



FISCAL YEARS 2011 - 2013

The Master List of State Government Programs

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GOVERNOR

Provisions for Individuals with Disabilities

If individuals with disabilities require reasonable accommodation in order to use this document, please contact the Governor's Office of Strategic Planning and Budgeting at 602-542-5381.

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ABOUT THE MASTER LIST

The *Master List of Programs* is a compilation of information provided by State agencies on September 1st of each year and is published without changes to the funding or performance measure data provided by agencies. Other text is edited by OSPB only to the extent necessary for clarity. Funding amounts for current and future years includes all monies the agency is requesting or planning to expend as listed in an agency's September 1st budget request and is not related to recommendations made in the *Executive Budget*.

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About the Master List

Program Budgeting

The Master List of State Government Programs is a critical part of program budgeting

OVER THE PAST DECADE, the Governor's Office has continued to emphasize program budgeting as a preferred methodology for utilizing the State's financial resources. During this process, budget reform legislation has been instrumental in implementing program budgeting. This legislation has incorporated several components, including five-year strategic plans, operational plans (also known as *The Master List of State Government Programs*), and the strategic program area review (SPAR) process. Together these elements make up a strategic management system designed to manage for results.

Each component of the budget reform process plays a vital role in a strategic management cycle. For instance, plans must be developed, along with budgets that allocate resources to support the plans. Once the program is underway, it should be evaluated to make sure that it is performing effectively. By law, *The Master List of State Government Programs* is a key component in evaluating program performance and in achieving the program budgeting mandate.

MASTER LIST

Pursuant to A.R.S. § 35-122, *The Master List of State Government Programs* is required to be published each even-numbered year, although the statute also requires the Governor's Office of Strategic Planning and Budgeting (OSPB) to collect the information annually.

Budget reform requires the identification of all State programs and subprograms with functions authorized by law. This program structure has a profound effect on agencies by requiring them to develop strategic plans for each program and subprogram, as well as for the agency. This program-based structure forms the basis for the organization of this document — *The Master List of State Government Programs*.

Pursuant to A.R.S. § 35-113, program budgeting will utilize the program structures of the Master List for the budget as well. One set of financials will be collected for both the budget and the Master List publications.

Three agencies, however, still need to have their program structures completely aligned. These agencies are AHCCCS, the Department of Health Services, and the Judiciary.

Program Definition

Historically, programs have been defined on the basis of function. Some agencies have only one program, while others have many programs and subprograms.

The first Master List, compiled by OSPB and presented to the Legislature and the Governor in January 1994, included a total of 1,267 programs and subprograms. Over the years it has become apparent that a standardized definition of programs and subprograms is necessary to ensure the information presented is useful and comprehensible to the citizenry and decision-makers in relation to the agency mission and function. The Master List publication is a very high level, but comprehensive, overview of the primary agency programs and the performance for all of the state agencies. By necessity, much greater detail exists in the individual internal agency daily management plans. On request, detailed information from the internal agency plans can be obtained. In the 2011-2013 Master List, the structure has been consolidated to 581 programs and subprograms.

Each year on June 1st OSPB publishes the planning and budgeting forms.

Published Elements

The required elements of the Master List have changed little since 1993, except for the inclusion of strategic issues in 2002. The agency, program, and subprogram strategic plans developed by each budget unit are the source documents for the Master List. The mission, description, goals, performance measures, and the funding and full-time-equivalent positions associated with each program and subprogram are compiled into the *Master List*.

Mission. A mission statement is a brief, comprehensive statement of purpose that should justify the public dollars being spent. Mission statements are required for the agency and for each program and subprogram.

Description. A description is a summary of major duties, responsibilities, and stakeholders served. The description should be written so that someone unfamiliar with the agency, program, or subprogram will have a general understanding of what it does, whom it serves, why it is needed, and how it works. Descriptions are required for all agency programs and subprograms.

Strategic Issues. Strategic issues are key issues that merit special attention and are of critical importance to the agency.

A strategic issue is a key issue, an unresolved question needing a decision or waiting for some clarifying future event. In addition, it has a major impact on the course and direction of the agency. Strategic issues relate directly to one or more of five basic questions:

1. Where are we now?
2. Where do we want to be?
3. How do we measure our progress?
4. How do we get there?
5. How do we track our progress?

Goals. Goals represent the desired end results. If the agency plans on implementing a goal that will require additional funding, that goal *must* be included in the Master List. Finally, goals should not be interpreted to represent a comprehensive listing of every activity.

Performance Measures. Used to measure results and ensure accountability. Performance measures provide a basis for assessing the successful achievement of the agency, program, and subprogram goals. Agencies need to ensure that an adequate number of performance measures are collected. However, agencies should choose only the *key* measures or family of measures for each goal for inclusion in the Master List.

Funding Sources and Full-Time Equivalent (FTE) Position Information. Funding sources include: total agency, program, and subprogram General Funds, Other Appropriated Funds, and Non-Appropriated Funds (including Federal Funds). For the FY 2011 actual expenditures, the General Fund, Other Appropriated Funds, and Non-Appropriated Funds through the 13th month are tied to the General Accounting Office Annual Financial Report (AFR). For FY 2012, and FY 2013 (as appropriate) they are tied to agency funding requests. Capital funding is not included as part of the Master List financials. In addition, since the Master List includes Non-Appropriated Funds (consisting of state funds that are continuously

appropriated (not subject to annual legislative appropriation) and Federal Funds), the funding estimates contained in the Master List may differ from those that appear in other documents.

A few non-aligned agencies did not report interfund transfers as expenditures. This only occurred for some non-appropriated funds and thus, some of the numbers reported here may be inconsistent with other publications.

Agencies also provide a summary of the FTE positions for all funding sources for the agency, programs, and subprograms for FY 2011, FY 2012, and FY 2013.

Edits and Modifications

All agency, program, and subprogram level strategic planning information forwarded by agencies for inclusion in the Master List was provided by the budget units.

OSPB staff have read the submittals for clarity. For substantive changes in missions, descriptions, goals, or performance measures, the agencies were contacted.

Single Program Agencies

Single program agency information is interchangeable with program information, and each required element for these agencies is displayed only once.

Conclusion

Planning and developing performance measures are disciplines that require years to fully mature. The budget reform process is an evolutionary one that will continue to improve as agencies gain more experience. However, the stakes are getting higher as the use of performance measures become more systematic.



Individual Agency
Master List Entries

| | |
|--|-----------------------|
| ABA 0.0 | Agency Summary |
| BOARD OF ACCOUNTANCY | |
| Monica L. Petersen, Executive Director | |
| Phone: (602) 364-0804 | |
| A.R.S. §§ 32-701 | |

Mission:

To protect the public from unlawful, incompetent, unqualified, or unprofessional certified public accountants through certification, regulation, and rehabilitation.

Description:

The Arizona State Board of Accountancy consists of five Certified Public Accountants (CPAs) and two public members, all of whom are residents of the state and are appointed by the Governor. The Board qualifies candidates for the Uniform CPA Examination, certifies individuals to practice as CPAs, registers accounting firms owned by CPAs, and biennially renews certificates for CPAs and registered accounting firms. The Board also receives and investigates complaints, takes enforcement action against licensees for violation of statutes and regulations, monitors compliance with continuing education requirements, and reviews the work products of CPAs to ensure adherence to professional standards through the Board's peer review program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,434.8 | 1,887.8 | 1,887.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,434.8 | 1,887.8 | 1,887.8 |
| FTE Positions | 13.0 | 13.0 | 13.0 |

Strategic Issues:

Issue 1 Office Modernization

There are many opportunities to modernize office operations and improve customer service and staff efficiency. Processes that can be modernized include, but are not limited to, online exam and re-exam applications, online certification, online renewal registration, online firm registration, online complaint filing, online continuing professional education (CPE) tracking, and online customer satisfaction surveys. In order to support such applications, a new database needs to be developed to replace an aged legacy system that is archaic and not supported. Finally, the Board would like to implement the use of a document management system to more efficiently handle the volume of paperwork and ensure that files are not lost, misplaced, or able to be viewed by only one staff person at a time and to aid in the management of records retention, fulfillment of public records requests, and fulfillment of the "My Account" modernization vision. This strategic issue will be ongoing for several years well beyond FY 2013.

Issue 2 Database Management

The Board's database applications are archaic and in desperate need of updating to collect information that will support the Board's modernization vision and aid in management and policy decisions and in the aggregation of important statistics. The accounting information database must be enhanced to include a variety of fields and reports to improve management information. Currently, the database is divided between exam, licensing, firms and compliance and must be queried separately. The database needs to be retooled to tie licensing and compliance to certificate holder and support the long-term modernization vision of the Board. Further, the compliance portion lacks data fields such as "type of standard violation" and "board action" (e.g. letter of concern, decree of censure, consent order, etc.) which would aid in performance measurement data collection. Also, fields such as "probation," "administrative fees," and "CPE" should be added to track contents of consent orders. Adding fields to show when a registrant comes into compliance would increase tracking efficiency as well. Data dictionaries and desk procedures also need to be developed to ensure

users are inputting data as intended.

Issue 3 Communication

Opportunities exist to increase and make more efficient the Board's communication with its regulated public and customers. Through the development of an enhanced database, a foundation will be built to support an on-line account function for all Board customers to follow progress of applications, renewals, registrations, etc., as well as copies of important Board communications that require timely action and disciplinary orders and a registrant's compliance with the terms of their discipline. Through the ability to update contact information and emails online, the Board can use email for more communications that do not require proof of receipt and increase efficiency in communications while decreasing costs.

- ◆ **Goal 1** To assist candidates in applying for the Uniform CPA examination so that the candidate can successfully complete the exam.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of successful candidates | 371 | 307 | 307 |
| Number of exam candidates approved by Board to sit for the Uniform CPA exam | 496 | 610 | 610 |

- ◆ **Goal 2** To certify and register persons who meet the statutory requirements as certified public accountants and to register firms that meet the statutory requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Number of certificates issued | 375 | 409 | 409 |
| Biennial renewal of certificates | 5440 | 5303 | 5303 |
| Explanation: | FY 2011 - FY 2013 estimates are estimated to be lower due to the impact of Laws 2008, Ch. 295 (SB 1227) regarding CPA reciprocity and mobility. | | |
| Number of firms registered | 118 | 120 | 120 |
| Number of firms renewed (excluding sole practioners) | 734 | 687 | 687 |
| Percent of applicants reporting very good or excellent service | 87 | 90 | 90 |

- ◆ **Goal 3** To process complaints and provide enforcement of statutes and rules to protect the public from incompetent, unethical and/or unprofessional conduct by registrants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of revocations and relinquishments | 6 | 4 | 4 |
| Number of compliance files established | 142 | 126 | 126 |
| Number of compliance files that resulted in discipline | 29 | 24 | 24 |
| Number of compliance files that resulted in administrative letters of concern | 37 | 34 | 34 |

| ANA 0.0 | Agency Summary |
|---------|-----------------------------------|
| | ACUPUNCTURE BOARD OF EXAMINERS |
| | Pete Gonzalez, Executive Director |
| | Phone: (602) 364-0145 |
| | A.R.S. § 32-3901 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of applications received | 64 | 75 | 75 |
| Number of renewals issued | 512 | 525 | 550 |
| Auricular Acupuncture Certificates Issued | 12 | 25 | 30 |
| Total number of licensees | 511 | 525 | 550 |
| Total number of auricular acupuncture certificate holders | 53 | 65 | 65 |

Mission:

To protect the health, safety, and welfare of the public by regulating and maintaining standards of practice in the field of acupuncture.

Description:

The Board licenses and regulates acupuncturists and certifies auricular (ear) acupuncturists for detoxification or substance abuse programs. The Board also oversees the licensing and certification of acupuncture training and preceptorship training programs, continuing education programs and visiting professors. The Board evaluates professional competency, investigates complaints, and enforces the standards of practice for the acupuncture profession. The Board regulates the educational, clinical, and clean needle technique programs approved to teach the practice of acupuncture in the State.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 116.4 | 125.3 | 125.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 116.4 | 125.3 | 125.3 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

Strategic Issues:

Issue 1 *Ensure that licenses are granted or renewed to qualified acupuncturists.*

The Board will continue to meet the timeframe requirements for review and approval of license applications.

Issue 2 *Ensure agency policies and procedures, including renewal, initial licensing, and customer satisfaction are efficient.*

The Board will continue to review its rules and policies so the needs of licensees are being addressed in a timely and efficient manner.

Issue 3 *Ensure customer satisfaction with public information requests, license verifications, email and phone communication.*

The Board will continue to assess customer satisfaction through surveys and respond accordingly to customer feedback.

◆ **Goal 1** To handle consumer complaints in an efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of complaints received | 0 | 8 | 8 |
| Unlicensed individuals or institutions identified. | 3 | 2 | 2 |
| Average time from receipt of complaint until resolution | 0 | 120 | 120 |
| Number of complaints resolved from prior year | 0 | 0 | 0 |

◆ **Goal 2** To ensure that investigations are handled in an efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of investigations conducted | 0 | 8 | 8 |
| Licensees with greater than one investigation | 0 | 0 | 0 |
| Percent of unlicensed practitioners brought into compliance | 100 | 100 | 100 |
| Percent of investigations resulting in disciplinary enforcement | 0 | 20 | 20 |

◆ **Goal 3** To ensure that applications are handled in an efficient manner.

| | |
|----------------------------------|-----------------------|
| ADA 0.0 | Agency Summary |
| DEPARTMENT OF ADMINISTRATION | |
| Scott A. Smith, Director | |
| Phone: (602) 542-1500 | |
| A.R.S. §§ 41-701,41-1051,41-2501 | |

Mission:

To provide effective and efficient support services to enable government agencies, state employees, and the public to achieve their goals.

Description:

The Arizona Department of Administration (ADOA) provides leadership, direction, and management information and support; financial and procurement support services; facility planning, design, development, construction, operations, and maintenance; employee and retiree health and benefits programs; timely, customer-driven human resources services; business-enhancing information services for the Department, state agencies, and Arizona citizens; customer service for small licensing agencies in general accounting and centralized office support; distribution of surplus state and federal property through a system that maximizes the dollar return on property sold; clean, safe, and environmentally friendly vehicles; an orderly environment where visitors, employees, and other persons conducting business with the State will be safe and secure; and services to agency customers and the public for the State's property and liability exposures and for state employee customers who have work-related injuries. The Agency has three goals: (1) To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services, (2) To attract and retain a high-performance team of employees, and (3) To aggressively pursue innovative solutions and opportunities.

