Services and \$144,300 in Employee Related Expenditures for the general salary adjustment.

Agriculture - The approved amount was based upon the following line item allocation of funds:

		<u>Market Salary Equity</u>	<u>Sec. 109 Reduction</u>	<u>Total</u>
FTE Positions	<u>810.0</u>			<u>810.0</u>
Personal Services	\$26,473,000	\$ 948,400		\$27,421,400
Employee Related Exp.	<u>5,046,300</u>	<u>123,300</u>		<u>5,169,600</u>
Prof. & Outside Services	157,300			157,300
Travel - State	725,500			725,500
Travel - Out of State	170,700			170,700
Other Operating Exp.	3,538,600			3,538,600
Equipment	<u>1,707,200</u>			<u>1,707,200</u>
All Other Operating Exp.	\$ <u>6,299,300</u>			<u>6,299,300</u>
TOTAL EXP. AUTHORITY	37,818,600	1,071,700		38,890,300
Collections	\$(3,069,400)			(3,069,400)
Other Receipts	(3,147,000)			(3,147,000)
Balances Forward	-			-
Subtotal	<u>(6,216,400)</u>			<u>(6,216,400)</u>
Sec. 109 Lump Sum Reduction			(194,100)	(194,100)
TOTAL	<u>\$31,602,200</u>	<u>\$1,071,700</u>	<u>\$(194,100)</u>	<u>\$32,479,800</u>

(Continued)

(Footnotes Continued From Previous Page)

5/ Any unencumbered balances remaining in the collections account on June 30, 1990, 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.

UNIVERSITY OF ARIZONA - MAIN CAMPUS SUMMARY (Cont'd)
GENERAL FUND

Included in the Agriculture program are \$1,284,300 for the general salary adjustment, \$1,071,700 for Market Salary Equity, and a lump sum reduction of \$194,100.

Funding Information - The Legislature appropriated a lump sum General Fund amount with maximum flexibility given to the University. The General Fund lump sum appropriation was calculated as follows:

	<u>FTE</u>	<u>Amount</u>
<u>FY 1990 Expenditure Authority Base</u>	5,205.1	\$245,205,500
<u>Changes to the Base</u>		
Vacancy Savings	-	(1,772,700)
Permanent FTE Reduction Policy	(10.0)	(380,200)
ERE Rate Adjustments	-	2,088,500
Risk Management Insurance	-	65,400
Equipment Adjustment	-	(196,000)
Lodging	-	41,800
Library Acquisitions	-	597,800
Student Enrollment Growth	79.5	3,500,100
New Facilities Support	26.3	1,303,400
Market Salary Equity (4.0%)	-	6,940,500
General Salary Adjustment (4.5%)	-	8,504,400
Minority Recruitment and Retention	6.0	200,000
Student Financial Aid	-	478,200
New Programs	40.5	1,300,000
Reduction in All Other Operating Exp.	-	(356,200)
	<hr/>	<hr/>
Total Changes	142.3	\$ 22,315,000

Other Fund Estimate

Collections	(58,727,300)
Other Receipts	(4,197,000)
Balance Forward	(766,100)
Subtotal	<hr/> (63,690,400)

Sec. 109 Lump Sum Reduction (1,250,100)

FY 1991 General Fund Lump Sum Appropriation \$202,580,000

Student Enrollment Growth - The enrollment funding is based upon a 3-year weighted average enrollment of 31,404 full-time equivalent students during the following fall semesters:

Fall of 1988 (Actual)	-	30,090;	at 25%	=	7,523
Fall of 1989 (Estimate)	-	31,781;	at 50%	=	15,891
Fall of 1990 (Projection)	-	31,960;	at 25%	=	7,990
Total					<hr/> <u>31,404</u>

(Continued)

UNIVERSITY OF ARIZONA - MAIN CAMPUS SUMMARY (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.

Market Salary Equity - Includes \$6,142,100 for Personal Services and \$798,400 for Employee Related Expenditures.

Minority Recruitment and Retention - Provides for an on-going and comprehensive plan to facilitate student recruitment and retention programs directed at economically disadvantaged, minority and underrepresented student populations.

Student Financial Aid - Provides funds from the registration and tuition fee increases to accommodate the economically marginal students who need financial assistance due to the fee increases.

JLBC Analyst: Lee

Henry Koffler, Ph.D., President (Tel. Tucson 621-5511)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions ^{1/}	<u>587.0</u>	<u>607.5</u>	<u>625.7</u>
Personal Services	<u>22,661,600</u>	<u>24,403,400</u>	<u>-0-</u>
Employee Related Exp.	<u>3,330,200</u>	<u>4,153,600</u>	<u>-0-</u>
Prof. & Outside Services	292,900	91,500	-0-
Travel - State	50,600	115,200	-0-
Travel - Out of State	44,200	23,500	-0-
Other Operating Exp.	5,350,900	5,689,400	-0-
Library Acquisitions	543,700	565,900	-0-
Equipment	<u>1,415,500</u>	<u>872,200</u>	<u>-0-</u>
All Other Operating Exp.	<u>7,697,800</u>	<u>7,357,700</u>	<u>-0-</u>
OPERATION SUBTOTAL	33,689,600	35,914,700	-0-
Clinical Teaching Support	<u>9,054,400</u>	<u>9,289,500</u>	<u>-0-</u>
TOTAL EXP. AUTHORITY	42,744,000	45,204,200	-0-
Collections	(1,717,400)	(1,884,600)	-0-
Other Receipts	(6,600)	(1,000)	-0-
Balances Forward	<u>36,700</u>	<u>(26,300)</u>	<u>-0-</u>
SUBTOTAL	<u>(1,687,300)</u>	<u>(1,911,900)</u>	<u>-0-</u>
Lump Sum Appropriation	-0-	-0-	45,734,300
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(283,200)</u>
TOTAL APPROPRIATIONS	<u>41,056,700</u>	<u>43,292,300</u>	<u>45,451,100</u> ^{2/3/}

(Continued)

- ^{1/} Does not include FTE positions within the Clinical Teaching Support expenditure category.
- ^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum to give the College of Medicine maximum flexibility on expenditures and collections. Section 108 of the General Appropriation Act requires all agencies with lump sum appropriations to report actual, estimated and requested expenditures by budget programs and budget classes for FY 1992.
- ^{3/} Any unencumbered balances remaining in the collections account on June 30, 1990, 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.

UNIVERSITY OF ARIZONA - COLLEGE OF MEDICINE
 GENERAL FUND

The approved amount includes \$1,109,700 in Personal Services and \$135,800 in Employee Related Expenditures for the general salary adjustment.

In addition, the approved amount for the Clinical Teaching Support line item includes \$208,200 in Personal Services and \$25,500 in Employee Related Expenditures for the general salary adjustment.

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 the necessary training. The approved amount was based upon the following components including \$233,700 for the general salary adjustment:

Personal Services	\$4,834,700
Employee Related Expenditures	1,032,300
All Other Operating Expenditures	<u>3,656,200</u>
	<u>\$9,523,200</u>

Funding Information - The Legislature appropriated a lump sum General Fund amount with maximum flexibility given to the University. The General Fund lump sum appropriation was calculated as follows:

	<u>FTE</u>	<u>Amount</u>
<u>FY 1990 Expenditure Authority Base</u>	607.5	\$ 45,204,200
<u>Changes to the Base</u>		
Vacancy Savings	-	(247,900)
Permanent FTE Reduction Policy	(1.0)	(47,100)
ERE Rate Adjustments	-	(202,700)
Risk Management Insurance	-	(700)
Equipment Adjustment	-	(91,700)
Lodging	-	4,000
Library Acquisitions	-	66,200
New Facilities Support	5.2	344,400
Market Salary Equity (4.0%)	-	1,047,300
General Salary Adjustment (4.5%)	-	1,479,200
New Programs	14.0	790,000
Reduction in All Other Operating Exp.	-	<u>(53,200)</u>
Total Changes	18.2	\$ 3,087,800
<u>Other Fund Estimate</u>		
Collections		(2,218,600)
Other Receipts		(111,200)
Balance Forward		<u>(227,900)</u>
Subtotal		<u>(2,557,700)</u>
Sec. 109 Lump Sum Reduction		(283,200)
<u>FY 1991 General Fund Lump Sum Appropriation</u>		<u>\$ 45,451,100</u>

Market Salary Equity - Includes \$926,800 for Personal Services and \$120,500 for Employee Related Expenditures.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Adult Institutions	161,150,000	178,866,000	195,677,800
Juvenile Services	27,392,200	29,600,200	-0- ^{1/}
Adult Community Services	8,480,700	9,293,500	9,167,200
Human Resources/Development	27,753,400	32,081,500	34,043,900
Administration	13,231,600	12,714,700	13,152,500
Correctional Industries	2,158,400	1,250,400	536,300
Sec. 109 Lump Sum Reduction	-0-	-0-	(2,460,000)
TOTAL APPROPRIATIONS	<u>240,166,300</u>	<u>263,806,300</u>	<u>250,117,700</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>6,094.2</u>	<u>6,372.7</u>	<u>5,829.2</u>
Personal Services	<u>125,447,500</u>	<u>134,158,000</u>	<u>127,691,800</u>
Employee Related Exp.	<u>33,425,600</u>	<u>37,874,800</u>	<u>38,277,100</u>
Prof. & Outside Services	14,056,500	21,386,900	20,472,400
Travel - State	415,700	489,300	417,400
Travel - Out of State	121,700	133,400	110,900
Other Operating Exp.	36,402,800	39,700,700	37,718,000
Equipment	<u>3,169,500</u>	<u>5,770,700</u>	<u>7,866,300</u>
All Other Operating Exp.	<u>54,166,200</u>	<u>67,481,000</u>	<u>66,585,000</u>
OPERATION SUBTOTAL	213,039,300	239,513,800	232,553,900
Special Line Items	27,127,000	24,292,500	20,023,800
Sec. 109 Lump Sum Reduction	-0-	-0-	(2,460,000)
TOTAL APPROPRIATIONS	<u>240,166,300</u>	<u>263,806,300</u>	<u>250,117,700</u> ^{2/3/}
<u>Fund Summary</u>			
General Fund	240,166,300	257,620,800	249,910,700
Other Funds	-0-	6,185,500	207,000
TOTAL APPROPRIATIONS	<u>240,166,300</u>	<u>263,806,300</u>	<u>250,117,700</u>

The approved amount includes \$5,455,500 in Personal Services and \$915,200 in Employee Related Expenditures for the general salary adjustment.

(Continued)

^{1/} Laws 1989, Chapter 266, established the Department of Juvenile Corrections as a separate agency effective July 1, 1990. The Juvenile Services program was transferred to this new agency in total, and an additional 77 FTE positions and \$3,923,000 were transferred from other Department of Corrections programs.

(Footnotes Continued on Following Page)

DEPARTMENT OF CORRECTIONS - SUMMARY (Cont'd)
GENERAL FUND AND OTHER FUNDS

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B.1007), 3rd Special Session - Section 2.(B) of the Capital Outlay Bill appropriates \$1,975,000 from the General Fund as follows:

o Fort Grant Natural Gas Distributions System Design and installation of natural gas lines throughout the facility.	\$ 622,000
o Fort Grant Electrical Distribution Replacement of deteriorating electrical distribution lines to comply with fire and safety codes.	1,353,000
	<hr/>
Subtotal - General Fund	<u>\$ 1,975,000</u>

Section 5 of the Capital Outlay Bill appropriates \$8,267,000 from the Corrections Fund as follows:

o Safford 250-Bed Prison FY 1991 construction of a 250-bed, level III, prison.	6,610,000
o Safford 250-Bed Prison FY 1992 completion of construction.	1,657,000
	<hr/>
Subtotal - Corrections Fund	<u>\$ 8,267,000</u>
Total Capital Outlay Appropriations	<u>\$10,242,000</u>

ADDITIONAL APPROPRIATIONS

Appropriations: Corrections Fund - Chapter 405 (H.B. 2296) - Appropriates \$13,500,000 from the Corrections Fund in FY 1992 and \$10,300,000 in FY 1993 for the construction of a new 800-bed, level III, prison. This prison, which is to be located at the Arizona State Prison Complex-Florence, was authorized for design by Laws 1989, Chapter 5, 1st Special Session.

(Footnotes Continued From Previous Page)

- 2/ In addition to the amount appropriated, one-half of the earnings on state lands and interest on the investment of the permanent land fund 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.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

DEPARTMENT OF CORRECTIONS - SUMMARY (Cont'd)
GENERAL FUND AND OTHER FUNDS

ADDITIONAL LEGISLATION

Prisoners; Reimbursement for Expenses - Chapter 28 (H.B. 2084) - Amends A.R.S. § 31-277 to allow counties to be reimbursed for the cost of legal proceedings related to crimes committed by a person in or adjacent and related to a correctional facility under the jurisdiction of the Department of Corrections. Such claims are filed with the Governor for approval. Upon approval, payment is made from appropriations for the support of the Department. There were \$350,200 appropriated to the Department for this purpose by the General Appropriation Act for FY 1991.

Home Arrest, Work Furlough and Parole - Chapter 131 (H.B. 2350) - This legislation changes the laws concerning eligibility and procedures for inmate release for work furlough, home arrest, and parole. A person must now be within 12 months of their parole eligibility date rather than 14 months in order to be eligible for work furlough. Those persons who were convicted of a sexual offense are not eligible for work furlough or home arrest. Parole board notification procedures and the ability to deny release for a period up to 1 year are extended to the home arrest program consistent with condition for the work furlough program. The monthly report transmitted to law enforcement agencies with a list of work furlough participants must now also include home arrest participants. The legislation makes failure to return from home arrest a Class 5 felony. The legislation amends provisions for early release eligibility when the Director of Corrections declares a shortage of beds to include the work furlough and home arrest programs. Eligibility requirements for home arrest and information to be used as release criteria is amended. Conditions of release and participant electronic monitoring fees are changed. An inmate must remain parole eligible after certification or the entire parole process shall be rescinded.

Prisoner Labor - Chapter 234 (S.B. 1513) - This legislation mandates that the Director of the Department of Corrections and the Director of the Department of Administration shall use prisoner labor to the maximum extent feasible in the construction of all prison facilities. Prisoners must be evaluated on their skills related to construction and may be assigned to work crews unless precluded by physical or mental health or security factors. Prisoner labor will be used exclusively for all fencing, concrete flatwork, and renovation, conversion, and maintenance of specified support buildings. Exceptions to this rule are allowed for cases where highly technical skills are required, due to considerations of public or institution security, or during shortages of beds which require emergency construction of new beds. Prior to inviting sealed bids, all phases of a construction contract will be evaluated to see if inmate labor can be used in whole or part. Tasks that can be accomplished by prisoner labor will be excluded from the bidding process.

(Continued)

DEPARTMENT OF CORRECTIONS - SUMMARY (Cont'd)
GENERAL FUND AND OTHER FUNDS

ADDITIONAL LEGISLATION (Cont'd)

Correctional Officer Retirement Plan (CORP) Eligibility and Establishment of Local Boards - Chapter 272 (H.B. 2669) - Persons employed in the specified classifications after September 30, 1990 must pass a physical examination to be eligible for coverage. Those members with 10 or more years of accumulated contributions who cease to be employees may now receive interest on their contributions, as well as, the balance of their account. The legislation establishes local boards in the Department of Corrections, the Department of Juvenile Corrections, and each participating county. The roles and responsibilities of these local boards are defined. Member contributions are raised from 6.35% to 7% of salary. The legislation changes benefits for disability, death, and retirement pay. Limited group health and accident coverage is added for specified retired members. The ability to use credited service for military service under certain conditions is added.

Venture Teams - Chapter 344 (H.B. 2471) - Requires the Department of Corrections to establish at least 1 venture team. Each team shall consist of at least 10 members, 5 of whom must have private sector experience, in executive positions. The private sector members are appointed by the Governor. At least 5 members of the team must be managers within the Department. The Director appoints the Department managers who serve at his pleasure. The Director may also set the terms of the private sector members. The Director is required to select work areas for review. Four employees of the Department are to be assigned to the venture team as analysts. Periodically, findings and recommendations of the team are to be sent to the Director. The venture team and the Director are required to submit an annual report to the Governor, the Speaker of the House of Representatives, and the President of the Senate.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4,365.7</u>	<u>4,694.7</u>	<u>4,967.2</u>
Personal Services	<u>86,563,100</u>	<u>93,787,700</u>	<u>102,649,900</u>
Employee Related Exp.	<u>24,120,800</u>	<u>27,822,600</u>	<u>32,157,100</u>
Prof. & Outside Services	2,941,300	7,049,400	5,775,200
Travel - State	184,500	221,500	247,900
Travel - Out of State	79,400	76,600	76,600
Other Operating Exp.	23,402,000	26,846,300	28,981,800
Equipment	<u>2,209,600</u>	<u>4,861,900</u>	<u>6,154,200</u>
All Other Operating Exp.	<u>28,816,800</u>	<u>39,055,700</u>	<u>41,235,700</u> ^{1/}
OPERATION SUBTOTAL	139,500,700	160,666,000	176,042,700
Food	13,041,600	14,534,400	15,604,400
Work Incentive Pay Plan	2,949,000	3,388,900	3,597,000
Discharge Expense	248,400	276,700	226,700
ASP-Yuma	70,900	-0-	-0-
Shock Incarceration	337,600	-0-	-0-
Inmates Housed in County Jails	5,001,800	-0-	-0-
Wastewater Treatment and Disposal - ASPC-Perryville	<u>-0-</u>	<u>-0-</u>	<u>207,000</u>
TOTAL APPROPRIATIONS	<u>161,150,000</u>	<u>178,866,000</u>	<u>195,677,800</u> ^{3/}
<u>Fund Summary</u>			
General Fund	161,150,000	173,378,200	195,470,800
Other Funds	<u>-0-</u>	<u>5,487,800</u>	<u>207,000</u>
TOTAL APPROPRIATIONS	<u>161,150,000</u>	<u>178,866,000</u>	<u>195,677,800</u>

The approved amount includes \$4,377,300 in Personal Services and \$750,500 in Employee Related Expenditures for salary increases.

(Continued)

- 1/ Professional and Outside Services monies used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 2/ This is a continuing activity, but the expenditures are now included in the individual line items shown above.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

DEPARTMENT OF CORRECTIONS - ADULT INSTITUTIONS (Cont'd)
GENERAL FUND AND OTHER FUNDS

Personal Services - The approved amount provides \$1,987,200 to annualize the cost of positions authorized for institutions in FY 1990, but only partially funded at that time. There were 2 FTE positions and \$29,500 in Personal Services transferred to the newly-created Department of Juvenile Corrections. Five Correctional Program Officer II positions and \$99,770 were deleted from the Arizona State Prison Complex-Perryville. Sixty-nine FTE positions and \$954,100 were deleted as a result of the FTE reduction policy.

The appropriation provides 180 additional FTE positions and \$3,569,100 in Personal Services for the new 400-bed unit at Arizona State Prison Complex-Winslow. This facility is scheduled to be completed in August 1990 and occupancy is expected to begin in September 1990. An additional 169 FTE positions and \$635,700 in Personal Services are provided to open the first 400 beds of the new 800-bed prison under construction at Arizona State Prison Complex-Florence. This facility is scheduled to be completed in March 1991 and occupancy is expected to begin in June 1991.

Included in the approved amount is \$423,400 for overtime and \$1,002,900 for hazardous duty pay. A 3.3% vacancy factor, or \$3,340,400, was deducted when the approved amount was computed. The vacancy factor includes an unspecified reduction in Personal Services of \$281,800.

Employee Related Expenditures - Included in the approved amount is \$1,782,300 for uniform allowances. The authorized uniform allowance is \$40 per month for employees classified within the Correctional Service Officer Series.

Professional and Outside Services - The approved amount includes \$1,766,600 for the support of adult inmates. These funds are to house prisoners in the county jails before entering the state correctional system. Funding is based upon an average daily population of 121 inmates in county jails at an average cost of \$40 per day. In addition, \$2,063,700 was approved for contracts with community colleges that provide education opportunities for inmates. There are also \$950,700 included for counseling services and psycho-diagnostic testing. Approved also were \$336,000 for court costs and legal fees, as well as, \$131,200 for religious activities. \$350,200 were added to fund the estimated cost of reimbursing counties for legal proceedings related to inmates under the jurisdiction of the Department of Corrections. See Additional Legislation, Laws 1990, Chapter 28.

Other Operating Expenditures - The approved amount includes \$403,200 to fund the anticipated increase in prisoners during FY 1991. In addition, \$97,600 were approved to annualize the cost of operating new prisons opened in FY 1990, but only partially funded that year. Funding for non-capitalized equipment of \$2,174,200 was also authorized. Non-capitalized equipment is equipment with a value of less than \$1,000 per item. The amount of non-capitalized equipment includes \$316,500 for replacement items and \$68,600 for kitchen and food service equipment. The remaining amount is a nonrecurring cost of \$1,789,100 to equip the 2 new prisons that will be activated in FY 1991. These are the 400-bed addition at ASPC-Winslow and the new 800-bed unit at Florence. In addition, there are \$555,500 for other ongoing operating costs associated with these new prisons. The operating costs were calculated to coincide with the projected opening date of each new prison and will require annualization in FY 1992. \$9,000 were transferred from the Department of Corrections to the newly-created Department of Juvenile Corrections.

(Continued)

DEPARTMENT OF CORRECTIONS - ADULT INSTITUTIONS (Cont'd)
GENERAL FUND AND OTHER FUNDS

Equipment - The approved amount includes \$400,500 for replacement of kitchen and other food service equipment. In addition, replacement equipment was approved for the following institutions: ASPC-Florence, \$377,400; ASPC-Douglas, \$351,200; ASPC-Tucson, \$592,500; ASP-Fort Grant, \$106,800; ASPC-Phoenix, \$118,400; ASP-Safford, \$140,400; ASPC-Perryville, \$231,700; and ASPC-Winslow, \$55,000. Funding in the amount of \$980,300 was provided to equip the new 400-bed addition at ASPC-Winslow and \$2,800,000 were authorized for movable equipment for the new 800-bed prison being built at Florence.

Food - The approved amount furnishes \$15,125,800 for inmate meals, \$468,600 for complimentary meals furnished to Correctional Service Officers and other designated employees, and \$10,000 for meals to be sold to other staff. All collections for meals sold are to be deposited to the state General Fund.

Work Incentive Pay Plan - Funds payments to adult offenders who perform work assignments.

Population - The FY 1991 appropriation is based upon funding for an estimated average daily population of 13,899 adult inmates. It is estimated that an average daily population of 121 adult inmates will be housed in county jails.

Wastewater Treatment and Disposal - ASPC-Perryville - An appropriation, from the Corrections Fund, to pay for the cost of transporting excess wastewater from ASPC-Perryville to a treatment plant. At the present time, the population at ASPC-Perryville exceeds the capacity of the state's existing treatment plant. Consequently, excess wastewater must be transported offsite. Sewer lines are under construction to connect the Perryville facility to the City of Goodyear's wastewater treatment plant. The requirement to transport excess wastewater will end when the construction project is completed. The project should be completed before the end of calendar year 1990.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>734.0</u>	<u>716.0</u>	<u>0.0</u>
Personal Services	<u>14,486,800</u>	<u>15,066,300</u>	<u>-0-</u>
Employee Related Exp.	<u>3,681,300</u>	<u>4,184,400</u>	<u>-0-</u>
Prof. & Outside Services	490,500	894,300	-0-
Travel - State	80,500	93,800	-0-
Travel - Out of State	20,400	22,500	-0-
Other Operating Exp.	2,997,900	3,290,500	-0-
Equipment	<u>531,600</u>	<u>357,600</u>	<u>-0-</u>
All Other Operating Exp.	<u>4,120,900</u>	<u>4,658,700</u>	<u>-0-</u>
OPERATION SUBTOTAL	22,289,000	23,909,400	-0-
Food	665,500	988,700	-0-
Work Incentive Pay Plan	208,500	264,500	-0-
Purchase of Care	<u>4,229,200</u>	<u>4,437,600</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>27,392,200</u>	<u>29,600,200</u>	<u>-0-</u> ^{1/}

^{1/} Laws 1989, Chapter 266, established the Department of Juvenile Corrections as a separate agency effective July 1, 1990. The Juvenile Services program was transferred to this new agency in total. An additional 77 FTE positions and \$3,923,000 were subsequently transferred from other Department of Corrections programs.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>199.5</u>	<u>198.5</u>	<u>180.0</u>
Personal Services	<u>4,474,500</u>	<u>4,814,400</u>	<u>4,790,600</u>
Employee Related Exp.	<u>1,108,000</u>	<u>1,160,600</u>	<u>1,270,300</u>
Prof. & Outside Services	1,046,600	1,181,800	1,109,800
Travel - State	27,600	33,200	33,900
Travel - Out of State	-0-	4,000	4,000
Other Operating Exp.	1,293,300	1,646,900	1,566,300
Equipment	<u>156,200</u>	<u>50,900</u>	<u>3,600</u>
All Other Operating Exp.	<u>2,523,700</u>	<u>2,916,800</u>	<u>2,717,600</u> ^{1/}
OPERATION SUBTOTAL	8,106,200	8,891,800	8,778,500
Food	234,700	249,600	240,600
Work Incentive Pay Plan	59,100	68,200	64,200
Ex-Offender Stipends	<u>80,700</u>	<u>83,900</u>	<u>83,900</u>
TOTAL APPROPRIATIONS	<u>8,480,700</u>	<u>9,293,500</u>	<u>9,167,200</u> ^{2/3/}

The approved amount includes \$206,300 in Personal Services and \$32,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The Home Arrest Program funding was reduced from a caseload capacity of 195 in FY 1990 to 120 in FY 1991. This reduction resulted in the deletion of 8 FTE positions and \$182,300 in Personal Services. An additional 5.5 FTE positions were transferred to the newly-created Department of Juvenile Corrections; however, no Personal Services were transferred. The approved amount also reflects the deletion of 5 FTE positions and \$71,000 in Personal Services under the FTE reduction policy. A vacancy factor of 2%, or \$98,600 was imposed when the approved amount was calculated. Included in the approved amount is \$3,200 for overtime, and \$700 for hazardous duty pay.

(Continued)

- 1/ Professional and Outside Services monies used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 2/ 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 2 facilities which is consistent with the population served in prior fiscal years.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

DEPARTMENT OF CORRECTIONS - ADULT COMMUNITY SERVICES (Cont'd)
GENERAL FUND

Employee Related Expenditures - The approved amount includes \$17,800 for uniform allowances payable to employees within the Correctional Service Officer Series. The authorized uniform allowance is \$40 per month.

Professional and Outside Services - The approved amount includes \$264,200 for psychological counseling, and \$199,300 for temporary residential placement programs. Temporary residential placement programs are used for adult male and female offenders who are released to the community. There is also \$200,000 for sex offender treatment, \$387,500 for substance abuse counseling, and \$58,800 for Home Arrest.

Other Operating Expenditures - The approved amount includes \$686,700 for building and land lease payments. Of that amount, \$200,000 are to lease the Southern Arizona Correctional Release Center, located in Tucson.

Equipment - The approved amount includes \$3,600 to replace 2 hand-held radios.

Food - The approved amount provides \$125,300 for the Northern Arizona Correctional Release Center in Phoenix, and \$115,300 for the Southern Arizona Correctional Release Center in Tucson. These amounts include \$7,100 for complimentary meals provided to Correctional Service Officers and other designated staff, and \$4,600 for meals to be sold to other staff. All collections for meals sold are to be deposited to the state General Fund.

Work Incentive Pay Plan - Funds payments to residents of the Correctional Release Centers who perform work assignments.

Ex-Offender Stipends - This is a financial aid program for released offenders who have an immediate need for financial resources.

Population - The FY 1991 appropriation is based upon an average daily population of 126 residents assigned to the Northern Arizona Correctional Release Center and 116 residents assigned to the Southern Arizona Correctional Release Center. In addition, the appropriation is sufficient to support 120 inmates under the Home Arrest program.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>504.0</u>	<u>514.0</u>	<u>481.5</u>
Personal Services	<u>13,355,400</u>	<u>14,559,800</u>	<u>15,099,700</u>
Employee Related Exp.	<u>3,010,600</u>	<u>3,394,900</u>	<u>3,602,700</u>
Prof. & Outside Services	8,711,400	10,901,700	11,702,700
Travel - State	71,800	83,800	77,500
Travel - Out-of-State	5,500	9,300	9,300
Other Operating Exp.	2,407,100	2,780,500	3,011,400
Equipment	<u>191,600</u>	<u>351,500</u>	<u>540,600</u>
All Other Operating Exp.	<u>11,387,400</u>	<u>14,126,800</u>	<u>15,341,500</u> ^{1/}
TOTAL APPROPRIATIONS	<u>27,753,400</u>	<u>32,081,500</u>	<u>34,043,900</u> ^{2/}
Fund Summary			
General Fund	27,753,400	31,417,000	34,043,900
Other Funds	<u>-0-</u>	<u>664,500</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>27,753,400</u>	<u>32,081,500</u>	<u>34,043,900</u>

The approved amount includes \$650,200 in Personal Services and \$101,400 in Employee Related Expenditures for salary increases.

Personal Services - The appropriation includes \$279,200 to annualize the cost of positions authorized in FY 1990, but only partially funded that year. A transfer of 52.5 FTE positions and \$1,541,600 in Personal Services was made to the newly-created Department of Juvenile Corrections. An additional 5 FTE positions and \$70,000 in Personal Services were deleted under the FTE reduction policy. Nine FTE positions and \$357,400 are added for the new 400-bed addition to the Arizona State Prison Complex-Winslow. Seventeen FTE positions and \$37,800 are provided for the opening of the first 400 beds of the new 800-bed Rynning Unit at Arizona State Prison Complex-Florence. New positions for the Florence prison are funded for 1 month in FY 1991 and will have to be annualized in FY 1992. An Administrative Services Officer II position was transferred to the Administration Program from the Planning Bureau. The approved amount does not include a vacancy factor. No vacancy factor was imposed on this program in order to hire staff positions that were previously unfilled. The approved amount includes \$4,300 for hazardous duty pay.

(Continued)

^{1/} Professional and Outside Services monies used for contracting are subject to evaluation under the standard evaluation system approved by the Joint Legislative Budget Committee.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

DEPARTMENT OF CORRECTIONS - HUMAN RESOURCES AND DEVELOPMENT (Cont'd)
GENERAL FUND AND OTHER FUNDS

Employee Related Expenditures - The approved amount includes \$5,800 for uniform allowances. The authorized uniform allowance is \$40 per month for employees classified within the Correctional Service Officer Series. \$361,900 were transferred to the newly-created Department of Juvenile Corrections.