Agency Summary:

| | (\$ Thousands) | | |
|--|--------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADMINISTRATION | 1,230.2 | 4,872.5 | 4,627.1 |
| ➤ GENERAL ACCOUNTING | 178,128.3 | 135,533.4 | 190,743.9 |
| ➤ STATE PROCUREMENT | 5,004.3 | 4,475.6 | 4,475.6 |
| ➤ BENEFITS SERVICES DIVISION | 694,605.2 | 691,062.1 | 692,774.6 |
| ➤ HUMAN RESOURCES DIVISION | 14,937.1 | 15,936.2 | 15,369.8 |
| ➤ ARIZONA STRATEGIC ENTERPRISE TECHNOLOGY OFFICE | 43,405.3 | 52,220.1 | 46,770.1 |
| ➤ RISK MANAGEMENT | 72,011.0 | 92,647.9 | 94,092.9 |
| ➤ GENERAL SERVICES DIVISION | 51,240.5 | 54,835.5 | 50,882.1 |
| Agency Total: | <u>1,060,561.9</u> | <u>1,051,583.3</u> | <u>1,099,736.1</u> |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|--------------------|---------------------|--------------------|
| General Funds | 16,401.7 | 14,858.6 | 29,833.4 |
| Other Appropriated Funds | 138,578.1 | 166,106.1 | 169,444.8 |
| Other Non Appropriated Funds | 905,582.1 | 870,618.6 | 900,457.9 |
| Program Total | <u>1,060,561.9</u> | <u>1,051,583.3</u> | <u>1,099,736.1</u> |
| FTE Positions | <u>736.3</u> | <u>763.8</u> | <u>768.8</u> |

Strategic Issues:

Issue 1 Attract, Retain, and Educate Employees

Current economic conditions suggest there is no shortage of workers to fill available openings. Arizona's rising unemployment rate reached 9.2% in July, and some economists are projecting rates as high as 11% before

conditions improve. Furthermore, it is expected that when economic conditions begin to improve, the public sector will lag the private sector, and erosion of salary competitiveness and increased turnover may become evident. Thus it is critical for Arizona State Government to increase emphasis on talent management. With job opportunities in a wide variety of industries; rewarding careers that make a difference; an attractive benefits package that includes medical, dental, disability, life, auto and home insurance; and opportunities for training, continuing education, and career advancement; the State must continue to keep the issue of attracting, retaining, and educating employees as a strategic focus.

Issue 2 Information Technology Efficiencies

Current movements in government envision benefits from the convergence of data, voice and video platforms. It is imperative that opportunities to collaborate on the delivery of technology support for business solutions and to provide outstanding service delivery be continuously explored and utilized whenever possible. It is the belief of ADOA that current statewide approaches to telecommunications and data technologies consist of unnecessary duplication, overlap and waste. We are in the process of working with state agencies to identify opportunities for cooperative collaboration and unique solutions. It is critical that potential solutions be thoroughly researched and compared for opportunities within the enterprise, beyond the silo business need. This type of comprehensive infrastructure should provide the highest level of quality and cost effectiveness, allow maximum return on the State's valuable resources, and ensure effective and affordable state-of-the-art business solutions. It is vital that these strategies also be applied beyond the infrastructure to the core services facilitating the business of government. Therefore, adoption of standards and processes for delivering innovative services for business functions utilizing technology are needed. Additionally, by defining services, initiatives, and applications in terms of their value to the State will ensure maximum benefit potential for all state agencies. A significant component to infrastructure and services is securing systems for the public trust. This will require adequate security mechanisms that can only be attained through adherence to security architecture standards established and controlled through a cooperative federated model. Finally, by constantly evaluating whether privatization would improve outcomes and/or reduce costs, the State will maximize its potential buying power, enable higher levels of technology, and ensure that the most secure, efficient and effective technology systems are utilized statewide. Having functions that are appropriately and cost effectively operated, the State will have a better way to evaluate whether further savings could be achieved through privatizing part or all of the functions.

Issue 3 Cost-Efficient and Effective Public Facilities

The ADOA Building System has an inventory of 3,464 structures with an estimated current replacement value of \$3.4 billion. The structures in the Building System are in poor condition due to a chronic lack of funding for routine and capital maintenance. As a direct result of funding shortfalls, the Building System has amassed an astounding \$348.9 million of deferred capital maintenance. Over 20 years' accrued deferred maintenance has caused ADOA to routinely practice "crisis mode" maintenance and repair operations, causing highly disproportionate and expensive utility, repair, maintenance, and replacement costs. Major equipment breakdowns, system failures, and physical plant shutdowns are becoming increasingly common.

The Building System is dependent upon appropriations of limited General Fund and Capital Outlay Stabilization Fund (COSF) monies to annually fund its building renewal needs. In the last 25 years, ADOA building renewal has been fully funded only twice. Over the last 10 years, ADOA was appropriated a total of just \$41.3 million, although the building renewal formula called for \$252.1 million. Since FY 2002, 81% (\$33.5 million) of building renewal appropriations were funded exclusively from COSF.

COSF is in a state of crisis. Incredibly, the COSF revenue-generating structures represent just 5.9% of the Building System's 22.1 million gross square feet and only 1.0% of the Building System's total structures. Of the approximate four million gross square feet of space ADOA is tasked with supporting, only one million square feet of "chargeable" space generates funding. COSF rent from only 36 buildings cannot support building renewal for more than 3,000 buildings.

ADOA recognizes the current budget shortfall, but recommends working toward 100% funding of the building renewal need for the Building System. Full funding of the formula is necessary to slow the rate of deterioration of critical assets. When funding becomes available, ADOA recommends that the building renewal appropriations also include an additional \$30.0 million per year dedicated to a multi-year plan to mitigate the detrimental effects of the Building System's approximate \$348.9 million of deferred maintenance.

The ADOA FY 2012 Capital Improvement Plan also makes recommendations to enhance COSF resources and spread costs more equitably across the Building System.

Issue 4 Maximizing Productivity, Cost Effectiveness and Customer Satisfaction

ADOA's mission is to provide effective and efficient support services to state agencies, state employees, and the public, enabling them to achieve their goals. Simply put, ADOA is the hub of state government. ADOA currently offers over 68 diverse services to a customer base that includes approximately 120 state agencies, 39,000 state employees; 19,000 university employees; and 12,000 retirees. Services include statewide financial services, facilities management, employee and retiree benefits, human resources management, information services, fleet management, and administrative management services. The value of each service provided by ADOA should meet or exceed the value of a comparable service from any other source. Because this issue is of strategic importance to the mission of ADOA, and of critical importance to state government overall, it is essential for ADOA to maximize the productivity and cost effectiveness of its services while achieving the highest possible level of customer satisfaction.

Issue 5 Security and Safety

Both Physical Security and Information Technology Infrastructure Security must be constantly addressed to ensure the continued safety and security of the State's personnel, workplace and information systems essential to maintaining the day-to-day activities of state government.

Physical Security: The General Services Division (GSD) of ADOA is responsible for the physical security of the buildings on the Capitol Mall, at the State Office Complex in Tucson, and at satellite locations. In 2009, GSD completed installation of a new physical security system for these buildings, which included replacing servers, software and card readers, and adding panic buttons and additional card readers. In addition to upgrading the electronic badging system, GSD continues to install new exterior locks for buildings to replace the old, outdated locksets as time permits, or as the old locks fail. GSD, Risk Management, and the Capitol Police coordinate efforts to evaluate and maintain security, health and safety in the ADOA Building System.

Information Technology Infrastructure Security: The existence of ongoing network security vulnerabilities can present an increasing risk of legal liability regarding due diligence, privacy, theft, loss or destruction of information. Failure to secure digital records and communications puts citizens and the State's partners and customers at risk. Risk comes in many forms, including disclosure of personal identifiable information, physical harm to individuals, financial loss, reputation harm and lost productivity.

| Program Summary | |
|------------------------------------|----------------|
| ADA 1.0 | ADMINISTRATION |
| Scott A. Smith, Director | |
| Phone: (602) 542-1500 | |
| A.R.S. §§ 41-701, 41-1051, 41-2501 | |

Mission:

To provide leadership, direction, financial and management information, and support to enable the Arizona Department of Administration to achieve its mission and vision.

Description:

The Administrative Program is comprised of the Director's Office which formulates and advocates agency policy, ensures compliance with all statutory requirements, and administers ADOA operations in a cost-effective and efficient manner that is responsive to our customers' needs. The Director's Office also prepares and monitors the annual appropriated budget and other select funds; tracks department and statewide FTE positions; and monitors utility expenditures. Additionally, the Director's Office administers the State's Performance-based Incentive Program; coordinates the Department's efforts on the State Employee Charitable Campaign; and provides support to the divisions and programs of ADOA through administration of the Agency's recognition and training programs, coordination of the Agency's strategic planning process, and administration of the agency-wide employee and customer satisfaction surveys.

This Program Contains the following Subprograms:

- ▶ Administration
- ▶ Governor's Regulatory Review Council (GRRC)
- ▶ Employment and Population Statistics

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 543.4 | 1,482.7 | 1,482.7 |
| Other Appropriated Funds | 0.0 | 177.3 | 177.3 |
| Other Non Appropriated Funds | 686.8 | 3,212.5 | 2,967.1 |
| Program Total | 1,230.2 | 4,872.5 | 4,627.1 |
| FTE Positions | 11.6 | 43.0 | 43.0 |

| ADA 1.1 | Subprogram Summary |
|---------|------------------------------------|
| | ADMINISTRATION |
| | Scott A. Smith, Director |
| | Phone: (602) 542-1500 |
| | A.R.S. §§ 41-701, 41-1051, 41-2501 |

Mission:

To provide leadership, direction, financial and management information, and support to enable the Arizona Department of Administration to achieve its mission and vision.

Description:

The Administrative Program is comprised of the Director's Office which formulates and advocates agency policy, ensures compliance with all statutory requirements, and administers ADOA operations in a cost-effective and efficient manner that is responsive to our customers' needs. The Director's Office also prepares and monitors the annual appropriated budget and other select funds; tracks department and statewide FTE positions; and monitors utility expenditures. Additionally, the Director's Office administers the State's Performance-based Incentive Program; coordinates the Department's efforts on the State Employee Charitable Campaign; and provides support to the divisions and programs of ADOA through administration of the Agency's recognition and training programs, coordination of the Agency's strategic planning process, and administration of the agency-wide employee and customer satisfaction surveys. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating.)

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 166.9 | 689.7 | 689.7 |
| Other Appropriated Funds | | 0.0 | 177.3 | 177.3 |
| Other Non Appropriated Funds | | 686.8 | 767.1 | 767.1 |
| Program Total | | 853.7 | 1,634.1 | 1,634.1 |
| FTE Positions | | 4.6 | 6.0 | 6.0 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of ADOA's services with a minimum customer satisfaction rating of 6.0 | N/A | 80 | 80 |

| ADA 1.2 | Subprogram Summary |
|---------|---|
| | GOVERNOR'S REGULATORY REVIEW COUNCIL (GRRC) |
| | Bret H. Parke, ADOA General Counsel |
| | Phone: (602) 542-2181 |
| | A.R.S. § 41-1001 |

Mission:

To efficiently, objectively and effectively assist state agencies to comply with the rulemaking provisions of the Arizona Administrative Procedure Act and advise the Council regarding an agency's compliance or non-compliance with the Act.

Description:

The Council is composed of seven members and, while tasked with several responsibilities, has two primary functions. First, the Council is the final step in the rulemaking process for most state agencies. The Council staff reviews rules, unless exempted from Council review by statute, to ensure that the rules are necessary and to avoid duplication and adverse impact on the public. The Council assesses whether a rule is clear, concise, and understandable, legal, consistent with legislative intent and within the agency's statutory authority, and whether the benefits of a rule outweigh the cost. If a rule does not meet these criteria, the Council returns it to the agency for further consideration.

Secondly, the Council is responsible for reviewing five-year review reports. Arizona law requires an agency to review its rules every five years to determine whether the rules need to be amended or repealed. After doing this review, the agency is required to submit a report of its findings to the Council, which will approve the report or return it to the agency for additional work. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating.)

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 376.5 | 559.9 | 559.9 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 376.5 | 559.9 | 559.9 |
| FTE Positions | | 7.0 | 7.0 | 7.0 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Governor's Regulatory Review Council subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Agency satisfaction with staff services (Rulemakings and five-year reviews) | 8 | 7.0 | 7.0 |
| Council satisfaction with staff services | 7.61 | 7.0 | 7.0 |
| Agency satisfaction with staff services (Seminars) | 7.65 | 7.0 | 7.0 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Governor's Regulatory Review Council subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of courtesy reviews completed by staff before final rulemaking or five-year review filed with Council | 100 | 90 | 90 |
| Percentage of five-year review reports acted on by Council consistent with staff recommendations | 100 | 95 | 95 |
| Percentage of rules approved on first hearing | 100 | 95 | 95 |
| Percentage of rules acted on by Council consistent with staff recommendations | 100 | 95 | 95 |

| ADA 1.3 | Subprogram Summary |
|--|--------------------|
| EMPLOYMENT AND POPULATION STATISTICS | |
| Paul Shannon, Assistant Director, Budget & Resource Planning | |
| Phone: (602) 542-1510 | |
| ARS §§ 41-1504, 41-1505 | |

Mission:

To prepare and provide employment, economic and demographic information, and federally required data and analyses that enable sound policy and decision-making by Arizona state government, communities, businesses, and residents of the state.

Description:

The Office of Employment and Population Statistics (EPS) provides core services in demographic research and analysis, including constitutionally required population estimates; detailed employment and unemployment data (in partnership with the Bureau of Labor Statistics); and strategic economic research, including occupation and industry projections. Information is made available to the public. Leaders in business and all levels of government use these data to assist in making informed decisions. In addition, EPS provides population projections and maintains data partnerships with the Employment and Training Administration, the Bureau of Labor Statistics, and the Census Bureau.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 233.1 | 233.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 2,445.4 | 2,200.0 |
| Program Total | 0.0 | 2,678.5 | 2,433.1 |
| FTE Positions | 0.0 | 30.0 | 30.0 |

- ◆ **Goal 1** To ensure information and resources provided are strategic, timely, useful and relevant to stakeholders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of stakeholders who rated EPS information as very or extremely useful, timely and relevant | 85 | 85 | 85 |
| Number of demographic website hits | 26,503 | 27,000 | 27,500 |
| Number of Labor Market Information trainings | 9 | 9 | 9 |
| Number of Labor Market Information website hits | 206,598 | 207,000 | 208,000 |

| ADA 2.0 | Program Summary |
|------------------------------------|-----------------|
| GENERAL ACCOUNTING | |
| Clark Partridge, State Comptroller | |
| Phone: (602) 542-5405 | |
| A.R.S. §§ 35-101 et. seq. | |

Mission:

To provide state and federal agencies, the general public, and other interested public or private entities with accurate, timely financial services, management information, and technical assistance while assuring compliance with related statutes and rules; to maintain and improve the statewide automated financial systems; and to provide for the safeguarding of state assets.

Description:

This subprogram provides financial information to state and federal government agencies, financial institutions, and other interested public or private entities. Key areas of responsibility include operating the Arizona Financial Information System (AFIS) and the statewide payroll portion of the Human Resources Information Solution (HRIS) to provide our customers with appropriate financial data as well as management financial information; providing adequate AFIS system security; providing flexibility for maintaining and monitoring budgetary control and related information; resolving systems-related problems in a timely, cost-effective manner; enhancing the systems to reduce cost, increase efficiency, and meet new needs and requirements of the State; providing statewide accounting policies and procedures; reconciling and distributing all state warrants; preparing cash basis and accrual basis financial reports designed to provide an accurate recording of the financial condition of the State; performing internal audits, reviews, and investigations; and providing various types of technical assistance on government accounting and financial matters. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 7,960.1 | 7,369.0 | 24,375.0 |
| Other Appropriated Funds | 3.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 170,164.3 | 128,164.4 | 166,368.9 |
| Program Total | 178,128.3 | 135,533.4 | 190,743.9 |
| FTE Positions | 83.3 | 86.3 | 88.3 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the General Accounting program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer satisfaction with accounting policies and procedures | N/A | 5.5 | 5.5 |
| Percentage of warrants available for distribution by 1:00 PM following the day of processing on Arizona Financial Information System (AFIS) | 99.9 | 99.9 | 99.9 |
| Percentage of security requests for financial applications processed within three business days | 99.9 | 95 | 95 |
| Percentage of appropriations loaded in AFIS within 30 days of effective legislation date and complete appropriation structure received from agency | 100 | 95 | 95 |
| Customer satisfaction with AFIS functionality | N/A | 6.0 | 6.0 |
| Customer satisfaction with administration of payroll process | N/A | 6.0 | 6.0 |
| Percentage of warrants distributed to correct agency | 99.5 | 99.5 | 99.5 |

| ADA 3.0 | Program Summary |
|---|-----------------|
| STATE PROCUREMENT | |
| Jean Clark, State Procurement Administrator | |
| Phone: (602) 542-5511 | |
| A.R.S. §§ 41-2501 et. seq. | |

Mission:

To provide procurement services through operational leadership, legal compliance, and enhanced value for our customers and the State's procurement community.

Description:

The State Procurement Office (SPO) coordinates, oversees, and establishes policy for the required statewide procurement services. SPO conducts strategic sourcing for statewide contracts; office equipment and supplies, temporary personnel, information technology and telecommunications; Maintenance, Repair and Operating (MRO) equipment and supplies contracts; and construction projects; and provides centralized procurement contracting services for limited delegated agencies and ADOA. SPO provides, manages, and supports ProcureAZ, a statewide procurement technology solution, for vendors, agencies and political subdivisions; oversees agency procurement compliance and oversight of procurement authority of all state agencies; coordinates with the Office of the Attorney General to provide advice, guidance, and assistance to agencies on procurement laws, rules, and court decisions; provides procurement technical assistance for vendors, customers and procurement officers; and administers a statewide cooperative program for over 450 Arizona governments. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 2,127.6 | 1,410.6 | 1,410.6 |
| Other Appropriated Funds | 190.4 | 288.4 | 288.4 |
| Other Non Appropriated Funds | 2,686.3 | 2,776.6 | 2,776.6 |
| Program Total | 5,004.3 | 4,475.6 | 4,475.6 |
| FTE Positions | 30.2 | 32.8 | 32.8 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Procurement program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Customer satisfaction with establishment of contracts | N/A | 5.5 | 6.0 |
| Customer satisfaction with administration of contracts | N/A | 5.0 | 6.0 |
| Customer satisfaction with authorization of procurement requests | N/A | 6.0 | 6.0 |
| Customer satisfaction with technical assistance | N/A | 6.0 | 6.0 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Procurement program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of procurement plan award dates met for the Request for Proposal (RFP) process | 45 | 85 | 85 |
| Percent of procurement plan award dates met for Invitation for Bid (IFB) process | 60 | 85 | 85 |
| Request for Quotation (RFQ) processing time (days) | 28 | 5.0 | 5.0 |

| ADA 4.0 | Program Summary |
|--|-----------------|
| BENEFITS SERVICES DIVISION | |
| Kathy Peckardt, Interim Assistant Director | |
| Phone: (602) 542-8378 | |
| A.R.S. §§ 41-702, 38-651 to 38-654 | |

Mission:

To provide a competitive, comprehensive, and cost effective benefits program and contribute toward improving the health and lifestyle of state employees, retirees, and their families.

Description:

The Benefit Services Division administers the group benefit programs for state employees and their dependents. These programs currently include a self-funded medical plan; fully insured plans for dental, vision, basic life, supplemental life, dependent life, short-term disability, long-term disability, home, and auto; flexible spending accounts; and the computer purchase program. ADOA is legislatively mandated to offer continuation of health and dental insurance coverage to state retirees and their dependents. This division also manages the statewide wellness program.

This Program Contains the following Subprograms:

- ▶ Benefits Services Operations
- ▶ Benefits Vendor Payments

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,840.4 | 5,020.7 | 5,020.7 |
| Other Non Appropriated Funds | 690,764.8 | 686,041.4 | 687,753.9 |
| Program Total | 694,605.2 | 691,062.1 | 692,774.6 |
| FTE Positions | 38.0 | 38.0 | 38.0 |

| ADA 4.1 | Subprogram Summary |
|---------|--|
| | BENEFITS SERVICES OPERATIONS |
| | Kathy Peckardt, Interim Assistant Director |
| | Phone: (602) 542-8378 |
| | A.R.S. §§ 41-702, 38-651 to 38-654 |

Mission:

To provide benefits plans that effectively compete with other employers' benefits plans and contribute toward improving the welfare and lifestyle of state employees, retirees, and their families.

Description:

Benefit Services Operations administers the group benefit programs for state employees and their dependents. These programs currently include a self-funded medical plan; fully insured plans for dental, vision, basic life, supplemental life, dependent life, short-term disability, long-term disability, home, and auto; flexible spending accounts; and the computer purchase program. ADOA is legislatively mandated to offer continuation of health and dental insurance coverage to state retirees and their dependents. This subprogram also manages the statewide wellness program. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,840.4 | 5,020.7 | 5,020.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 3,840.4 | 5,020.7 | 5,020.7 |
| FTE Positions | 38.0 | 38.0 | 38.0 |

- ◆ **Goal 1** To attract and retain a high-performance team of employees by providing an accessible, customer service driven benefits program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Customer satisfaction with benefit plans | N/A | 6.5 | 6.5 |
| Number of state employees attending a Benefit Options Wellness Event | 19,856 | 22,000 | 25,000 |
| Customer satisfaction with the Wellness services/events provided | 7.8 | 7.0 | 7.0 |
| Percentage of benefits eligible employees enrolled | 91 | 92 | 92 |
| Percentage of customers satisfied with health/dental provider | 84 | 85 | 85 |
| Explanation: | Medical provider satisfaction 92.6%. Dental provider satisfaction 84%. | | |
| Percentage of AZ providers/facilities available in networks | 91 | 90 | 90 |

| ADA 4.2 | Subprogram Summary |
|---------|--|
| | BENEFITS VENDOR PAYMENTS |
| | Kathy Peckardt, Interim Assistant Director |
| | Phone: (602) 542-8378 |
| | A.R.S. §§ 41-702, 38-651 to 38-654 |

Mission:

To provide a competitive, comprehensive, and cost effective benefits program and contribute toward improving the health and lifestyle of state employees, retirees, and their families.

Description:

The Benefit Services Division administers the group benefit programs for state employees and their dependents, which currently include a self-funded medical plan; fully insured plans for dental, vision, basic life, supplemental life, dependent life, short-term disability, long-term disability, home, and auto; flexible spending accounts; and the computer purchase program. ADOA is legislatively mandated to offer continuation of health and dental insurance coverage to state retirees and their dependents.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 690,764.8 | 686,041.4 | 687,753.9 |
| Program Total | 690,764.8 | 686,041.4 | 687,753.9 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services by providing a cost effective benefits program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of medical plan loss ratio | 85 | 89 | 89 |
| Percentage of administrative costs of medical plan | 5.2 | 4.6 | 4.6 |
| Percentage of actuarial value of medical benefit provided | 80 | 85 | 85 |

| ADA 5.0 | Program Summary |
|------------------------------------|-----------------|
| HUMAN RESOURCES DIVISION | |
| Kathy Peckardt, Assistant Director | |
| Phone: (602) 542-5482 | |
| A.R.S. § 41-702 | |

Mission:

To provide efficient, timely, customer-driven human resources services to meet our agency, employee and public customer needs.

Description:

The Human Resources Division (HRD) manages the ADOA Personnel System which consists of approximately 33,000 state employees from approximately 100 state agencies, boards and commissions. HRD has four primary functions:

1. Maintain the infrastructure for personnel administration including the State's payroll/personnel system (HRIS), the centralized job board (azstatejobs.gov), the hiring system (Hiring Gateway), the State's centralized employee self-service website (YES), the classification and compensation system, and the Personnel Rules and policies that govern personnel within the ADOA Personnel System.
2. Provide a number of services to state employees including a State Career Center and training through the Arizona Learning Center.
3. Support state agencies by providing human resources services in the areas of employee relations, staffing and recruitment, job classification, employee compensation, employee development, recognition, workforce planning and analysis, and operational support.
4. Through promotion, education and incentives offered by the Travel Reduction Program; encourage non-university state employees in Maricopa County to carpool, vanpool, ride transit, bicycle or walk to work.

This Program Contains the following Subprograms:

- ▶ Human Resource Operations
- ▶ Travel Reduction

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 14,463.2 | 15,278.9 | 14,683.0 |
| Other Non Appropriated Funds | 473.9 | 657.3 | 686.8 |
| Program Total | 14,937.1 | 15,936.2 | 15,369.8 |
| FTE Positions | 130.0 | 130.0 | 130.0 |

| ADA 5.1 | Subprogram Summary |
|------------------------------------|--------------------|
| HUMAN RESOURCE OPERATIONS | |
| Kathy Peckardt, Assistant Director | |
| Phone: (602) 542-8378 | |
| A.R.S. § 41-702 | |

Mission:

To provide efficient, timely, customer-driven human resources services to meet our agency, employee and public customer needs.

Description:

The Human Resources Program includes classification and compensation, employment, operations, planning and quality assurance, and the Human Resources Information Solution (HRIS). The program administers an automated recruiting and hiring system (Hiring Gateway) for use by hiring supervisors to fill positions; maintains a pool of candidates to fill temporary staffing needs of state agencies; coordinates and hosts job fairs, community events and outreach programs to recruit new talent; offers consulting services to provide human resources expertise in such areas as employment law and Arizona state government rules, policies and practices; administers and oversees annual surveys to evaluate market position of state jobs to ensure external competitiveness; analyzes and evaluates salary ranges and job classifications to ensure internal equity; provides guidance on employee relations issues; assists in administering reductions in force; investigates and prepares responses to 4th level grievances submitted by agency employees and 3rd level grievances submitted by ADOA employees; conducts performance reviews of agency human resources offices to ensure consistent practices are maintained throughout Arizona government; and maintains HRIS--an integrated system used to administer payroll, personnel and employee benefits processing for all branches, departments, and agencies in State government.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 13,865.0 | 14,564.8 | 13,968.9 |
| Other Non Appropriated Funds | 80.6 | 29.5 | 59.0 |
| Program Total | 13,945.6 | 14,594.3 | 14,027.9 |
| FTE Positions | 125.0 | 125.0 | 125.0 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Human Resource Operations subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer satisfaction with personnel rules and guidance provided | N/A | 6.65 | N/A |
| Percent difference in average salaries between state employees and the labor market | 13.6 | 15.1 | 16.6 |
| Customer satisfaction with career counseling services (Point of Service survey) | 7.93 | 7.5 | 7.5 |
| Average turnaround time for processing 4th level grievances (days) | 44.9 | 20 | 20 |
| Average turnaround time (days) for processing all classification actions (covered & uncovered positions) | 4.84 | 6 | 6 |
| Average time to fill a vacant position using Hiring Gateway (days) | 60.5 | 60 | 60 |
| Customer satisfaction with maintaining the classification system and providing assistance | N/A | 6.38 | N/A |
| Customer satisfaction with deployed services/processes automated (5 point rating scale; 4.06=6.5 on 9 pt. rating scale. | 4.16 | 4.06 | 4.06 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Human Resource Operations subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of rules developed and promulgated | 5 | 3 | 6 |
| Number of additional services privatized or processes automated | 2 | 3 | 3 |

| ADA 5.2 | Subprogram Summary |
|---------|---------------------------|
| | TRAVEL REDUCTION |
| | Abigail Williams, Manager |
| | Phone: (602) 542-3638 |
| | A.R.S. § 49-588 |

Mission:

To reduce state employees' drive alone commute trips within Maricopa County to improve air quality.

Description:

Through promotion, education and incentives, the Travel Reduction Program encourages non-university state employees in Maricopa County to carpool, vanpool, ride transit, bicycle or walk to work. Other forms of travel reduction such as telecommuting and virtual office are also pursued. A.R.S. § 49-588, which mandates this program, is a committed transportation control measure in several EPA-approved air quality plans. Failure to implement these legally binding commitments could lead to federal sanctions. Annual surveys are administered by this program to measure conformance. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating.)