Professional and Outside Services - The approved amount includes an inflationary increase of 9% or, \$1,005,400 for medical services. \$770,500 were transferred to the newly-created Department of Juvenile Corrections.

Other Operating Expenditures - An increase of \$275,700 was added for additional adult inmates. Of the approved amount, approximately half is for drugs, medicine, and medical supplies that will be used for adults committed to the various institutions under the jurisdiction of the Department of Corrections. The approved amount includes \$150,700 for start-up costs, inventory items, non-capitalized equipment and operating expenditures for the new 400-bed addition at ASPC-Winslow and the new 800-bed prison at Florence. Both of these facilities are scheduled for activation during FY 1991. Of the \$150,700 approved, \$138,200 are for one-time nonrecurring start-up costs. Other expenditures were computed to coincide with project opening dates and represent only partial funding in FY 1991. Costs that are partially funded in FY 1991 will require annualization in FY 1992. \$212,700 were transferred to the newly-created Department of Juvenile Corrections.

Equipment - The approved amount includes \$471,000 for replacement of medical and dental equipment. Approved also were \$28,200 for purchase of medical and dental equipment to be installed at the new 400-bed addition to ASPC-Winslow and \$41,400 to equip the medical and dental facilities at the new 800-bed prison now being constructed at Florence.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND AND OTHER FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>209.0</u>	<u>203.5</u>	<u>182.5</u>
Personal Services	<u>4,827,400</u>	<u>4,921,200</u>	<u>4,727,000</u>
Employee Related Exp.	<u>1,086,800</u>	<u>1,070,500</u>	<u>1,135,300</u>
Prof. & Outside Services	866,700	1,359,700	1,884,700
Travel - State	51,300	57,000	58,100
Travel - Out-of-State	16,400	21,000	21,000
Other Operating Exp.	6,302,500	5,136,500	4,158,500
Equipment	<u>80,500</u>	<u>148,800</u>	<u>1,167,900</u>
All Other Operating Exp.	<u>7,317,400</u>	<u>6,723,000</u>	<u>7,290,200</u>
TOTAL APPROPRIATIONS	<u>13,231,600</u>	<u>12,714,700</u>	<u>13,152,500</u> ^{1/}
<u>Fund Summary</u>			
General Fund	13,231,600	12,681,500	13,152,500
Other Funds	<u>-0-</u>	<u>33,200</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>13,231,600</u>	<u>12,714,700</u>	<u>13,152,500</u>

The approved amount includes \$203,400 in Personal Services and \$28,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a net decrease of 21 FTE positions. Seventeen FTE positions and \$377,800 in Personal Services were transferred to the newly-created Department of Juvenile Corrections. Five FTE positions and \$56,100 in Personal Services were deleted under the FTE reduction policy. Four FTE positions were added for the opening of the 400 new beds at ASPC-Winslow and the first 400 new beds of the 800-bed addition opening at ASPC-Florence. Those positions include 3 Investigator II positions and 1 Secretary position. Four FTE positions were specifically deleted; these are 1 Polygraph Examiner, 2 Correctional Service Lieutenants, and 1 Physical Plant Supervisor II. An Administrative Service Officer II position was transferred from the Human Resources and Development Program to the Office of the Director in the Administration program. An increase of \$22,200 was approved to annualize the costs of positions authorized in FY 1990, but only partially funded that year. The approved amount includes \$4,600 for overtime and \$2,700 for hazardous duty pay. A vacancy factor of 2%, or \$103,500, was deducted when the approved amount was computed.

Employee Related Expenditures - The approved amount includes \$4,300 for uniform allowances. The authorized uniform allowance is \$40 per month for employees classified within the Correctional Service Officer Series. \$92,300 were transferred to the newly-created Department of Juvenile Corrections.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

DEPARTMENT OF CORRECTIONS - ADMINISTRATION (Cont'd)
GENERAL FUND AND OTHER FUNDS

Professional and Outside Services - The approved amount includes \$1,764,100 for data processing services. The Department of Corrections will purchase data processing services from the Department of Administration's Data Center. Other approved amounts include \$30,000 for financial services, \$32,200 for legal services, and \$58,400 for management studies.

Other Operating Expenditures - The approved amount includes \$3,920,100 for insurance payable to the Risk Management Division of the Department of Administration. This is a decrease of \$494,000 as compared with insurance expenses for FY 1990. Approved also is an increase of \$9,200 to support the staff allocated to the two new prisons which will open during FY 1991.

Equipment - The approved amount includes \$1,047,300 for the replacement of vehicles within all programs of the Department of Corrections. In addition, \$19,400 is provided for a new copy machine in the Bureau of Telecommunications, \$26,100 for 6 new computers in the Bureau of Management and Budget, \$18,500 for 3 word processing stations for the Bureau of Telecommunications and Facilities Management, and \$1,000 for office equipment for Facilities Management. In addition, there are \$55,600 to equip the staff for the new 400-bed prison at ASPC-Winslow and the 800-bed prison now being constructed at ASPC-Florence.

JLBC Analyst: Morris

Samuel A. Lewis, Director (Tel. 542-5497)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>82.0</u>	<u>46.0</u>	<u>18.0</u>
Personal Services	<u>1,740,300</u>	<u>1,008,600</u>	<u>424,600</u>
Employee Related Exp.	<u>418,100</u>	<u>241,800</u>	<u>111,700</u>
TOTAL APPROPRIATIONS	<u>2,158,400</u>	<u>1,250,400</u>	<u>536,300</u> ^{1/}

The approved amount includes \$18,300 in Personal Services and \$2,700 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount represents a reduction of 28 FTE positions and \$584,000. (Compensation for inmate employees is paid from the Arizona Correctional Industries Revolving Fund.) The appropriation reduction represents the intent of the Legislature to move this program toward self-sufficiency. The program is mandated by law to achieve that goal by July 1, 1991. Under the concept of self-sufficiency, the Arizona Correctional Industries will have to fund all costs of doing business from revenues derived from the sale of goods and services, other earned income, or the liquidation of assets. Although 28 FTE positions were eliminated, the reduction did not address specific position classifications. This allows the Department of Corrections to develop reorganization plans and staff the Arizona Correctional Industries accordingly, or to transfer funding of existing positions to the Arizona Correctional Industries Revolving Fund. Of the 28 positions eliminated, 4 FTE positions and \$46,300 were part of the FTE reduction policy.

^{1/} Represents General Appropriation Act Funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Burgess

Rex Holgerson, Director (Tel. 255-1928)

ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND AND GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>5.0</u>	<u>5.0</u>	<u>6.0</u>
Personal Services	<u>153,700</u>	<u>163,700</u>	<u>200,000</u>
Employee Related Exp.	<u>28,600</u>	<u>29,200</u>	<u>41,700</u>
Prof. & Outside Services	4,000	12,300	12,300
Travel - State	4,700	4,000	9,800
Travel - Out of State	1,100	3,300	3,300
Other Operating Exp.	60,300	42,600	44,700
Equipment	<u>11,300</u>	<u>5,900</u>	<u>-0-</u>
All Other Operating Exp.	<u>81,400</u>	<u>68,100</u>	<u>70,100</u>
OPERATION SUBTOTAL	263,700	261,000	311,800 ^{1/2/}
Drug Enforcement Account	7,937,600	3,651,100	3,195,000 ^{3/}
Cannabis/Controlled Subst.	19,700	39,400	-0-
Fed Administrative Match	<u>29,200</u>	<u>58,700</u>	<u>20,900</u>
TOTAL APPROPRIATIONS	<u>8,250,200</u>	<u>4,010,200</u>	<u>3,527,700</u> ^{4/}
<u>Fund Summary</u>			
Balance Beg. of Fiscal Year	5,437,600	2,460,100	-0-
Arizona Commission on Criminal Justice Fund	312,600	650,100	332,700
Corrections Fund	2,500,000 ^{5/}	-0-	-0-
General Fund	<u>-0-</u>	<u>900,000</u>	<u>3,195,000</u> ^{3/}
TOTAL APPROPRIATIONS	<u>8,250,200</u>	<u>4,010,200</u>	<u>3,527,700</u>
ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND			
RECEIPTS, EXPENDITURES AND BALANCES FORWARD			
Balance Beg. of Fiscal Year	575,600	557,800	207,700
Add Revenues	<u>294,800</u>	<u>300,000</u>	<u>300,000</u>
TOTAL FUNDS AVAILABLE	870,400	857,800	507,700
Expenditures	<u>312,600</u>	<u>650,100</u>	<u>332,700</u>
BALANCE END OF FISCAL YEAR	<u>557,800</u>	<u>207,700</u>	<u>175,000</u>

(See Footnotes on Following Page)

ARIZONA CRIMINAL JUSTICE COMMISSION (Cont'd)
ARIZONA COMMISSION ON CRIMINAL JUSTICE FUND
AND GENERAL FUND

The approved amount includes \$8,600 in Personal Services and \$1,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes the shifting of 1 FTE position, an Auditor, from the Cannabis/Controlled Substances Program special line, for an additional \$27,700.

All Other Operating Expenditures - The approved amount includes the shifting of \$5,800 from the Cannabis/Controlled Substance Program special line to In-State Travel. Also included is an additional \$2,100 for increased operating costs and a \$5,900 reduction for one-time equipment purchases.

Drug Enforcement Account - The appropriation of \$3,195,000 from the General Fund was made to enhance the Drug Enforcement Account as well as aid cash flow since the date of receipt of federal funds is unknown. Of the \$3,195,000, \$2,223,700 will revert to the General Fund upon receipt of federal funds (see footnote 3). Therefore, the General Fund appropriation is actually \$971,300.

- 1/ Included in this appropriation is funding for the Cannabis/Controlled Substance and Fine Enforcement program.
- 2/ 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 relating to the investigation and the collection of license fees and taxes on cannabis and controlled substances as provided by Title 42, Chapter 7, Article 1, A.R.S., as well as other fees, fines, surcharges, penalty assessments, and costs devoted to criminal justice and related purposes.
- 3/ The sum of \$2,223,700 shall revert to the General Fund upon receipt of Federal Funds granted for Federal Fiscal Year 1991 under the Drug Control and System Improvement Grant Program (as authorized by the Omnibus Drug Initiative Act of 1988), but no later than June 30, 1991.
- 4/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency with special line items. The line items within the "Operation Sub-Total" are shown for information only.
- 5/ Notwithstanding the limitations of A.R.S. § 41-1651, relating to the expenditure of monies for corrections facilities, this appropriation is to be administered by the Criminal Justice Commission pursuant to A.R.S. § 41-2402, for the purpose of enhancing efforts to investigate, prosecute, adjudicate, and punish drug offenders.

JLBC Analyst: Hernandez

Donald Owens, The Adjutant General (Tel. 267-2710)

GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
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Program Summary

Emergency Services	935,900	856,700	961,500
Military Affairs	3,183,900	3,389,800	3,417,800
TOTAL APPROPRIATIONS	4,119,800	4,246,500	4,379,300

Expenditure Detail

FTE Positions	62.0	62.0	63.5
Personal Services	1,464,900	1,497,000	1,536,000
Employee Related Exp.	357,200	334,900	382,200
Prof. & Outside Services	6,700	5,000	30,000
Travel - State	28,500	32,500	34,100
Travel - Out of State	12,000	10,000	11,000
Other Operating Exp.	999,400	1,106,200	1,116,300
Equipment	42,300	13,800	44,200
All Other Operating Exp.	1,088,900	1,167,500	1,235,600
OPERATION SUBTOTAL	2,911,000	2,999,400	3,153,800
Special Line Items	1,208,800	1,247,100	1,022,400
Additional Appropriation	-0-	203,100	-0-
Sec. 109 Lump Sum Reduction	-0-	-0-	(41,000)
TOTAL APPROPRIATIONS	4,119,800	4,449,600	4,135,200

Fund Summary

General Fund	3,947,700	4,043,200	4,135,200
Nuclear Emer. Mgt. Fund	172,100	406,400 ^{1/}	-0-
TOTAL APPROPRIATIONS	4,119,800	4,449,600	4,135,200

The approved amount includes \$66,100 in Personal Services and \$10,200 in Employee Related Expenditures for the general salary adjustment.

^{1/} Appropriated from the General Fund to the Nuclear Emergency Management Fund -- \$203,300 in Laws 1989, Chapter 136 (H.B. 2024) and \$203,100 in Laws 1990, Chapter 72 (H.B. 2062).

JLBC Analyst: Hernandez

Donald Owens, The Adjutant General (Tel. 267-2710)

GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>13.0</u>	<u>13.0</u>	<u>15.0</u>
Personal Services	<u>360,100</u>	<u>379,100</u>	<u>425,000</u>
Employee Related Exp.	<u>82,400</u>	<u>76,700</u>	<u>88,900</u>
Prof. & Outside Services	-0-	-0-	25,000
Travel - State	2,000	10,100	11,400
Travel - Out of State	10,700	6,900	7,900
Other Operating Exp.	88,400	77,300	95,000
Equipment	-0-	-0-	6,300
All Other Operating Exp.	<u>101,100</u>	<u>94,300</u>	<u>145,600</u>
OPERATION SUBTOTAL	543,600	550,100	659,500
Civil Air Patrol	78,400	83,300	78,900
Emer. Response Commission	21,800	20,000	20,000
Local Emergency Plan Comm.	120,000	-0-	-0-
Nuclear Emer. Management	<u>172,100</u>	<u>203,300</u>	<u>-0-</u>
TOTAL	935,900	856,700	758,400 ^{1/2/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Nuclear Emer. Mgt., Ch. 72	<u>---</u>	<u>203,100</u>	<u>---</u>
TOTAL APPROPRIATIONS	<u>935,900</u>	<u>1,059,800</u>	<u>758,400</u>

The approved amount includes \$18,300 in Personal Services and \$2,700 in Employee Related expenditures for the general salary adjustment.

Personal Services - The approved amount includes funding for 2 new FTE positions to carry out Hazardous Materials Training and Education, as mandated by OSHA.

All Other Operating Expenditures - The appropriation includes \$51,700 for travel, training materials, and equipment associated with the Hazardous Materials Training program.

Arizona Emergency Response Commission - This is the official name of the Commission. In the past, appropriations for this function have been listed under "Hazardous Materials Program".

(Continued)

- 1/ Of this amount, \$78,900 is to be used for the Civil Air Patrol and \$20,000 for the Emergency Response Commission. Any funds not used for these purposes shall revert to the General Fund.
- 2/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS - EMERGENCY SERVICES (Cont'd)
GENERAL FUND AND NUCLEAR EMERGENCY MANAGEMENT FUND

ADDITIONAL APPROPRIATION

Nuclear Emergency Appropriation and Assessment - Chapter 72 (H.B. 2062)-
Appropriates \$651,200 from the State General Fund to the Nuclear Emergency Management Fund, pursuant to A.R.S. § 26-306.1, for administering and enforcing the state plan for off-site response to an emergency caused by an accident at a commercial nuclear generating station. Monies appropriated to the Nuclear Emergency Management Fund are exempt from A.R.S. § 35-190, regarding lapsing of appropriations. An amount of \$651,200, plus interest at the rate of 10% 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:

- | | |
|--|------------|
| 1. Division of Emergency Services, Department of Emergency and Military Affairs: | \$ 203,100 |
| 2. Radiation Regulatory Agency: | \$ 330,900 |
| 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: | \$ 117,200 |

JLBC Analyst: Hernandez

Donald Owens, The Adjutant General (Tel. 267-2710)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>49.0</u>	<u>49.0</u>	<u>48.5</u>
Personal Services	<u>1,104,800</u>	<u>1,117,900</u>	<u>1,111,000</u>
Employee Related Exp.	<u>274,800</u>	<u>258,200</u>	<u>293,300</u>
Prof. & Outside Services	6,700	5,000	5,000
Travel - State	26,500	22,400	22,700
Travel - Out of State	1,300	3,100	3,100
Other Operating Exp.	911,000	1,028,900	1,021,300
Equipment	<u>42,300</u>	<u>13,800</u>	<u>37,900</u>
All Other Operating Exp.	<u>987,800</u>	<u>1,073,200</u>	<u>1,090,000</u>
OPERATION SUBTOTAL	2,367,400	2,449,300	2,494,300
Service Contracts	686,400	805,200	818,200
Education Reimbursement	47,000	40,000	60,000
Guardsmen - State Active Duty	5,100	5,300	5,300
Uniform Allowance	48,000	40,000	-0-
Unit Allowance	10,000	10,000	-0-
Reimbursable State Active Duty	<u>20,000</u>	<u>40,000</u>	<u>40,000</u> ^{1/}
TOTAL APPROPRIATIONS	<u>3,183,900</u>	<u>3,389,800</u>	<u>3,417,800</u> ^{2/3/}

The approved amount includes \$47,800 in Personal Services and \$7,500 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of .5 FTE position and \$15,100 for the FTE reduction policy.

(Continued)

- 1/ All expenditures from this appropriation shall be reimbursed to the General Fund by the Department of Emergency and Military Affairs, in accordance with A.R.S. § 35-142.01.
- 2/ Of this amount, \$818,200 is intended for Service Contracts and is exempt from A.R.S. § 35-190 relating to lapsing of appropriations, except that all monies remaining unexpended and unencumbered on October 31, 1991 shall revert to the state General Fund.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS - MILITARY AFFAIRS (Cont'd)
GENERAL FUND

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 2.(B) of the Capital Outlay Bill appropriates \$425,500 from the General Fund as follows:

- o Payson Armory \$336,700
Funding provides the state's 25% match to design and construct a 20,500 square foot armory in Payson to replace two 720 square foot temporary trailers. Ten acres of land for this project have been received from the U.S. Forest Service. Federal funds will finance the remaining portion.

- o Sunnyslope Tactical Equipment Park 24,000
Funds to provide the state's 25% match for the design and construction of a parking structure to accommodate new, larger vehicles at the agency's facility in north Phoenix. The appropriated amount also includes funding for fencing and security lights.

- o Marana Tactical Equipment Park 64,800
Funding represents the state's 25% match for the design and construction of a parking lot addition to accommodate additional equipment received by the unit.

Total Capital Outlay Appropriations

\$425,500

JLBC Analyst: Morris/Bradley

Carol Hurtt, Director (Tel. 542-4988)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>785.0</u>
Personal Services	<u>-0-</u>	<u>-0-</u>	<u>17,774,100</u>
Employee Related Exp.	<u>-0-</u>	<u>-0-</u>	<u>5,128,300</u>
Prof. & Outside Services	-0-	-0-	1,629,800
Travel - State	-0-	-0-	106,400
Travel - Out-of-State	-0-	-0-	22,500
Other Operating Exp.	-0-	-0-	3,916,900
Equipment	<u>-0-</u>	<u>-0-</u>	<u>166,000</u>
All Other Operating Exp.	<u>-0-</u>	<u>-0-</u>	<u>5,841,600</u> ^{1/}
OPERATION SUBTOTAL	-0-	-0-	28,744,000
New Agency Supplement	-0-	-0-	250,000
Food	-0-	-0-	717,100
Work Incentive Pay Plan	-0-	-0-	264,500
Purchase of Care	-0-	-0-	4,597,400 ^{2/}
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(335,400)</u>
TOTAL APPROPRIATIONS	<u>-0-</u>	<u>-0-</u>	<u>34,237,600</u> ^{3/4/5}

The approved amount includes \$764,100 in Personal Services and \$108,900 in Employee Related Expenditures for the general salary adjustment.

(Continued)

- 1/ Professional and outside services monies used for contracting are subject to evaluation under the standardized evaluation system approved by the Joint Legislative Budget Committee.
- 2 The \$4,597,400 appropriated for purchase of care is to be used for treatment programs for juvenile offenders under the jurisdiction of the Department of Juvenile Corrections and shall be provided by community contractors.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.
- 4/ The Department of Juvenile Corrections was created by Laws 1989, Chapter 266, effective July 1, 1990. Previously, these functions were contained within the Department of Corrections.
- 5/ In addition to the amounts appropriated, one-half of the earnings on state lands and interest on the investment of the permanent land fund are appropriated in compliance with section 25 of the enabling act and the constitution to be used for the support of state juvenile institutions and reformatories.

DEPARTMENT OF JUVENILE CORRECTIONS (Cont'd)
GENERAL FUND

Personal Services - The Department of Juvenile Corrections was created by Laws 1989, Chapter 266, effective July 1, 1990. The new department consists of the former Juvenile Services program within the Department of Corrections, and 77 FTE positions and \$1,948,900 transferred from other programs in the Department of Corrections. The approved amount also includes a reduction of 8 FTE positions and \$173,100 in Personal Services to reflect the closing of the Ironwood Community Services Juvenile Program. A vacancy factor of 2.75%, or \$468,300, was deducted when the approved amount was computed. The approved amount allows \$64,200 for overtime and \$29,400 for hazardous duty pay.

Employee Related Expenditures - Included in the approved amount is \$149,300 for uniform allowances. The authorized uniform allowance is \$40 per month for employees classified within the Correctional Service Officer Series.

Professional and Outside Services - The approved amount includes a transfer of \$783,000 from the Department of Corrections. Included, also, are \$200,000 for Sex Offender treatment; \$191,000 for Substance Abuse counseling; \$161,800 for Psychological Services; \$41,800 for Program Development; \$41,000 for Substitute Teachers; and \$211,200 for Other Services.

Other Operating Expenditures - The approved amount includes \$425,400 for Lease/Rental of Land and Buildings. That includes \$280,200 for lease payments for the Catalina Mountain Juvenile Institution.

Equipment - The approved amount includes \$142,200 for the replacement of vehicles. Other approved amounts are \$16,000 for a copier with sorter for the Adobe Mountain Juvenile Institution, \$4,800 for replacement carpeting at Alamo Juvenile Institution, and \$3,000 for 2 safety/rescue airpaks for Black Canyon Juvenile Institution.

New Agency Supplement - \$250,000 is approved as a one-time supplement to cover costs associated with the separation of the Department of Juvenile Corrections from the Department of Corrections.

Food - The approved amount represents a net decrease of \$333,100 as compared with the FY 1990 estimate. The decrease is due to two factors. \$156,100 of the decrease is due to funding food purchases at \$1.00 per meal which is a reduction of \$.0431 from the FY 1990 approved level. The remaining \$176,800 reduction reflects an increase in the federal funds from the National School Breakfast and Lunch Program that partially offset food expenditures. In total, it is expected that federal funds will provide \$411,300 for food in FY 1991. The total amount available for food from all sources, in FY 1991, is estimated to be \$1,128,400.

Work Incentive Pay Plan - Funds payments to juvenile offenders who perform work assignments.

Purchase of Care - The approved amount provides \$3,819,600 for 141 residential placements, \$567,400 for 50 placements in day support services, and \$210,400 for psychological services and non-residential substance abuse programs. Included in those amounts is \$159,800 appropriated for a special cost adjustment to certain contract providers of services.

(Continued)

DEPARTMENT OF JUVENILE CORRECTIONS (Cont'd)
GENERAL FUND

Population - The FY 1991 appropriation is based upon funding for an estimated average daily population of 888 youth offenders committed to state operated institutions and 87 offenders assigned to state operated community programs.

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B. 1007), 3rd Special Session - Section 2.(B) of the Capital Outlay Bill appropriates \$244,000 from the General Fund to the Department of Administration to be used for Department of Juvenile Corrections related purposes as follows:

- o East and West Annex Renovations \$ 55,000
Provides funds for renovating these facilities in order for the Department of Juvenile Corrections to relocate and occupy the available space.

- o Pinal Mt. Water Improvements 175,000
Construction of a water well to allow the institution to supply its own water.

- o Black Canyon Water Purification System 14,000
Purchase and installation of a water purification system to prevent damage to kitchen equipment resulting from hard water.

Total Capital Outlay Appropriations \$244,000

ADDITIONAL LEGISLATION

Juvenile Educational System Board Compensation - Chapter 267 (H.B. 2088) - This legislation removes the provision regarding compensation for members of the state Juvenile Education System Board, and provides an earlier effective date for the appointment of initial members. The board members are still eligible for reimbursement of expenses, but will not receive the \$50 per diem originally enacted. All initial board members must now be appointed on or before January 30, 1991.

Corrections Officer Retirement Fund - Chapter 272 (H.B. 2669) - This legislation amends Title 38, Chapter 5, Article 6, Arizona Revised Statutes concerning the Corrections Officer Retirement Fund. The amendments allow specified positions within the Department of Juvenile Corrections to participate in this retirement plan. The positions include those formerly covered under the Department of Corrections, as well as, the additional classifications of Youth Corrections Officer and Youth Program Officer.

Drug Abuse and Gangs - Chapter 366 (H.B. 2080) - This legislation changes the distribution of Criminal Justice Enhancement Fund monies. Two percent of the fund balance on the first of the month, after the distribution of monies to the Arizona Automated Fingerprint Identification System Fund, will be transferred to the Department of Juvenile Corrections. These funds are to be used for the treatment and rehabilitation of juveniles who have committed drug-related offenses.

JLBC Analyst: Burgess

Arter L. Johnson, Chairman (Tel. 542-5656)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>40.0</u>	<u>43.0</u>	<u>43.0</u>
Personal Services	<u>981,100</u>	<u>1,134,100</u>	<u>1,167,900</u>
Employee Related Exp.	<u>200,400</u>	<u>227,100</u>	<u>256,900</u>
Prof. & Outside Services	-0-	-0-	62,100
Travel - State	40,300	58,100	50,600
Travel - Out of State	1,200	-0-	-0-
Other Operating Exp.	184,100	140,500	334,900
Equipment	<u>68,600</u>	<u>4,000</u>	<u>19,400</u>
All Other Operating Exp.	<u>294,200</u>	<u>202,600</u>	<u>467,000</u>
OPERATION SUBTOTAL	1,475,700	1,563,800	1,891,800
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(18,500)</u>
TOTAL APPROPRIATIONS	<u>1,475,700</u>	<u>1,563,800</u>	<u>1,873,300</u> ^{1/}

The approved amount includes \$35,600 in Personal Services and \$4,600 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of 4.0 FTE positions, 2 Hearing Officers I and 2 Information Processing Specialists I, and a reclassification of 1 Hearing Officer I and 8 Hearing Officers II into 9 Case Analysts. The reorganization changes were made pursuant to the recommendations contained in the Auditor General's Performance Audit Report of March, 1990, for a reduction of \$76,700. Also included is the addition of \$27,500 for 2 FTE positions, a Clerk Typist III and a Clerk Typist II, to meet the requirements of Chapter 180 (S.B. 1505). Also appropriated is \$31,600 for 2 FTE positions, an Information Processing Specialist II and an Administrative Support Supervisor I, as well as \$16,300 for an increase in Board member salaries and a 1½ vacancy savings of \$11,500.

Professional and Outside Services - The approved amount represents a shift of \$48,000 from Other Operating Expenditures and includes \$8,300 additional data processing costs and \$5,800 for 2 computer terminals for the new positions necessitated by Chapter 180 (S.B. 1505).

Travel - State - The approved amount includes an additional \$1,400 in travel rate adjustments and an additional \$300 necessitated by Chapter 180 (S.B. 1505). Also included is a reduction of Hearing Officer travel, as per the Auditor General's recommendation, for a savings of \$9,200.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the agency. The line items within "All Other Operating Exp." are shown for information only.

BOARD OF PARDONS AND PAROLES (Cont'd)
GENERAL FUND

Other Operating Expenditures - The approved amount represents a \$48,000 shift to Professional and Outside Services as well as an additional \$162,400 for risk management, \$3,400 for maintenance contracts, and \$33,800 for increased operating expenditures. Also included is \$5,000 for relocation of computer terminals and training due to reorganization and \$33,400 for postage necessitated by Chapter 180 (S.B. 1505). An additional \$1,300 is also included for operating expenditures as well as \$3,100 in non-capitalized equipment for the new positions.

Equipment - The approved amount includes \$11,700 for 2 laser printers as well as \$6,000 for computer equipment for the new Information Processing Specialist II and \$1,700 for equipment for the new FTE positions.

ADDITIONAL LEGISLATION

Notification of Victims - Chapter 180 (S.B. 1505) - This bill requires that all victim notifications of commutations and paroles, sent by the Board of Pardons and Paroles pursuant to A.R.S. § 31-411(G), be mailed by certified mail, return receipt requested.

JLBC Analyst: Blanton

Col. F.J. "Rick" Ayars, Director (Tel. 223-2359)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Criminal Investigation	11,834,900	12,523,600	12,645,300
Highway Patrol	31,118,400	32,331,900	33,817,900
Administration	16,817,700	18,736,600	18,296,200
Criminal Justice Support	8,881,000	9,217,700	9,582,000
Telecommunications	13,680,200	13,927,300	16,234,600
Sec. 109 Lump Sum Reduction	-0-	-0-	(673,000)
TOTAL APPROPRIATIONS	<u>82,332,200</u>	<u>86,737,100</u>	<u>89,903,000</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>1,620.0</u>	<u>1,622.0</u>	<u>1,629.0</u>
Personal Services	<u>52,148,500</u>	<u>55,559,200</u>	<u>57,390,300</u>
Employee Related Exp.	<u>10,254,200</u>	<u>10,516,300</u>	<u>11,544,700</u>
Prof. & Outside Services	324,200	288,600	296,800
Travel - State	479,600	557,900	599,900
Travel - Out of State	166,100	182,200	182,200
Other Operating Exp.	13,375,400	14,813,100	14,101,400
Equipment	<u>5,087,400</u>	<u>4,310,800</u>	<u>3,944,900</u>
All Other Operating Exp.	<u>19,432,700</u>	<u>20,152,600</u>	<u>19,125,200</u>
OPERATION SUBTOTAL	81,835,400	86,228,100	88,060,200
Special Line Items ^{1/}	496,800	509,000	515,800
Additional Appropriations	--	--	2,000,000
Sec. 109 Lump Sum Reduction	-0-	-0-	(673,000)
TOTAL APPROPRIATIONS	<u>82,332,200</u>	<u>86,737,100</u>	<u>89,903,000</u> ^{2/3/} ^{4/5/}
<u>Fund Summary</u>			
General Fund	69,635,200	84,915,100	71,349,700
Arizona Highway Patrol Fund ^{6/}	500,000	500,000	500,000
State Highway Fund	<u>12,197,000</u>	<u>1,322,000</u>	<u>18,053,300</u>
TOTAL APPROPRIATIONS	<u>82,332,200</u>	<u>86,737,100</u>	<u>89,903,000</u> ^{7/8/}

The approved amount includes \$2,469,700 in Personal Services and \$255,100 in Employee Related Expenditures for the general salary adjustment.