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 598.2 | 714.1 | 714.1 |
| Other Non Appropriated Funds | 393.3 | 627.8 | 627.8 |
| Program Total | 991.5 | 1,341.9 | 1,341.9 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

- ◆ **Goal 1** To deliver effective and efficient service in a customer focused environment to Travel Reduction subprogram customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Customer satisfaction with all Travel Reduction services | N/A | 6.5 | N/A |
| Customer satisfaction of capitol rideshare customers (monthly) | 7.67 | 7.0 | 7.0 |
| Customer satisfaction of travel reduction coordinators (bi-annual) | 7.46 | 7.0 | 7.0 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Travel Reduction subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of commuter club members (carpoolers, transit riders, walkers, bicyclists) | 4,184 | 4,230 | 4,270 |
| Percentage increase in transit riders | -7.5 | 1.0 | 1.0 |
| Agency sites that achieved their travel reduction goals | N/A | 42 | 43 |
| Percentage of all state employee commute trips that are drive-alone | N/A | 64.4 | 63.1 |
| Percentage of ADOA employee commute trips that are drive-alone | N/A | 60 | 60 |
| Number of employees spoken to at agency meetings and information tables | 2,422 | 1,550 | 1,650 |

| ADA 6.0 | Program Summary |
|--|-----------------|
| ARIZONA STRATEGIC ENTERPRISE TECHNOLOGY OFFICE | |
| Aaron Sandeen, ADOA Deputy Director | |
| Phone: (602) 364-4770 | |
| A.R.S. §§ 41-711, 41-712, 41-713, 41-704 | |

Mission:

To provide business-enhancing information and telecommunication services to the Department of Administration, state agencies, and Arizona residents.

Description:

The Arizona Strategic Enterprise Technology (ASET) Office is comprised of the State Data Center and Enterprise Capabilities and Delivery (both formerly ISD), Enterprise Infrastructure and Communications (formerly TPO) and Strategic Transformation and Innovation (formerly GITA). The Enterprise Infrastructure and Communications Office is responsible for overseeing AZNet, the statewide telecommunications network. AZNet provides state agencies a scalable, centralized, statewide converged voice, video and data solution to streamline state agency communications. The State Data Center and Enterprise Capabilities and Delivery Office is responsible for providing information technology services to state agencies. These services include transaction processing; application development and maintenance; system and technical support; and relevant security assessments, evaluation, provisioning, and consulting. Services are charged back to the customer through monthly billing processes. The State 9-1-1 Office is a subprogram of STI, responsible for oversight of the 9-1-1 program throughout the State. Revenue is generated through the Emergency Telecommunications Excise Tax and is used for capital upgrades and remedial costs associated with the service delivery of emergency 9-1-1 calls.

This Program Contains the following Subprograms:

- ▶ ASET Operations
- ▶ 911 Emergency Services
- ▶ Enterprise Infrastructure and Communications
- ▶ Strategic Transformation and Innovation

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 968.1 | 527.2 | 527.2 |
| Other Appropriated Funds | 21,777.2 | 23,682.8 | 23,682.8 |
| Other Non Appropriated Funds | 20,660.0 | 28,010.1 | 22,560.1 |
| Program Total | 43,405.3 | 52,220.1 | 46,770.1 |
| FTE Positions | 210.4 | 205.4 | 208.4 |

| ADA 6.1 | Subprogram Summary |
|--|--------------------|
| ASET OPERATIONS | |
| Jason Richardson, Interim Chief Operations Officer | |
| Phone: (602) 377-4797 | |
| A.R.S. §§ 41-711, 41-712, 41-713, 41-704 | |

Mission:

To provide business-enhancing information services to the Department of Administration, state agencies, and Arizona residents.

Description:

The State Data Center and Enterprise Capabilities and Delivery are responsible for providing information technology services to state agencies. These services include transaction processing; application development and maintenance; system and technical support; and relevant security assessments, evaluation, provisioning, and consulting. Services are charged back to the customer through monthly billing processes. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 381.4 | 0.0 | 0.0 |
| Other Appropriated Funds | 17,414.7 | 18,672.4 | 18,672.4 |
| Other Non Appropriated Funds | 1,465.9 | 1,230.5 | 1,230.5 |
| Program Total | 19,262.0 | 19,902.9 | 19,902.9 |
| FTE Positions | 158.4 | 158.4 | 158.4 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the □State Data Center and Enterprise Capabilities and Delivery subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer satisfaction with information and data security services | N/A | 6.3 | 6.3 |
| Customer satisfaction with billing and collection services | N/A | 6.0 | 6.0 |
| Customer satisfaction with Finance and Planning (monthly) | N/A | 6.0 | 6.0 |
| Customer satisfaction with mainframe processing | N/A | 6.5 | 6.5 |
| Percentage of calls to the Help Desk resolved during first contact with customer's problem | 54 | 80 | 80 |
| Percent of time database systems are on-line and available | 100 | 99 | 99 |
| Percentage of Requests for Service (RFSs) completed within negotiated timeframe | 100 | 85 | 100 |
| Percentage of enterprise application development work completed within negotiated timeframe | 83 | 90 | 90 |
| Customer satisfaction with the Local Area Network (LAN) | N/A | 7.0 | 7.0 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the ASET Operations subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of automation bills issued by the 3rd Friday of the month | 100 | 80 | 80 |
| Percentage of time systems are available | 99.8 | 99.7 | 99.7 |
| Percentage of time mainframe batch systems are available | 99.9 | 99.7 | 99.7 |
| Percentage of mainframe scheduled batch jobs completed on time | 100 | 99.5 | 99.5 |
| Percentage of time programs (HRIS, AFIS, Web) are available | 99.7 | 99 | 99 |
| Percentage of RFSs completed correctly the first time | 99 | 95 | 95 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percentage accessibility and availability of the LAN | 99 | 99 | 99 |
| Percentage availability of GroupWise during prime time support | 99 | 99 | 99 |
| Percentage of desktop software problems responded to within 15 minutes (LAN) | 99 | 99 | 99 |

ADA 6.2 Subprogram Summary

911 EMERGENCY SERVICES

Barbara Jaeger, State 9-1-1 Administrator

Phone: (602) 542-0911

A.R.S § 41-704, 42-5251

Mission:

To effectively manage the tax revenue received through the Emergency Telecommunications Service Excise Tax for the network, equipment and maintenance to ensure 9-1-1 services are available throughout Arizona for citizens in need of emergency assistance; and to work through the local community 9-1-1 coordinators to implement Enhanced 9-1-1 and Wireless Enhanced 9-1-1 to ensure that advanced technology and equipment is available.

Description:

The 9-1-1 program is charged with providing guidance and direction, as well as acting as liaison to ensure that when a citizen dials 9-1-1, the call goes to the correct 9-1-1 center the first time. Funding oversight is done on a statewide basis. Monies in FY 2013 are necessary to meet the operational requirements of more than one hundred 9-1-1 centers statewide and to continue deployment of location-based technology through Wireless Phase II Enhanced 9-1-1.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 17,181.9 | 18,944.0 | 16,775.9 |
| Program Total | 17,181.9 | 18,944.0 | 16,775.9 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

- ◆ **Goal 1** To maintain continuity of services through equipment upgrades and network enhancements at statewide 9-1-1 centers (Public Safety Answering Points - PSAPs). Lack of sufficient funding will prevent network enhancement capabilities including transitioning to a digital network and text messaging to 9-1-1.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| State and local funds spent for equipment, network, maintenance and administration (in millions) | 15.1 | 16.7 | 17.7 |
| Number of PSAPs Upgraded | 25 | 0 | 0 |

- ◆ **Goal 2** To continue to deploy Wireless Phase II throughout Arizona. Lack of sufficient funding may hamper the completion of this goal.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percentage of State PSAPs converted to Wireless Phase II | 74 | 81 | 90 |
| Percentage of Phase II based on systems available | 91 | 95 | 96 |

ADA 6.3 Subprogram Summary
ENTERPRISE INFRASTRUCTURE AND COMMUNICATIONS
 Gary Hensley, Chief Networking Officer
 Phone: (602) 542-2250
 A.R.S. §§ 41-712, 41-713

Mission:

To assure that the State of Arizona has a cost effective and efficient consolidated, shared telecommunications infrastructure to meet the needs of government agencies, their employees and the public.

Description:

The Enterprise Infrastructure and Communications oversees AZNet, the statewide telecommunications network providing voice and data communications services, including the installation and maintenance of telecommunication systems. Each office, department and agency of the State contracts with the primary contractor through the Enterprise Infrastructure and Communications and makes payment directly to the primary contractor for its telecommunications needs. The Enterprise Infrastructure and Communications is charged with ensuring that its contractor acts as the State's agent for all carrier services to the offices, departments and agencies within AZNet. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,624.4 | 1,817.2 | 1,817.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,624.4 | 1,817.2 | 1,817.2 |
| FTE Positions | 18.0 | 18.0 | 18.0 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Enterprise Infrastructure and Communications subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Customer satisfaction with voice telecommunications services | N/A | N/A | 6.7 |
| Customer satisfaction with State's Level 1 Help Desk | N/A | N/A | 6.5 |
| Customer satisfaction with Statewide Telecommunications Contract services | N/A | 5.5 | 5.5 |
| Customer satisfaction with connectivity to the Wide Area Network (MAGNET) | N/A | 6.25 | 6.25 |
| Customer satisfaction with carrier services | N/A | N/A | 5.5 |
| Customer satisfaction with Telecommunications Expense Management services | N/A | N/A | 6.5 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Enterprise Infrastructure and Communications subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percentage of time primary components of Network are available and accessible | N/A | N/A | 99 |
| Customer satisfaction with support for new or upgraded telecommunications | N/A | N/A | 5.5 |

ADA 6.4 Subprogram Summary
STRATEGIC TRANSFORMATION AND INNOVATION
 Phil Manfredi, Chief Strategy Officer
 Phone: (602) 364-4793
 A.R.S. §§ 41-711, 41-712, 41-713, 41-704

Mission:

To transform Arizona into a nationwide leader of advanced IT strategies, methodologies, and business processes.

Description:

Strategic Transformation Innovation (STI) sets the technology, security, privacy, and communication strategies, policies, and procedures for the state of Arizona. In addition, it is the body responsible for monitoring and overseeing high-risk technology projects across all state agencies. Lastly, it manages several large, state-wide programs and initiatives such as e-Government, the Health Information Exchange, and Broadband.

The Arizona Statewide Strategic Plan for fiscal year 2012 is built upon the Governor's four cornerstones and expands on them with the themes of reducing unnecessary expenditures through comprehensive IT reform, increasing transparency, and protecting the security and privacy information of our state's citizens. The plan outlines three major goals and their supporting objectives.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 586.7 | 527.2 | 527.2 |
| Other Appropriated Funds | 2,738.1 | 3,193.2 | 3,193.2 |
| Other Non Appropriated Funds | 2,012.2 | 7,835.6 | 4,553.7 |
| Program Total | 5,337.0 | 11,556.0 | 8,274.1 |
| FTE Positions | 30.0 | 25.0 | 28.0 |

- ◆ **Goal 1** To deliver enterprise business capabilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Total number of state entities engaged in statewide Enterprise Architecture initiatives | N/A | 15 | 25 |
| Total average number of agencies that are represented at CIO Council Meetings | N/A | 20 | 30 |
| Total percentage of agencies that have completed the statewide privacy assessment scan | N/A | 5 | 10 |

- ◆ **Goal 2** To model fiscal responsibility and quality commitment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of Centers of Excellence identified | N/A | 2 | 5 |
| Total percentage of Tier 1 agencies "scanned" to identify statewide assets | N/A | 10 | 20 |

- ◆ **Goal 3** To mature the IT community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Average number of state entities utilizing new statewide collaboration platform | N/A | 10 | 25 |
| Percentage of statewide projects leveraging Project Management resources from other agencies | N/A | 1 | 5 |

| ADA 8.0 | Program Summary |
|---------|--------------------------------|
| | RISK MANAGEMENT |
| | Raymond DiCiccio, Risk Manager |
| | Phone: (602) 542-1791 |
| | A.R.S. §§ 41-621 et. seq. |

Mission:

To provide timely, high quality, and cost effective services to agency customers and the public for the State's property and liability exposures and to state employee customers who have work-related injuries.

Description:

Risk Management purchases excess and specialty insurance to complement its self-insurance program; investigates, mitigates and settles all property and liability claims against the State; defends lawsuits and recovers monies from third parties who have injured the State; and assists agencies in development and administration of loss prevention programs. This program also self-insures and self-administers the State's workers' compensation activities by investigating claims and managing workers' compensation benefits for injured state employees, assists agencies in administering return to work programs in compliance with the Americans with Disabilities Act, provides consulting services and recovers monies from third parties who have injured state employees. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 71,138.3 | 90,321.8 | 91,867.8 |
| Other Non Appropriated Funds | 872.7 | 2,326.1 | 2,225.1 |
| Program Total | 72,011.0 | 92,647.9 | 94,092.9 |
| FTE Positions | 88.0 | 88.0 | 88.0 |

- ◆ **Goal 1** To maintain the continuity of State government operations to ensure the safe and efficient delivery of government services in the Risk Management program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer satisfaction with handling of property and liability claims | N/A | 5.5 | 5.5 |
| Customer satisfaction with self-insurance | N/A | 5.5 | 5.5 |
| Customer satisfaction with loss prevention | N/A | 5.5 | 5.5 |
| Customer satisfaction with Workers' Compensation | N/A | 5.5 | 5.5 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Risk Management program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Statewide incident rate per 100 Full Time Equivalent (FTE) positions (accepted Risk Management claims) | 3.7 | 5.0 | 5.0 |
| Total dollar losses of property and liability claims (in millions) | 32.0 | 37.9 | 39.2 |
| Total dollar losses of workers' compensation claims (in millions) | 20.4 | 30.6 | 31.0 |
| Number of liability settlements and judgments paid greater than \$250,000 | 10 | 15 | 15 |
| Number of general and liability claims opened | 2,859 | 4,000 | 4,000 |
| Cost of risk per capita (dollars) | 12.5 | 12.61 | 12.61 |

| ADA 9.0 | Program Summary |
|---------|--|
| | GENERAL SERVICES DIVISION |
| | Bill Hernandez, Assistant Director |
| | Phone: (602) 364-2872 |
| | A.R.S. §§ 31-253, 35-193, 41-701, 41-791, 41-803, 41-2606(B) |

Mission:

To provide effective and efficient facility related activities including facility planning, design, development, construction, operations and maintenance, as well as accounting services, fleet management, surplus management and other support services to enable government agencies, state employees and the public to achieve their goals.

Description:

The General Services Division (GSD) is responsible for the ADOA Building System, which includes 3,464 state-owned structures. GSD provides facility operations and maintenance including custodial, maintenance, heating and air conditioning and landscaping services to 4 million square feet in Phoenix, Tucson and satellite offices. In addition, the division provides facilities programs including prison construction and building construction, while providing a focal point for the acquisition, leasing, planning, and construction of facilities in the ADOA Building System. Further, the division provides accounting services to internal and external agency customers. Also, the Division provides fleet services, surplus property management and mail services to state agencies.

This Program Contains the following Subprograms:

- ▶ Building, Planning, and FOAM
- ▶ Construction Services
- ▶ Other Support Services
- ▶ Surplus Property
- ▶ Motor Pool

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 4,802.4 | 4,069.1 | 2,037.9 |
| Other Appropriated Funds | 27,164.7 | 31,336.2 | 33,724.8 |
| Other Non Appropriated Funds | 19,273.3 | 19,430.2 | 15,119.4 |
| Program Total | 51,240.5 | 54,835.5 | 50,882.1 |
| FTE Positions | 144.8 | 140.3 | 140.3 |

| | |
|----------------|-------------------------------------|
| ADA 9.1 | Subprogram Summary |
| | BUILDING, PLANNING, AND FOAM |
| | Nola Barnes, General Manager |
| | Phone: (602) 542-1954 |
| | A.R.S. § 41-701 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Number of preventative maintenance work orders to total maintenance requests (in thousands) | 2.5:7.5 | 3.0:8:0 | 3.0:8:0 |

Mission:

To provide facilities planning, construction, operation and maintenance services to preserve the State's facility assets to enable state agencies to effectively deliver services to the public.

Description:

The Building, Planning, and Facilities Operations and Maintenance (FOAM) subprogram provides facility management services and physical security for state-owned buildings in the ADOA Building System including capital planning, major maintenance construction, inspections, land acquisition, space allocations, tenant improvements and statutory and building code compliance. This subprogram prepares the annual Capital Improvement and Building Renewal Plans, recommending state spending on ADOA Building System land acquisition, capital development and major maintenance. Additionally, the subprogram plans, develops and maintains appropriate allocation of office space for the efficient and effective use of state-owned and lease-purchased buildings. This subprogram also reviews, approves and maintains all agency office leases in the ADOA Building System; administers agency relocations for orderly transitions to maximize efficiency; and directs and regulates parking, employee ID card access and closed circuit television monitoring for ADOA office buildings. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 4,014.8 | 625.7 | 625.7 |
| Other Appropriated Funds | 10,335.1 | 17,402.6 | 18,863.9 |
| Other Non Appropriated Funds | 12,863.6 | 12,969.2 | 13,216.1 |
| Program Total | 27,213.5 | 30,997.5 | 32,705.7 |
| FTE Positions | 80.6 | 85.6 | 85.6 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Building, Planning, and FOAM subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Customer satisfaction with agency relocation process | N/A | 6.5 | 6.5 |
| Customer satisfaction with tenant improvement process | N/A | 6.5 | 6.5 |
| Customer satisfaction with review of office leases | N/A | 6.5 | 6.5 |
| Customer satisfaction with building maintenance | N/A | 6.5 | 6.5 |
| Customer satisfaction with heating and cooling maintenance | N/A | 6.5 | 6.5 |
| Customer satisfaction with custodial services | N/A | 6.5 | 6.5 |
| Customer satisfaction with landscaping/grounds maintenance | N/A | 6.5 | 6.5 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Building, Planning, and FOAM subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Percentage of tenant improvement projects completed on date committed/agreed upon | 88 | 90 | 90 |
| Percentage of HVAC and maintenance emergency work orders responded to within 24 hours | 100 | 100 | 100 |

| ADA 9.2 | Subprogram Summary |
|---------|------------------------------|
| | CONSTRUCTION SERVICES |
| | Roger Berna, General Manager |
| | Phone: (602) 542-6051 |
| | A.R.S. §§ 41-791, 31-253 |

Mission:

To provide and assist the State of Arizona with construction administration on large capital improvement (\$500,000 or larger), building renewal and Department of Corrections facilities projects.

Description:

The Construction Services subprogram contracts and oversees design and construction of large Capital Improvement and Building Renewal Projects. This group also assists Building and Planning Services in the preparation of estimates and budgets for Capital Improvement and Building Renewal projects. This subprogram also assists the Department of Corrections and the Department of Juvenile Corrections in planning and budgeting new correctional facilities projects and then contracts and oversees their design and construction. The construction of facilities for the Department of Corrections uses inmate labor. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 800.0 | 852.9 | 852.9 |
| Other Non Appropriated Funds | 4,823.4 | 4,966.7 | 409.0 |
| Program Total | 5,623.4 | 5,819.6 | 1,261.9 |
| FTE Positions | 8.1 | 8.6 | 8.6 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Construction Services subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer satisfaction with general construction projects | N/A | 6.5 | 6.5 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Construction Services subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of General Construction projects completed on schedule | 94.6 | 95 | 95 |
| Percentage of unforeseen project budget growth resulting in the use of contingency funding | 5.4 | 5.0 | 5.0 |

| ADA 9.3 | Subprogram Summary |
|---------|------------------------------------|
| | OTHER SUPPORT SERVICES |
| | Bill Hernandez, Assistant Director |
| | Phone: (602) 364-2872 |
| | A.R.S. §§ 41-101.03, 41-701 |

Mission:

To provide effective and efficient support services to enable government agencies, state employees, and the Arizona Department of Administration to achieve their goals

Description:

The Other Support Services subprogram is responsible for four separate activities including internal ADOA accounting services (accounts receivable, accounts payable, preparation of financial statements and other financial services) for a number of ADOA funds; the Central Services Bureau which provides accounting services to other agencies on a fee-for-service basis; the State Boards Office which provides office support and accounting services on a contracted basis to other agencies; and the ADOA Interagency Mail Room which provides mail service including interagency route service, U.S. mail processing, and parcel mail service. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 787.6 | 3,443.4 | 1,412.2 |
| Other Appropriated Funds | 5,223.2 | 211.6 | 211.6 |
| Other Non Appropriated Funds | 1,025.8 | 994.3 | 994.3 |
| Program Total | 7,036.6 | 4,649.3 | 2,618.1 |
| FTE Positions | 14.1 | 4.1 | 4.1 |

- ◆ **Goal 1** To maintain the continuity of state government operations to ensure the safe and efficient delivery of government services in the Other Support Services subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer satisfaction with fixed assets accounting (internal) | N/A | 6.5 | 6.5 |
| Customer satisfaction with financial and management reporting (internal) | N/A | 6.5 | 6.5 |
| Customer satisfaction with the payment of vendors (internal) | N/A | 6.5 | 6.5 |
| Percentage of standards met in accordance with Central Services Bureau service agreements | 100 | 95 | 95 |
| Customer satisfaction with Central Services Bureau | N/A | 7.0 | 7.0 |
| Overall customer satisfaction with the State Boards Office | N/A | 7.3 | 7.3 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Other Support Services subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of discounts taken (payment of vendors) | 99.99 | 75 | 85 |
| Number of days to process invoices (Accounts Payable) | 10.6 | 16 | 16 |
| Percentage error rate of claims (Accounts Payable) | .01 | 2.0 | 2.0 |
| Number of days to process invoices in the State Boards Office | 1.0 | 4.0 | 4.0 |
| Percentage error rate of claims (State Boards Office) | 1.0 | 8.0 | 5.0 |

| ADA 9.4 | Subprogram Summary |
|---------|-----------------------------|
| | SURPLUS PROPERTY |
| | Steve Perica, Administrator |
| | Phone: (602) 542-0796 |
| | A.R.S. § 41-2606(B) |

Mission:

To reutilize surplus state and federal personal property through an effective and efficient distribution system in a customer-focused environment which ensures continuity of service to eligible governmental and non-profit organizations, and to maximize the dollar return to the State on the property sold to the general public.

Description:

The Surplus Property Program is responsible for determining the fair market value of all excess and surplus property and for determining the method of disposal by approving trade-in, direct transfer or distribution, cannibalization, condemn by scrap, or disposal through the use of competitive sealed bids, auctions, established markets, and/or posted price sales. Other functions include advertising through printed and electronic media; determining and assessing proper service and handling fees for the acquisition, receipt, warehousing, rehabilitation, delivery, distribution or transfer of surplus materials; allocating proceeds from direct transfer or disposal through sale of surplus materials to authorized reimbursable funds; preparing and filing a State Plan of Operation with United States General Service Administration; acting on behalf of the State with any federal agencies or other surplus agencies regarding federal surplus materials; determining eligibility for the acquisition and distribution of state and federal surplus materials in accordance with federal laws; and ensuring that the federal and state surplus revolving funds are being maintained in accordance with the State Plan of Operation and applicable Arizona Administrative Codes. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,166.7 | 2,830.2 | 2,830.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,166.7 | 2,830.2 | 2,830.2 |
| FTE Positions | 23.0 | 23.0 | 23.0 |

- ◆ **Goal 1** To maintain the continuity of operations while ensuring the safe and efficient redistribution/sale of surplus property for the State of Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer satisfaction with the effectiveness of on-site customer assistance | 7.8 | 7.8 | 7.8 |
| Customer satisfaction with the efficiency of in-field operations | 7.9 | 7.8 | 7.8 |
| Customer satisfaction with Surplus Property | N/A | 6.5 | 6.5 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Surplus Property subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer requests picked up on date committed/agreed upon (1-8 scale). | 7.9 | 7.7 | 7.8 |
| Tons of paper recycled | 664 | 700 | 700 |
| Receiving backlog expressed as a percentage of items received within two days | 86 | 85 | 85 |

| ADA 9.5 | Subprogram Summary |
|---------|---------------------------------|
| | MOTOR POOL |
| | David Fruehwirth, Administrator |
| | Phone: (602) 542-0601 |
| | A.R.S. § 41-803 |

Mission:

To continuously provide safe, clean and environmentally friendly vehicles in an efficient, customer-focused manner.

Description:

The functions of the Fleet Management Program include providing dispatching for the taxi fleet; managing the procurement, assignment, and utilization of the entire fleet; managing the outsourcing of maintenance and repairs of the fleet; managing the record keeping for vehicles during their life in the fleet; providing a refueling site and car wash facilities; providing replacement vehicles for those meeting required criteria; and managing the disposition of replaced vehicles. (NOTE: Customer satisfaction measures, unless otherwise noted, are based on an annual survey using a scale of 1-8 with 8 being the best rating).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,639.8 | 10,038.9 | 10,966.2 |
| Other Non Appropriated Funds | 560.5 | 500.0 | 500.0 |
| Program Total | 9,200.3 | 10,538.9 | 11,466.2 |
| FTE Positions | 19.0 | 19.0 | 19.0 |

- ◆ **Goal 1** To maintain continuity of operations through the efficient, customer-focused delivery of service to Motor Pool subprogram customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer satisfaction with short-term (day use) vehicle rental | N/A | 6.5 | 6.5 |
| Customer satisfaction with long-term vehicle use | N/A | 6.5 | 6.5 |

- ◆ **Goal 2** To aggressively pursue innovative solutions and/or opportunities in the Motor Pool subprogram.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average percentage of taxi fleet utilization | 68 | 85 | 85 |
| Average downtime of Fleet Management vehicles (percentage) | 2.7 | 3 | 3 |

| | |
|-----------------------------------|-----------------------|
| HGA 0.0 | Agency Summary |
| OFFICE OF ADMINISTRATIVE HEARINGS | |
| Cliff J. Vanell, Director | |
| Phone: (602) 542-9853 | |
| A.R.S. § 41-1092.01 | |

Mission:

To contribute to the quality of life in the State of Arizona by fairly and impartially hearing the contested matters of our fellow citizens arising out of state regulation.

Description:

The Office of Administrative Hearings is the main venue for administrative law hearings in Arizona. Administrative law judges are assigned, on a temporary or permanent basis, to preside over contested cases.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 905.1 | 811.1 | 811.1 |
| Other Appropriated Funds | 14.5 | 14.5 | 14.5 |
| Other Non Appropriated Funds | 945.1 | 936.3 | 936.3 |
| Program Total | 1,864.7 | 1,761.9 | 1,761.9 |
| FTE Positions | 26.0 | 26.0 | 26.0 |

Strategic Issues:

Issue 1 *The OAH must be responsive to the decline in state revenues.*

The OAH will attempt to maintain current level of General Funding except as changed or adjusted by legislation.