(Continued)

^{1/} Details for the Special Line Items are included on the individual program pages.

(Footnotes Continued on Following Page)

DEPARTMENT OF PUBLIC SAFETY - SUMMARY (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

CAPITAL OUTLAY

Capital Outlay Bill - Chapter (S.B. 1007) - Section 2.(B) of the Capital Outlay Bill appropriates \$330,000 from the General Fund as follows:

- o Officers Remote Housing \$330,000
Property acquisition, site improvements, and mobile housing units in remote areas of the state.

Total Capital Outlay Appropriations \$330,000

(Footnotes Continued From Previous Page)

- 2/ Of the lump sum appropriation, \$2,430,000 is exempt from the provision of A.R.S. § 35-190, relating to lapsing of appropriations, provided that purchase orders covering replacement of highway patrol enforcement vehicles have been placed prior to June 30, 1991.
- 3/ It is the intent of the Legislature that the department use a portion of the lump sum appropriation to provide on-site air rescue services to Northeastern Arizona during peak traffic periods.
- 4/ It is the intent of the Legislature that the Department of Public Safety continue to report expenditures, for budget request purposes, by functional or programmatic categories by line item, similar in nature to past budgetary practices.
- 5/ The Arizona Highway Patrol Fund contains miscellaneous department revenues and fund transfers pursuant to A.R.S. § 28-1891.
- 6/ Laws 1989, Chapter 4 (H.B. 2269), transferred \$10,741,000 to the Highway Patrol Fund from the Arizona Highways Magazine Fund and the Transportation Department Equipment Revolving Fund.
- 7/ In addition to the \$89,904,900 lump sum appropriation, any balance and receipts received under A.R.S. § 28-891, are appropriated to the Department of Public Safety.
- 8/ Any monies remaining in the Department of Public Safety Joint Account on June 30, 1990 shall revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated.

JLBC Analyst: Blanton

Col. F.J. "Rick" Ayars, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>255.0</u>	<u>253.0</u>	<u>253.0</u>
Personal Services	<u>9,293,600</u>	<u>9,808,000</u>	<u>10,095,600</u>
Employee Related Exp.	<u>1,641,700</u>	<u>1,756,100</u>	<u>1,846,300</u>
Prof. & Outside Services	6,400	2,500	2,800
Travel - State	107,600	133,100	141,900
Travel - Out of State	34,000	50,800	50,800
Other Operating Exp.	438,300	351,600	290,800
Equipment	<u>313,300</u>	<u>421,500</u>	<u>217,100</u>
All Other Operating Exp.	<u>899,600</u>	<u>959,500</u>	<u>703,400</u>
TOTAL APPROPRIATIONS	<u>11,834,900</u>	<u>12,523,600</u>	<u>12,645,300</u> ^{1/}

The approved amount includes \$434,700 in Personal Services and \$43,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 1.5% vacancy factor or \$147,100.

All Other Operating - The approved amount includes funding for 21 replacement undercover vehicles.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Blanton

Col. F.J. "Rick" Ayars, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>718.0</u>	<u>714.0</u>	<u>721.0</u>
Personal Services	<u>22,951,100</u>	<u>24,438,600</u>	<u>25,503,700</u>
Employee Related Exp.	<u>4,637,000</u>	<u>4,913,300</u>	<u>5,182,700</u>
Prof. & Outside Services	18,700	24,000	29,200
Travel - State	211,300	217,700	237,600
Travel - Out of State	52,100	24,700	24,700
Other Operating Exp.	489,700	192,800	261,200
Equipment	<u>2,758,500</u>	<u>2,520,800</u>	<u>2,578,800</u>
All Other Operating Exp.	<u>3,530,300</u>	<u>2,980,000</u>	<u>3,131,500</u>
TOTAL APPROPRIATIONS	<u>31,118,400</u>	<u>32,331,900</u>	<u>33,817,900</u>
<u>Fund Summary</u>			
General Fund	18,931,100	31,019,600	15,774,300
Highway Patrol Fund	500,000	500,000	500,000
State Highway Fund	<u>11,687,300</u>	<u>812,300</u>	<u>17,543,600</u>
TOTAL APPROPRIATIONS	<u>31,118,400</u>	<u>32,331,900</u>	<u>33,817,900</u> ^{1/}

The approved amount includes \$1,098,200 in Personal Services and \$107,600 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 1.5% vacancy factor or \$371,600 and funding of 7 new FTE positions for 7 months. These new FTE positions are expressly approved to replace rural area patrolmen transferred to the metropolitan areas.

All Other Operating - The approved amount includes funding for 180 replacement vehicles and 90 replacement body armor vests.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Blanton

Col. F.J. "Rick" Ayars, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>209.0</u>	<u>213.0</u>	<u>213.0</u>
Personal Services	<u>6,652,700</u>	<u>7,021,600</u>	<u>7,227,000</u>
Employee Related Exp.	<u>1,327,800</u>	<u>1,337,800</u>	<u>1,471,100</u>
Prof. & Outside Services	118,700	103,000	105,400
Travel - State	60,500	84,900	89,700
Travel - Out of State	35,700	46,500	46,500
Other Operating Exp.	8,487,700	10,003,500	9,279,900
Equipment	<u>77,900</u>	<u>82,600</u>	<u>13,100</u>
All Other Operating Exp.	<u>8,780,500</u>	<u>10,320,500</u>	<u>9,534,600</u>
OPERATION SUBTOTAL	16,761,000	18,679,900	18,232,700
Blood & Alcohol Program	<u>56,700</u>	<u>56,700</u>	<u>63,500</u>
TOTAL APPROPRIATIONS	<u>16,817,700</u>	<u>18,736,600</u>	<u>18,296,200</u>
<u>Fund Summary</u>			
General Fund	16,474,900	18,393,800	17,953,400
State Highway Fund	<u>342,800</u>	<u>342,800</u>	<u>342,800</u>
TOTAL APPROPRIATIONS	<u>16,817,700</u>	<u>18,736,600</u>	<u>18,296,200</u> ^{1/}

The approved amount includes \$309,600 in Personal Services and \$33,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 1.5% vacancy factor or \$105,300.

All Other Operating - The approved amount includes funding for 5 replacement vehicles and assorted shop tools.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Blanton

Col. F.J. "Rick" Ayars, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>154.0</u>	<u>158.0</u>	<u>158.0</u>
Personal Services	<u>5,552,200</u>	<u>6,075,000</u>	<u>6,253,100</u>
Employee Related Exp.	<u>1,080,900</u>	<u>1,054,500</u>	<u>1,198,100</u>
Prof. & Outside Services	50,600	54,100	54,400
Travel - State	33,300	39,700	42,300
Travel - Out of State	31,200	47,900	47,900
Other Operating Exp.	1,877,000	1,752,500	1,755,700
Equipment	<u>255,800</u>	<u>194,000</u>	<u>230,500</u>
All Other Operating Exp.	<u>2,247,900</u>	<u>2,088,200</u>	<u>2,130,800</u>
TOTAL APPROPRIATIONS	<u>8,881,000</u>	<u>9,217,700</u>	<u>9,582,000</u>
Fund Summary			
General Fund	8,714,100	9,050,800	9,415,100
State Highway Fund	<u>166,900</u>	<u>166,900</u>	<u>166,900</u>
TOTAL APPROPRIATIONS	<u>8,881,000</u>	<u>9,217,700</u>	<u>9,582,000</u> ^{1/}

The approved amount includes \$269,300 in Personal Services and \$28,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 1.5% vacancy factor or \$91,200.

All Other Operating - The approved amount includes funding for replacement crime scene equipment, auto blood alcohol systems, a gas chromatograph and a helicopter engine.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Blanton

Col. F.J. "Rick" Ayars, Director (Tel. 223-2359)

DEPARTMENT OF PUBLIC SAFETY JOINT ACCOUNT	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>284.0</u>	<u>284.0</u>	<u>284.0</u>
Personal Services	<u>7,698,900</u>	<u>8,216,000</u>	<u>8,310,900</u>
Employee Related Exp.	<u>1,566,800</u>	<u>1,454,600</u>	<u>1,846,500</u>
Prof. & Outside Services	129,800	105,000	105,000
Travel - State	66,900	82,500	88,400
Travel - Out of State	13,100	12,300	12,300
Other Operating Exp.	2,082,700	2,512,700	2,513,800
Equipment	<u>1,681,900</u>	<u>1,091,900</u>	<u>905,400</u>
All Other Operating Exp.	<u>3,974,400</u>	<u>3,804,400</u>	<u>3,624,900</u>
OPERATION SUBTOTAL	13,240,100	13,475,000	13,782,300
ACJIS	<u>440,100</u>	<u>452,300</u>	<u>452,300</u>
TOTAL	13,680,200	13,927,300	14,234,600 ^{1/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Automated Fingerprint Identification System, Ch. 304	<u>—</u>	<u>—</u>	<u>2,000,000</u>
TOTAL APPROPRIATIONS	<u>13,680,200</u>	<u>13,927,300</u>	<u>16,234,600</u>

The approved amount includes \$357,900 in Personal Services and \$42,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 1.5% vacancy factor or \$121,100.

All Other Operating - The approved amount includes funding for 2 replacement vehicles and assorted microwave equipment.

ADDITIONAL APPROPRIATIONS

Automated Fingerprint Identification System - Chapter 304 (S.B. 1001)- Appropriates the sum of two million dollars from the State General Fund to the Department of Public Safety for deposit in the Arizona Automated Fingerprint Identification System Fund established pursuant to A.R.S. § 41-2414, as added by this act, for the lease-purchase by the Director of the Department of Public Safety of equipment and services for the Arizona automated fingerprint identification network. This appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

GENERAL FUND AND OTHER APPROPRIATED FUNDS	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
<u>Program Summary</u>			
Director's Staff	427,800	430,200	447,700
Trans. Planning Division	3,516,400	3,555,900	3,816,200
Admin. Services Division	28,801,700	31,654,000	32,886,200
Special Support Group	3,477,500	3,566,100	3,886,900
Motor Vehicle Division	26,439,100	30,548,900	31,928,800
Highways Division	97,672,400	104,032,900	109,417,400
Aeronautics Division	1,040,200	1,462,200	1,683,100
Public Transit Division	35,000	57,400	107,700
TOTAL APPROPRIATIONS	<u>161,410,100</u>	<u>175,307,600</u>	<u>184,174,000</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>3,194.5</u>	<u>3,326.5</u>	<u>3,332.0</u>
Personal Services	<u>59,578,800</u>	<u>62,659,600</u>	<u>64,637,700</u>
Employee Related Exp.	<u>13,614,600</u>	<u>13,179,600</u>	<u>15,438,600</u>
Prof. & Outside Services	1,462,900	1,375,900	1,520,000
Travel - State	1,192,600	1,631,600	1,804,800
Travel - Out of State	123,500	143,200	144,200
Other Operating Exp.	19,109,300	24,082,200	24,894,700
Equipment	<u>1,651,100</u>	<u>1,398,200</u>	<u>913,600</u>
All Other Operating Exp.	<u>23,539,400</u>	<u>28,631,100</u>	<u>29,277,300</u>
OPERATION SUBTOTAL	96,732,800	104,470,300	109,353,600
Special Line Items	64,677,300	70,837,300	74,718,400
Additional Appropriations	<u>---</u>	<u>---</u>	<u>102,000</u>
TOTAL APPROPRIATIONS	<u>161,410,100</u>	<u>175,307,600</u>	<u>184,174,000</u>
<u>Fund Summary</u>			
State Highway Fund	160,319,900	173,693,200	182,352,200
State Aviation Fund	1,040,200	1,254,200	1,683,100
General Fund	50,000	82,000	76,200
Air Quality Fund	<u>-0-</u>	<u>278,200</u>	<u>62,500</u>
TOTAL APPROPRIATIONS	<u>161,410,100</u>	<u>175,307,600</u>	<u>184,174,000</u>

The approved amount includes \$2,783,500 in Personal Services and \$360,800 in Employee Related Expenditures for the general salary adjustment, and \$962,200 for salary adjustments in special line items.

(Continued)

DEPARTMENT OF TRANSPORTATION - SUMMARY (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

CAPITAL OUTLAY

Capital Outlay Bill Chapter 8 (S.B. 1007), 3rd Special Session - Section 2.(H)
of the Capital Outlay Bill appropriates \$7,981,900 from the State Highway Fund
for the following projects:

- o Fuel Storage Tanks \$ 685,000
Part of an ongoing effort to replace 133 underground storage tanks to comply with federal and state requirements.
- o Glendale Driver's License Office 660,000
Construction of a new facility at 59th Ave. and Bell Rd. in Glendale.
- o Yuma Maintenance Yard 310,100
Continuation of a project to move this facility to a more accessible location.
- o Modular Wall Systems 920,000
Installation of modular wall systems in agency offices to make more effective use of space.
- o Yuma Equipment Shop 680,000
Construction of an equipment service shop at the new Yuma maintenance yard.
- o Nogales Maintenance Yard 230,700
The third and final phase of the relocation of this facility; funds also provide for the construction of a storage building.
- o Parking Lot Restoration 275,100
The first of a 2-phase project to restore 4 Phoenix-area parking lots.
- o Bisbee/Douglas Regional Service Center 350,000
Property acquisition for future construction.
- o Walker Road Maintenance Yard 328,000
Site preparations and upgrades for the future construction of the Prescott Maintenance Camp.
- o Sierra Vista Title/Registration 786,300
Land acquisition, design, and construction of a driver's license, title, and registration facility in Sierra Vista.
- o Electrical Supply Center Building 83,500
Renovation of this Phoenix facility.
- o East Tucson Driver's License Office 1,061,000
Land acquisition, design, and construction of a new facility.

(Continued)

DEPARTMENT OF TRANSPORTATION - SUMMARY (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

o Signing and Striping Branch Paving Repaving of parking areas and access roads at this Phoenix facility.	\$ 56,200
o Motor Vehicle Office Modifications Modification of service counters at the Sun City, Nanini, and Tucson offices to accommodate new equipment.	115,000
o Douglas Maintenance Yard Replacement of 3 deteriorating asphalt storage tanks.	45,000
o Flagstaff Motor Vehicle Division Landscaping Installation of a new sprinkler system.	50,000
o Needle Mt. Tank Insulation Replacement of insulation on asphalt storage tanks.	14,000
o Flagstaff Maintenance Yard Storage Tanks Purchase and installation of new asphalt storage tanks.	45,000
o Holbrook Maintenance Yard Storage Tanks Purchase and installation of new asphalt storage tanks.	45,000
o Statewide Construction Emergency small-scale construction projects under \$5,000.	15,000
o Flagstaff East Maintenance Yard Building Construction of a storage building for vegetation control equipment and chemicals.	96,200
o Grant Road Maintenance Yard First of a 4-year project to develop the new Grant Road (Phoenix) facility. Funding provides infrastructure and 3 storage buildings.	178,000
o Needle Mt. Maintenance Yard Trailer Pad Construction of 3 trailer pads for employee housing.	25,000
o Chambers Maintenance Yard Expansion of existing storage and maintenance building.	176,000
o Cordes Junction Maintenance Building Construction of a salt storage shed and a retaining wall, and purchase and installation of an asphalt storage tank.	85,000
o Phoenix West Area Laboratory Security improvements.	6,000
o Recker Road Maintenance Building Security improvements.	28,000

(Continued)

DEPARTMENT OF TRANSPORTATION - SUMMARY (Cont'd)
GENERAL FUND AND OTHER APPROPRIATED FUNDS

o Gray Mountain Maintenance Yard	\$ 94,000
Construction of an addition to the existing maintenance and storage building.	
o Wickenburg Maintenance Yard	25,000
Installation of a security fence.	
o Williams Maintenance Yard	78,800
Construction of a maintenance and storage building.	
o Camp Verde Maintenance Yard	35,000
Repaving of heavy traffic areas.	
o Yuma MVD Service Center	400,000
Funds to complete a license, registration, and title facility.	

In addition to the projects shown above, Section 2 (I) of the Capital Outlay Bill appropriates \$159,843,000 from the State Highway Fund for highway planning and construction, and Section 2 (J) appropriates \$10,703,000 from the Aviation Fund for airport projects.

Section 1 (D) of the Capital Outlay Bill appropriates \$922,540 from the State Highway Fund to the Department of Transportation and Section 1 (C) appropriates \$20,330 from the Aviation Fund to the Department of Administration for the maintenance and repair of buildings owned by the Department of Transportation.

Total Capital Outlay Appropriations	<u>\$179,470,740</u>
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JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

<u>STATE HIGHWAY FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Personal Services	<u>324,300</u>	<u>334,000</u>	<u>341,000</u>
Employee Related Exp.	<u>50,600</u>	<u>40,900</u>	<u>50,600</u>
Travel - State	7,200	19,700	20,500
Travel - Out of State	9,600	10,700	10,700
Other Operating Exp.	35,500	24,900	24,900
Equipment	600	-0-	-0-
All Other Operating Exp.	<u>52,900</u>	<u>55,300</u>	<u>56,100</u>
TOTAL APPROPRIATIONS	<u>427,800</u>	<u>430,200</u>	<u>447,700</u> ^{1/}

The approved amount includes \$14,700 in Personal Services and \$1,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 1% vacancy factor or \$3,300.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

<u>STATE HIGHWAY FUND AND GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>92.0</u>	<u>89.0</u>	<u>89.0</u>
Personal Services	<u>2,502,900</u>	<u>2,478,500</u>	<u>2,582,600</u>
Employee Related Exp.	<u>524,400</u>	<u>482,000</u>	<u>580,600</u>
Travel - State	75,300	98,200	108,400
Travel - Out of State	13,400	16,600	16,600
Other Operating Exp.	325,900	375,700	378,000
Equipment	<u>59,500</u>	<u>80,300</u>	<u>150,000</u>
All Other Operating Exp.	<u>474,100</u>	<u>570,800</u>	<u>653,000</u>
OPERATION SUBTOTAL	3,501,400	3,531,300	3,816,200
Other Transit Planning (General Fund)	<u>15,000</u>	<u>24,600</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>3,516,400</u>	<u>3,555,900</u>	<u>3,816,200</u>
<u>Fund Summary</u>			
General Fund	15,000	24,600	-0-
Other Funds	<u>3,501,400</u>	<u>3,531,300</u>	<u>3,816,200</u>
TOTAL APPROPRIATIONS	<u>3,516,400</u>	<u>3,555,900</u>	<u>3,816,200</u> ^{1/}

The approved amount includes \$111,200 in Personal Services and \$13,900 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 2.49% vacancy factor or \$63,000.

All Other Operating - The approved amount includes \$150,000 for replacement equipment.

Other Transit Planning - This Special Line Item is transferred to the Public Transit Division.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>302.0</u>	<u>321.0</u>	<u>335.0</u>
Personal Services	<u>7,661,200</u>	<u>8,198,100</u>	<u>8,860,500</u>
Employee Related Exp.	<u>1,648,100</u>	<u>1,702,200</u>	<u>2,070,200</u>
Prof. & Outside Services	679,600	468,400	618,400
Travel - State	4,800	14,700	29,900
Travel - Out of State	14,500	12,900	12,900
Other Operating Exp.	9,063,000	11,779,400	11,849,600
Equipment	<u>583,100</u>	<u>369,800</u>	<u>313,800</u>
All Other Operating Exp.	<u>10,345,000</u>	<u>12,645,200</u>	<u>12,824,600</u>
OPERATION SUBTOTAL	19,654,300	22,545,500	23,755,300
Risk Management Premium	<u>9,147,400</u>	<u>9,108,500</u>	<u>9,130,900</u>
TOTAL APPROPRIATIONS	<u>28,801,700</u>	<u>31,654,000</u>	<u>32,886,200</u> ^{1/}

The approved amount includes \$381,600 in Personal Services and \$48,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a permanent base reduction of 2 unspecified FTE positions and \$50,200 in accordance with the FTE reduction policy; a 3.77% vacancy factor or \$332,500, funding for 9 new FTE positions: 1 EDP Program Analyst II to manage the Disaster Recovery Plan; 2 EDP Systems Project Leaders, 1 EDP Technical Support Specialist III, and 1 Administrative Support Supervisor I to support the Motor Vehicle Division Drivers License, Title and Registration Program; 1 Management Analyst II and 1 Administrative Assistant II to provide security for the Transportation Accounting System (TRACS); and 2 Fiscal Service Manager I's to improve Generally Accepted Accounting Principles (GAAP) and procedures within the department and the transfer in of 7 FTE positions: 1 EDP Technical Support Specialist III and 2 Building Maintenance Technician III's from the Highways Division; 1 Hearings Officer II from the Motor Vehicle Division, 1 EDP Program Analyst III and 1 Management Analyst I from the Mobile Home Administrative Revolving Fund (MHARF); and 1 EDP Program Analyst II from Equipment Services.

All Other Operating - The approved amount includes \$300,200 for replacement equipment.

Risk Management Premium - The approved amount includes \$22,400 for premium increase.

(Continued)

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

DEPARTMENT OF TRANSPORTATION - ADMINISTRATIVE SERVICES DIVISION (Cont'd)
STATE HIGHWAY FUND

ADDITIONAL LEGISLATION

Tucson Light Rail Demonstration Project - Chapter 408 (H.B. 2362) - Increases the amount of lottery money to be deposited in the Local Transportation Assistance Fund by \$500,000 for FY 1991 and appropriates the \$500,000 to the Department of Transportation for distribution to the City of Tucson to complete the light rail demonstration project currently under construction on 4th Avenue and University Boulevard.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

<u>STATE HIGHWAY FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>80.0</u>	<u>81.0</u>	<u>84.0</u>
Personal Services	<u>2,473,800</u>	<u>2,522,600</u>	<u>2,708,000</u>
Employee Related Exp.	<u>500,900</u>	<u>470,200</u>	<u>568,000</u>
Prof. & Outside Services	206,600	251,000	253,600
Travel - State	33,100	32,400	34,500
Travel - Out of State	16,400	20,500	21,500
Other Operating Exp.	219,500	221,700	253,900
Equipment	<u>12,700</u>	<u>31,900</u>	<u>31,600</u>
All Other Operating Exp.	<u>488,300</u>	<u>557,500</u>	<u>595,100</u>
OPERATION SUBTOTAL	3,463,000	3,550,300	3,871,100
Education and Training	<u>14,500</u>	<u>15,800</u>	<u>15,800</u>
TOTAL APPROPRIATIONS	<u>3,477,500</u>	<u>3,566,100</u>	<u>3,886,900</u> ^{1/}

The approved amount includes \$116,600 in Personal Services and \$14,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a 2.45% vacancy factor or \$65,000 and the transfer in of the Safety and Health Section consisting of: 1 Secretary, 1 Occupational Safety Consultant II and 1 Occupational Safety Administrator from the Highways Division.

All Other Operating - The approved amount includes \$7,600 for biennial auditor training as required by the Comptroller General of the United States and \$31,600 for replacement equipment.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND AND AIR QUALITY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>828.0</u>	<u>879.0</u>	<u>870.0</u>
Personal Services	<u>16,603,300</u>	<u>17,403,500</u>	<u>18,027,900</u>
Employee Related Exp.	<u>4,181,500</u>	<u>4,226,800</u>	<u>4,884,800</u>
Prof. & Outside Services	439,500	572,600	566,700
Travel - State	228,500	319,800	354,000
Travel - Out of State	29,100	25,100	25,100
Other Operating Exp.	3,292,000	4,409,200	4,372,500
Equipment	<u>350,300</u>	<u>16,800</u>	<u>34,200</u>
All Other Operating Exp.	<u>4,339,400</u>	<u>5,343,500</u>	<u>5,352,500</u>
OPERATION SUBTOTAL	25,124,200	26,973,800	28,265,200
License Plates and Tabs	1,236,800	1,288,800	1,275,300
Medical Advisory Board	78,100	86,300	86,300
Drivers License/Title	<u>-0-</u>	<u>2,200,000</u>	<u>2,200,000</u> ^{1/}
TOTAL	26,439,100	30,548,900	31,826,800
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Criminal Background Investigation, Ch. 211	<u>—</u>	<u>—</u>	<u>102,000</u>
TOTAL APPROPRIATIONS	<u>26,439,100</u>	<u>30,548,900</u>	<u>31,928,800</u> ^{2/}
<u>Fund Summary</u>			
Air Quality Fund	-0-	70,200	31,000
Other Funds	<u>26,439,100</u>	<u>30,478,700</u>	<u>31,897,800</u>
TOTAL APPROPRIATIONS	<u>26,439,100</u>	<u>30,548,900</u>	<u>31,928,800</u>

The approved amount includes \$776,300 in Personal Services and \$102,700 in Employee Related Expenditures for the general salary adjustment.

(Continued)

1/ This appropriation is exempt from A.R.S. § 35-190, related to lapsing of appropriations.

2/ Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

DEPARTMENT OF TRANSPORTATION - MOTOR VEHICLE DIVISION (Cont'd)
STATE HIGHWAY FUND AND AIR QUALITY FUND

Personal Services - The approved amount reflects a permanent base reduction of 6 unspecified FTE positions and \$125,400 in accordance with the FTE reduction policy; a 3.76% vacancy factor or \$679,500, 7 new FTE positions: 5 Motor Vehicle Field Officers for Title and Registration enforcement and 2 Revenue Field Auditor II's to enhance the audit and revenue collection capability; the transfer out of 1 Hearings Officer II to the Administrative Services Division and the shifting of funding from the Highway Fund to the Classified Drivers License Revolving Fund of 9 unspecified FTE positions supporting the Classified Drivers License Program.

All Other Operating - The approved amount provides \$22,000 for replacement equipment and \$75,000 for a Classified Maintenance Review of Motor Vehicle Operations Clerk I's and II's.

Drivers License/Title Registration - The approved amount is the second increment of a four phase program designed to automate the License and Title functions.

ADDITIONAL APPROPRIATIONS

Criminal Background Investigation - Chapter 211 (H.B. 2401) - Establishes a Criminal Background Investigation Fund and appropriates the sum of \$102,000 from the State Highway Fund to the Criminal Background Investigation Fund for the purposes of this act.

Notwithstanding A.R.S. § 28-1330, as added by this act, the Director of the Department of Transportation shall deposit the fees collected for a license application pursuant to A.R.S. Article 1, Chapter 8 of Title 28, in the State Highway Fund in an amount sufficient to repay the State Highway Fund for the appropriation made by this section.

This act is effective from and after December 31, 1990.

ADDITIONAL LEGISLATION

Motor Vehicle Liability Insurance - Chapter 371 (H.B. 2098) - Establishes a Motor Vehicle Liability Insurance Enforcement Fund and for FY 1991, directs the Department of Transportation to allocate and the State Treasurer to distribute from the Highway User Revenue Fund (HURF) to the Department of Transportation \$235,000 for the establishment of the Motor Vehicle Liability Insurance Enforcement Fund.

Cargo Tanker Administration - Chapter 113 (H.B. 2364) - Establishes a Cargo Tank Administration Fund and appropriates \$275,000 from the State Highway Fund in FY 1991-1992 to carry out the provisions of the act.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

STATE HIGHWAY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>1,856.5</u> ^{1/}	<u>1,920.5</u> ^{2/}	<u>1,916.0</u> ^{3/}
Personal Services	<u>29,469,600</u>	<u>31,050,300</u>	<u>31,330,500</u>
Employee Related Exp.	<u>6,581,400</u>	<u>6,111,100</u>	<u>7,080,700</u>
Prof. & Outside Services	12,500	10,700	8,100
Travel - State	818,100	1,119,300	1,228,500
Travel - Out of State	35,000	39,900	39,900
Other Operating Exp.	5,951,300	6,977,400	7,626,100
Equipment	<u>619,000</u>	<u>889,400</u>	<u>184,000</u>
All Other Operating Exp.	<u>7,435,900</u>	<u>9,036,700</u>	<u>9,086,600</u>
OPERATION SUBTOTAL	43,486,900	46,198,100	47,497,800
Highway Maintenance	53,803,600	57,417,700	61,502,500
Radio Communications	<u>381,900</u>	<u>417,100</u>	<u>417,100</u>
TOTAL APPROPRIATIONS	<u>97,672,400</u>	<u>104,032,900</u>	<u>109,417,400</u> ^{4/}

The approved amount includes \$1,349,200 in Personal Services and \$176,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a permanent base reduction of 9 FTE positions and \$263,700 in accordance with the FTE reduction policy; a 3.63% vacancy factor or \$1,138,600, the transfer out of 6 FTE positions: the Health and Safety Section consisting of 1 Secretary, 1 Occupational Safety Consultant II and 1 Occupational Safety Administrator to the Special Support Group; and 2 Building Maintenance Technician III's and 1 EDP Technical Support Specialist III to the Administrative Services Division.

All Other Operating - The approved amount includes \$184,000 for replacement equipment and \$715,900 for additional utility costs associated with the covered deck section of the freeway and other sections of the freeway.

Highway Maintenance - The approved amount reflects a permanent base reduction of 3 FTE positions and \$962,200 in accordance with the FTE reduction policy [Personal Services \$829,500 - Employee Related Expenditures \$132,700] to fund an additional 13.5 Highway Maintenance Technician I's and \$100,000 for Classified Drivers testing of maintenance personnel. The approved amount includes \$829,500 in Personal Services and \$132,700 in Employee Related Expenditures for the general salary adjustment.

^{1/} Includes 821.5 FTE positions funded in Highway Maintenance.

^{2/} Includes 839.5 FTE positions funded in Highway Maintenance.

^{3/} Includes 850.0 FTE positions funded in Highway Maintenance.

^{4/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 225-7226)

<u>STATE AVIATION FUND AND AIR QUALITY FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>28.0</u>	<u>28.0</u>	<u>29.0</u>
Personal Services	<u>518,400</u>	<u>629,700</u>	<u>723,200</u>
Employee Related Exp.	<u>119,200</u>	<u>136,500</u>	<u>184,600</u>
Prof. & Outside Services	124,700	73,200	73,200
Travel - State	25,200	26,500	28,000
Travel - Out of State	4,900	16,000	16,000
Other Operating Exp.	221,900	291,800	387,600
Equipment	<u>25,900</u>	<u>10,000</u>	<u>200,000</u>
All Other Operating Exp.	<u>402,600</u>	<u>417,500</u>	<u>704,800</u>
OPERATION SUBTOTAL	1,040,200	1,813,700	1,612,600
Reimbursement to Highway Fund	-0-	70,500	70,500
Omnibus Air Quality Act	<u>-0-</u>	<u>208,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,040,200</u>	<u>1,462,200</u>	<u>1,683,100</u> ^{1/}
<u>Fund Summary</u>			
State Aviation Fund	1,040,200	1,254,200	1,683,100
Air Quality Fund	<u>-0-</u>	<u>208,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>1,040,200</u>	<u>1,462,200</u>	<u>1,683,100</u>

The approved amount includes \$31,100 in Personal Services and \$4,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount reflects a vacancy factor of 1% or \$7,000 and funding for 1 new FTE position: 1 Building Maintenance Technician III.