◆ **Goal 1** To conduct hearings in a timely fashion.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Average number of days from hearing request to hearing scheduling | 1.41 | 1.41 | 1.41 |
| Average number of days from hearing scheduling to first scheduled hearing | 52.16 | 52.16 | 52.16 |
| Average number of days from the first scheduled hearing to the conclusion of the hearing | 11.31 | 11.31 | 11.31 |
| Average number of days from the conclusion of the hearing to transmission of the decision to the agency | 17.20 | 17.20 | 17.20 |
| Average length of delay (in days) from first hearing date to conclusion of the case due to continuances | 49.84 | 49.84 | 49.84 |
| Average length of a single continuance [measured by first continuances only] (in days) | 47.51 | 47.51 | 47.51 |
| Cases docketed | 4996 | 4996 | 4996 |
| Number of hearings held | 2246 | 2246 | 2246 |
| New cases docketed to cases concluded | 1:99 | 1:99 | 1:99 |
| Hearings conducted by contract administrative law judges | 0 | 0 | 0 |
| Average days from request for hearing to first date of hearing | 53.59 | 53.59 | 53.59 |

◆ **Goal 2** To increase client satisfaction in the hearing process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of agency acceptance of findings of fact and conclusions of law (excluding recommended order) without modification | 88.72 | 88.72 | 88.72 |
| Percent of agency acceptance of findings of fact and conclusions of law (including recommended order) without modification | 81.60 | 81.60 | 81.60 |
| Percent of OAH decisions contrary to original agency position | 7.77 | 7.77 | 7.77 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of agency acceptance of contrary Office of Administrative Hearings decision | 87.37 | 87.37 | 87.37 |
| Percent of agency rejection of OAH decisions | 1.24 | 1.24 | 1.24 |
| Percent of cases reheard | .7 | .7 | .7 |
| Percent of cases appealed to Superior Court | 2.74 | 2.74 | 2.74 |
| Percent of evaluations rating the administrative law judge excellent or good in attentiveness | 96.60 | 96.60 | 96.60 |
| Percent of evaluations rating the administrative law judge excellent or good in explaining the hearing process | 97.15 | 97.15 | 97.15 |
| Percent of evaluations rating the administrative law judge excellent or good in the use of clear and neutral language | 96.76 | 96.76 | 96.76 |
| Percent of evaluations rating the administrative law judge excellent or good in impartiality | 94.95 | 94.95 | 94.95 |
| Percent of evaluations rating the administrative law judge excellent or good in dealing with the issues of the case | 94.63 | 94.63 | 94.63 |
| Percent of evaluations rating the office excellent or good in sufficient space | 96.04 | 96.04 | 96.04 |
| Percent of evaluations rating the office excellent or good in providing freedom from distractions | 96.91 | 96.91 | 96.91 |
| Percent of evaluations rating the staff excellent or good in responding promptly and completely to questions | 95.63 | 95.63 | 95.63 |
| Percent of evaluations rating the staff excellent or good in courteous treatment | 96.40 | 96.40 | 96.40 |

◆ **Goal 3** To serve the parties by providing at will access to information.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Average number of weekly requests to website | 32,909.80 | 32,909.80 | 32,909.80 |
| Average number of individual domains accessing the website per week | 850.33 | 850.33 | 850.33 |
| Advertisements of website capability per month | 1141.3 | 1141.3 | 1141.3 |
| Publication of new informational articles on internet site | 0 | 0 | 0 |
| Average number of hits on articles on website per week | 3,613.94 | 3,613.94 | 3,613.94 |
| Average number of weekly hits on information page to enter agency portal | 344.31 | 344.31 | 344.31 |
| Average number of text searches of administrative law judge decisions per week | 3.84 | 3.84 | 3.84 |

| | | |
|--|------------|-----------------------|
| AHA | 0.0 | Agency Summary |
| ARIZONA DEPARTMENT OF AGRICULTURE | | |
| Donald Butler, Director | | |
| Phone: (602) 542-0990 | | |
| A.R.S. §§ 3-101 et seq. | | |

Donald Butler, Director
Phone: (602) 542-0990
A.R.S. §§ 3-101 et seq.

To regulate and support Arizona agriculture in a manner that encourages farming, ranching, and agribusiness while protecting consumers and natural resources.

The Department regulates all aspects of agricultural production and processing in the State, educates industry to foster compliance with regulations, promotes the agricultural community, informs consumers, and protects public health and safety. The Department inspects food, and non-food products, stray and diseased livestock, and areas subject to invasive plant species. Inspections may occur solely at the field or continue at the State Agricultural Laboratory. The Department also provides educational and conservation assistance by promoting best practices, issuing grants, and management of Arizona's native plant species.

| | | FY 2011 | FY 2012 | FY 2013 |
|---|--|---------|----------|---------|
| | Program | Actual | Estimate | Request |
| ➤ | FOOD SAFETY AND QUALITY ASSURANCE | 6,347.0 | 7,074.5 | 7,074.5 |
| ➤ | NON-FOOD PRODUCT QUALITY ASSURANCE | 821.4 | 836.9 | 836.9 |
| ➤ | ANIMAL DISEASE, OWNERSHIP AND WELFARE PROTECTION | 2,574.5 | 2,600.4 | 2,600.4 |
| ➤ | PEST EXCLUSION AND MANAGEMENT | 5,053.3 | 4,230.2 | 4,230.2 |
| ➤ | NATIVE PLANT AND CULTURAL RESOURCES PROTECTION | 140.1 | 174.2 | 174.2 |
| ➤ | PESTICIDE COMPLIANCE AND WORKER SAFETY | 816.4 | 766.7 | 766.7 |
| ➤ | ADMINISTRATIVE SERVICES | 1,272.4 | 1,252.4 | 1,252.4 |
| ➤ | STATE AGRICULTURAL LABORATORY | 1,393.4 | 1,347.7 | 1,347.7 |
| ➤ | AGRICULTURAL CONSULTATION AND TRAINING | 2,845.2 | 2,688.2 | 2,688.2 |
| ➤ | COMMODITY DEVELOPMENT AND PROMOTION | 4,239.6 | 3,766.0 | 3,766.0 |

| | | |
|----------|----------|----------|
| 25,503.3 | 24,737.2 | 24,737.2 |
|----------|----------|----------|

| | | | |
|------------------------------|----------|----------|----------|
| General Funds | 8,391.7 | 7,909.4 | 7,909.4 |
| Other Appropriated Funds | 2,450.6 | 2,851.3 | 2,851.3 |
| Other Non Appropriated Funds | 14,661.0 | 13,976.5 | 13,976.5 |
| Program Total | 25,503.3 | 24,737.2 | 24,737.2 |
| FTE Positions | 361.4 | 345.6 | 345.6 |

The September 11, 2001 attacks revealed the crucial role the Department plays in homeland security as the State Agency that is responsible for

Every person within the Department is dependent on Information Technology (IT) to carry out legislative mandates. IT is the cornerstone and life blood of the Department's regulatory and Customer Service efforts. In order to follow through with the primary mission of the Department, the Department must have the ability to keep its IT systems in line with technology advancements and must keep IT staff skills at a level to maintain those systems. Key to the Department's mission is the timely dissemination of accurate information to the regulated community, the public and to our own employees. The Department continues to work with the industry best practices to determine the most effective methods of delivering this information to concerned parties, and to keep in compliance with ongoing security demands and standards for IT. The technology in place must be able to support, at a minimum, 244 Department employees, 4 outlying Department offices, 20 outlying animal health and welfare field staff, as well as the thousands of citizen-clients found throughout the State. Outdated technology cannot perform this function with the efficiency and security that those being supported require. Regular technology

replacement schedules, ongoing maintenance and software licensing, IT staff training, and increased IT staffing are all essential for the Department to provide consistent, accurate, and timely information flow that is necessary to mitigate technology disasters, deal with emergencies, and carry on day-to-day operations in an efficient, secure environment.

Issue 6 For the Department to capitalize on federal and outside funding opportunities, State funds are required.

As the Department continues to search out federal grants and cooperative agreement funding, there is an increasing challenge to be able to provide the necessary matching funds required by most agreements. Typically, required State match for agreements ranges from 15 - 50% of the grant award funds and, since the State matching funds cannot originate from other federal monies, State matching funds must originate from the State general fund or other appropriated or non-appropriated non-federal funds.

| Program Summary | |
|---|-----------------------------------|
| AHA 1.0 | FOOD SAFETY AND QUALITY ASSURANCE |
| Dr. John W. Hunt, DVM, Associate Director | |
| Phone: (602) 542-7186 | |
| A.R.S. §§ 3-101 et seq | |

Mission:

To ensure that the public food supply meets established standards for quality and safety.

Description:

This program provides inspections for the safety and/or quality of meat, poultry, ratites, milk, eggs, and fresh produce.

This Program Contains the following Subprograms:

- ▶ Animal Products Food Safety and Quality Inspection
- ▶ Fresh Produce Standardization and Inspection

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,155.8 | 1,367.1 | 1,367.1 |
| Other Appropriated Funds | 1,150.4 | 1,377.0 | 1,377.0 |
| Other Non Appropriated Funds | 4,040.8 | 4,330.4 | 4,330.4 |
| Program Total | 6,347.0 | 7,074.5 | 7,074.5 |
| FTE Positions | 125.7 | 110.7 | 110.7 |

| Subprogram Summary |
|--|
| AHA 1.1 ANIMAL PRODUCTS FOOD SAFETY AND QUALITY INSPECTION Dart Easterday, Administrator Phone: (602) 542-0884 A.R.S. §§ 3-101 et seq. |

Mission:

To protect against the distribution of unsafe, unwholesome, and improperly labeled meat, poultry, ratites, milk, and eggs.

Description:

This subprogram is designed to help protect the public health and safety from microbiological, chemical, and physical food hazards or substandard quality resulting from the processing and packaging of meat, poultry, ratites, milk, and eggs. Slaughtering facilities and processors receive licensing and permitting services, on-site inspections, and testing of samples for microbiological, drug, and chemical residues. State and federal regulations are administered relating to the sale, packing, and movement of eggs and egg products. Inspection activities include egg products control, shell egg grading and milk tanker inspections. Poultry used in school lunch programs also is inspected for quality and safety.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 1,155.8 | 1,367.1 | 1,367.1 |
| Other Appropriated Funds | 795.6 | 896.6 | 896.6 |
| Other Non Appropriated Funds | 520.1 | 556.1 | 556.1 |
| Program Total | 2,471.5 | 2,819.8 | 2,819.8 |
| FTE Positions | 37.4 | 37.4 | 37.4 |

- Goal 1 To maintain an effective regulatory system of animal food product inspections.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of pounds of fluid milk removed from sale by inspectors due to non-compliance with regulations | 197,060 | 200,000 | 200,000 |
| Number of documented food-borne bacteria outbreaks linked to Arizona state-inspected dairy facilities | 0 | 0 | 0 |
| Total number of dairy-related inspections | 588 | 600 | 600 |
| Total number of wholesale and retail egg inspections | 1,069 | 1,600 | 1,600 |
| Total number of individual shell eggs inspected under State inspection | 293,926 | 400,000 | 400,000 |
| Number of egg dozens retained by inspectors for non-compliance with State standards | 138,593 | 200,000 | 200,000 |
| Number of documented food-borne bacteria outbreaks linked to eggs or egg products sold within Arizona | 0 | 0 | 0 |
| Number of documented food-borne bacteria outbreaks linked to Arizona state-inspected processing or slaughter plants | 0 | 0 | 0 |
| Number of state meat and poultry facilities | 82 | 82 | 82 |
| Percent of meat and poultry product tests in compliance with bacteria, drug and chemical residue requirements | 99 | 99 | 99 |

| Subprogram Summary |
|--|
| AHA 1.2 FRESH PRODUCE STANDARDIZATION AND INSPECTION Ed Foster, Assistant Director Phone: (602) 542-0947 A.R.S. §§ 3-101 et seq. |

Mission:

To inspect the quality of fresh produce in the marketing chain from farm to consumer through established standards of the Arizona or United States Department of Agriculture and applicable marketing orders.

Description:

This subprogram inspects the quality of fresh produce in accordance with standards established by the United States Department of Agriculture (USDA) and provides food safety audits under the Arizona Leafy Green Products Shipper Marketing Agreement (AZ LGMA). Under a cooperative agreement, USDA inspections are given by federal/state inspectors and take place primarily at the shipping point (point of origin), port of entry (Arizona-Mexico border), or the terminal market (point of destination). Inspections encompass several areas, including quality, maturity, processing, labeling, storage, handling, and refrigeration of products. USDA grade inspections are fee-based and given at the request of industry desiring either to market their produce under USDA quality grade standards, or to fulfill requirements for United States imports, exports, marketing orders, or military shipments. Food Safety Audits consist of an official review conducted by an auditor to verify and document that the best practices are adhered to and includes a physical visit to the farm or facility subject to audit while it is in operation, where practicable. An audit represents a "snapshot in time" based on documentation review, persons interviewed, and operations observed and is intended to reflect past and ongoing activities. The Standardization Inspection Program has moved toward a food safety program versus a produce quality program. The Standardization Program statutes and rules, which include licensing and labeling requirements, will remain in place to ensure industry uniformity.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 354.8 | 480.4 | 480.4 |
| Other Non Appropriated Funds | 3,520.7 | 3,774.3 | 3,774.3 |
| Program Total | 3,875.5 | 4,254.7 | 4,254.7 |
| FTE Positions | 88.3 | 73.3 | 73.3 |

- Goal 1 To maintain an effective system of fresh produce inspections and field monitoring activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of federal-state inspections | 22,674 | 29,000 | 29,000 |
| Number of cartons shipped by industry (in millions) | 95.1 | 90 | 90 |
| Number of federal-state and citrus, fruit, and vegetable produce inspections | 22,674 | 29,000 | 29,000 |

| AHA 2.0 | Program Summary |
|------------------------------------|-----------------|
| NON-FOOD PRODUCT QUALITY ASSURANCE | |
| Jack Peterson, Associate Director | |
| Phone: (602) 542-3575 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To protect the public's interest by ensuring the quality of feeds, fertilizers, pesticides and seed.

Description:

This program serves to assure public confidence in the quality of feed, fertilizer, pesticide and seed products. All of these products range from the envisioned agricultural products to those used in the urban setting for caring for your pets, tending a garden, cleaning a home, or controlling pests in and around the home. Regulation of the various industries is accomplished through two basic functions. First, regulatory processes are undertaken to register pesticides and fertilizers and to issue licenses to feed, fertilizer, and seed dealers and labelers. Secondly, enforcement activities are conducted by inspectors who confirm product registrations and company licensing, and who regularly sample feed, fertilizer, pesticide, and seed products to ensure that label statements, product guarantees, and applicable laws are adhered to. Inspectors also respond to individual consumer complaints regarding product quality concerns.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 803.9 | 813.2 | 813.2 |
| Other Non Appropriated Funds | 17.5 | 23.7 | 23.7 |
| Program Total | 821.4 | 836.9 | 836.9 |
| FTE Positions | 9.5 | 9.5 | 9.5 |

- ◆ **Goal 1** To provide accurate and timely licensing and registration services to customers as the first step to gaining compliance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total number of all ESD applications received | 30,496 | 30,000 | 30,000 |

- ◆ **Goal 2** To protect the interests of consumers by removing substandard non-food products from the market place.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total number of regulatory actions taken | 193 | 200 | 200 |
| Total number of inspections conducted | 111 | 175 | 175 |
| Number of feed, fertilizer, pesticide and seed labels inspected in the market place | 2,964 | 3,000 | 3,000 |
| Number of feed, fertilizer, pesticide and seed samples collected | 185 | 200 | 200 |
| Number of samples found deficient through laboratory analysis | 37 | 40 | 40 |

| AHA 3.0 | Program Summary |
|--|-----------------|
| ANIMAL DISEASE, OWNERSHIP AND WELFARE PROTECTION | |
| Dr. John W. Hunt, DVM, Associate Director | |
| Phone: (602) 542-7186 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To protect agricultural animals from disease or abuse, livestock owners against theft, and the public from harmful livestock interactions.

Description:

This program regulates the importation of livestock, ratites, and live fish into Arizona to identify, diagnose, and prevent existing and emerging diseases that would threaten those industries and possibly compromise the supply of safe and wholesome animal products to the consuming public. It also monitors livestock ownership and movement, investigates cases of alleged livestock abuse and theft, and assists in containing livestock that endanger the public safety.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,913.2 | 1,832.8 | 1,832.8 |
| Other Appropriated Funds | 127.0 | 179.2 | 179.2 |
| Other Non Appropriated Funds | 534.3 | 588.4 | 588.4 |
| Program Total | 2,574.5 | 2,600.4 | 2,600.4 |
| FTE Positions | 43.6 | 43.6 | 43.6 |

- ◆ **Goal 1** To maintain an effective system of livestock disease surveillance through timely inspections and investigations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of custom exempt and home processing inspections | 1,402 | 1,500 | 1,500 |
| Number of strays - animal at large investigations | 1,258 | 1,400 | 1,400 |
| Number of animal care investigations | 1,570 | 1,600 | 1,600 |
| Number of theft investigations | 55 | 50 | 50 |
| Number of livestock movement inspections (range cattle form 1) | 10,250 | 10,000 | 10,000 |
| Number of self inspection certificates issued | 22,790 | 26,000 | 26,000 |

- ◆ **Goal 2** To maintain an effective system of livestock and commercial fish disease surveillance and response.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of quarantine sites in Arizona for all diseased livestock and fish | 4 | 3 | 3 |
| Number of cases of secondary spread from quarantine sites of diseased livestock and fish | 0 | 0 | 0 |
| Number of cases of equine infectious anemia | 0 | 1 | 1 |
| USDA disease status for Arizona for bovine brucellosis and tuberculosis, and swine pseudo rabies | Free | Free | Free |

| <div>AHA 4.0</div> <div>Program Summary</div> |
|---|
| <div>PEST EXCLUSION AND MANAGEMENT</div> <div>G. John Caravetta, Associate Director</div> <div>Phone: (602) 542-0996</div> <div>A.R.S. §§ 3-101 et seq.</div> |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of federal phytosanitary certificates written | 2,028 | 2,300 | 2,300 |

Mission:

To ensure the provision of pest-free agricultural products and protect the public from agricultural pests through prevention, control, and eradication, thereby, maximizing domestic and international market access for Arizona produced commodities and maximizing product availability for the public.

Description:

The Pest Exclusion and Management program has moved to incorporate new technology, advance inspector training, update quarantine requirements and employ intensive pest trapping methods to meet the challenges of rapid urban development, increased global and domestic trade and expanded export opportunities for Arizona's agricultural commodities and value added products. The mission is executed through the concerted efforts within the division that incorporates a comprehensive survey and detection program. Arizona's "pest free" status for federally regulated pests evidences the synergy of these efforts. Pest detection, management, and eradication are a large part of the division's regulatory function. Division staff perform regular and systematic surveys to prevent the introduction, establishment, and spread of pests which pose a threat to Arizona's residents and plant industries and regulate the movement of commodities and facilitate imposition of in-state quarantines where pest eradication is required, or restricted movement of a commodity is necessary.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 2,906.7 | 2,413.6 | 2,413.6 |
| Other Appropriated Funds | 100.0 | 125.5 | 125.5 |
| Other Non Appropriated Funds | 2,046.6 | 1,691.1 | 1,691.1 |
| Program Total | 5,053.3 | 4,230.2 | 4,230.2 |
| FTE Positions | 96.2 | 96.2 | 96.2 |

- ◆ **Goal 1** To manage existing pests and prevent the reintroduction of eradicated pests in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of pest interceptions within the state interior | 9,927 | 10,000 | 10,000 |
| Number of interceptions resulting in enforcement actions within the state interior | 440 | 500 | 500 |
| Percent of inspections within the state interior resulting in pest interceptions | 9 | 10 | 10 |

- ◆ **Goal 2** To exclude and prevent the establishment of hazardous pests in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of weed management areas established in cooperation with governmental and private entities | 14 | 14 | 14 |
| USDA rating on Federal pest status of the Fruit Fly in Arizona | Pest-free | Pest-free | Pest-free |
| USDA rating on Federal pest status of the Gypsy Moth in Arizona | Pest-free | Pest-free | Pest-free |
| USDA rating on Federal pest status of the Red Imported Fire Ant in Arizona | Pest-free | Pest-free | Pest-free |
| USDA rating on Federal pest status of Khapra beetle in Arizona | Pest-free | Pest-free | Pest-free |
| USDA rating on Federal pest status of Japanese beetle in Arizona | Pest-free | Pest-free | Pest-free |

- ◆ **Goal 3** To serve our customers in an accurate and efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

| AHA 5.0 | Program Summary |
|--|-----------------|
| NATIVE PLANT AND CULTURAL RESOURCES PROTECTION | |
| Jack Peterson, Associate Director | |
| Phone: (602) 542-3575 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To protect and conserve Arizona's native plants, historical sites, and other natural resources for present and future generations to enjoy and appreciate.

Description:

This program regulates the harvesting, transporting, and sale of native plants; assists in protecting archaeological and paleontological sites, caves and caverns; and investigates and prosecutes unlawful natural resource theft and destruction.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 120.2 | 90.0 | 90.0 |
| Other Non Appropriated Funds | | 19.9 | 84.2 | 84.2 |
| Program Total | | 140.1 | 174.2 | 174.2 |
| FTE Positions | | 2.0 | 2.0 | 2.0 |

- ◆ **Goal 1** To serve the public and the agricultural community by protecting agricultural products, livestock and native plants by conducting investigations into illegal activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of criminal referrals received | 55 | 25 | 25 |
| Number of civil referrals received | 5 | 10 | 10 |
| Number of investigations opened | 33 | 30 | 30 |
| Percent of investigations completed | 48 | 75 | 75 |
| Number of native plant cases with successful compliance | 10 | 20 | 20 |

| AHA 6.0 | Program Summary |
|--|-----------------|
| PESTICIDE COMPLIANCE AND WORKER SAFETY | |
| Jack Peterson, Associate Director | |
| Phone: (602) 542-3575 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To protect public health, agricultural workers, and the environment by ensuring the proper use of crop protection products.

Description:

This program seeks to ensure the proper use and application of crop protection products as well as the safety of field workers. Inspectors confirm compliance with the laws and rules by monitoring in the field ensuring proper pesticide use and appropriate precautions are being taken to protect workers. In addition, training and testing is provided to private and commercial pesticide applicators to ensure competency for certification.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 120.5 | 125.0 | 125.0 |
| Other Appropriated Funds | | 0.0 | 113.0 | 113.0 |
| Other Non Appropriated Funds | | 695.9 | 528.7 | 528.7 |
| Program Total | | 816.4 | 766.7 | 766.7 |
| FTE Positions | | 11.2 | 11.2 | 11.2 |

- ◆ **Goal 1** To ensure safety of pesticide workers and handlers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of worker safety issues addressed during inspections | 2,940 | 2,950 | 2,950 |
| Number of worker safety issues identified as being out of compliance | 373 | 370 | 367 |

- ◆ **Goal 2** To protect the public from unlawful pesticide exposure.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of pesticide use inspections | 160 | 160 | 160 |
| Number of inspection issues identified as pesticide misuse | 29 | 28 | 27 |

| AHA 7.0 | Program Summary |
|-------------------------|-----------------|
| ADMINISTRATIVE SERVICES | |
| Donald Butler, Director | |
| Phone: (602) 542-0990 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To provide leadership and ensure timely and efficient support services to all Department of Agriculture programs.

Description:

This program encompasses the Office of the Director and Administrative Services. The Office of the Director includes legislative services, rules, legal services, strategic planning, budgeting and public information. Administrative Services serves each departmental program with accounting, payroll, human resources, training, information technology, procurement, and facilities management services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,084.9 | 1,007.4 | 1,007.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 187.5 | 245.0 | 245.0 |
| Program Total | 1,272.4 | 1,252.4 | 1,252.4 |
| FTE Positions | 12.7 | 12.9 | 12.9 |

◆ **Goal 1** To provide accurate and timely support services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of employee travel claims correctly processed within ten days | 100 | 100 | 100 |
| Percent of vendor invoices paid within 30 days | 99.4 | 100 | 100 |
| Percent of agency staff turnover | 8 | 15 | 15 |
| Administration as a percent of total cost | 5.1 | 5 | 5 |
| Percent of industry stakeholders rating the Department's quality of communications excellent or good | 96.78 | 97 | 98 |

◆ **Goal 2** To improve information technology communications and customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| System uptime as a percentage of total monthly hours as measured by industry standard monitoring software | 99.85 | 99.99 | 99.99 |
| Percent of IT staff certified in their areas of emphasis, i.e. Microsoft MCSE, MCDBA, | 66.6 | 66.6 | 66.6 |
| Percent of total license renewals completed through the Department's website | 0 | 20 | 30 |
| Percent of issues reported by the Customer Service Tracking System closed within 8 working hours of submission | 99.3 | 99 | 99 |

| AHA 8.0 | Program Summary |
|--------------------------------|-----------------|
| STATE AGRICULTURAL LABORATORY | |
| Doug Marsh, Assistant Director | |
| Phone: (602) 744-4924 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To support the Department of Agriculture and other regulatory agencies in protecting consumers and natural resources through the provision of quality laboratory services.

Description:

This program provides scientific analyses of regulatory samples in areas such as meat and dairy products, fruits and vegetables, feeds, fertilizers, pesticides, insects, and plant diseases. Analyses determine if agricultural products meet labeling specifications and provide authoritative identification and detection of biological organisms and residue level contaminants that affect the public and the environment. The program also provides technical resource expertise and training to the Department of Agriculture and other agencies, including lab and sampling certification services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 979.4 | 929.7 | 929.7 |
| Other Appropriated Funds | 149.1 | 153.4 | 153.4 |
| Other Non Appropriated Funds | 264.9 | 264.6 | 264.6 |
| Program Total | 1,393.4 | 1,347.7 | 1,347.7 |
| FTE Positions | 19.5 | 19.5 | 19.5 |

◆ **Goal 1** To minimize the effect of staff reduction and lack of equipment funding on the overall customer satisfaction rating.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of customer satisfaction rating regarding the lab's "timely delivery of service" | 83 | 75 | 70 |
| Percent of overall customer satisfaction rating for laboratory services | 94 | 90 | 85 |

| 9.0 | Program Summary |
|--|-----------------|
| AGRICULTURAL CONSULTATION AND TRAINING | |
| Brett Cameron, Assistant Director | |
| Phone: (602) 542-0984 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To guide the agricultural community in a non-enforcement posture on regulatory matters administered by the Arizona Department of Agriculture.

Description:

The Agricultural Consultation and Training Program is an innovative compliance assistance program that guides the agricultural community in a non-enforcement posture on regulatory matters, and administers the Livestock and Crop Conservation and Specialty Crop Block Grant Programs. Through requested on-site visits (OSV), program staff provides non-regulatory advice to the agricultural community on how to comply with State statutes, regulations, policies, and federal mandates that the Arizona Department of Agriculture is responsible for directly administering or indirectly administering through contractual agreements. No regulatory actions may be taken as a result of the OSV, except in cases of imminent danger. This program was first established in FY 1995.

Funding and FTE

| Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 231.2 | 233.8 | 233.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,614.0 | 2,454.4 | 2,454.4 |
| Program Total | 2,845.2 | 2,688.2 | 2,688.2 |
| FTE Positions | 6.5 | 6.0 | 6.0 |

- ◆ **Goal 1** To foster voluntary compliance with agricultural laws and regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of agricultural consultation and training compliance issues addressed | 848 | 850 | 900 |
| Number of compliance issues needing correction or clarification | 60 | 65 | 65 |
| Number of on-site visits or individual consultations | 224 | 265 | 350 |
| Number of pesticide resources, materials, or contacts provided upon request. | 269 | 250 | 250 |
| Number of agricultural operations that receive training | 62 | 78 | 90 |
| Number of individuals who received pesticide safety training in English | 207 | 425 | 425 |
| Number of individuals who received pesticide safety training in Spanish | 262 | 425 | 435 |
| Number of outreach and education seminars and workshops (including Train-the-Trainer Workshops) | 66 | 56 | 58 |
| Number of outreach and education seminar and workshop participants (including Train-the-Trainer Workshops) | 4,465 | 3,900 | 3,780 |
| Number of new outreach and educational materials developed (includes new PPT presentations, training resources, curricula, articles and interviews) | 84 | 72 | 77 |
| Number of people reached through outreach and education materials (new and existing) | 21,917 | 21,500 | 21,500 |
| Number of operations receiving assistance | 28 | 30 | 35 |
| Number of follow-up on-site visits | 26 | 35 | 40 |
| Number of Farm Bill contract management acres | 13,202 | 21,000 | 21,000 |

- ◆ **Goal 2** To fulfill the purpose of A.R.S. 41-511.23(G) - Livestock and Crop Conservation Grant Program and that of the USDA-

Agricultural Marketing Service as authorized by the Specialty Crops Competitiveness Act of 2004.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of grant applications | 130 | 100 | 0 |
| Number of grants awarded | 59 | 55 | 0 |
| Amount of grant funds disbursed (in millions of dollars) | 2.18 | 3.59 | 3.56 |
| Amount of grant funds disbursed as Match to NRCS agreements (in millions of dollars) | 0.4 | 1.97 | 0.4 |

| AHA 10.0 | Program Summary |
|-------------------------------------|-----------------|
| COMMODITY DEVELOPMENT AND PROMOTION | |
| Brett Cameron, Assistant Director | |
| Phone: (602) 542-0984 | |
| A.R.S. §§ 3-101 et seq. | |

Mission:

To foster the domestic and international consumption of Arizona agricultural commodities and provide quality support services to contracted industry councils.