All Other Operating - The approved amount includes \$200,000 for new equipment for the Grand Canyon Airport, \$60,000 for relocation of the Division, \$30,000 for the biennial procurement of aeronautics charts and a reduction of \$1,700 for Risk Management Insurance.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

JLBC Analyst: Blanton

Charles L. Miller, Director (Tel. 255-7226)

GENERAL FUND AND AIR QUALITY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>2.0</u>	<u>2.0</u>	<u>3.0</u>
Personal Services	<u>25,300</u>	<u>42,900</u>	<u>64,000</u>
Employee Related Exp.	<u>8,500</u>	<u>9,900</u>	<u>19,100</u>
Travel - State	400	1,000	1,000
Travel - Out of State	600	1,500	1,500
Other Operating Exp.	<u>200</u>	<u>2,100</u>	<u>2,100</u>
All Other Operating Exp.	<u>1,200</u>	<u>4,600</u>	<u>4,600</u>
OPERATION SUBTOTAL	35,000	57,400	87,700
Other Transit Planning	<u>-0-</u>	<u>-0-</u>	<u>20,000</u>
TOTAL APPROPRIATIONS	<u>35,000</u>	<u>57,400</u>	<u>107,700</u> ^{1/}
<u>Fund Summary</u>			
General	35,000	57,400	76,200
Air Quality Fund	<u>-0-</u>	<u>-0-</u>	<u>31,500</u>
TOTAL APPROPRIATIONS	<u>35,000</u>	<u>57,400</u>	<u>107,700</u>

The approved amount includes \$2,800 in Personal Services and \$300 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes 1 new FTE position: 1 Planner II to act as an administrator for technical assistance to Regional Public Transportation activities to improve air quality. This position to be funded from the Air Quality Fund.

Other Transit Planning - This Special Line Item was transferred from the Transportation Planning Division to combine all General Fund appropriations in one cost center.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Burgess

Marcia A. Dillman, Director (Tel. 542-2102)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>
Personal Services	<u>69,500</u>	<u>70,900</u>	<u>74,100</u>
Employee Related Exp.	<u>14,400</u>	<u>14,000</u>	<u>19,600</u>
Prof. & Outside Services	1,800	-0-	-0-
Travel - State	3,100	4,700	3,500
Travel - Out of State	2,100	500	500
Other Operating Exp.	22,800	21,100	20,200
Equipment	-0-	-0-	-0-
All Other Operating Exp.	<u>29,800</u>	<u>26,300</u>	<u>24,200</u>
TOTAL APPROPRIATIONS	<u>113,700</u>	<u>111,200</u>	<u>117,900</u> ^{1/}

The approved amount includes \$3,200 in Personal Services and \$400 in Employee Related Expenditures for the general salary adjustment.

All Other Operating - The approved amount includes a reduction of \$900 for completion of a lease-purchase agreement on a copy machine and a reduction of \$1,200 in In-State Travel.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Brainard

Duane Shroufe, Director (Tel. 942-3000)

<u>OTHER APPROPRIATED FUNDS</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
<u>Program Summary</u>			
Administrative & Field Services	13,497,400	14,023,300	14,569,900
Watercraft	1,274,400	1,307,800	1,386,500
Game, Non-Game, Fish and Endangered Species	240,100	276,300	278,300
Waterfowl Conservation Fund	-0-	3,400	3,400
TOTAL APPROPRIATIONS	<u>15,011,900</u>	<u>15,610,800</u>	<u>16,238,100</u>

Expenditure Detail

FTE Positions	<u>278.0</u>	<u>276.0</u>	<u>276.0</u>
Personal Services	<u>6,425,900</u>	<u>6,637,500</u>	<u>6,932,800</u>
Employee Related Exp.	<u>1,930,500</u>	<u>1,941,200</u>	<u>2,255,800</u>
Prof. & Outside Services	249,300	285,300	219,300
Travel - State	244,100	261,900	272,200
Travel - Out of State	20,300	19,300	19,300
Other Operating Exp.	3,168,000	3,368,000	3,460,200
Equipment	<u>1,056,000</u>	<u>1,051,200</u>	<u>830,400</u>
All Other Operating Exp.	<u>4,737,700</u>	<u>4,985,700</u>	<u>4,801,400</u>
OPERATION SUBTOTAL	13,094,100	13,564,400	13,990,000
Special Line Items	<u>1,917,800</u>	<u>2,046,400</u>	<u>2,248,100</u>
TOTAL APPROPRIATIONS	<u>15,011,900</u>	<u>15,610,800</u>	<u>16,238,100</u>

Fund Summary

Game and Fish Fund	13,497,400	14,023,300	14,450,300
Watercraft Licensing Fund	1,274,400	1,307,800	1,386,500
Game, Non-Game, Fish and Endangered Species Fund	240,100	276,300	278,300
Waterfowl Conservation Fund	-0-	3,400	3,400
Capital Improvement Fund	<u>-0-</u>	<u>-0-</u>	<u>119,600</u>
TOTAL APPROPRIATIONS	<u>15,011,900</u>	<u>15,610,800</u>	<u>16,238,100</u>

(Continued)

GAME & FISH DEPARTMENT - SUMMARY (Cont'd)
OTHER APPROPRIATED FUNDS

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B.1007), 3rd Special Session - Section 2.(C) of the Capital Outlay Bill appropriates \$133,000 from the Game & Fish Fund to the Game & Fish Department as follows:

- o Facilities Maintenance \$ 100,000
Statewide cyclical maintenance.

- o Shooting Range Development 15,000
Matched with private sector participation, funds are used to develop and maintain shooting ranges to promote firearms safety and proficiency.

- o Greenway Road Widening 18,000
Reimbursement to the City of Phoenix for the widening and upgrade of Greenway Road in front of the agency's main office.

Section 1.(C) appropriates \$90,200 from the Game & Fish Fund to the Department of Administration for the maintenance and repair of buildings owned by the Game and Fish Department.

Subtotal - Game & Fish Fund 223,200

Section 2.(E) appropriates \$100,000 from the Waterfowl Conservation Fund to the Game & Fish Department as follows:

- o Migratory Waterfowl Habitat 100,000
Acquisition of waterfowl habitat.

Subtotal - Waterfowl Conservation Fund 100,000

Section 2.(D) appropriates \$700,000 from the Capital Improvement Fund to the Game & Fish Department as follows:

- o Hatchery Renovations 450,000
Funding represents the state's 25% match to upgrade and renovate the fish hatchery system.

- o Deer Valley North Addition 250,000
Continuation of this project to relieve overcrowding at the Department's central facility.

Subtotal - Capital Improvement Fund 700,000

Section 2.(F) appropriates \$620,400 from the State Lake Improvement Fund to the Game and Fish Department for the state's share of improvements to the Burnt Corral Recreation Area in the Tonto National Forest. The project is being administered by the federal government.

Total Capital Outlay Appropriations \$1,643,600

JLBC Analyst: Brainard

Duane Shroufe, Director (Tel. 942-3000)

GAME AND FISH FUND AND CAPITAL IMPROVEMENT FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>248.5</u>	<u>246.5</u>	<u>246.5</u>
Personal Services	<u>5,914,000</u>	<u>6,102,500</u>	<u>6,373,900</u>
Employee Related Exp.	<u>1,795,800</u>	<u>1,797,900</u>	<u>2,083,500</u>
Prof. & Outside Services	179,900	234,600	164,600
Travel - State	230,300	241,000	250,400
Travel - Out of State	14,900	13,900	13,900
Other Operating Exp.	2,795,200	2,937,700	3,026,900
Equipment	<u>1,009,000</u>	<u>1,023,800</u>	<u>778,100</u>
All Other Operating Exp.	<u>4,229,300</u>	<u>4,451,000</u>	<u>4,233,900</u>
OPERATION SUBTOTAL	11,939,100	12,351,400	12,691,300
Commission Reserve	22,800	35,000	35,000
Cooperative Research Projects	30,000	30,000	30,000 ^{1/}
Pittman-Robertson Act	887,700	833,300	927,300 ^{1/}
Dingell-Johnson Act	617,800	681,200	766,700 ^{1/}
Nongame Fund Reimbursement	-0-	92,400	-0-
Reg. Offices Lease-Purchase	<u>-0-</u>	<u>-0-</u>	<u>119,600</u> ^{2/}
TOTAL APPROPRIATIONS	<u>13,497,400</u>	<u>14,023,300</u>	<u>14,569,900</u> ^{3/}
<u>Fund Summary</u>			
Game and Fish Fund	13,497,400	14,023,300	14,450,300
Capital Improvement Fund	<u>-0-</u>	<u>-0-</u>	<u>119,600</u>
TOTAL APPROPRIATIONS	<u>13,497,400</u>	<u>14,023,300</u>	<u>14,569,900</u>

The approved amount provides \$271,300 in Personal Services and \$54,400 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy factor of 2%, providing vacancy savings of \$164,600.

(Continued)

- ^{1/} Any part of this appropriation may be used for the purchase of matching federal and apportionment funds.
- ^{2/} Funding for Regional Field Offices Lease-Purchase is appropriated from the Capital Improvement Fund.
- ^{3/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program. The line items within "All Other Operating Exp." are shown for information only.

GAME AND FISH DEPARTMENT - ADMINISTRATIVE AND FIELD SERVICES (Cont'd)
GAME AND FISH FUND AND CAPITAL IMPROVEMENT FUND

Professional and Outside Services - The approved amount includes \$114,000 for data processing services provided by the Department of Administration Division of Data Management, \$12,200 for legal expenses, and \$22,900 for predator control services.

Equipment - As the third and final phase of a project to replace all 22 of the Department's radio base stations, the approved amount includes \$70,000 to replace 7 stations. The approved amount also includes \$347,800 to purchase 25 replacement pickup trucks, \$48,000 to purchase 4 $\frac{1}{2}$ -ton utility vehicles, \$20,000 to purchase a forklift, and \$24,200 for a computerized engine analyzer.

Commission Reserve - This appropriation is used as an emergency set-aside fund.

Cooperative Research Projects - Funding for ongoing research projects conducted with the University of Arizona.

Pittman-Robertson Act - These funds are used to match federal funds for wildlife restoration projects.

Dingell-Johnson Act - These funds are used to match federal funds for fish restoration projects.

Regional Offices Lease-Purchase - This appropriation provides the Department's first lease-purchase payment for new regional field offices in Kingman, Yuma, and Flagstaff.

JLBC Analyst: Brainard

Duane Shroufe, Director (Tel. 942-3000)

<u>WATERCRAFT LICENSING FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>25.5</u>	<u>25.5</u>	<u>25.5</u>
Personal Services	<u>405,400</u>	<u>427,200</u>	<u>446,400</u>
Employee Related Exp.	<u>110,200</u>	<u>115,800</u>	<u>142,700</u>
Prof. & Outside Services	20,600	24,600	28,600
Travel - State	9,500	13,800	14,500
Travel - Out of State	2,300	2,600	2,600
Other Operating Exp.	327,000	336,900	339,900
Equipment	<u>39,900</u>	<u>27,400</u>	<u>52,300</u>
All Other Operating Exp.	<u>399,300</u>	<u>405,300</u>	<u>437,900</u>
OPERATION SUBTOTAL	914,900	948,300	1,005,200
Cost Transfer to Game & Fish Fund	<u>359,500</u>	<u>359,500</u>	<u>359,500</u>
TOTAL APPROPRIATIONS	<u>1,274,400</u>	<u>1,307,800</u>	<u>1,386,500</u> ^{1/}

The approved amount includes \$19,200 in Personal Services and \$2,600 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy factor of 1%, providing total vacancy savings of \$5,600.

Equipment - The approved amount includes funding for 6 cash registers and 4 computer terminals that will allow remote site on-line registration of watercraft. Also included is funding for a microcomputer and a laser printer.

Cost Transfer - The approved amount is used to reimburse the Game & Fish Fund for employees and equipment from the Game & Fish cost center performing Watercraft-related functions.

^{1/} Represents General Appropriation Act funds. Appropriated as a modified lump sum for the program, with special line items. The line items within "Operation Subtotal" are shown for information only.

JLBC Analyst: Brainard

Duane Shroufe, Director (Tel. 942-3000)

<u>GAME, NON-GAME, FISH AND ENDANGERED SPECIES FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>106,500</u>	<u>107,800</u>	<u>112,500</u>
Employee Related Exp.	<u>24,500</u>	<u>27,500</u>	<u>29,600</u>
Prof. & Outside Services	48,800	26,100	26,100
Travel - State	4,300	6,700	6,900
Travel - Out of State	3,100	2,800	2,800
Other Operating Exp.	45,800	90,400	90,400
Equipment	7,100	-0-	-0-
All Other Operating Exp.	<u>109,100</u>	<u>126,000</u>	<u>126,200</u>
OPERATION SUBTOTAL	240,100	261,300	268,300
Cost Transfer (N-GM to G&F)	<u>-0-</u>	<u>15,000</u>	<u>10,000</u>
TOTAL APPROPRIATIONS	<u>240,100</u>	<u>276,300</u>	<u>278,300</u> ^{1/}

The approved amount includes \$4,800 in Personal Services and \$700 in Employee Related Expenditures for the general salary adjustment.

Cost Transfer - The approved amount is used to reimburse the Game & Fish Fund for employees and equipment from the Game & Fish cost center performing functions related to the Game, Non-Game cost center.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Brainard

Duane Shroufe, Director (Tel. 942-3000)

<u>WATERFOWL CONSERVATION FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
Travel - State	-0-	400	400
Other Operating Exp.	-0-	3,000	3,000
All Other Operating Exp.	-0-	3,400	3,400
TOTAL APPROPRIATIONS	<u>-0-</u>	<u>3,400</u>	<u>3,400</u> ^{1/}

These funds are used to facilitate the acquisition of property for waterfowl habitat.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program. The line items are shown for information only.

JLBC Analyst: Brainard

Larry D. Fellows, Ph.D., Director (Tel. 882-4795)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>13.25</u>	<u>13.25</u>	<u>13.25</u>
Personal Services	<u>329,000</u>	<u>342,600</u>	<u>355,500</u>
Employee Related Exp.	<u>67,300</u>	<u>66,600</u>	<u>78,500</u>
Travel - State	4,500	6,100	6,700
Travel - Out of State	4,300	4,700	3,100
Other Operating Exp.	98,600	102,300	109,600
Equipment	<u>22,700</u>	<u>13,300</u>	<u>12,000</u>
All Other Operating Exp.	<u>130,100</u>	<u>126,400</u>	<u>131,400</u>
TOTAL APPROPRIATIONS	<u>526,400</u> ^{1/}	<u>535,600</u>	<u>565,400</u> ^{2/}

The approved amount includes \$15,300 in Personal Services and \$2,000 in Employee Related Expenditures for the general salary adjustment.

Other Operating Expenditures - The approved amount includes \$66,500 for office space lease costs, and \$7,900 for utilities.

Equipment - The approved amount provides funding for 3 replacement computers and a replacement microfiche printer/reader.

^{1/} Represents the first year operating funds as an independent agency.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Wilcox

M. J. Hassell, State Land Commissioner (Tel. 542-4621)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>153.0</u>	<u>159.0</u>	<u>164.0</u>
Personal Services	<u>4,118,400</u>	<u>4,242,200</u>	<u>4,525,000</u>
Employee Related Exp.	<u>908,000</u>	<u>913,500</u>	<u>1,022,700</u>
Prof. & Outside Services	426,500	444,600	516,600
Travel - State	133,300	199,300	216,600
Travel - Out of State	4,600	2,400	2,400
Other Operating Exp.	1,212,000	1,415,600	1,393,200
Equipment	<u>110,200</u>	<u>249,600</u>	<u>200,200</u>
All Other Operating Exp.	<u>1,886,600</u>	<u>2,311,500</u>	<u>2,329,000</u>
OPERATION SUBTOTAL	6,913,000	7,467,200	7,876,700
Litigation Expenses	35,900	20,000	20,000
Legal Advertising	-0-	30,000	30,000
Cap User Fees - SLD	78,000	78,100	78,100
Water Rights Filing Fees	23,100	38,200	36,800
Water Litigation	46,800	51,500	51,500
Illegal Dump Supervision	18,600	18,600	18,600
Nat. Resource Conserv. Dist.	134,800	160,000	160,000
Conservation Education	30,000	30,000	30,000
Coyote Creek Watershed	75,000	-0-	-0-
Board of Appeals	9,000	16,100	16,100
Arizona Geological Mapping	-0-	-0-	25,000
Sec. 109 Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(81,200)</u>
TOTAL	7,364,200	7,909,700	8,261,600
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Bertino Settlement Agreement, Ch. 188	<u>---</u>	<u>145,000</u>	<u>---</u>
TOTAL APPROPRIATIONS	<u>7,364,200</u>	<u>8,054,700</u>	<u>8,261,600</u>

The approved amount includes \$194,900 in Personal Services and \$25,000 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy factor of 2.93% which amounts to \$130,800 in vacancy savings.

(Continued)

1/ Represents the General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

STATE LAND DEPARTMENT
GENERAL FUND

FTE Positions - The approved amount includes an additional 5 FTE positions for the following projects.

- Geographical Information System Support - The approved amount includes funds to enhance the Departments' ability to maintain the Arizona Land Resource Information System (ALRIS). One additional FTE position was approved as well as \$31,000 in Personal Services, \$7,000 in Employee Related Expenditures.
- Revenue Producing Positions - The approved amount includes 4 FTE positions and \$158,500 to improve the Departments' ability to process a backlog of applications and audits. These 4 new FTE positions, 1 Land Sales position, 1 Appraiser position, and 2 Commercial Leasing positions, should result in 5 to 10 million dollars in additional revenue to State Land Trust funds.

Professional and Outside Services - The approved amount includes funds to complete the system design and documentation of the lease/billing systems. This is the fourth year of a 5-year project to automate the Departments' business and accounting systems.

ADDITIONAL APPROPRIATIONS

Bertino Settlement Agreement - Chapter 188 (H.B. 2144) - This legislation appropriated \$145,000 to the State Land Department to comply with the terms of a 1985 settlement agreement with the Bertino family members.

ADDITIONAL LEGISLATION

Wildland Fire Emergencies - Chapter 387 (H.B. 2575) - This legislation authorizes the State Land Department, upon the declaration of an emergency by the Governor, to incur liabilities upon the General Fund of not more than \$1,000,000 annually for the purpose of fighting wildland fires starting July 1, 1991. This \$1,000,000 authorization, along with the Governors \$2,500,000 emergency authorization increases the total, statewide annual emergency spending authorization to \$3,500,000.

JLBC Analyst: Burgess

Leroy E. Kissinger, Director (Tel. 255-3791)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>11.5</u>	<u>8.5</u>	<u>8.5</u>
Personal Services	<u>303,400</u>	<u>267,800</u>	<u>263,700</u>
Employee Related Exp.	<u>65,300</u>	<u>56,000</u>	<u>56,800</u>
Travel - State	7,700	9,200	9,400
Travel - Out of State	1,900	1,500	1,600
Other Operating Exp.	44,400	27,900	18,300
Equipment	<u>40,200</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>94,200</u>	<u>38,600</u>	<u>29,300</u>
TOTAL APPROPRIATIONS	<u>462,900</u>	<u>362,400</u>	<u>349,800</u> ^{1/}

The approved amount includes \$11,400 in Personal Services and \$1,500 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a reduction of \$15,500 for new personnel hired at lower salaries than their predecessors.

All Other Operating - The approved amount includes \$200 additional In-State Travel costs, \$100 additional Out-of-State Travel costs, and a \$1,600 reduction in risk management fees. Also included is a reduction of \$8,000 in Other Operating Expenditures for utility expenses that will no longer be incurred upon the agency's anticipated July, 1990 relocation into the El Zaribah Shrine Auditorium.

ADDITIONAL LEGISLATION

Printing Revolving Fund - Chapter 34 (S.B. 1380) - This bill raises the amount of monies in the Printing Revolving Fund that are exempt from A.R.S. § 35-190 relating to lapsing funds from \$5,000 to \$10,000.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The line items are shown for information only.

JLBC Analyst: Brainard

Daniel J. Brennan, Director (Tel. 255-5161)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Personal Services	<u>115,800</u>	<u>115,300</u>	<u>109,900</u>
Employee Related Exp.	<u>23,500</u>	<u>28,200</u>	<u>25,200</u>
Prof. & Outside Services	100	-0-	-0-
Travel - State	5,100	5,900	6,000
Travel - Out of State	2,700	1,500	2,100
Other Operating Exp.	32,800	28,500	29,100
Equipment	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>40,700</u>	<u>35,900</u>	<u>37,200</u>
OPERATION SUBTOTAL	180,000	179,400	172,300
Office Relocation	-0-	3,000	-0-
Dues for IOCC	-0-	3,000	3,000 ^{1/}
IOCC Meeting	<u>-0-</u>	<u>2,000</u>	<u>2,000</u> ^{1/}
TOTAL APPROPRIATIONS	<u>180,000</u>	<u>187,400</u>	<u>177,300</u> ^{2/}

The approved amount includes \$4,700 in Personal Services and \$600 in Employee Related Expenditures for the general salary adjustment.

^{1/} The approved amount represents dues and meeting attendance costs for the Interstate Oil Compact Commission. This is a statutory responsibility of the Governor's Office that has been delegated to the Oil and Gas Conservation Commission.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Brainard

Kenneth E. Travous, Director (Tel. 542-4174)

GENERAL FUND, LAW ENFORCEMENT AND BOATING SAFETY FUND AND STATE LAKE IMPROVEMENT FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
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Program Summary

Administrative and Support Services	5,665,700	5,811,300	6,533,100
Arizona Outdoor Recreation Coordinating Commission	<u>2,532,900</u>	<u>2,031,500</u>	<u>9,742,500</u>
TOTAL APPROPRIATIONS	<u>8,198,600</u>	<u>7,842,800</u>	<u>16,275,600</u>

Expenditure Detail

FTE Positions	<u>154.85</u>	<u>157.85</u>	<u>169.5</u>
Personal Services	<u>3,279,000</u>	<u>3,439,800</u>	<u>3,822,700</u>
Employee Related Exp.	<u>879,900</u>	<u>916,100</u>	<u>1,182,900</u>
Prof. & Outside Services	51,300	63,100	93,100
Travel - State	59,100	57,000	91,500
Travel - Out of State	6,200	10,900	10,900
Other Operating Exp.	1,248,700	1,496,900	1,550,800
Equipment	<u>323,000</u>	<u>204,700</u>	<u>157,900</u>
All Other Operating Exp.	<u>1,688,300</u>	<u>1,832,600</u>	<u>1,904,200</u>
OPERATION SUBTOTAL	5,847,200	6,188,500	6,909,800
Special Line Items	2,351,400	1,654,300	8,945,800
Additional Appropriations	<u>-0-</u>	<u>-0-</u>	<u>420,000</u>
TOTAL APPROPRIATIONS	<u>8,198,600</u>	<u>7,842,800</u>	<u>16,275,600</u>

Fund Summary

General Fund	5,665,700	5,811,300	6,533,100
State Lake Improvement Fund	2,049,800	1,617,800	9,071,700
Law Enforcement and Boating Safety Fund	<u>483,100</u>	<u>413,700</u>	<u>670,800</u>
TOTAL APPROPRIATIONS	<u>8,198,600</u>	<u>7,842,800</u>	<u>16,275,600</u>

(Continued)

STATE PARKS BOARD - SUMMARY (Cont'd)
GENERAL FUND, LAW ENFORCEMENT AND BOATING
SAFETY FUND AND STATE LAKE IMPROVEMENT FUND

CAPITAL OUTLAY

Capital Outlay Bill - Chapter 8 (S.B.1007), 3rd Special Session - Section 2.(B)
of the Capital Outlay Bill appropriates \$1,185,000 from the General Fund as follows:

o Fire Suppression Systems	\$ 230,000
Design and installation of fire detection and suppression systems at the Ft. Verde, Riordan, and Tombstone Courthouse State Parks.	
o Red Rock State Park Visitor Center	850,000
Construction of an environmental education and information center with a panoramic view of the Red Rock area.	
o Riordan State Park	30,000
Design of the Riordan Mansion restoration in Flagstaff.	
o Yuma Quartermaster Utilities	75,000
Upgrade and extension of utilities to the 6 existing historic structures at the Yuma Quartermaster Depot Complex.	
Subtotal - General Fund	<u>1,185,000</u>

Section 2.(G) of the Capital Outlay Bill appropriates \$1,864,700 from the State Lake Improvement Fund as follows:

o Buckskin Mountain Rehabilitation	618,200
Design and renovation, including upgrades to the water system, refurbishment of the boat launch area, additional campsites, and general improvements.	
o Verde Valley Lakes and River Access	199,500
Design and construction at Dead Horse State Park of 2 six-acre lakes, parking spaces, an access road to the Verde River, restrooms, ramadas, fencing, and landscaping.	
o Roper Lake State Park Campground Enhancements	361,100
Design and construction of a restroom/shower building, 6 ramadas, and landscaping.	
o Lyman Lake State Park Rehabilitation, Phase I	377,800
Rehabilitation of infrastructure, construction of a new restroom, and installation of landscaping.	
o Lake Havasu Improvements	308,100
In response to increasing levels of visitation, funding provides a fish cleaning station, courtesy docks, road paving for dump stations, new ramadas, and landscaping.	
Subtotal - State Lake Improvement Fund	<u>1,864,700</u>
Total Capital Outlay Appropriations	<u>\$3,670,100</u>

JLBC Analyst: Brainard

Kenneth E. Travous, Director (Tel. 542-4174)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>148.35</u>	<u>148.35</u>	<u>160.00</u>
Personal Services	<u>3,078,400</u>	<u>3,170,000</u>	<u>3,537,100</u>
Employee Related Exp.	<u>833,900</u>	<u>854,500</u>	<u>1,108,200</u>
Prof. & Outside Services	26,100	5,000	15,000
Travel - State	46,000	37,300	68,300
Travel - Out of State	3,800	4,600	4,600
Other Operating Exp.	1,175,600	1,422,400	1,479,200
Equipment	<u>316,000</u>	<u>194,200</u>	<u>147,400</u>
All Other Operating Exp.	<u>1,567,500</u>	<u>1,663,500</u>	<u>1,714,500</u>
OPERATION SUBTOTAL	5,479,800	5,688,000	6,359,800
State Trust Land Leases	115,800	123,300	123,400
Kartchner Caverns	55,100	-0-	-0-
Gatlin State Park Study	15,000	-0-	-0-
Lump Sum Reduction	<u>-0-</u>	<u>-0-</u>	<u>(370,100)</u> ^{1/}
TOTAL	<u>5,665,700</u>	<u>5,811,300</u>	<u>6,113,100</u> ^{2/}
Additional Appropriations - 39th Leg., 2nd Reg. Session			
Tonto Natural Bridge, Ch. 48	---	---	120,000
Arizona Conservation Corps, Ch. 401	---	---	<u>300,000</u>
TOTAL APPROPRIATIONS	<u>5,665,700</u>	<u>5,811,300</u>	<u>6,533,100</u>

The approved amount includes \$152,300 in Personal Services and \$19,800 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount includes a vacancy factor of 2.3%, or \$77,100. The approved budget provides authority for 11.65 additional positions, including a Concessions Manager, a Historic Preservation Specialist, an Accounting Technician, an Archaeologist for Homolovi State Park, a Parks Operations Officer at Kartchner Caverns, and 6.65 field positions to be used at parks requiring additional staffing.

(Continued)

- ^{1/} Includes a reduction of \$60,000 as required by Section 109 of the General Appropriation Act.
- ^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

STATE PARKS BOARD - ADMINISTRATIVE & SUPPORT SERVICES (Cont'd)
GENERAL FUND

ADDITIONAL APPROPRIATIONS

Tonto Natural Bridge - Chapter 48 (S.B. 1030) - This legislation authorizes the State Parks Board to enter into negotiations for the lease-purchase of the Tonto Natural Bridge property; establishes a revolving fund to maintain facilities at the park, including the restaurant, lodge, and gift shop; appropriates \$120,000 for FY 1991 to the State Parks Board for the operation of the park; and directs the Acquisition & Development Fund, upon completion of Kartchner Caverns lease-purchase payments, to be used to make lease-purchase payments for Tonto Natural Bridge when an agreement to acquire the property is reached, and a lease-purchase arrangement is completed.

Arizona Conservation Corps - Chapter 401 (H.B. 2671) - This legislation provides an appropriation of \$300,000 from the General Fund to the Arizona Conservation Corps, established by the Legislature in 1989 to promote the employment and personal development of young adults through projects and activities involving natural conservation and community service. The State Parks Board may provide assistance and staff support to the Corps Commission.

STATE PARKS BOARD - ARIZONA OUTDOOR RECREATION
 COORDINATING COMMISSION

A.R.S. 41-511.25

JLBC Analyst: Brainard

Kenneth E. Travous, Director (Tel. 542-4174)

STATE LAKE IMPROVEMENT FUND AND LAW ENFORCEMENT AND BOATING SAFETY FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>6.5</u>	<u>9.5</u>	<u>9.5</u>
Personal Services	<u>200,600</u>	<u>269,800</u>	<u>285,600</u>
Employee Related Exp.	<u>46,000</u>	<u>61,600</u>	<u>74,700</u>
Prof. & Outside Services	25,200	58,100	78,100
Travel - State	13,100	19,700	23,200
Travel - Out of State	2,400	6,300	6,300
Other Operating Exp.	73,100	74,500	71,600
Equipment	<u>7,000</u>	<u>10,500</u>	<u>10,500</u>
All Other Operating Exp.	<u>120,800</u>	<u>169,100</u>	<u>189,700</u>
OPERATION SUBTOTAL	367,400	500,500	550,000
State Lake Improvement	1,682,400	1,042,300	8,521,700
Boating Law Enforcement	483,100	413,700	670,800 ^{1/}
Off-Highway Vehicles	<u>-0-</u>	<u>75,000</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>2,532,900</u>	<u>2,031,500</u>	<u>9,742,500</u> ^{2/}
<u>Fund Summary</u>			
State Lake Improvement Fund	2,049,800	1,617,800	9,071,700
Law Enforcement and Boating Safety Fund	<u>483,100</u>	<u>413,700</u>	<u>670,800</u>
TOTAL APPROPRIATIONS	<u>2,532,900</u>	<u>2,031,500</u>	<u>9,742,500</u> ^{2/}

The approved amount includes \$12,300 in Personal Services and \$1,900 in Employee Related Expenditures for the general salary adjustment.

Professional and Outside Services - The approved amount includes \$75,000 to conduct a study to identify and assess river resources, as recommended by the Statewide Comprehensive Outdoor Recreation Plan (SCORP).

Equipment - The approved amount provides funding for 3 personal computers.

^{1/} The appropriation for Boating Law Enforcement Safety Fund is an estimate only. All monies distributed to this fund during FY 1991 in excess of the appropriated amount are appropriated to the State Parks Board for purposes established in A.R.S. § 5-383.

^{2/} Represents General Appropriation Act funds. Appropriated as a lump sum for the program, with special line items. The line items within the "Operation Subtotal" are shown for information only.

JLBC Analyst: Wilcox

Larry Linser, Director (Tel. 542-1553)

<u>GENERAL FUND SUMMARY</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
<u>Program Summary</u>			
Administration	3,340,300	3,702,100	3,650,800
Engineering	3,083,600	3,172,000	3,372,900
Water Management	4,604,200	4,974,400	5,148,600
Sec. 109 Lump Sum Reduction	-0-	-0-	(112,600)
Lump Sum Reduction	-0-	-0-	(582,000)
TOTAL APPROPRIATIONS	<u>11,028,100</u>	<u>11,848,500</u>	<u>11,477,200</u>
<u>Expenditure Detail</u>			
FTE Positions	<u>223.2</u>	<u>237.2</u>	<u>234.3</u> ^{1/}
Personal Services	<u>5,884,800</u>	<u>6,810,300</u>	<u>6,806,300</u>
Employee Related Exp.	<u>1,267,000</u>	<u>1,312,300</u>	<u>1,495,400</u>
Prof. & Outside Services	538,000	825,800	848,700
Travel - State	167,100	246,300	242,100
Travel - Out of State	34,600	33,300	29,900
Other Operating Exp.	2,040,400	2,175,700	2,181,000
Equipment	25,200	-0-	101,400
All Other Operating Exp.	<u>2,805,300</u>	<u>3,281,100</u>	<u>3,403,100</u>
OPERATION SUBTOTAL	9,957,100	11,403,700	11,704,800
Special Line Items	1,071,000	444,800	467,000 ^{2/}
Sec. 109 Lump Sum Reduction	-0-	-0-	(112,600)
Lump Sum Reduction	-0-	-0-	(582,000)
TOTAL APPROPRIATIONS	<u>11,028,100</u>	<u>11,848,500</u>	<u>11,477,200</u> ^{3/}

The approved amount includes \$293,100 in Personal Services and \$38,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount is based upon a 1.6% vacancy factor which results in vacancy savings of \$48,500.

- 1/ In prior years, 14 FTE positions were accounted for in the Environmental Quality and Groundwater Recharge special line items and were not reflected in the agency FTE count. For FY 1990, the Legislature included funding for these programs in the "above the line" operating budget.
- 2/ Details for the Special Line Items are included on the individual program pages.
- 3/ Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Wilcox

Larry Linser, Director (Tel. 542-1540)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>47.0</u>	<u>49.0</u>	<u>47.5</u>
Personal Services	<u>1,282,000</u>	<u>1,478,800</u>	<u>1,328,200</u>
Employee Related Exp.	<u>269,100</u>	<u>268,900</u>	<u>274,000</u>
Prof. & Outside Services	77,100	107,100	100,000
Travel - State	9,900	13,600	13,600
Travel - Out of State	8,700	7,700	7,700
Other Operating Exp.	1,693,500	1,826,000	1,842,600
Equipment	-0-	-0-	84,200
All Other Operating Exp.	<u>1,789,200</u>	<u>1,954,400</u>	<u>2,048,100</u>
TOTAL APPROPRIATIONS	<u><u>3,340,300</u></u>	<u><u>3,702,100</u></u>	<u><u>3,650,300</u></u> ^{1/}

The approved amount includes \$57,200 in Personal Services and \$7,100 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount is based upon a 1.6% vacancy factor, which results in vacancy savings of \$8,800. The approved amount also includes the transfer of 1 FTE position, a WR Attorney III position, and \$40,000 to the Water Management Program.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Wilcox

Larry Linser, Director (Tel. 542-1540)

<u>GENERAL FUND</u>	<u>Fiscal 89 Actual</u>	<u>Fiscal 90 Estimate</u>	<u>Fiscal 91 Approved</u>
FTE Positions	<u>58.5</u>	<u>68.0</u>	<u>68.0</u>
Personal Services	<u>1,623,300</u>	<u>2,008,500</u>	<u>2,061,300</u>
Employee Related Exp.	<u>347,400</u>	<u>390,400</u>	<u>468,500</u>
Prof. & Outside Services	9,500	68,300	98,300
Travel - State	74,600	116,500	130,300
Travel - Out of State	14,200	15,800	12,400
Other Operating Exp.	112,400	127,700	117,900
Equipment	<u>2,700</u>	<u>-0-</u>	<u>17,200</u>
All Other Operating Exp.	<u>298,900</u>	<u>328,300</u>	<u>376,100</u>
OPERATION SUBTOTAL	2,269,600	2,727,200	2,905,900
USGS Cooperative Agreement	219,600	278,400	292,300
Early Flood Warning System	100,000	104,000	109,200
Flood Control Plans Dev.	60,000	62,400	65,500
Environmental Quality	<u>434,400</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>3,083,600</u>	<u>3,172,000</u>	<u>3,372,900</u> ^{1/}

The approved amount includes \$88,800 in Personal Services and \$11,800 in Employee Related Expenditures for the general salary adjustment.

FTE Positions - The approved amount includes 1 FTE position for the following program.

- Safety of Dams - The approved amount include \$97,100 and 1 FTE position for the Safety of Dams Program.

Personal Services - The approved amount is based upon a 1.6% vacancy factor, which results is vacancy savings of \$30,100.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

JLBC Analyst: Wilcox

Larry Linser, Director (Tel. 542-1540)

GENERAL FUND	Fiscal 89 Actual	Fiscal 90 Estimate	Fiscal 91 Approved
FTE Positions	<u>117.7</u>	<u>120.2</u>	<u>118.8</u>
Personal Services	<u>2,979,500</u>	<u>3,323,000</u>	<u>3,416,800</u>
Employee Related Exp.	<u>650,500</u>	<u>653,000</u>	<u>752,900</u>
Prof. & Outside Services	451,400	650,400	650,400
Travel - State	82,600	116,200	98,200
Travel - Out of State	11,700	9,800	9,800
Other Operating Exp.	234,500	222,000	220,500
Equipment	<u>22,500</u>	<u>-0-</u>	<u>-0-</u>
All Other Operating Exp.	<u>802,700</u>	<u>998,400</u>	<u>978,900</u>
OPERATION SUBTOTAL	4,432,700	4,974,400	5,148,600
Groundwater Recharge	<u>171,500</u>	<u>-0-</u>	<u>-0-</u>
TOTAL APPROPRIATIONS	<u>4,604,200</u>	<u>4,974,400</u>	<u>5,148,600</u> ^{1/}

The approved amount includes \$147,100 in Personal Services and \$19,200 in Employee Related Expenditures for the general salary adjustment.

Personal Services - The approved amount is based upon a 1.6% vacancy factor, which results in vacancy savings of \$48,500. The approved amount also includes the transfer in of 1 FTE position, a WR Attorney III, and \$40,000 from the Administration program.

^{1/} Represents General Appropriation Act funds. Appropriated as a lump sum for the agency. The program and line item detail are shown for information only.

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL</u>	<u>EMPLOYEE RELATED</u>	<u>INSURANCE AMOUNTS</u>			
	<u>SERVICES</u>	<u>EXPENDITURES</u>				
	<u>4.5% Salary</u>	<u>Salary</u>	<u>Total</u>	<u>Health</u>	<u>Dental</u>	<u>Total</u>
	<u>Adjustment</u> ^{1/}	<u>Adjustment</u>	<u>Change</u>	<u>Insurance</u>	<u>Insurance</u>	<u>Insurance</u>
<u>GENERAL GOVERNMENT</u>						
DEPARTMENT OF ADMINISTRATION:						
Office of the Director	\$12,700	\$1,500	\$14,200	\$20,700	\$800	\$21,500
Hearing Office *	1,100	100	1,200	1,800	100	1,900
Executive Budget Office	35,400	4,400	39,800	68,900	2,600	71,500
Data Management	60,100	7,600	67,700	81,400	3,000	84,400
Finance	100,700	12,600	113,300	200,800	7,700	208,500
GAAP *	17,900	2,200	20,100	35,500	1,400	36,900
SLIAG *	6,000	800	6,800	11,900	500	12,400
Personnel	144,200	18,100	162,300	317,500	11,500	329,000
Facilities Management	221,900	36,200	258,100	625,900	23,400	649,300
General Services Administration	2,800	400	3,200	12,600	500	13,100
TOTAL - DEPT. OF ADMINISTRATION	602,800	83,900	686,700	1,377,000	51,500	1,428,500
OFFICE OF AFFIRMATIVE ACTION	6,800	900	7,700	13,100	400	13,500
ATTORNEY GENERAL - DEPT. OF LAW:						
Administration ^{2/}	59,500	6,900	66,400	100,700	4,300	105,000
Elderly Abuse *	3,300	400	3,700	5,800	300	6,100
Organized Crime	69,100	8,100	77,200	96,500	4,200	100,700
Environmental Quality *	7,100	800	7,900	10,200	400	10,600
Civil	106,000	12,600	118,600	169,900	7,200	177,100
Environmental Quality *	9,400	1,200	10,600	14,300	600	14,900
Water Litigation Expenses *	21,600	2,700	24,300	32,900	1,400	34,300
Civil Rights	17,500	2,100	19,600	29,700	1,300	31,000
Fair Housing *	3,100	400	3,500	4,800	200	5,000
Financial Fraud	72,900	8,600	81,500	100,800	4,400	105,200
Solicitor General	8,200	900	9,100	11,000	500	11,500
Antitrust	11,400	1,300	12,700	11,000	500	11,500
Criminal	68,700	8,000	76,700	98,000	4,100	102,100
Special Investigations	80,600	10,900	91,500	143,000	6,100	149,100

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>Total Change</u>	<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u> ^{1/}	<u>Salary Adjustment</u>		<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
Tax Division	\$42,400	\$5,000	\$47,400	\$56,900	\$2,400	\$59,300
TOTAL - ATTORNEY GENERAL	580,800	69,900	650,700	885,500	37,900	923,400
DEPARTMENT OF COMMERCE	76,700	9,500	86,200	149,000	5,800	154,800
SUPREME COURT - ADMINISTRATION <u>2/</u>	149,100	16,500	165,600	255,700	10,400	266,100
SUPREME COURT - FOSTER CARE REVIEW BOARD	24,000	2,800	26,800	67,100	2,700	69,800
COURT OF APPEALS - DIVISION I <u>2/</u>	152,000	19,500	171,500	215,400	10,700	226,100
COURT OF APPEALS - DIVISION II <u>2/</u>	51,600	4,700	56,300	99,500	4,700	104,200
SUPERIOR COURTS:						
Judges <u>2/</u>	89,600	4,800	94,400	325,000	16,100	341,100
Probation - State Aid *	67,500	12,400	79,900	0	0	0
Probation Enhancement *	360,000	65,900	425,900	0	0	0
IPS - Adult *	258,100	47,300	305,400	0	0	0
JIPS *	97,400	17,800	115,200	0	0	0
C.A.S.A *	4,100	800	4,900	0	0	0
Community Punishment *	19,300	3,500	22,800	0	0	0
Child Support Enforcement *	1,400	300	1,700	0	0	0
TOTAL - SUPERIOR COURTS	897,400	152,800	1,050,200	325,000	16,100	341,100
OFFICE OF THE GOVERNOR	91,200	10,600	101,800	156,800	6,500	163,300
LAW ENFORCEMENT MERIT SYSTEM COUNCIL	1,100	100	1,200	2,000	100	2,100
LEGISLATURE - AUDITOR GENERAL	215,700	26,500	242,200	352,100	13,500	365,600
LEGISLATURE - HOUSE OF REPRESENTATIVES	130,500	15,200	145,700	335,100	19,600	354,700

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>INSURANCE AMOUNTS</u>			
	<u>4.5% Salary Adjustment</u>	<u>1/</u> <u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
LEGISLATURE - JT. LEGIS. BUDG. COMMITTEE	\$50,400	\$5,600	\$56,000	\$74,300	\$3,200	\$77,500
LEGISLATURE - LEGISLATIVE COUNCIL	54,600	6,300	60,900	86,900	4,400	91,300
LEGIS. - LIBRARY, ARCHIVES & PUB. RECS.	102,100	12,800	114,900	253,200	11,600	264,800
LEGISLATURE - SENATE	132,200	17,500	149,700	294,500	13,600	308,100
PERSONNEL BOARD	3,500	400	3,900	12,000	600	12,600
DEPARTMENT OF REVENUE:						
Director's Office	12,800	1,500	14,300	20,600	700	21,300
Administrative Services	77,000	9,700	86,700	210,500	8,800	219,300
Property Valuation	123,800	16,400	140,200	252,500	9,500	262,000
Special Support	71,100	8,900	80,000	117,200	4,200	121,400
Enforcement	465,900	58,800	524,700	1,098,300	42,000	1,140,300
Tax Payer Support & Ed. Service	85,100	10,800	95,900	209,600	7,300	216,900
Data Management	231,800	29,100	260,900	552,100	21,600	573,700
TOTAL - DEPT. OF REVENUE	<u>1,067,500</u>	<u>135,200</u>	<u>1,202,700</u>	<u>2,460,800</u>	<u>94,100</u>	<u>2,554,900</u>
DEPARTMENT OF STATE - SECRETARY OF STATE: <u>2/</u>	27,000	3,400	30,400	79,000	2,600	81,600
Proposition 200 *	5,300	700	6,000	15,200	500	15,700
TOTAL - SECRETARY OF STATE	<u>32,300</u>	<u>4,100</u>	<u>36,400</u>	<u>94,200</u>	<u>3,100</u>	<u>97,300</u>
STATE BOARD OF TAX APPEALS	11,300	1,200	12,500	15,500	900	16,400
OFFICE OF TOURISM	21,700	3,100	24,800	42,400	1,600	44,000
STATE TREASURER <u>2/</u>	35,800	4,500	40,300	76,300	3,600	79,900
TOTAL - GENERAL GOVERNMENT	<u>\$4,491,100</u>	<u>\$603,600</u>	<u>\$5,094,700</u>	<u>\$7,643,400</u>	<u>\$316,600</u>	<u>\$7,960,000</u>

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>Total Change</u>	<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u>	<u>1/ Salary Adjustment</u>		<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
<u>HEALTH AND WELFARE</u>						
AHCCCS ADMINISTRATION:						
Administration	\$467,900	\$55,900	\$523,800	\$1,266,300	\$51,900	\$1,318,200
DES Eligibility *	254,000	45,200	299,200	835,800	25,000	860,800
DES DDSA *	3,000	400	3,400	5,600	200	5,800
DES PASARR *	1,800	300	2,100	5,000	200	5,200
DHS Licensure *	10,700	1,800	12,500	24,600	900	25,500
DHS PASARR *	2,000	400	2,400	2,000	200	2,200
DHS CRS *	3,400	700	4,100	8,800	300	9,100
Indian Advisory Council *	700	100	800	1,200	100	1,300
TOTAL - AHCCCS	743,500	104,800	848,300	2,149,300	78,800	2,228,100
DEPARTMENT OF ECONOMIC SECURITY:						
Administration	417,900	54,900	472,800	825,800	30,600	856,400
ASSISTS *	31,800	4,200	36,000	62,900	2,300	65,200
Developmental Disabilities	649,900	99,200	749,100	1,573,200	59,100	1,632,300
Long Term Care	267,800	40,900	308,700	647,700	24,300	672,000
Family Support	707,100	91,800	798,900	1,828,100	69,200	1,897,300
Child Support Restructuring *	25,800	3,400	29,200	66,700	2,500	69,200
Social Services	653,800	87,600	741,400	1,371,800	51,600	1,423,400
Employment and Rehabilitation Services	97,100	13,000	110,100	232,000	8,700	240,700
TOTAL - DEPT. OF ECONOMIC SECURITY	2,851,200	395,000	3,246,200	6,608,200	248,300	6,856,500
DEPARTMENT OF ENVIRONMENTAL QUALITY	302,100	39,500	341,600	588,600	22,900	611,500
DEPARTMENT OF HEALTH SERVICES:						
EMS/Health Care Facilities	101,000	14,000	115,000	221,900	8,400	230,300
Disease Control	74,300	10,100	84,400	154,700	5,700	160,400
Family Health	80,400	10,900	91,300	223,200	8,200	231,400
Behavioral Health	958,200	147,700	1,105,900	2,270,000	85,400	2,355,400

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>INSURANCE AMOUNTS</u>			
	4.5% Salary Adjustment ^{1/}	Salary Adjustment	Total Change	Health Insurance	Dental Insurance	Total Insurance
Transitional Living *	\$11,800	\$1,800	\$13,600	\$15,300	\$600	\$15,900
Office of the Director	197,300	26,300	223,600	423,800	15,800	439,600
Laboratory	66,600	9,700	76,300	140,000	5,300	145,300
TOTAL - DEPT. OF HEALTH SERVICES	1,489,600	220,500	1,710,100	3,448,900	129,400	3,578,300
COUNCIL FOR THE HEARING IMPAIRED	5,700	700	6,400	13,600	600	14,200
COMMISSION ON INDIAN AFFAIRS	4,700	600	5,300	12,100	700	12,800
PIONEERS' HOME	90,200	14,100	104,300	266,600	10,100	276,700
VETERANS' SERVICE COMMISSION:						
Veterans' Affairs	19,800	2,600	22,400	50,200	2,300	52,500
TOTAL - HEALTH AND WELFARE	\$5,506,800	\$777,800	\$6,284,600	\$13,137,500	\$493,100	\$13,630,600
 <u>INSPECTION AND REGULATION</u>						
AGRICULTURAL EMPLOY. RELATIONS BOARD	5,200	700	5,900	13,500	300	13,800
COMM. OF AGRICULTURE AND HORTICULTURE:						
Office of the Director	15,400	1,900	17,300	35,000	1,100	36,100
Market News Letter *	1,400	200	1,600	3,100	100	3,200
Field Services	148,200	20,400	168,600	412,900	13,300	426,200
Department of Agriculture	800	100	900	1,700	0	1,700
TOTAL - COMM. OF AGRI. AND HORT.	165,800	22,600	188,400	452,700	14,500	467,200
BANKING DEPARTMENT:	92,600	11,400	104,000	208,200	8,800	217,000
Receivership *	9,700	1,200	10,900	21,200	900	22,100
TOTAL - BANKING DEPARTMENT	102,300	12,600	114,900	229,400	9,700	239,100

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>		<u>EMPLOYEE RELATED EXPENDITURES</u>		<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u>	<u>1/</u>	<u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
BOXING COMMISSION	\$1,500		\$200	\$1,700	\$5,900	\$200	\$6,100
DEPT. OF BUILDING AND FIRE SAFETY	79,700		10,500	90,200	199,400	8,000	207,400
REGISTRAR OF CONTRACTORS	103,900		13,600	117,500	277,300	11,100	288,400
CORPORATION COMMISSION:							
Administration <u>2/</u>	42,400		5,400	47,800	98,700	4,400	103,100
Corporations	28,700		3,800	32,500	100,700	4,400	105,100
Securities	54,400		6,800	61,200	118,200	5,100	123,300
Railroad Safety	9,600		1,300	10,900	23,500	1,000	24,500
TOTAL - CORPORATION COMMISSION	135,100		17,300	152,400	341,100	14,900	356,000
DAIRY COMMISSIONER	10,100		1,300	11,400	25,200	600	25,800
DEPARTMENT OF INSURANCE	80,200		9,800	90,000	198,800	8,900	207,700
DEPT. OF LIQUOR LICENSE AND CONTROL	53,000		6,900	59,900	155,200	5,500	160,700
LIVESTOCK BOARD:							
Administrative Services	15,800		1,900	17,700	38,800	1,600	40,400
Animal Disease Control	3,800		500	4,300	7,600	200	7,800
Livestock Inspection	61,600		8,700	70,300	172,800	6,400	179,200
Meat and Poultry Inspection	26,900		3,500	30,400	59,900	2,700	62,600
TOTAL - LIVESTOCK BOARD	108,100		14,600	122,700	279,100	10,900	290,000
MINE INSPECTOR <u>2/</u>	13,400		1,600	15,000	34,800	1,500	36,300
DEPARTMENT OF RACING:							
Commercial Racing	57,800		7,500	65,300	155,200	5,600	160,800

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>INSURANCE AMOUNTS</u>			
	<u>4.5% Salary Adjustment</u> ^{1/}	<u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
RADIATION REGULATORY AGENCY:						
Evaluation and Compliance	\$31,500	\$4,100	\$35,600	\$73,100	\$3,300	\$76,400
REAL ESTATE DEPARTMENT	77,800	10,000	87,800	207,100	8,300	215,400
DEPT. OF WEIGHTS AND MEASURES	55,200	7,300	62,500	147,800	6,200	154,000
TOTAL - INSPECTION AND REGULATION	<u>\$1,080,600</u>	<u>\$140,600</u>	<u>\$1,221,200</u>	<u>\$2,795,600</u>	<u>\$109,500</u>	<u>\$2,905,100</u>
<u>EDUCATION</u>						
COMMISSION ON THE ARTS	13,500	1,700	15,200	27,000	1,200	28,200
COMMUNITY COLLEGES BOARD	17,600	2,300	19,900	23,200	1,500	24,700
SCHOOL FOR THE DEAF AND THE BLIND:						
Phoenix Day School	0	0	0	238,800	10,500	249,300
ADTEC	0	0	0	160,900	6,000	166,900
Tucson Campus	0	0	0	833,000	33,300	866,300
TOTAL - DEAF AND BLIND SCHOOL	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,232,700</u>	<u>49,800</u>	<u>1,282,500</u>
DEPARTMENT OF EDUCATION:						
State Board of Education	2,400	300	2,700	11,600	300	11,900
General Services Administration ^{2/}	187,800	23,900	211,700	376,700	15,500	392,200
Special Education Audit *	6,200	800	7,000	13,000	500	13,500
Vocational Education	39,700	5,100	44,800	65,300	2,700	68,000
Assistance to Schools:						
Chemical Abuse *	8,600	1,100	9,700	20,500	900	21,400
Academic Decathlon *	1,500	200	1,700	3,700	200	3,900
K-3 Support *	3,700	500	4,200	9,300	400	9,700
Dropout Prevention *	1,800	200	2,000	3,600	200	3,800
Adult Education *	5,900	800	6,700	13,100	500	13,600

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>INSURANCE AMOUNTS</u>			
	<u>4.5% Salary Adjustment</u>	<u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
Principal's Institute *	\$300	\$0	\$300	\$3,700	\$200	\$3,900
AZ Teacher Evaluation *	3,900	500	4,400	8,800	400	9,200
Gifted Support *	1,600	200	1,800	7,400	300	7,700
TOTAL - DEPARTMENT OF EDUCATION	263,400	33,600	297,000	536,700	22,100	558,800
ARIZONA HISTORICAL SOCIETY	48,900	6,700	55,600	87,500	4,000	91,500
PRESCOTT HISTORICAL SOCIETY	14,900	2,200	17,100	46,200	2,300	48,500
ARIZONA BOARD OF REGENTS	62,700	6,900	69,600	93,200	4,800	98,000
ARIZONA STATE UNIVERSITY:						
Main Campus	6,683,200	864,700	7,547,900	0	0	0
West Campus	572,800	76,100	648,900	0	0	0
TOTAL - ARIZONA STATE UNIVERSITY	7,256,000	940,800	8,196,800	0	0	0
NORTHERN ARIZONA UNIVERSITY	2,424,000	314,800	2,738,800	0	0	0
UNIVERSITY OF ARIZONA:						
Main Campus	6,408,800	811,300	7,220,100	0	0	0
Agriculture *	1,140,000	144,300	1,284,300	0	0	0
College of Medicine	1,109,700	135,800	1,245,500	0	0	0
Clinical Teaching Support *	208,200	25,500	233,700	0	0	0
TOTAL - UNIVERSITY OF ARIZONA	8,866,700	1,116,900	9,983,600	0	0	0
TOTAL - EDUCATION	\$18,967,700	\$2,425,900	\$21,393,600	\$2,046,500	\$85,700	\$2,132,200

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>		<u>INSURANCE AMOUNTS</u>		
	4.5% Salary Adjustment ^{1/}	Salary Adjustment	Total Change	Health Insurance	Dental Insurance	Total Insurance
<u>PROTECTION AND SAFETY</u>						
DEPARTMENT OF CORRECTIONS:						
Adult Institutions	\$4,377,300	\$750,500	\$5,127,800	\$14,711,300	\$505,300	\$15,216,600
Human Resources and Development	650,200	101,400	751,600	1,296,500	44,500	1,341,000
Administration	203,400	28,200	231,600	488,800	16,800	505,600
Correctional Industries	18,300	2,700	21,000	47,000	1,600	48,600
Adult Community Services	206,300	32,400	238,700	529,000	18,200	547,200
TOTAL - DEPARTMENT OF CORRECTIONS	5,455,500	915,200	6,370,700	17,072,600	586,400	17,659,000
DEPARTMENT OF JUVENILE CORRECTIONS	764,100	108,900	873,000	2,600,000	89,200	2,689,200
DEPT. OF EMER. SVCS. AND MIL. AFFAIRS:						
Dept. of Emergency Services	18,300	2,700	21,000	24,200	900	25,100
Dept. of Military Affairs	47,800	7,500	55,300	114,300	4,600	118,900
TOTAL - DEPT. OF EMER. SVCS. & MIL. AFF.	66,100	10,200	76,300	138,500	5,500	144,000
BOARD OF PARDONS AND PAROLES	35,600	4,600	40,200	102,700	3,500	106,200
DEPARTMENT OF PUBLIC SAFETY:						
Criminal Investigation Bureau	434,700	43,200	477,900	805,600	31,800	837,400
Highway Patrol Bureau	1,098,200	107,600	1,205,800	2,567,500	101,500	2,669,000
Administration Bureau	309,600	33,400	343,000	661,000	26,200	687,200
Criminal Justice Support Bureau	269,300	28,800	298,100	505,400	19,800	525,200
Telecommunications Bureau	357,900	42,100	400,000	829,600	32,700	862,300
TOTAL - DEPT. OF PUBLIC SAFETY	2,469,700	255,100	2,724,800	5,369,100	212,000	5,581,100
TOTAL - PROTECTION AND SAFETY	\$8,791,000	\$1,294,000	\$10,085,000	\$25,282,900	\$896,600	\$26,179,500

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>Total Change</u>	<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u> ^{1/}	<u>Salary Adjustment</u>		<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
<u>TRANSPORTATION</u>						
DEPARTMENT OF TRANSPORTATION:						
Public Transit Division	\$2,800	\$300	\$3,100	\$10,700	\$400	\$11,100
TOTAL - TRANSPORTATION	\$2,800	\$300	\$3,100	\$10,700	\$400	\$11,100
<u>NATURAL RESOURCES</u>						
COMMISSION ON THE ENVIRONMENT	3,200	400	3,600	9,900	400	10,300
ARIZONA GEOLOGICAL SURVEY	15,300	2,000	17,300	30,300	1,600	31,900
LAND DEPARTMENT	194,900	25,000	219,900	516,000	21,200	537,200
DEPT. OF MINES AND MINERAL RESOURCES	11,400	1,500	12,900	21,000	1,100	22,100
OIL AND GAS COMMISSION	4,700	600	5,300	10,400	300	10,700
PARKS BOARD:						
Administrative and Support Services	152,300	19,800	172,100	509,300	19,600	528,900
DEPARTMENT OF WATER RESOURCES:						
Administration	57,200	7,100	64,300	147,300	6,100	153,400
Engineering	88,800	11,800	100,600	257,700	10,900	268,600
Water Management	147,100	19,200	166,300	421,900	17,000	438,900
TOTAL - DEPARTMENT OF WATER RESOURCES	293,100	38,100	331,200	826,900	34,000	860,900
TOTAL - NATURAL RESOURCES	\$674,900	\$87,400	\$762,300	\$1,923,800	\$78,200	\$2,002,000

**GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>INSURANCE AMOUNTS</u>			
	4.5% Salary Adjustment ^{1/}	Salary Adjustment	Total Change	Health Insurance	Dental Insurance	Total Insurance
TOTAL ALLOCATED SALARY ADJUSTMENT - GENERAL	\$39,514,900	\$5,329,600	\$44,844,500	\$52,840,400	\$1,980,100	\$54,820,500
CMR ALLOCATION	0	0	2,450,000	0	0	0
UNALLOCATED SALARY ADJUSTMENTS	0	0	868,200	0	0	0
TOTAL SALARY ADJUSTMENT - GENERAL FUND	<u>\$39,514,900</u>	<u>\$5,329,600</u>	<u>\$48,162,700</u>	<u>\$52,840,400</u>	<u>\$1,980,100</u>	<u>\$54,820,500</u>

• Denotes special line item

^{1/} General Salary Adjustment effective July 1, 1990.

^{2/} Includes elected official salary adjustments as follows:

	<u>Personal Services</u>	<u>Employee Related Expenditures</u>
Attorney General	\$1,400	\$200
Supreme Court	8,400	900
Court of Appeals - Division I	25,400	3,300
Court of Appeals - Division II	9,800	900
Superior Courts	89,600	4,800
Secretary of State	1,000	100
State Treasurer	1,000	100
Corporation Commission	3,000	400
Mine Inspector	700	0
Department of Education	1,000	200
	<u>\$141,300</u>	<u>\$10,900</u>

**NON-GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>INSURANCE AMOUNTS</u>			
	<u>4.5% Salary Adjustment</u> 1/	<u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
<u>GENERAL GOVERNMENT</u>						
DEPARTMENT OF ADMINISTRATION:						
Facilities Management	\$11,300	\$1,800	\$13,100	\$31,400	\$1,200	\$32,600
ARIZONA LOTTERY	148,400	19,200	167,600	401,600	16,700	418,300
STATE RETIREMENT SYSTEM	81,800	10,200	92,000	216,500	9,200	225,700
DEPARTMENT OF COMMERCE:						
Commerce	11,900	1,500	13,400	23,100	900	24,000
Oil Overcharge Administration *	3,000	400	3,400	5,800	200	6,000
Indian Economic Development *	1,600	200	1,800	3,100	100	3,200
TOTAL - DEPARTMENT OF COMMERCE	<u>16,500</u>	<u>2,100</u>	<u>18,600</u>	<u>32,000</u>	<u>1,200</u>	<u>33,200</u>
TOTAL - GENERAL GOVERNMENT	<u>\$258,000</u>	<u>\$33,300</u>	<u>\$291,300</u>	<u>\$681,500</u>	<u>\$28,300</u>	<u>\$709,800</u>
<u>HEALTH AND WELFARE</u>						
DEPARTMENT OF ECONOMIC SECURITY:						
Administration						
Public Assistance Collection Fund *	5,500	700	6,200	10,800	400	11,200
Child Protective Service Training	8,200	1,200	9,400	16,300	600	16,900
TOTAL - DEPT. OF ECONOMIC SECURITY	<u>13,700</u>	<u>1,900</u>	<u>15,600</u>	<u>27,100</u>	<u>1,000</u>	<u>28,100</u>
DEPARTMENT OF HEALTH SERVICES:						
EMS Operating Fund	44,900	6,300	51,200	100,400	1,900	102,300

**NON-GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>Total Change</u>	<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u>	<u>1/ Salary Adjustment</u>		<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
VETERANS' SERVICES COMMISSION:						
Veterans' Conservatorship	\$9,600	\$1,200	\$10,800	\$1,500	\$100	\$1,600
TOTAL - HEALTH AND WELFARE	\$68,200	\$9,400	\$77,600	\$129,000	\$3,000	\$132,000
<u>INSPECTION AND REGULATION</u>						
COMM. OF AGRICULTURE AND HORTICULTURE:						
State Chemist	13,400	1,800	15,200	30,300	900	31,200
Fruit and Vegetable Standardization	18,400	2,500	20,900	49,200	1,600	50,800
TOTAL - COMM. OF AGRI. & HORT.	31,800	4,300	36,100	79,500	2,500	82,000
CORPORATION COMMISSION:						
Corporations	700	100	800	2,500	100	2,600
Utilities	115,500	14,700	130,200	229,600	9,700	239,300
Legal Division	27,400	3,200	30,600	44,300	1,900	46,200
TOTAL - CORPORATION COMMISSION	143,600	18,000	161,600	276,400	11,700	288,100
INDUSTRIAL COMMISSION:						
Administration	44,700	5,400	50,100	133,600	5,000	138,600
Claims	61,700	7,800	69,500	236,100	8,900	245,000
Administrative Law Judge	75,900	9,700	85,600	112,800	4,200	117,000
Labor	11,500	1,500	13,000	35,000	1,300	36,300
Special Fund	\$13,300	\$1,700	\$15,000	\$38,600	\$1,500	\$40,100
Occupational Safety and Health	43,500	5,900	49,400	121,200	4,600	125,800
Legal	18,000	2,200	20,200	48,300	1,800	50,100
TOTAL - INDUSTRIAL COMMISSION	268,600	34,200	302,800	725,600	27,300	752,900
DEPARTMENT OF RACING:						
County Fair Racing	7,200	1,000	8,200	20,700	700	21,400

**NON-GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>	<u>EMPLOYEE RELATED EXPENDITURES</u>	<u>Total Change</u>	<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u>	<u>1/ Salary Adjustment</u>		<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
RADIATION REGULATORY AGENCY:						
Med. Radiologic Tech. Bd. of Exam.	\$2,300	\$300	\$2,600	\$8,200	\$400	\$8,600
RESIDENTIAL UTILITY CONSUMER OFFICE	19,800	2,400	22,200	42,300	2,000	44,300
<u>NINETY-TEN AGENCIES:</u>						
BOARD OF ACCOUNTANCY	8,000	1,000	9,000	21,300	1,000	22,300
BARBER EXAMINERS BOARD	3,500	400	3,900	9,600	500	10,100
CHIROPRACTIC EXAMINERS BOARD	3,700	400	4,100	13,600	500	14,100
BOARD OF COSMETOLOGY	12,900	1,700	14,600	38,500	1,700	40,200
DENTAL EXAMINERS BOARD	9,000	1,100	10,100	24,100	1,100	25,200
EGG INSPECTION BOARD	5,800	800	6,600	9,600	400	10,000
FUNERAL DIRECTORS AND EMBALMERS BOARD:	2,300	300	2,600	7,500	300	7,800
State Boards Contribution	500	100	600	1,200	100	1,300
TOTAL - FUNERAL DIR. & EMBALM. BD.	2,800	400	3,200	8,700	400	9,100
HOMEOPATHIC MEDICAL EXAMINERS BOARD:	200	0	200	0	0	0
State Boards Contribution	100	0	100	200	0	200
TOTAL - HOMEOPATHIC MED. EXAM. BOARD	300	0	300	200	0	200
BOARD OF BEHAVIORAL HEALTH EXAMINERS	2,300	300	2,600	7,300	300	7,600
BOARD OF MEDICAL EXAMINERS	46,100	5,600	51,700	117,900	6,000	123,900

**NON-GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL</u>	<u>EMPLOYEE RELATED</u>		<u>INSURANCE AMOUNTS</u>		
	<u>SERVICES</u>	<u>EXPENDITURES</u>				
	<u>4.5% Salary</u>	<u>Salary</u>	<u>Total</u>	<u>Health</u>	<u>Dental</u>	<u>Total</u>
	<u>Adjustment</u>	<u>Adjustment</u>	<u>Change</u>	<u>Insurance</u>	<u>Insurance</u>	<u>Insurance</u>
NATUROPATHIC PHYSICIANS EXAMINING BD:	\$0	\$0	\$0	\$0	\$0	\$0
State Boards Contribution	300	0	300	700	0	700
TOTAL - NATUROPATHIC PHYS. EXAM. BD.	300	0	300	700	0	700
BOARD OF NURSING	24,900	3,100	28,000	67,300	2,700	70,000
NURSING CARE INST. ADMIN. BOARD:	800	100	900	4,100	200	4,300
State Boards Contribution	200	0	200	400	0	400
TOTAL - NURSING CARE INST. ADMIN. BD.	1,000	100	1,100	4,500	200	4,700
BOARD OF DISPENSING OPTICIANS:	800	100	900	3,400	100	3,500
State Boards Contribution	200	0	200	400	0	400
TOTAL - BD. OF DISPENSING OPTICIANS	1,000	100	1,100	3,800	100	3,900
BOARD OF OPTOMETRY:	1,800	200	2,000	6,000	300	6,300
State Boards Contribution	500	100	600	1,000	100	1,100
TOTAL - BOARD OF OPTOMETRY	2,300	300	2,600	7,000	400	7,400
OSTEOPATHIC EXAMINERS BOARD	5,900	700	6,600	13,400	600	14,000
BOARD OF PHARMACY	16,000	2,000	18,000	33,500	1,700	35,200
PHYSICAL THERAPY EXAMINERS BOARD:	1,100	100	1,200	3,900	100	4,000
State Boards Contribution	200	0	200	400	0	400
TOTAL - PHYSICAL THERAPY EXAM. BD.	1,300	100	1,400	4,300	100	4,400
PODIATRY EXAMINERS BOARD:	0	0	0	0	0	0
State Boards Contribution	500	100	600	1,100	100	1,200
TOTAL - PODIATRY EXAMINERS BOARD	500	100	600	1,100	100	1,200

**NON-GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>		<u>EMPLOYEE RELATED EXPENDITURES</u>		<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u>	<u>1/</u>	<u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
BD. FOR PRIVATE POSTSECONDARY EDUCATION	\$3,200		\$400	\$3,600	\$9,700	\$400	\$10,100
PSYCHOLOGIST EXAMINERS BOARD:	1,200		100	1,300	4,000	200	4,200
State Boards Contribution	500		100	600	1,000	100	1,100
TOTAL - PSYCHOLOGIST EXAMINERS BD.	1,700		200	1,900	5,000	300	5,300
STRUCTURAL PEST CONTROL BOARD	23,500		3,000	26,500	59,700	2,300	62,000
BOARD OF TECHNICAL REGISTRATION	13,200		1,700	14,900	37,500	1,500	39,000
VETERINARY MEDICAL EXAMINERS BOARD:	3,300		400	3,700	7,200	400	7,600
State Boards Contribution	200		0	200	400	0	400
TOTAL - VETERINARY MED. EXAM. BOARD	3,500		400	3,900	7,600	400	8,000
TOTAL - INSPECTION AND REGULATION	\$666,000		\$84,100	\$750,100	\$1,658,600	\$67,300	\$1,725,900
<u>PROTECTION AND SAFETY</u>							
ARIZONA CRIMINAL JUSTICE COMMISSION	8,600		1,000	9,600	16,900	700	17,600
TOTAL - PROTECTION AND SAFETY	\$8,600		\$1,000	\$9,600	\$16,900	\$700	\$17,600
<u>TRANSPORTATION</u>							
DEPARTMENT OF TRANSPORTATION:							
Director's Staff	14,700		1,400	16,100	16,300	600	16,900
Transportation Planning	111,200		13,900	125,100	246,300	9,200	255,500
Administrative Services Division	381,600		48,100	429,700	912,500	34,600	947,100
Special Support Group	116,600		14,200	130,800	227,700	8,600	236,300

**NON-GENERAL FUND
APPROVED SALARY AND OTHER ADJUSTMENTS
FISCAL YEAR 1991**

	<u>PERSONAL SERVICES</u>		<u>EMPLOYEE RELATED EXPENDITURES</u>		<u>INSURANCE AMOUNTS</u>		
	<u>4.5% Salary Adjustment</u>	<u>1/</u>	<u>Salary Adjustment</u>	<u>Total Change</u>	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Total Insurance</u>
Motor Vehicle Division	\$776,300		\$102,700	\$879,000	\$2,391,100	\$90,600	\$2,481,700
Highways Division	1,349,200		176,000	1,525,200	2,865,100	108,500	2,973,600
Highway Maintenance *	829,500		132,700	962,200	2,323,600	88,000	2,411,600
Aeronautics	\$31,100		\$4,200	\$35,300	\$83,900	\$3,200	\$87,100
TOTAL - TRANSPORTATION	\$3,610,200		\$493,200	\$4,103,400	\$9,066,500	\$343,300	\$9,409,800
<u>NATURAL RESOURCES</u>							
GAME AND FISH DEPARTMENT:							
Administrative and Field Services	271,300		54,400	325,700	769,900	29,600	799,500
Watercraft	19,200		2,600	21,800	79,800	2,600	82,400
Game, No-game, Fish, Endangered Species	4,800		700	5,500	13,500	600	14,100
TOTAL - GAME AND FISH DEPARTMENT	295,300		57,700	353,000	863,200	32,800	896,000
STATE PARKS BOARD							
AORCC - Project Administration	12,300		1,900	14,200	29,700	1,100	30,800
TOTAL - NATURAL RESOURCES	\$307,600		\$59,600	\$367,200	\$892,900	\$33,900	\$926,800
TOTAL ALLOCATED SALARY ADJUSTMENT - NON-GEN	4,918,600		680,600	5,599,200	12,445,400	476,500	12,921,900
CMR ALLOCATION	\$0		\$0	\$315,000	\$0	\$0	\$0
UNALLOCATED PAY PACKAGE	0		0	300,800	0	0	0
TOTAL SALARY ADJUSTMENT - NON-GENERAL FUNDS	\$4,918,600		\$680,600	\$6,215,000	\$12,445,400	\$476,500	\$12,921,900

1/ General Salary Adjustment effective July 1, 1990.

* Denotes special line item

THE U.S. ECONOMY

FY 1990 in Review

The U.S. economy grew again in calendar 1989 for the seventh year without interruption, continuing the longest peacetime boom this century. Real Gross National Product grew by approximately 2.4%. While this was down from the 3.5% growth of the previous year and 4.5% from the year before that, it was actually more than expected considering the sharp slowdown that occurred in the second half of calendar 1989. (See Table I and Chart I.)

Real economic growth in the fourth quarter of calendar 1989 was very slow, about 1.1% on an annualized basis. This was partly due to temporary factors including an earthquake in San Francisco, the after-effects of Hurricane Hugo on the Southeast and a machinists' strike at Boeing. A long expected "soft landing" for the economy, a slowing rather than an outright recession, was thought to have started at this time.

The growth rate of almost every major component of GNP slowed in FY 1990. Aggregate personal income growth declined from 8.4% to 7.6% in nominal terms and from 4.2% to 3.4% in real dollar terms (Chart II). However, in the aggregate personal incomes continued to increase faster than the rise in the in the Consumer Price Index. Consumer expenditure growth continued at a robust 7.1% in nominal terms, down only slightly from 7.4% the previous year. Real dollar consumer expenditure growth fell from 3.0% to 2.7%. (Charts III and IV).

Interest rates declined in the fourth quarter of 1989, although short term interest rates fell more than long rates. The Federal Reserve's battle to reduce inflation without causing a recession was largely successful again in FY 1990. As the economy entered weaker economic activity, particularly in manufacturing, the Federal Reserve reinforced the decline in interest rates by a decrease in the Federal Discount Rate, the rate at which member banks of the Federal Reserve System can borrow short term funds. (Charts V and VI)

Longer term interest rates also fell slightly at the end of calendar 1989. Substantial declines in FY 1991 are not expected for two reasons. Inflation has recently been increasing in the first quarter of 1990. Part of this is due to increased heating oil prices during the winter but overall price increases now seem to be stuck in the 4-4.5% range. This gives a floor to the level which long term rates will fall.

Second, the difference between U.S. rates and interest rates in Europe and Japan has narrowed. The demands for German currency by East Germans looking forward to reunification has pushed interest rates there slightly above U.S. rate for the first time in many years. Interest rates in the U.S. in the 1980's had been substantially higher than overseas and this provided a strong incentive for foreign central banks, private sector companies and a few individuals to invest in U.S. government securities issued to finance the continuing U.S. federal deficit. Non-domestic purchases of U. S. securities have been as much as 15-20% of total federal government bond issues in recent years. That inflow of funds has helped to keep interest rates down. (See Charts V, VI)

The Outlook for FY 1991

Although growth slowed during the last quarters of FY 1990 and corporate profits fell for three quarters by the first quarter of calendar 1990, a recession is not expected to materialize. Preliminary estimates indicate that the economy grew by 2.2% in the first quarter of calendar 1990, twice the rate of the last quarter of 1989 but the slowest rate for three years.

The probability of a recession for FY 1991 is considered by the consensus of economists to be relatively small. The consensus looks for a slowdown followed by moderate growth in FY 1992. Real Gross National Product is expected to be 2.4% in FY 1990, decrease to 2.2% in FY 1991 and rise to 2.5% by FY 1992.

A slowdown in export growth, already started in FY 1990 due to the strengthening of the dollar against world currencies, less robust equipment investment, and more modest growth of consumer spending are expected. (Chart IX).

Part of the reason for the slowing of GNP growth will be an expected decline in the rate of growth of real consumer expenditures, from 2.7% to 2.2%, which have been at high levels since the last recession in 1982, and this will be caused by an expected reduction in the growth rate in real personal incomes, from 3.4% to 2.2%.

Government spending is not expected to contribute to growth in FY 1990-91 for several reasons. These include further deficit reduction measures and recent developments toward political reform and liberalization in Eastern Europe that will have the effect of reducing U.S. defense expenditures. Although the Federal government deficit has been decreasing for the last two years relative to real GNP, the size of the federal deficit, which is financed by borrowing which in turn influences interest rates, has precluded fiscal policy from being a viable tool of economic management. There is now talk of a Federal tax increase to bring the deficit down further. (Charts X and XI).

The rate of growth of total private Investment spending is expected to decline moderately in FY 1991. This will be partly caused by a moderate decline in Industrial Production growth.

Inflation is expected to remain about the same level as FY 1990, around 4.5% while unemployment, due to the slowing of the economy, is expected to drift slightly higher, to 5.5% from 5.3%. Unemployment will depend to a large degree on the level of business profits. (Chart XIII).

The outlook for corporate profits for FY 1991 is a little brighter now than a few months ago, when corporate profits were declining along with total economic growth.

A concern remains about corporate debt. The seven year boom has permitted many companies to increase debt substantially. Interest payments now account for a third of total U.S. company cash-flow, with that proportion much higher for some firms. That ratio continues to increase. It would not take much of an increase in interest rates or a downturn in business to push many firms into insolvency, especially those paying high interest rates for "junk" debt. The corporate debt level is a concern to the Federal Reserve Board, which must use higher interest rates to combat inflation, but the price could be larger than expected corporate insolvencies that could also harm the banking system. (Chart XII).

Outlook for the U.S. trade deficit is the cloudiest. The dollar has strengthened against most currencies except recently the yen, because of the decline in the Tokyo stock market and the rush by Japanese to invest abroad. A stronger dollar makes imports cheaper, and with fiscal policy stuck and the U.S. saving rate still very low the U.S. trade deficit is expected to remain at around \$120 billion for FY 1991.

As Chart IX shows, despite wide swings in the value of the U.S. dollar against major currencies in the last several years, the balance of trade seems stuck in chronic deficit. A large part of this has to do with the perception about the quality of foreign goods and, as important in the import figures, the fact that the U.S. has again become increasingly dependent on foreign oil supplies.

U.S. manufacturing will probably continue be sluggish for the next year. Auto sales, while encouraging in the first quarter of 1990, are expected to be slow in the next year.

Risks to the Forecast

Positive Scenario—No Recession in FY 1991

Continued growth in the rest of the world will cause U.S. export growth to be strong and exports will continue to increase. Domestic investment in the U.S. will increase as firms attempt to keep pace with world demand for U.S. exports. Increased demand for labor and materials would cause the inflation rate to increase in FY 1991 but the Federal Reserve will be successful in bringing the inflation rate down. economy into a nosedive.

Negative—Near Term Recession

The decline in profits shown in the past few quarters carries over into FY 1991 causing an increase in unemployment and a decline in investment. The strong dollar causes U.S. exports to decline sharply. A recession would be the result by the beginning of FY 1991.

Conclusion

The outlook depends largely upon the path of interest rates and exchange rates which in turn are being determined for the most part outside the United States. The prospects of German monetary union and policy uncertainty in Japan have pushed up long-term yields in the United States and have constrained the Fed's ability to lower short-term rates. But most important is the U.S. consumer, representing two-thirds of GNP, and continued consumer confidence that economic growth will continue. Will consumers continue driving U.S. economic growth? The answer is "yes" but the rate of growth will be slower. The "baby boom" generation is approaching middle age and the rate of growth of major expenditure items such as homes and cars is expected to slow. The personal saving rate, as a percent of personal income, has already started the recovery from the high consumption era of the 1980's and it is expected to continue to climb over the next five to ten years as the retirement savings of that generation grow. (Charts XIV, XV and XVI.

KEY U.S. ECONOMIC INDICATORS

TABLE I

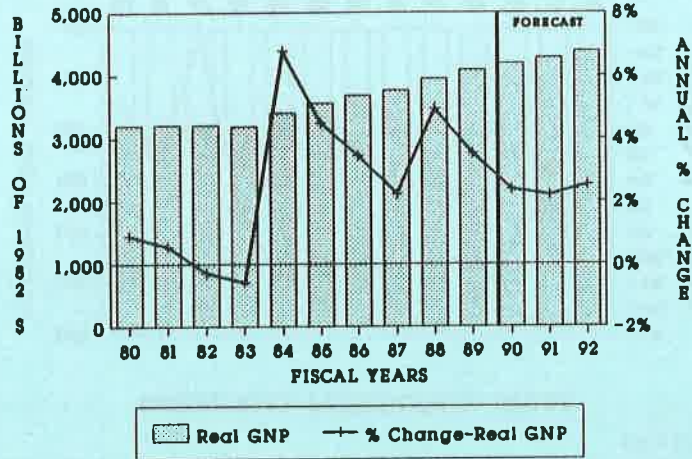
	Actual FY 1986	Actual FY 1987	Actual FY 1988	Actual FY 1989	Forecast FY 1990	Forecast FY 1991
Real Gross National Product ^{1/}	3.5%	2.2%	4.9%	3.5%	2.4%	2.2%
GNP Deflator ^{1/}	2.7	3.2	2.9	4.0	4.1	4.2
Consumer Price Index ^{1/}	2.8	2.2	4.1	4.6	4.6	4.0
Industrial Production ^{1/}	1.4	1.5	5.7	4.9	1.5	2.6
Three Month T-Bill ^{2/}	6.8	5.5	6.0	7.9	7.8	8.0
Aaa Corporate Bonds ^{2/}	10.0	8.8	9.8	9.7	9.2	9.8
Wage and Salary Employment ^{1/}	2.5	2.2	3.2	3.2	2.4	1.6
Manufacturing Employment ^{1/}	(1.7)	(1.0)	1.6	1.8	(0.3)	(0.3)
Unemployment Rate ^{2/}	7.1	6.7	5.8	5.3	5.3	5.5

^{1/} Annual Percent Change.

^{2/} Average Rate for Year.

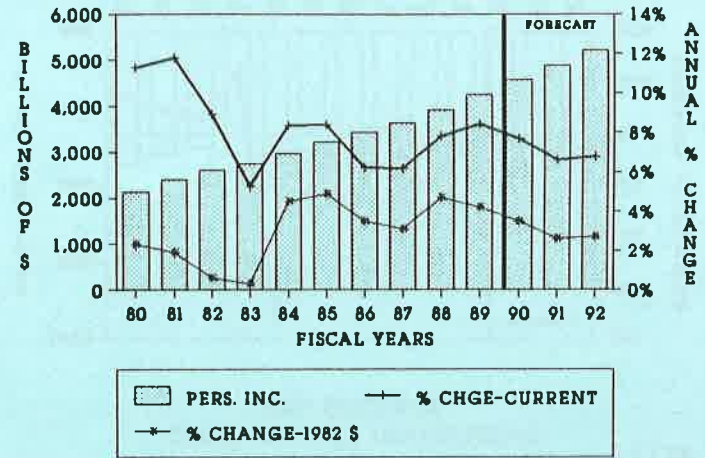
**GROSS NATIONAL PRODUCT
1982 DOLLARS**

CHART I



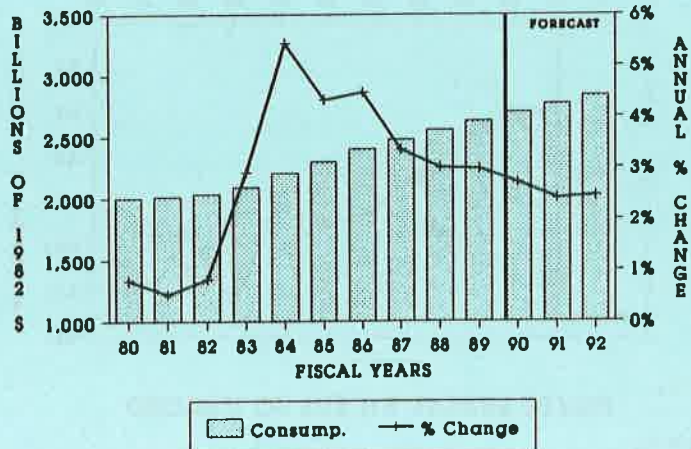
**PERSONAL INCOME
CURRENT AND 1982 DOLLARS**

CHART II



**TOTAL CONSUMPTION
1982 DOLLARS**

CHART III



**CONSUMER & PRODUCER PRICE
CHANGES**

CHART IV

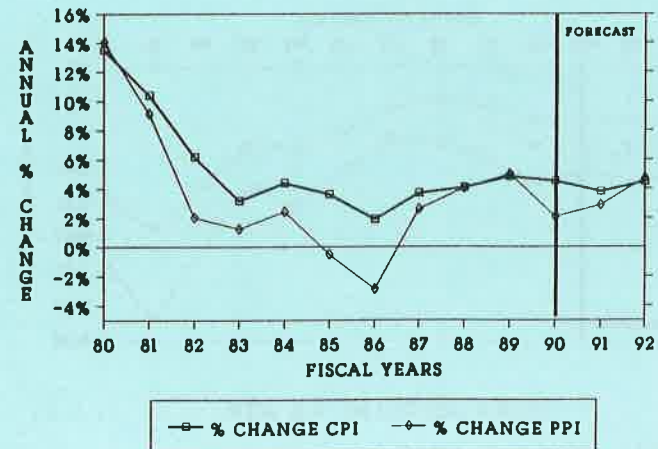


CHART V

GROWTH OF THE U.S. MONEY SUPPLY

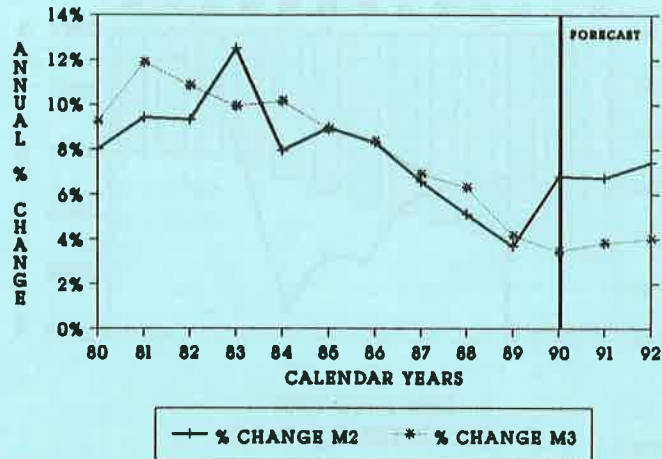


CHART VI

KEY U.S. INTEREST RATES

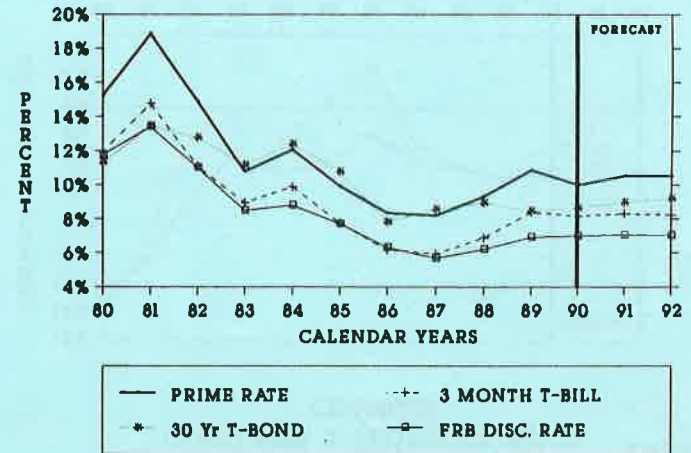


CHART VII

INDUSTRIAL PRODUCTION INDEX

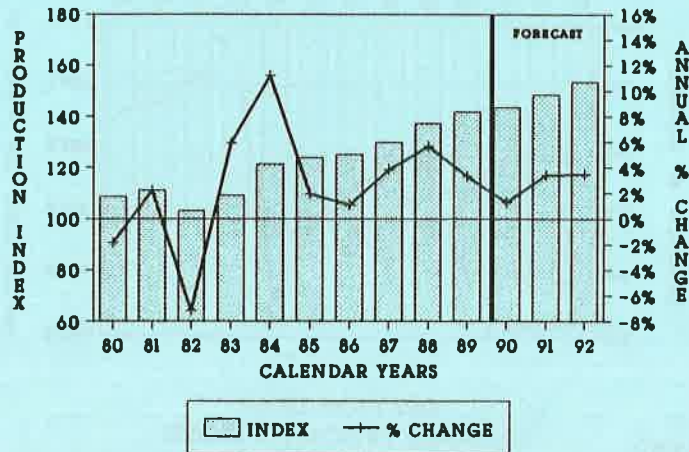


CHART VIII

GROSS PRIVATE INVESTMENT
1982 DOLLARS

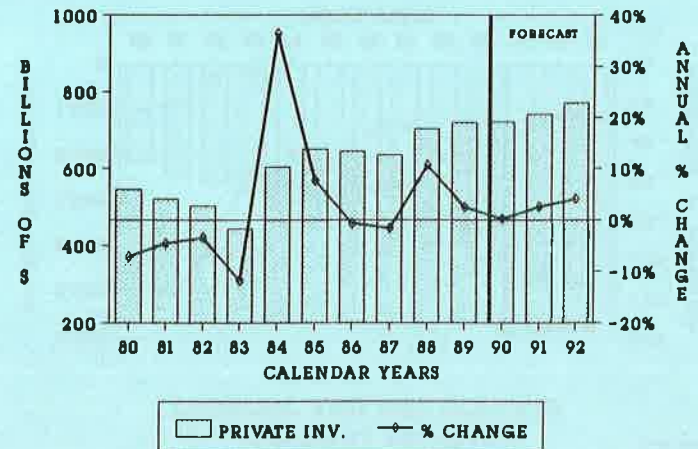


CHART IX
EXPORTS, IMPORTS AND DOLLAR INDEX

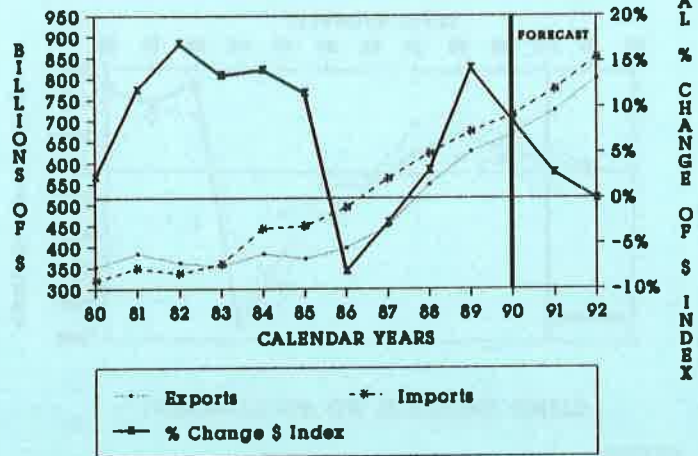


CHART X
GROWTH OF FEDERAL EXPENDITURES CURRENT AND 1982 DOLLARS

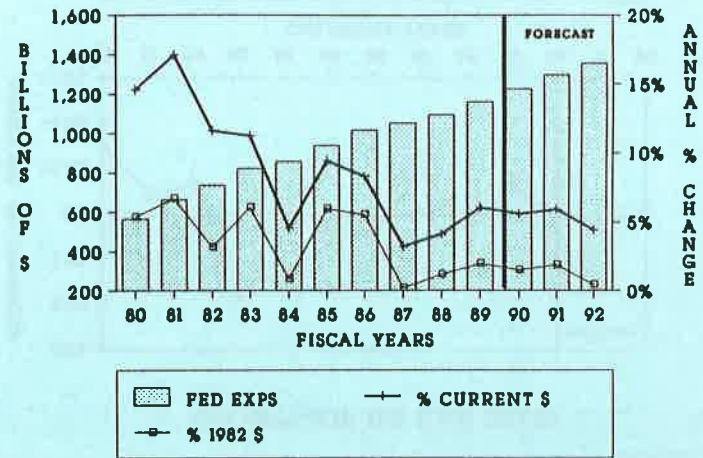


CHART XI
FEDERAL DEBT AND BUDGET DEFICIT AS A PERCENT OF GNP-1982 DOLLARS

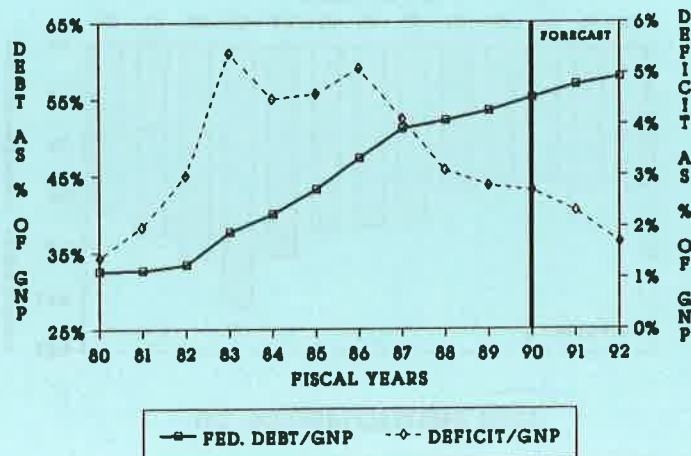


CHART XII
U.S. CORPORATE CASHFLOW AND NET PROFITS

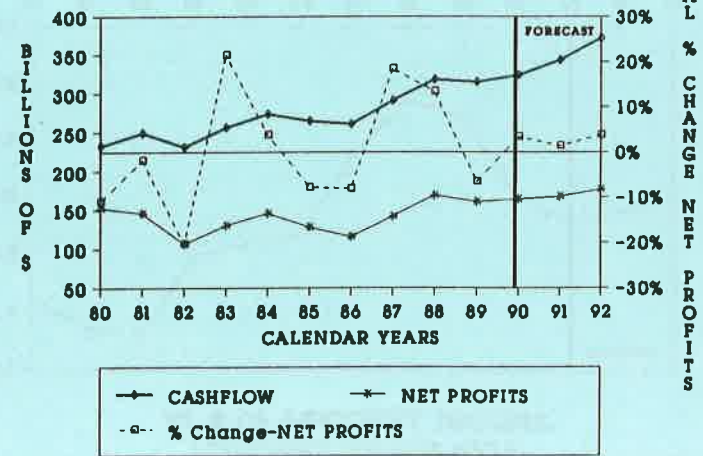


CHART XIII

U.S. UNEMPLOYMENT RATE

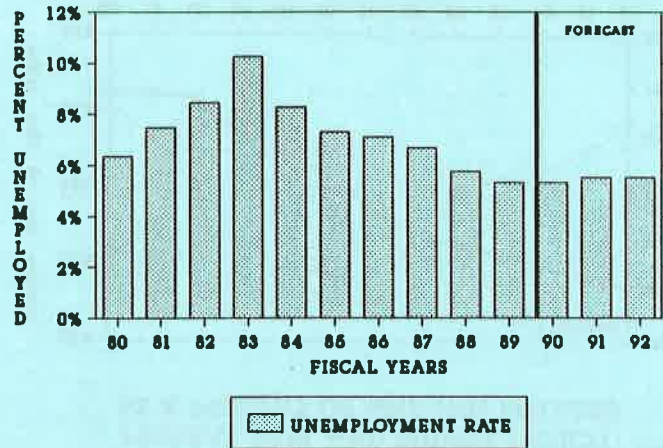


CHART XIV

PERSONAL SAVING RATE AS % OF PERSONAL INCOME



CHART XV

GROWTH OF U.S. HOUSING UNITS

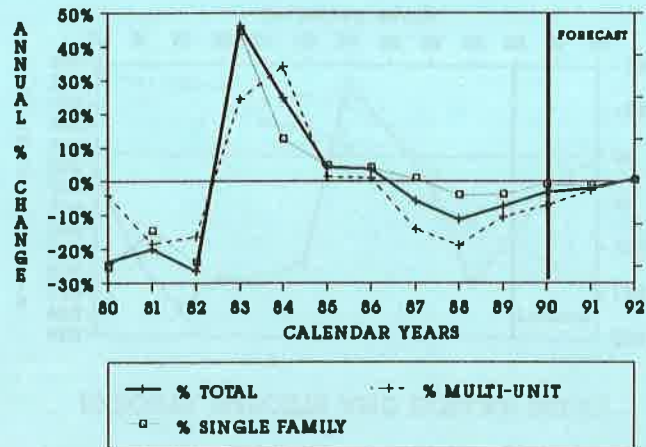
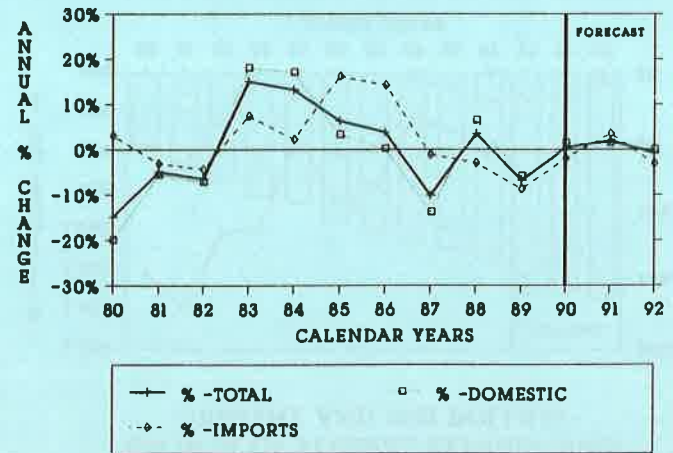


CHART XVI

GROWTH OF U.S. CAR SALES



THE ARIZONA ECONOMY

Review of FY 1989

Despite a recession in areas related to real estate, the Arizona economy continued to grow in FY 1989, which is a testimony to the resiliency of our economy. In general, however, the rate of growth of the overall Arizona economy has been declining in recent years. The number of jobs in the important Goods Producing^{1/} sector declined 2.7% in FY 1989 and showed declines in the two previous years as well, after growing 11.3% in FY 1985 and 4.1% in FY 1986. The Service Providing^{2/} sector, although not suffering an actual loss of jobs, has had a steadily declining growth rate in recent years, dropping from 8.2% in FY 1985 to 3.6% in FY 1989. While the Arizona economy bottomed out during FY 1989, the Real Estate and Finance related areas of the economy are still experiencing difficulty.

In 1981, a new tax law made real estate one of the few remaining useful tax shelters. In late 1982, Arizona was coming out of a recession, Phoenix was underbuilt with great long-term prospects for growth. As a result, Arizona became the "beneficiary" of the real estate boom caused by tax law changes and a recovering Arizona economy. By 1986, Arizona was overbuilt in every category of construction. Then, the tax laws changed and took away the tax benefits of real estate. Construction reached its peak in June 1986 and by June 1989, 30,400 construction jobs had been lost, a decline of more than 25%. In FY 1989, average construction employment declined by 8.6% after having declined by 9.1% in FY 1988.^{3/}

Mining was a bright spot in the Arizona economy during FY 1989. Employment was up 3.2% and the average price of copper was up substantially over FY 1988. While mining is a significant contributor to several non-metro counties, it is not the economic "swinger" it was at its peak employment of over 27,000. Mining employment in FY 1989 averaged 12,100.

The Manufacturing sector has been weak for the last two years, with no growth in FY 1989 and 1.0% growth in FY 1988. The weakness has been primarily in Durable Goods Manufacturing employment, where employment declined 1.3% in FY 1989 and grew by only 0.2% in FY 1988. Nondurable Goods Manufacturing showed respectable growth in the 4% to 5% range for both FY 1988 and FY 1989. The decline in Durable Goods Manufacturing employment was fairly broad based and included weaknesses in high tech and defense employment. In addition, the construction decline had a negative impact on related Durable Goods Manufacturing.

^{1/} Manufacturing, Construction, and Mining.

^{2/} TCPU (Transportation, Communications, Public Utilities), Trade, FIRE (Finance, Insurance, Real Estate), Services, and Government.

^{3/} See "The Rise and Fall (& Rise) of the Arizona Real Estate Market", Elliott D. Pollack, 25th Annual Economic Forecast Luncheon, December 7, 1988, ASU and Valley National Bank.

The Service Providing sectors, in FY 1989, provided almost 80% of Wage and Salary employment in Arizona. This is up from 75% in FY 1985 and reflects the current weakness in the Goods Producing sectors.

In FY 1989, the narrowly defined Services sector was a bastion of strength in the Arizona economy with growth of 6.0%. Available details show that this included an increase of 6.1% in employment at Lodging Places, a decrease of 0.2% in Business Services, and an increase of 5.0% in Health Services. The Other Services category, which includes over 45% of the narrowly defined Services employment, increased 9.3%.

In FY 1989, TCPU^{1/} growth dropped to 2.4%, down from 6.7% the year before. The Transportation component of TCPU, while showing growth of 5.7%, was down from the 12.0% the year before. Employment in the Communications and Public Utilities sector declined 1.0% in FY 1989, probably influenced by the downturn in construction and by reduced immigration.

FIRE^{2/} employment declined by 2.7% in FY 1989, influenced by difficulties in Real Estate and the Financial areas.

During FY 1989, Trade employment increased 3.8%, with the Wholesale Component increasing 6.1% and the Retail Component increasing 3.2%.

Government employment increased 2.6% in FY 1989, down from 3.1% in FY 1988. Federal Government employment increased 2.1%, while state and local (including education) increased 2.7%.

Table II ARIZONA WAGE AND SALARY EMPLOYMENT, PERCENT GROWTH OVER PRIOR YEAR, RECENT HISTORY shows employment growth from FY 1985 through FY 1989.

^{1/} TCPU = Transportations, Communications, and Public Utilities

^{2/} FIRE = Finance, Insurance, and Real Estate

**ARIZONA WAGE AND SALARY EMPLOYMENT
PERCENT GROWTH OVER PRIOR YEAR
RECENT HISTORY**

TABLE II

(Based on Average Employment)

	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989
Goods Producing					
Manufacturing	9.2%	2.1%	2.2%	1.0%	0.0%
Mining	(11.5)	(7.9)	(2.7)	5.9	3.2
Construction	19.0	8.9	(5.9)	(9.1)	(8.6)
Total Goods Producing	11.3	4.1	(1.0)	(2.4)	(2.7)
Service Providing					
Transportation, Communication and Public Utilities	4.5	4.6	7.3	6.7	2.4
Trade	9.7	6.0	4.7	3.8	3.8
Finance, Insurance, Real Estate Services	10.5	12.4	7.5	3.7	(2.7)
Government	10.2	9.8	6.1	7.3	6.0
Total Service Producing	3.8	4.1	3.0	3.1	2.6
Total Wage and Salary Employment	8.9%	6.4%	3.7%	3.3%	2.3%

Forecast for FY 1990 and FY 1991

As FY 1989 drew to a close, the Arizona economy, in the overall sense, had bottomed out and was positioned for upward movement. We expect a continuation of our dichotomized economy, with the distressed construction, real estate, and financial sectors struggling through most of our forecast period and the remaining sectors, in general, showing respectable growth.

With two exceptions, the Arizona Construction/Real Estate sector has begun to stabilize as vacancy rates have steadied or are declining slowly. The exceptions are retail and office space where conditions are worsening as new construction brings a supply that, relative to demand, is excessive. The Resolution Trust Corporation (RTC) has opened its Phoenix Office and presumably is gearing up for the disposal of its vast real estate holdings. The unknown, at this point, is the degree of urgency felt by the RTC toward its disposal efforts. Our forecast shows a continuation of the decline in construction employment with a 7.2% reduction in FY 1990. For FY 1991, we expect construction employment to bottom out and even show slight growth.

Manufacturing employment is expected to decline by 0.6% in FY 1990 after having shown 0.0% growth in FY 1989. We expect manufacturing to resume positive growth in FY 1991 in the 2.0% range. Arizona has a low cost operating environment which will be of interest to out-of-state firms and we should be receiving the benefits of Arizona's increased economic development efforts. Certain negative economic events which occurred in FY 1990 are now behind us, primarily the IBM move from Tucson, so that the normal arithmetic of growth can be resumed. On the growth-inhibiting side, U.S. defense expenditures are expected to slow so that Arizona's share of the peace dividend may be negative.

The Mining sector will be stable during our forecast period, and growth will be modestly positive with 1.6% in FY 1990 and 0.8% in FY 1991. In December 1988, copper prices averaged \$1.61/lb and have been generally declining since then. For FY 1990, the price will average in the \$1.20/lb range with the FY 1991 price drifting downward possibly to an average of \$1.00/lb. Production, on the other hand, has been growing and FY 1991 is expected to show a continuation of this growth.

In FY 1985, the Service Producing sector accounted for 75.9% of the employment in Arizona. Today, despite a declining growth rate, the Service Producing sector accounts for over 80.0% of the employment in Arizona. Weakness in the Goods Producing sector accounts for the increased share of the Service Producing sector. Over time, the share will probably move back in the direction of the 75.9% share, but not during our forecast period. Our forecast is for the Service Producing sector to account for 81.2% of Arizona employment.

404 Table III ARIZONA WAGE AND SALARY EMPLOYMENT, PERCENT GROWTH OVER PRIOR YEAR shows anticipated employment growth for the forecast years of FY 1990 and FY 1991, together with actual growth in FY 1989. FY 1989 employment is subject to change in the rebenching of employment which will take place early in calendar 1991, but changes to FY 1989 are expected to be minimal.

Table IV, key Arizona economic indicators, shows the JLBC Staff forecast for eight Arizona variables. We expect growth in Arizona Personal Income to be at 7.3% for FY 1990 and 7.5% for FY 1991 in current dollar terms with growth in constant dollar terms at 3.1% in FY 1990 and 3.4% in FY 1991.

Chart XVII is a bar chart which compares growth rates for current and constant dollar Arizona personal income for FY 1975 through FY 1991.

Chart XVIII is a bar chart which compares growth rates for U. S. and Arizona current dollar personal income for FY 1975 through FY 1991.

Chart XIX is a bar chart which compares growth rates for U. S. and Arizona constant dollar personal income for FY 1975 through FY 1991.

Chart XX is a bar chart which compares U. S. and Arizona growth rates for constant dollar per-capita personal income. In recent years, Arizona growth has shown a substantial slowing relative to the U. S. and our forecast indicates that this will continue. In general, this chart shows that the Arizona economy is dependent upon population growth. Actually, much of Arizona's strong growth is illusory, in that it reflects our strong population growth. Per capita income in Arizona remains some 10% below the U. S. average.

TABLE III

**ARIZONA WAGE AND SALARY EMPLOYMENT
PERCENT GROWTH OVER PRIOR YEAR
FORECAST**
(Based on Average Employment)

	Estimated	Forecast	
	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
Goods Producing			
Manufacturing	0.0%	(0.6)%	2.0%
Mining	3.2	1.6	0.8
Construction	(8.6)	(7.2)	0.5
Total Goods Producing	(2.7)	(2.5)	1.5
Service Providing			
Transportation, Communication and Public Utilities	2.4	3.4	4.1
Trade	3.8	4.2	3.3
Finance, Insurance, Real Estate	(2.7)	0.9	2.5
Services	6.0	6.3	5.8
Government	2.6	2.7	2.5
Total Service Producing	3.6	4.3	4.0
Total Wage and Salary Employment	<u>2.3%</u>	<u>2.9%</u>	<u>3.5%</u>

KEY ARIZONA ECONOMIC INDICATORS

	Actual FY 1986	Actual FY 1987	Actual FY 1988	Actual FY 1989	Forecast FY 1990	Forecast FY 1991
Personal Income - Current Dollars ^{1/}	10.1	8.5	8.6	7.6	7.3	7.5
- Constant Dollars ^{1/}	7.3	5.4	5.0	3.8	3.1	3.4
Retail Sales ^{1/3/}	7.3	3.9	4.8	5.7	6.0	7.6
Population ^{1/}	4.3	3.8	3.0	2.3	1.9	2.2
Wage and Salary Employment ^{1/}	6.4	3.7	3.3	2.3	2.9	3.5
Manufacturing Employment ^{1/}	2.1	2.2	1.0	0.0	(0.6)	2.0
Construction Employment ^{1/}	8.9	(5.9)	(9.1)	(8.6)	(7.2)	0.5
Unemployment Rate ^{2/}	6.6	7.1	5.9	5.9	5.1	5.2

1/ Annual Percent Change.

2/ Average Rate for Year.

3/ Based on DOR definition of Retail Sales.

CHART XVII
**ARIZONA PERSONAL INCOME
 CURRENT AND CONSTANT DOLLARS**

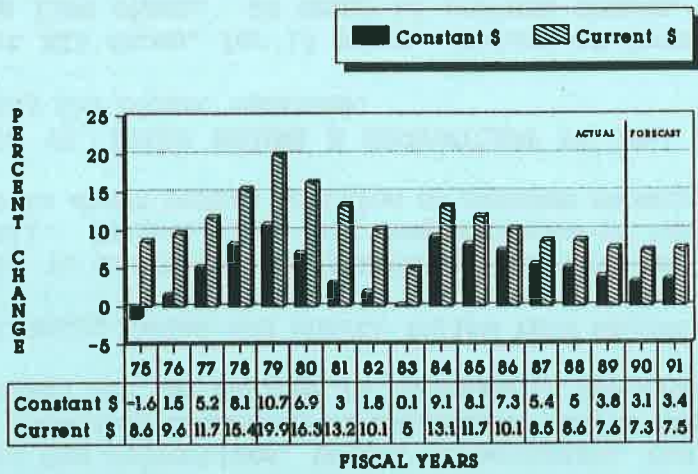


CHART XVIII
**U.S. AND ARIZONA
 CURRENT DOLLAR PERSONAL INCOME**

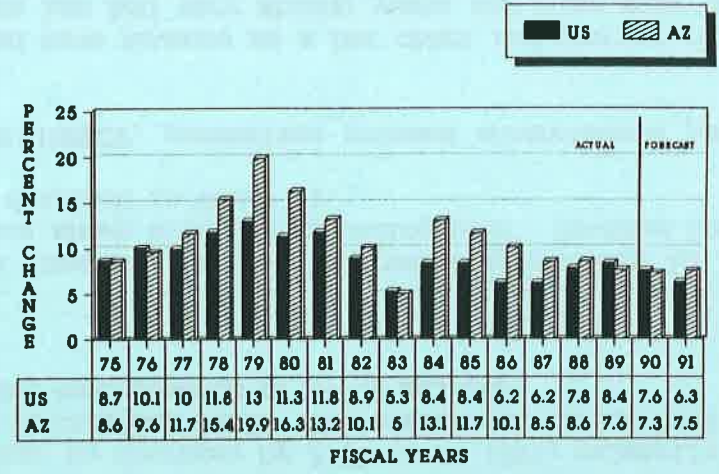


CHART XIX
**U.S. AND ARIZONA
 CONSTANT DOLLAR PERSONAL INCOME**

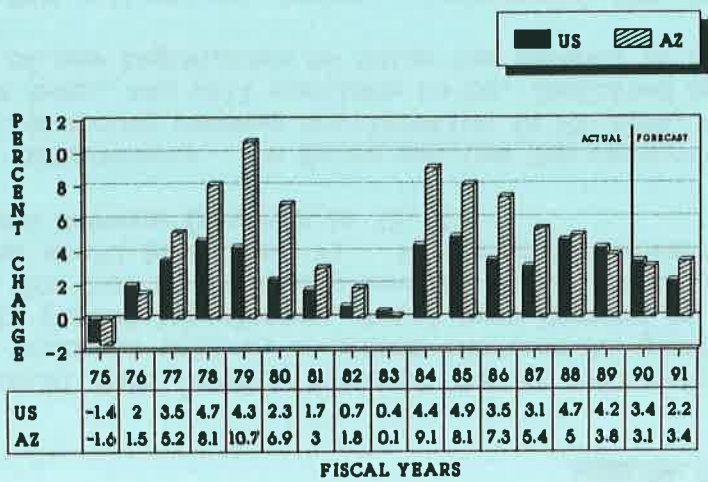
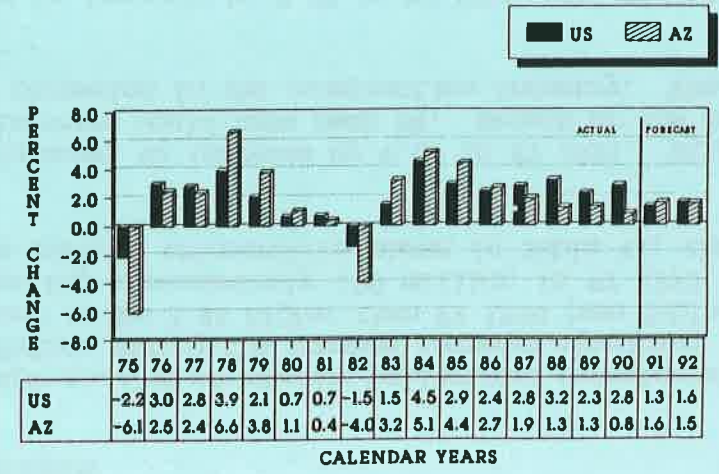


CHART XX
**U.S. AND ARIZONA
 REAL PER CAPITA INCOME**



GENERAL FUND REVENUE

The General Fund Revenue forecast for FY 1991 reflects the slowing of revenue collections experienced in recent years as well as a modest increase in growth. Before adding the revenue increase resulting from recently passed legislation, Total Base Revenue is forecast to be 3.9% higher than FY 1990 (see Table V). If not for the nonrecurring revenue acceleration aggregating approximately \$90 million in FY 1990, the increase would have been 7%. With the inclusion of the revenue enhancements shown in Table VI, the FY 1991 Base Revenue increase is 12.1%.

Before enhancements, the Sales and Use Tax category is forecast to increase by 4.3% in FY 1991. Without the nonrecurring revenue acceleration in FY 1990, that increase would have been 8%. Growth of the Sales Tax has been, and will continue to be, inhibited by the recession in the construction industry. The net impact of new legislation on Sales Tax revenue is small.

Income Tax collections, before enhancements, are forecast to increase by 8.6% in FY 1991, with Individual Income Tax up 7.7%, and the Corporation Income Tax up 15.5%. Enhancements passed during the recent session totalled \$158.7 million for the Individual Income Tax, and \$30.9 million for the Corporation Income Tax.

Property Tax collections, before enhancements, are forecast to decrease by 2.6% in FY 1991, primarily due to the scheduled reduction of assessment ratios starting in calendar 1990. The assessment ratios have now been frozen and the savings is included in the Property Tax enhancements of \$49.6 million.

The following tables and charts follow this narrative:

- o Table V, STATEMENT OF PROJECTED BASE REVENUE. This forecast has been discussed previously in some detail. Essentially, this compares each of three years shown with the preceding year. Revenue for FY 1991 is shown before addition of revenue enhancements detailed in Table VI.
- o Table VI, BILLS HAVING A SIGNIFICANT FY 1991 REVENUE IMPACT, summarizes revenue enhancements passed during the recent sessions.
- o Chart XXI shows, for 13 years, dollars of General Fund Base Revenue as a bar chart and percent change as a line chart. In terms of percent change, Arizona has had very strong years and also some years which exhibited very weak growth. It should be noted that FY 1979 through FY 1982 were years when the Consumer Price Index was at or near double-digit inflation. Also shown are "underlying growth rates" (after elimination of enhancements) for FY 1989, FY 1990, and FY 1991.

GENERAL FUND REVENUE
(Continued)

- o Chart XXII shows, in million, amounts collected for the General Fund from Major Tax Sources for the period of FY 1971 through FY 1991.
- o Chart XXIII shows, for FY 1991, major categories of General Fund Base Revenue as a percent of Total Base Revenue.
- o Chart XXIV shows, in graphic form, the percent and dollar growth in FY 1991 over FY 1990 for significant categories of General Fund Base Revenue based on JLBC Staff estimates.
- o Chart XXV shows collections from Major Tax Sources as a percent of Total General Fund Base Revenue for the period FY 1971 through FY 1991.

**STATE OF ARIZONA
GENERAL FUND
STATEMENT OF PROJECTED BASE REVENUE
CONSENSUS FORECAST 1/
(\$ Thousands)**

	<u>Actual FY 1989</u>		<u>Preliminary FY 1990</u>		<u>Forecast FY 1991</u>	
	<u>Amount</u>	<u>% Change</u>	<u>Amount</u>	<u>% Change</u>	<u>Amount</u>	<u>% Change</u>
<u>Taxes</u>						
Sales and Use	\$1,338,809.7	7.1%	\$1,440,587.6	7.6%	\$1,502,500.0	4.3%
Income - Individual	911,552.0	6.8	995,468.6	9.2	1,071,800.0	7.7
- Corporation	200,869.7	33.2	178,399.7	(11.2)	206,000.0	15.5
- Urban Revenue Sharing	(143,957.0)	10.2	(150,622.6)	4.6	(166,900.0)	10.8
Property	92,715.7	37.6	130,199.8	40.4	126,800.0	(2.6)
Luxury	69,052.9	(2.5)	65,661.7	(4.9)	65,600.0	(0.1)
Insurance Premium	79,720.3	48.0	116,708.0	46.4	94,800.0	(18.8)
Motor Vehicle License - Regular	83,293.4	20.1	101,330.6	21.7	104,000.0	2.6
- HURF Transfer	(13,789.0)	10.2	(15,198.3)	10.2	(16,200.0)	6.6
Parl Mutuel	6,135.4	(2.2)	5,647.7	(7.9)	6,200.0	9.8
Estate	24,079.7	3.8	23,916.5	(0.7)	26,250.0	9.8
Other Taxes	<u>2,492.7</u>	(41.8)	<u>1,500.5</u>	(39.8)	<u>1,430.0</u>	(4.7)
Subtotal - Taxes	<u>2,650,975.5</u>	11.4	<u>2,893,599.8</u>	9.2	<u>3,022,280.0</u>	4.4
<u>Other Non-Tax Revenues</u>						
Lottery	69,150.9	19.9	79,028.0	14.3	90,200.0	14.1
Licenses, Fees and Permits	33,061.7	1.3	32,683.8	(1.1)	35,700.0	9.2
Interest	35,015.9	(32.9)	21,964.4	(37.3)	30,100.0	37.0
Sales and Services	4,713.9	(6.7)	4,083.9	(13.4)	4,500.0	10.2
Other Miscellaneous	16,244.0	35.4	21,211.1	30.6	16,500.0	(22.2)
Transfers and Reimbursements	18,926.8	19.6	37,944.2	90.6	12,000.0	(68.4)
From Tax Protest Fund	24,000.0	---	0.0	---	0.0	---
Funds Transfer	<u>23,469.2</u>	---	<u>0.0</u>	---	<u>0.0</u>	---
Subtotal - Other Non-Tax Revenues	<u>224,582.4</u>	66.2	<u>196,915.4</u>	(12.3)	<u>189,000.0</u>	(4.0)
<u>Total Base Revenue</u>	<u>\$2,875,557.9</u>	<u>12.2%</u>	<u>\$3,090,515.2</u>	<u>7.5%</u>	<u>\$3,211,280.0</u>	<u>3.9%</u>

1/ Does not reflect enhancements brought about by new legislation as shown in Table VI.

THIRTY-NINTH LEGISLATURE
 SECOND REGULAR SESSION AND THIRD SPECIAL SESSION
BILLS HAVING A SIGNIFICANT FY 1991 GENERAL FUND REVENUE IMPACT

Table VI

(Amounts in Thousands)

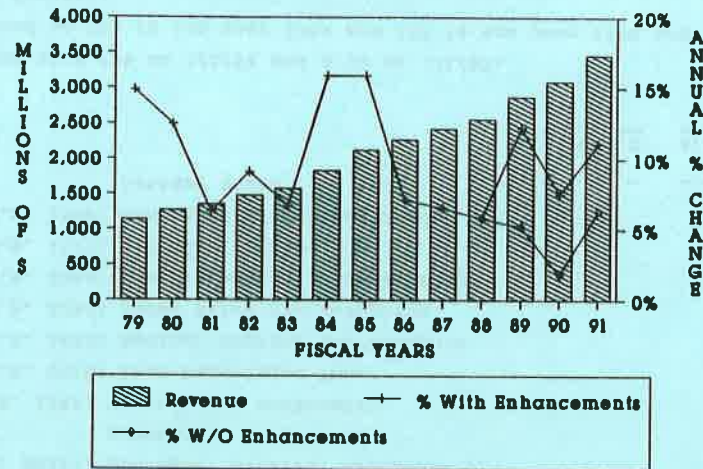
	<u>Property</u>	<u>Sales & Use</u>	<u>Individual Income</u>	<u>Corporation Income</u>	<u>Vehicle License</u>	<u>Luxury</u>	<u>Other</u>	<u>Total</u>
<u>BASIC TAX PACKAGE</u>								
1. Ch. 3 (H.B. 2028), 3rd Special Session								
A. Individual Income Tax-Simplify, etc.			\$110,000.0					\$110,000.0
B. Limit Renter's Credit			3,800.0					3,800.0
C. Corporate Income Tax-Various				\$25,600.0				25,600.0
D. Sales Tax-Elimination of Acct. Allowance		\$8,000.0						8,000.0
E. Sales Tax Reduction-Rentals of Real Prop. ^{1/}		(1,800.0)						(1,800.0)
F. Minimum School Tax Rate ^{2/}	\$40,700.0						\$7,000.0 ^{3/}	47,700.0
G. County Property Tax Relief ^{4/}		(10,000.0)						(10,000.0)
H. Cigarette Tax Increase						\$9,500.0		9,500.0
I. Min. Vehicle License Tax Reduction ^{5/}					\$(3,600.0)			(3,600.0)
SUBTOTAL	40,700.0	(3,800.0)	113,800.0	25,600.0	(3,600.0)	9,500.0	7,000.0	189,200.0
<u>OTHER BILLS</u>								
2. Ch. 3 (H.B. 2028), 3rd Special Session								
A. Assessment Ratio Changes ^{6/}	8,940.0						660.0 ^{3/}	9,600.0
B. Income Tax Withholding			40,000.0 ^{7/}					40,000.0
3. Ch. 7 (H.B. 2031), 3rd Spec. Session; Treasurer's Interest							4,500.0	4,500.0
4. Ch. 63 (S.B. 1293) Federal Tax Conformity			4,880.0	5,300.0				10,180.0
5. Ch. 114 (H.B. 2419) Land Department Fees							160.0	160.0
6. Ch. 212 (H.B. 2623) Racing; Capital Improvements							(400.0)	(400.0)
7. Ch. 239 (H.B. 2456) Rodeo Sales Tax Exemption								(47.0)
8. Ch. 251 (H.B. 2614) Tax Suspension; Federal Bldgs.								(94.0)
9. Ch. 391 (S.B. 1177) Bed Tax; tourism								(463.0)
10. Ch. 408 (H.B. 2362) Reduction of General Fund Lottery Share							(500.0)	(500.0)
TOTAL	\$49,640.0	\$(4,404.0)	\$158,680.0	\$30,900.0	\$(3,600.0)	\$9,500.0	\$11,420.0	\$252,136

- ^{1/} Rate reduced to 4.75% on 1/1/91 and 4.5% on 1/1/92.
- ^{2/} QTR increased to 75% in tax year 1991 and 85% in tax year 1992 and thereafter.
- ^{3/} Salt River Project.
- ^{4/} Bill provides for a similar distribution in FY 1992.
- ^{5/} Start of 3-year phase-down, effective 1/1/91.
- ^{6/} Assessment ratio for Class 6 is reduced to 13% in CY 1991 and 12% in CY 1992 and thereafter. All other classes are unchanged.
- ^{7/} One-time revenue from acceleration of withholding to implement income tax increase (see item #1A).

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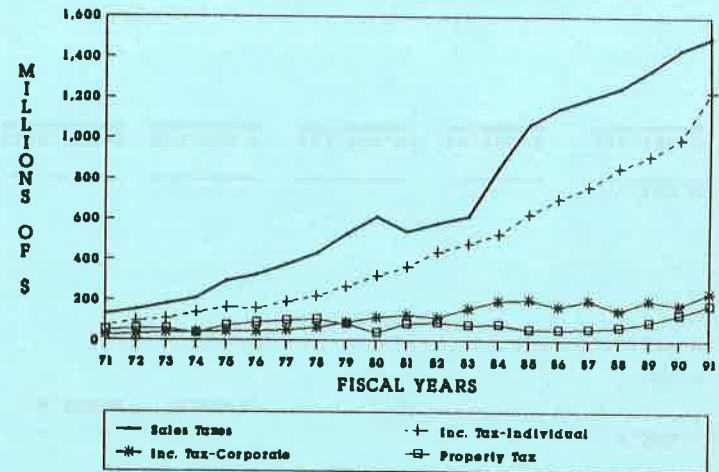
**GENERAL FUND
BASE REVENUE COLLECTIONS**
Including Effect of New Legislation

CHART XXI



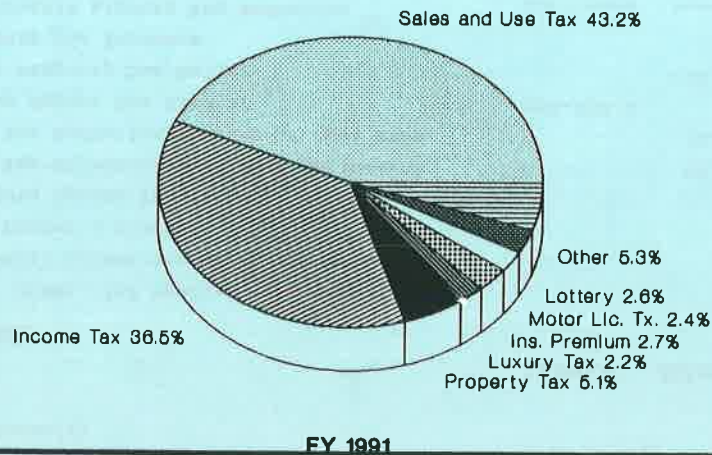
**MAJOR GENERAL FUND TAX SOURCES
COLLECTIONS**
Including Effect of New Legislation

CHART XXII



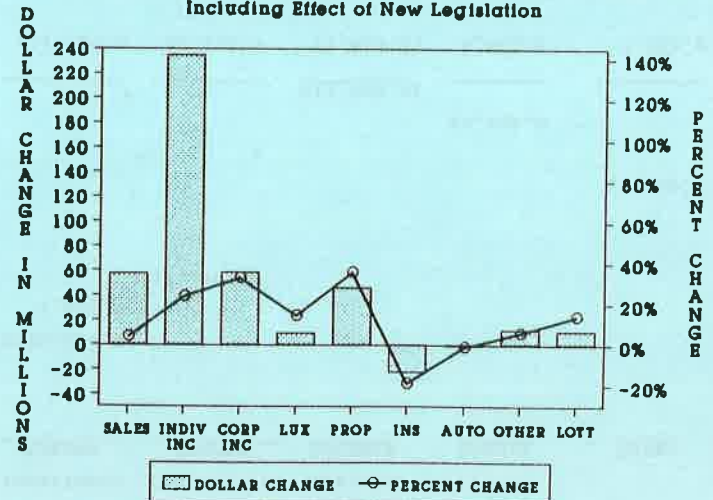
**GENERAL FUND REVENUE SOURCES
AS A PERCENT OF TOTAL BASE REVENUE**
Including Effect of New Legislation

CHART XXIII

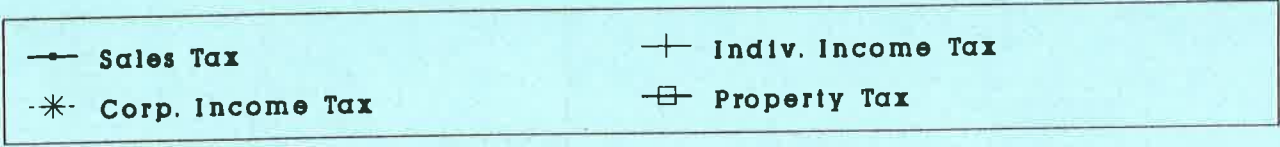
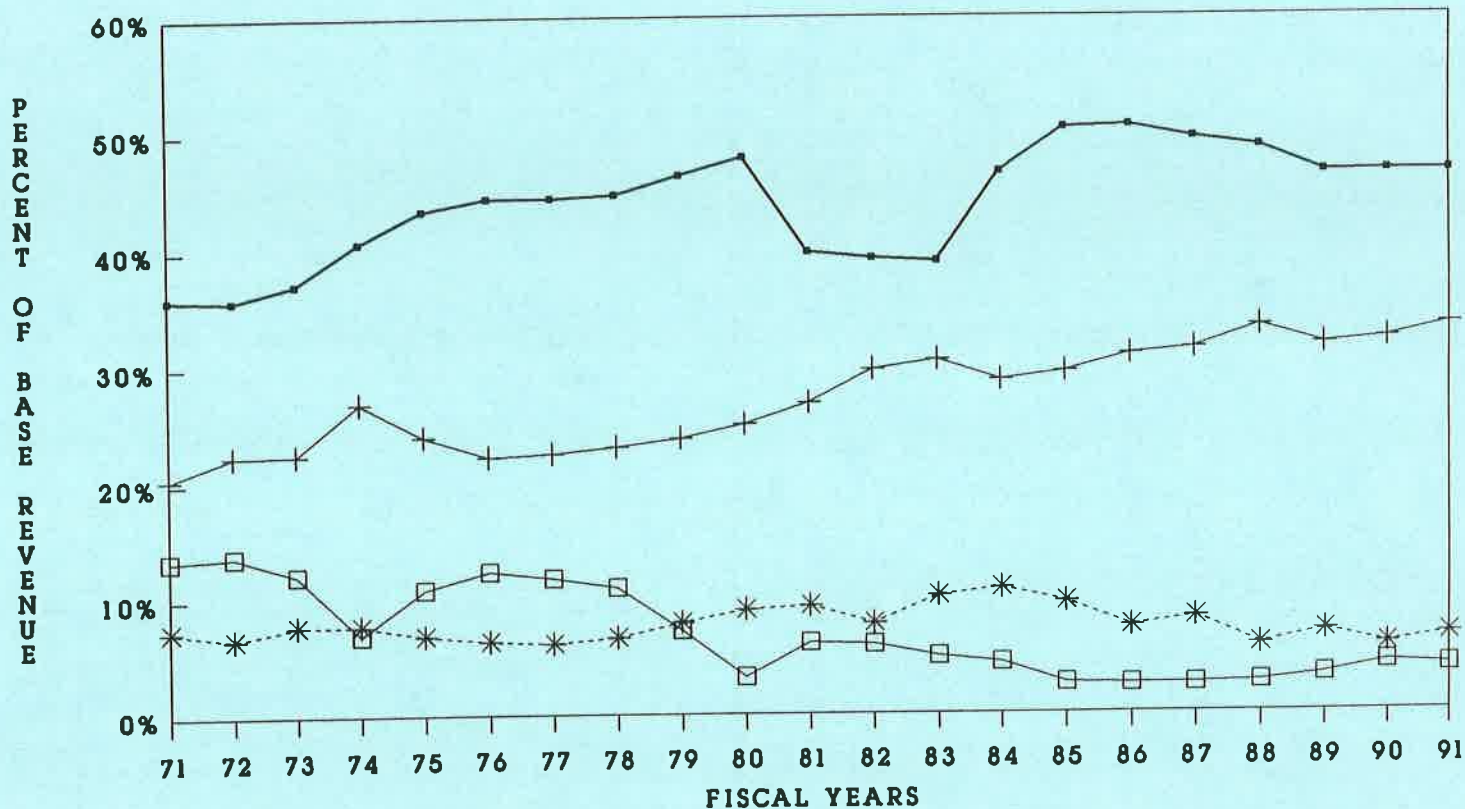


**FY 1991 MAJOR REVENUE SOURCES
DOLLAR AND PERCENT CHANGE FROM FY 1990**
Including Effect of New Legislation

CHART XXIV



MAJOR TAX SOURCES AS A PERCENT OF TOTAL GENERAL FUND BASE REVENUE



**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
ENACTED PRIOR TO THE 2ND REGULAR SESSION
OF THE 39TH LEGISLATURE**

	GENERAL FUND			NON-GENERAL FUNDS		
	Original Appropriation	1/ Revision	2/ Final Appropriation	Original Appropriation	1/ Revision	2/ Final Appropriation
GENERAL GOVERNMENT						
Administration, Department of	\$36,015,839	3/ \$700	\$36,016,539	\$337,700	\$0	\$337,700
Affirmative Action, Governor's Office of	222,400	0	222,400	0	0	0
Attorney General	17,814,200	300	17,814,500	0	0	0
Coliseum and Exposition Center	0	0	0	12,582,400	0	12,582,400
Commerce, Department of	3,416,700	4/ 300	3,417,000	1,296,100	5/ 0	1,296,100
Compensation Fund	0	0	0	0	0	0
Courts						
Court of Appeals	6,612,300	32,300	6,644,600	0	0	0
Comm on Appellate and Trial	4,000	0	4,000	0	0	0
Commission on Judicial Qualifications	100,000	0	100,000	0	0	0
Superior Courts	48,833,700	0	48,833,700	0	0	0
Supreme Court	5,241,900	114,900	5,356,800	0	0	0
SUBTOTAL - Courts	<u>\$60,791,900</u>	<u>\$147,200</u>	<u>\$60,939,100</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Governor, Office of the	3,279,300	350,000	3,629,300	0	0	0
Law Enforcement Merit System Council	42,100	0	42,100	0	0	0
Legislature						
Auditor General	6,886,600	7/ 0	6,886,600	0	0	0
House of Representatives	6,130,600	0	6,130,600	0	0	0
Joint Legislative Budget Committee	1,537,700	8/ 0	1,537,700	0	0	0
Legislative Council	2,677,500	9/ 500,000	3,177,500	0	0	0
Library, Archives, and Public Records, Dept of	4,812,600	4,400	4,817,000	0	0	0
Senate	6,063,900	0	6,063,900	0	0	0
SUBTOTAL - Legislature	<u>\$28,108,900</u>	<u>\$504,400</u>	<u>\$28,613,300</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
ENACTED PRIOR TO THE 2ND REGULAR SESSION
OF THE 39TH LEGISLATURE**

	GENERAL FUND			NON-GENERAL FUNDS		
	Original Appropriation	1/ Revision	2/ Final Appropriation	Original Appropriation	1/ Revision	2/ Final Appropriation
Lottery	\$0	\$0	\$0	\$44,999,100	\$0	\$44,999,100
Personnel Board	217,700	0	217,700	0	0	0
Retirement System	0	0	0	2,808,700	0	2,808,700
Revenue, Department of	44,954,600	11/ 34,900	44,989,500	0	0	0
Secretary of State	1,819,700	0	1,819,700	0	0	0
Tax Appeals, Board of	445,100	0	445,100	0	0	0
Tourism, Office of	3,558,600	0	3,558,600	2,000,000	0	2,000,000
Treasurer	9,317,200	12/ 0	9,317,200	0	0	0
Uniform State Laws, Commission on	19,000	0	19,000	0	0	0
TOTAL - GENERAL GOVERNMENT	\$210,023,239	\$1,037,800	\$211,061,039	\$64,024,000	\$0	\$64,024,000
<u>HEALTH AND WELFARE</u>						
AHCCCS Administration	320,292,800	13/ 216,400	320,509,200	0	0	0
Economic Security, Department of	273,701,420	14/ 14,232,400	287,933,820	764,500	200	764,700
Environmental Quality, Department of	16,278,400	0	16,278,400	0	0	0
Health Services, Department of	139,901,900	15/ 63,500	139,965,400	2,377,300	0	2,377,300
Hearing Impaired, Council for the	203,800	0	203,800	0	0	0
Indian Affairs, Commission on	155,400	0	155,400	0	0	0
Pioneers' Home	2,912,400	600	2,913,000	0	0	0
Arizona Ranger's Pension	16,800	0	16,800	0	0	0
Veteran's Services Commission	720,700	0	720,700	390,000	0	390,000
TOTAL - HEALTH AND WELFARE	\$754,183,620	\$14,512,900	\$768,696,520	\$3,531,800	\$200	\$3,532,000

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
ENACTED PRIOR TO THE 2ND REGULAR SESSION
OF THE 39TH LEGISLATURE**

	GENERAL FUND			NON-GENERAL FUNDS		
	Original Appropriation	1/ Revision	2/ Final Appropriation	Original Appropriation	1/ Revision	2/ Final Appropriation
<u>INSPECTION AND REGULATION</u>						
Agricultural Employment Relations Board	\$189,000	\$0	\$189,000	\$0	\$0	\$0
Agriculture and Horticulture, Commission of	5,645,800	12,500	5,658,300	1,345,500	0	1,345,500
Banking Department	3,827,600	0	3,827,600	0	0	0
Building & Fire Safety, Dept of	2,872,700	0	2,872,700	0	0	0
Contractors, Registrar of	4,020,500	700	4,021,200	0	0	0
Corporation Commission	5,541,300 <u>16/</u>	0	5,541,300	5,948,600 <u>17/</u>	0	5,948,600
Dairy Commissioner	524,100	2,800	526,900	0	0	0
Industrial Commission	0	0	0	11,801,700	54,700	11,856,400
Insurance, Department of	2,717,600	0	2,717,600	0	0	0
Liquor Licenses & Control, Dept of	2,083,600	0	2,083,600	0	0	0
Livestock Board	3,842,200	0	3,842,200	0	0	0
Mine Inspector	580,900	0	580,900	0	0	0
Occupational Safety and Health Review Board	10,300 <u>18/</u>	0	10,300	0	0	0
Racing, Department of	2,436,600	0	2,436,600	321,400	0	321,400
Radiation Regulatory Agency	1,594,100 <u>19/</u>	0	1,594,100	89,700	0	89,700
Real Estate Department	2,783,100	0	2,783,100	0	0	0
Residential Utility Consumer Office	0	0	0	923,200	0	923,200
Weights and Measures, Dept of	2,118,500 <u>20/</u>	1,900	2,120,400	0	0	0
Ninety-Ten Agencies						
Accountancy, Board of	0	0	0	650,100	0	650,100
Appraisal, Board of	0	0	0	0	0	0
Barber Examiners Board	0	0	0	134,200	0	134,200
Behavioral Health Examiners, Board of	50,000	0	50,000	0	0	0

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
ENACTED PRIOR TO THE 2ND REGULAR SESSION
OF THE 39TH LEGISLATURE**

	GENERAL FUND				NON-GENERAL FUNDS			
	Original Appropriation	1/ Revision	2/ Revision	Final Appropriation	Original Appropriation	1/ Revision	2/ Revision	Final Appropriation
Boxing Commission	\$55,300		\$0	\$55,300	\$6,100		\$0	\$6,100
Chiropractic Examiners Board	0		0	0	186,000		0	186,000
Cosmetology, Board of	0		0	0	534,700		0	534,700
Dental Examiners Board	0		0	0	377,500		0	377,500
Egg Inspection Board	0		0	0	190,900		0	190,900
Funeral Directors and Embalmers Board	0		0	0	144,400		0	144,400
Homeopathic Medical Examiners Board	0		0	0	8,400		0	8,400
Medical Examiners, Board of	0		0	0	2,137,800		0	2,137,800
Naturopathic Physician Examiners Board	0		0	0	27,800		0	27,800
Nursing Board	0		0	0	953,100		0	953,100
Nursing Care Institution Administrators Board	0		16,500	21/ 16,500	61,300		0	61,300
Occupational Therapy Examiners, Board of	0		0	0	0		0	0
Opticians, Board of Dispensing	0		0	0	51,900		0	51,900
Optometry, Board of	0		0	0	99,200		0	99,200
Osteopathic Examiners Board	0		0	0	210,900		0	210,900
Pharmacy Board	0		0	0	599,600		5,000	604,600
Physical Therapy Examiners Board	0		0	0	63,800		0	63,800
Podiatry Examiners Board	0		0	0	42,100		0	42,100
Private Postsecondary Education, Board for	0		0	0	123,000		0	123,000
Psychologist Examiners Board	0		0	0	124,200		0	124,200
Structural Pest Control Board	0		0	0	965,100		0	965,100
Technical Registration, Board of	0		0	0	709,500		0	709,500
Veterinary Medical Examining Board	0		0	0	144,300		0	144,300
SUBTOTAL - Ninety-Ten Agencies	105,300		16,500	121,800	8,545,900		5,000	8,550,900
TOTAL - INSPECTION AND REGULATION	\$40,893,200		\$34,400	\$40,927,600	\$28,976,000		\$59,700	\$29,035,700

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
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	GENERAL FUND				NON-GENERAL FUNDS			
	Original Appropriation	1/ Revision	2/ Revision	Final Appropriation	Original Appropriation	1/ Revision	2/ Revision	Final Appropriation
EDUCATION								
Arts, Commission on the	\$1,586,300		\$0	\$1,586,300	\$0		\$0	\$0
Community Colleges	73,607,300	22/	0	73,607,300	0		0	0
Deaf and Blind, School for	11,748,000		14,700	11,762,700	0		0	0
Education, Department of	1,183,015,800	23/	5,900	1,183,021,700	0		428,700	428,700
Historical Society, Arizona	1,985,400		1,500	1,986,900	0		0	0
Historical Society, Prescott	513,900		700	514,600	0		0	0
Medical Student Loans Board	5,000		0	5,000	0		0	0
Universities/Board of Regents								
Board of Regents	6,620,100		4,500	6,624,600	0		0	0
Arizona State University - Main	175,977,100		407,000	176,384,100	52,911,900		0	52,911,900
Arizona State University - West	14,255,100		26,800	14,281,900	2,737,800		0	2,737,800
Northern Arizona University	63,139,400		140,300	63,279,700	16,145,800		0	16,145,800
University of Arizona - Main	189,265,400		450,700	189,716,100	55,489,400		0	55,489,400
University of Arizona - College of Medicine	43,212,500		79,800	43,292,300	1,911,900		0	1,911,900
SUBTOTAL - Universities/Board of Regents	\$492,469,600		\$1,109,100	\$493,578,700	\$129,196,800		\$0	\$129,196,800
TOTAL - EDUCATION	\$1,764,931,300		\$1,131,900	\$1,766,063,200	\$129,196,800		\$428,700	\$129,625,500
PROTECTION AND SAFETY								
Corrections, Department of	261,314,800		(3,694,000)	257,620,800	0		6,185,500	6,185,500
Criminal Justice Commission	0		900,000	900,000	2,819,200	28/	291,000	3,110,200
Emergency and Military Affairs, Dept of	4,245,800	30/	700	4,246,500	0		0	0
Juvenile Corrections, Department of	0		0	0	0		0	0
Pardons and Paroles, Board of	1,563,800		0	1,563,800	0		0	0

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
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	GENERAL FUND			NON-GENERAL FUNDS		
	Original Appropriation	1/ Revision	2/ Final Appropriation	Original Appropriation	1/ Revision	2/ Final Appropriation
Public Safety, Department of	\$84,850,400	\$64,700	\$84,915,100	\$1,822,000	\$0	\$1,822,000
TOTAL - PROTECTION AND SAFETY	\$351,974,800	(\$2,728,600)	\$349,246,200	\$4,641,200	\$6,476,500	\$11,117,700
TRANSPORTATION						
Transportation, Department of	\$82,000	\$0	\$82,000	\$175,188,200	\$37,400	\$175,225,600
NATURAL RESOURCES						
Environment, Commission on the	111,200	0	111,200	0	0	0
Game and Fish Department	0	0	0	15,610,300	500	15,610,800
Geological Survey	535,000	600	535,600	0	0	0
Land Department	7,878,500	31,200	7,909,700	0	0	0
Mines and Mineral Resources, Dept of	362,400	0	362,400	0	0	0
Oil and Gas Conservation Commission	187,400	0	187,400	0	0	0
State Parks Board	5,811,300	0	5,811,300	2,031,500	0	2,031,500
Water Resources, Department of	11,711,900	136,600	11,848,500	0	0	0
TOTAL - NATURAL RESOURCES	\$26,597,700	\$168,400	\$26,766,100	\$17,641,800	\$500	\$17,642,300
UNALLOCATED INEQUITY SALARY ADJUSTMENTS	\$2,500,000	(\$2,435,400)	\$64,600	\$350,000	(\$97,800)	\$252,200
UNALLOCATED SALARY ADJUSTMENTS	920,200	0	920,200	198,400	0	198,400
GRAND TOTAL	\$3,152,106,059	\$11,721,400	\$3,163,827,459	\$423,748,200	\$6,905,200	\$430,653,400

(See footnotes on the following page)

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
ENACTED PRIOR TO THE 2ND REGULAR SESSION
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- 1/ These amounts include funds appropriated in the General Appropriation Act (Laws 1989, Chapter 311) and FY 1990 operating funds appropriated in additional bills from legislative sessions previous to the 2nd Regular Session of the 39th Legislature.
- 2/ Except where noted, amounts do not include any mid-year reversions.
- 3/ Includes \$6,000,000 appropriated to the Department in Laws 1989, Chapter 256, of which \$4,326,024 was to be repaid to the General Fund by June 15, 1990 from the Special Employee Health Insurance Trust Fund. Also includes \$227,876 that had been transferred from other funds to the General Fund in Laws 1989, Chapter 248.
- 4/ The conditional clause of Laws 1989, Chapter 1 [i.e., the selection of Arizona State University for the Instrumented Factory for Precision Gears (INFAC)] was not met, so the appropriation of \$750,000 for FY 1990 (and each year of FY 1991-1994) did not become effective.
- 5/ Includes a carryforward of \$200,000 from a non-lapsing appropriation in Laws 1989, Chapter 203.
- 6/ Reflects an appropriation made in Laws 1989, Chapter 2, 1st Special Session.
- 7/ Includes a carryforward of \$240,000 from a non-lapsing appropriation in Laws 1988, Chapter 302.
- 8/ Includes a carryforward of \$14,100.
- 9/ Includes a carryforward of \$335,500 from a non-lapsing appropriation in Laws 1988, Chapter 302.
- 10/ Reflects an appropriation made in Laws 1989, Chapter 5, 1st Special Session.
- 11/ Includes \$6,300,000 from the Program for Increased Enforcement Revenues (PIER) provision contained in Laws 1989, Chapter 311.
- 12/ Includes \$5,500,000 for the County Long Term Care Fund from Laws 1988, Chapter 302; and \$111,700 appropriated to the Nuclear Emergency Management Fund in Laws 1989, Chapter 136 for distribution to the Department of Emergency and Military Affairs.
- 13/ Includes \$30,800 appropriated in Laws 1989, Chapter 295 which should lapse since the provision requiring the appropriation was not enacted.
- 14/ Includes a supplemental appropriation of \$13,799,900 made in Laws 1989, Chapter 2, 2nd Special Session.
- 15/ Includes a carryforward of \$195,000 from a non-lapsing appropriation in Laws 1989, Chapter 290.
- 16/ Includes a carryforward of \$581,700 from the non-lapsing Railroad Warning Systems special line item.
- 17/ Includes a carryforward of \$674,700 from the non-lapsing Utility Audits special line item.
- 18/ Reflects the use of a non-reverting balance per Laws 1990, Chapter 311.
- 19/ Includes \$320,100 appropriated from the General Fund to the Nuclear Emergency Management Fund per Laws 1989, Chapter 136.
- 20/ Includes a carryforward of \$110,400 from a non-lapsing appropriation in Laws 1988, Chapter 252.
- 21/ Reflects a supplemental appropriation made in Laws 1989, Chapter 3, 2nd Special Session.
- 22/ Reflects a reduction of \$4,941,800 due to the result of an Arizona Supreme Court ruling which upheld a lower court's decision on the Palo Verde Case. Laws 1989, Chapter 311 required this reversion if the ruling was upheld.
- 23/ Includes the \$80,250,000 "rollover" appropriation made in Laws 1988, Chapter 260.
- 24/ Reflects the amount transferred from the Local Narcotics Enforcement Fund to the Department per Laws 1989, Chapter 2, 1st Special Session.

**REVISIONS TO FY 1990 AGENCY OPERATING SPENDING AUTHORITY
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- 25/** The amount includes a reversion of \$6,764,000 made pursuant to Laws 1989, Chapter 5 (Section 1), 1st Special Session; and an appropriation of \$2,919,000 made in the same Chapter. The bill also appropriated \$3,845,000 from the General Fund to the Correction Fund and is shown as a non-general fund appropriation.
- 26/** The amount includes \$3,845,000 originally appropriated from the General Fund to the Corrections Fund.
- 27/** Reflects the appropriation made in Laws 1989, Chapter 2, 1st Special Session.
- 28/** Includes \$2,460,100 in a carryforward balance.
- 29/** Reflects the amount transferred from the Arizona Criminal Justice Commission Account to the Drug Enforcement Account per Laws 1989, Chapter 2, 1st Special Session.
- 30/** Includes \$203,300 appropriated from the General Fund to the Nuclear Emergency Management Fund per Laws 1989, Chapter 136.

RECENT JOINT LEGISLATIVE BUDGET COMMITTEE STAFF REPORTS

- o **Review of Arizona's Agriculture and Transportation Border Inspection Stations, October 1984**
- o **Management and Organizational Analysis of the Department of Corrections, November 1984**
- o **A Review of Funding Source Alternatives for County Fair Racing, November 1984**
- o **A Comparison of Program Costs for AHCCCS and Five Other Medicaid States, November 1984**
- o **Child Day Care Study, December 1984**
- o **University System Local Fund Study, January 1985**
- o **A Report to the Joint House-Senate Subcommittees of Appropriations on Corrections, February 1985**
- o **An Overview of Automated Information System - Revised, March 1985**
- o **Pardons and Paroles - Transferring Adult Parole Supervision: Three Organization Options, August 1985**
- o **University of Arizona - Study of Agriculture Endowment Fund Expenditure, September 1985**
- o **University of Arizona - Analysis of Cotton Farm Lease/Purchase, November 1985**
- o **State Hospital - Evaluation of Selected Questions, January 1986**
- o **Capital Outlay - Planning and Budgeting for Building Renewal and New Facilities, February 1986**
- o **1986-1987 Federal Assistance to Arizona, March 31, 1986**
- o **Department of Emergency and Military Affairs: Staffing Levels of Selected Sections, May 1986**
- o **Arizona Correctional Enterprises - An Evaluation of Selected Areas, October 1986**
- o **DPS Officer Pay - An Evaluation of Selected Areas and In-State & Out-of-State Comparisons, January 1987**
- o **Legislative Appropriation of Federal Funds: Analysis and Recommendation, February 1987**
- o **JLBC Staff FY 87 Proposed Reduction Detail (All Agencies)**
- o **Status of Lawsuits Involving the State of Arizona, May 1987**

RECENT J.L.B.C. STAFF REPORTS (Continued)

- 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
- Achievement Testing - All Grades 1-12 Every Year?, May 1988
- A Review of Higher Education Funding Formulas of Various States, June 1988
- Elementary & Secondary Public School System Expenditures Fiscal Year 1986, September 1988
- State Matching Funds for Section 110 Vocational Rehabilitation Federal Funds, January 1989
- DPS Officer Salaries: Comments on the "Law Enforcement Merit System Council's FY 89-90 Recommendations to the JLBC for Adjustments to the Arizona DPS Salary Plan," January 1989
- Public Law 81-874 Federal Impact Aid Received by School Districts and the Related Dollars Deducted from State Aid, April 1989
- A Report on the Organization and Staffing of the Arizona Department of Corrections, prepared for the House Subcommittee on Prison Staffing, April 1990
- State of Arizona Agency Print Shops, April 1990
- State of Arizona Light Duty Vehicles, June 1990

Annual Reports

- Annual Budget, Analysis and Recommendations, January
- Joint Appropriations Committee Book, April
- Appropriations Report, June
- Tax Handbook, October

Monthly Reports

- Economic Review
- Monthly Revenue Highlights