Description:

The Commodity Development and Promotion Program funding primarily is that provided to the Arizona Cotton Research and Protection Council, Arizona Citrus Research Council, Arizona Grain Research and Promotion Council, and Arizona Iceberg Lettuce Research Council through self-assessed fees paid by growers/producers. As a result of budget reductions several years ago, the Department has a limited Commodity Development and Promotion Program funded entirely from non appropriated revenues. The Environmental Services Division oversees the issuance of certificates of free sale and the sale of merchandise with the Arizona Grown trademark. The Agricultural Consultation and Training Program oversees administrative support for the Arizona Citrus Research Council, Arizona Grain Research and Promotion Council, Arizona Iceberg Lettuce Research Council, Agricultural Employment Relations Board, and the Arizona Agricultural Protection Commission.

*Note: 33.5 of the FTE positions shown in this program reflect employees of the Arizona Cotton Research and Protection Council.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 4,239.6 | 3,766.0 | 3,766.0 |
| Program Total | 4,239.6 | 3,766.0 | 3,766.0 |
| FTE Positions | 34.5 | 34.0 | 34.0 |

- ◆ **Goal 1** To provide documentation authenticating that a commodity is generally and freely sold in domestic channels of trade.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of free sale certificates issued | 58 | 75 | 75 |
| Number of products under free sale | 3,177 | 3,000 | 3,000 |

HCA 0.0 Agency Summary

AHCCCS

Thomas J. Betlach, Director

Phone: (602) 417-4711

A.R.S. § 36-2901 et seq.

Mission:*To provide comprehensive, quality health care for those in need.***Description:**

Arizona Health Care Cost Containment System (AHCCCS), the State's Medicaid Agency, uses federal, state and county funds to provide health care coverage to the State's acute and long term care Medicaid population and low income groups. Since 1982, when it became the first statewide Medicaid managed care system in the nation, AHCCCS has operated in accordance with a federal Research and Demonstration waiver that allows for a total managed care model of service delivery.

Unlike programs in other states, that rely solely on fee-for-service reimbursement, AHCCCS makes prospective capitation payments to contracted health plans responsible for the delivery of care. The result is a managed care system that mainstreams recipients, allows them to select their providers, and encourages quality cost-effective care and preventive services.

The AHCCCS Administration is responsible for planning, developing, implementing, and administering the health care programs for low income Arizonans. Specifically, the AHCCCS Administration provides direction and oversight of operations related to eligibility, enrollment, quality of care, contracted health plans and providers, and procurement of contracted services.

AHCCCS oversees three main programs:

AHCCCS Acute Care

The majority of Acute Care Program recipients are children and pregnant women who qualify for the federal Medicaid Program (Title XIX). Although most are enrolled in AHCCCS contracted health plans, American Indians and Alaska Natives in the Acute Care Program may choose to receive services through either the contracted health plans or the American Indian Health Program. AHCCCS also administers an emergency services only program for individuals who, except for immigration status, would qualify for full AHCCCS benefits.

ALTCS

The Arizona Long Term Care System (ALTCS) provides acute care, behavioral health services, long-term care, and case management to individuals who are elderly, physically disabled, or developmentally disabled and meet the criteria for institutionalization. Whereas ALTCS members account for only 3.8% of the AHCCCS population, they account for approximately 23.7% of the costs. The ALTCS program encourages delivery of care in alternative residential settings. As in the Acute Care Program, elderly physically disabled and developmentally disabled members of all ages receive care through contracted plans called program contractors.

KidsCare

The Children's Health Insurance Program (CHIP), referred to as KidsCare, offers affordable insurance coverage for low-income families. Children under age 19 may qualify for the program if their family's income exceeds the limit allowed for Medicaid eligibility, but is below 200% of the Federal Poverty Level (FPL). With the exception of American Indians, who are exempt in accordance with federal law, parents pay a monthly premium based on income. The KidsCare program results in a federal contribution that equates to a \$3.00 federal match for every \$1.00 spent by the State. As with the Medicaid Acute Care Program, American Indian and Alaska Native children may elect to receive care through an AHCCCS-contracted health plan or the American Indian Health Program. The majority of children enrolled in KidsCare, however, are enrolled in AHCCCS health plans and

receive the same services available to children in the Medicaid Acute Care Program. In an effort to comply with Maintenance of Effort (MOE) requirements in the face of significant State budget concerns, enrollment in the KidsCare Program was frozen as of January 1, 2010. As of July 1, 2011 17,642 KidsCare members remain enrolled.

Major medical programs include acute care, long term care, and behavioral health services. The AHCCCS Administration determines eligibility for the Arizona Long Term Care System (ALTCS), Children's Health Insurance Program (KidsCare), Qualified Medicare Beneficiaries, and other Supplemental Security Income (SSI)-related Medical Assistance Only programs. Federal funding through Title XIX and Title XXI of the Social Security Act is provided to AHCCCS by the Centers for Medicare and Medicaid Services (CMS), a component of the U.S. Department of Health and Human Services.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--|--------------------|---------------------|--------------------|
| ➤ ADMINISTRATION | 110,168.6 | 139,096.6 | 147,018.8 |
| ➤ AZ LONG TERM CARE SYSTEM (ALTCS) | 2,205,922.3 | 2,219,720.3 | 2,227,335.0 |
| ➤ ACUTE CARE | 4,710,411.5 | 4,931,739.3 | 4,716,258.5 |
| ➤ PROPOSITION 204 - SENATOR ANDREW NICHOLS COMPREHENSIVE HEALTH INSURANCE COVERAGE ACT | 2,752,735.0 | 1,066,125.6 | 1,771,478.2 |
| ➤ HEALTHCARE GROUP | 37,778.4 | 32,834.7 | 29,909.4 |
| ➤ CHILDREN'S HEALTH INSURANCE (CHIP) | 55,234.8 | 38,287.8 | 27,618.8 |
| ➤ DIRECT SERVICE CLAIMING (DSC) | 32,958.7 | 33,027.1 | 34,218.2 |
| Agency Total: | 9,905,209.3 | 8,460,831.4 | 8,953,836.9 |

Funding and FTE Summary:

(Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|--------------------|---------------------|--------------------|
| General Funds | 1,301,689.2 | 1,363,735.0 | 1,457,371.4 |
| Other Appropriated Funds | 118,580.2 | 114,467.0 | 157,047.3 |
| Other Non Appropriated Funds | 8,484,939.9 | 6,982,629.4 | 7,339,418.2 |
| Program Total | 9,905,209.3 | 8,460,831.4 | 8,953,836.9 |
| FTE Positions | 2,987.9 | 2,969.9 | 3,006.0 |

Strategic Issues:

Issue 1 *AHCCCS must manage the delivery of quality health care services within an environment shaped by budget and regulatory constraints.*

To accomplish this goal, AHCCCS plans to:

- Continue efforts toward sustainable and manageable provider rate structures through periodic review and adjustment of Fee-For-Service (FFS) rates
- Maintain an actuarially sound annual average capitation rate (per member per month) that meets budgetary expectations
- Continue to explore cost-effective purchasing options for selected Medicaid services
- When cost-effective, pursue non-State funding sources
- Enhance Medical Management Team structure in order to support the effective analyses and use of utilization data for purposes of identifying and acting upon opportunities for the Agency and/or Contractors to improve quality of care, improve access to care, and reduce costs of care
- Pursue integration and alignment efforts for certain frail populations and purposes of innovation including:
 - Health care reform and care coordination
 - System Integration

Payment Reform
Program Integrity
HIT

- Maintain and update annual Program Integrity Plan that improves Third Party Liability (TPL), Coordination of Benefits (COB), and Fraud and Abuse programs
- Maintain AHCCCS administrative costs at or below 1% (excludes DES)
- Develop systematic review of current claims/encounter edits

Issue 2 AHCCCS must pursue continuous quality improvement

To accomplish this goal, AHCCCS plans to:

- Continue to improve quality in Acute and Long Term programs through promotion of the Performance Improvement Process (PIP)
- Pursuant to the State Medicaid Health Information Technology Plan (SMHP), maximize Medicaid incentive payments to eligible providers who adopt and demonstrate meaningful use of electronic health records
- Track quality assurance management and improvement processes through GPRA measures and AIHP claims data in IHS facilities, tribal health programs operated under P.L. 93-638, and Indian health programs for health outcomes trends over time

Issue 3 AHCCCS must maintain a core service delivery model that remains effective

To accomplish this goal, AHCCCS plans to:

- Retain the network of AHCCCS-registered providers available for contracting with AHCCCS Acute Care and ALTCS contractors
- Continue to promote and ensure access to care
- Maintain an infrastructure that encourages competition among contracted health plans and offers choice to members
- Continue to implement efficiencies that streamline administrative processes for AHCCCS and contractors
- Preserve the flexibility offered by the AHCCCS Waiver, including mandated managed care and ALTCS program choice limitations
- Implement health care reform measures
- Continue to promptly address Legislative mandates
- Maintain an RFP process that promotes quality and cost-effectiveness, and ensures a fair and informed selection among bidders
- Maintain compliance with Medicaid Information Technology Architecture (MITA) principles as they relate to new implementations and enhancements

Issue 4 AHCCCS must maintain core organizational capacity and workforce planning that effectively serves AHCCCS operations

To accomplish this goal, AHCCCS plans to:

- Promote use of electronic processes among AHCCCS members, providers, and staff
- Support transparency by reporting timely information on the AHCCCS website
- Manage relationships with partnering organizations, including the Centers for Medicare and Medicaid (CMS), Arizona Department of Education (ADE), Arizona Department of Health Services (ADHS), and Arizona Department of Economic Security (ADES), and Hawaii Medicaid
- Continue to manage workforce environment, promoting activities that support employee engagement and retention, and address potential gaps in the organization's knowledge base due to retirements and other staff departures.
- Ensure system-wide security and strict compliance with privacy regulations related to transfer of information
- Maintain IT network infrastructure, including server-based applications, ensuring business continuity

| HCA 1.0 | Program Summary |
|---------------------------------|-----------------|
| ADMINISTRATION | |
| Thomas J. Betlach, Director | |
| Phone: (602) 417-4711 | |
| A.R.S. Title 36; Title XIX, SSA | |

Mission:

To provide comprehensive, quality health care for those in need.

Description:

The Administration contracts with health plans and program contractors that agree to accept a capitated monthly payment for the cost of providing medical care to enrolled members. Responsibilities of Administration that relate to health plans and program contractors include rate negotiations, financial and operational oversight of health plans and program contractors, and quality of care assessments. The Administration also manages a fee-for-service payment system that covers medical bills for IHS enrolled members and emergency services for qualified aliens.

Additional responsibilities of Administration include the development and maintenance of the management information system, coordination of provider or eligibility grievances, policy development and research, agency financing and accounting, agency development and monitoring, third party liability recovery, and eligibility determinations for the Arizona Long-Term Care System and KidsCare. Eligibility for the Acute Care program is conducted by the Department of Economic Security and the Social Security Administration.

This Program Contains the following Subprograms:

- ▶ Central Administration
- ▶ Pass-thru to Other State Agencies
- ▶ Office of Managed Care
- ▶ Office of Medical Management
- ▶ Advisory Council on Indian Health Care (Pass-Through)
- ▶ Division of Member Services

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 46,577.1 | 52,312.6 | 55,188.5 |
| Other Appropriated Funds | 0.0 | 114.5 | 270.0 |
| Other Non Appropriated Funds | 63,591.5 | 86,669.5 | 91,560.3 |
| Program Total | 110,168.6 | 139,096.6 | 147,018.8 |
| FTE Positions | 2,035.7 | 2,027.7 | 2,050.6 |

| | |
|-----------------------------|---------------------------|
| HCA 1.1 | Subprogram Summary |
| CENTRAL ADMINISTRATION | |
| Thomas J. Betlach, Director | |
| Phone: (602) 417-4711 | |
| A.R.S. § 36-2901 | |

Mission:

To provide strategic leadership, policy, technology, legal, and financial direction and coordination for AHCCCS.

Description:

Central Administration consists of six operating offices or divisions that provide the following services:

- (1) The Office of the Director provides the overall policy direction for the agency, dedicating specific staff to public information, government relations, medical policy oversight, and strategic plan coordination;
- (2) The Information Services Division develops, acquires, and maintains automation for the agency;
- (3) The Division of Business and Finance oversees internal financial operations, third party liability, contracts, budget development and monitoring, purchasing, and facilities management;
- (4) Human Resources and Development addresses training, personnel assistance, guidance on organizational development, recruitment, retention, and equal opportunity;
- (5) The Office of Administrative Legal Services provides legal counsel for AHCCCS, manages contracted legal services, and offers members, contractors, and providers a fair, expeditious, and cost-effective process for informal grievance adjudication;
- (6) The Office of Inspector General is responsible for the prevention, detection, and investigation of fraud and abuse by providers, health plans, and members in the AHCCCS program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 10,042.1 | 10,989.4 | 12,248.4 |
| Other Appropriated Funds | 0.0 | 114.5 | 270.0 |
| Other Non Appropriated Funds | 22,168.3 | 28,526.8 | 29,660.8 |
| Program Total | 32,210.4 | 39,630.7 | 42,179.2 |
| FTE Positions | 278.4 | 270.4 | 281.3 |

- ◆ **Goal 1** To oversee the development of AHCCCS core competencies with an emphasis on enhancing employee knowledge and teamwork, and improving customer relations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------|-----------------------|-------------------------|-------------------------|
| Percent of employee turnover | 14.6 | 13.4 | 15.0 |

- ◆ **Goal 2** To ensure and maintain the integrity of the AHCCCS program through timely audits and investigations of reports of fraud and abuse.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Cost/benefit ratio (in dollars) of audits and investigations related to reports of fraud and abuse. | 1/8.80 | 1/7.77 | 1/7.77 |

- ◆ **Goal 3** To monitor and maintain the AHCCCS program waiver and state plan to ensure compliance with changes in federal law, regulations, and policy, and to coordinate the submission of required amendments and deliverables to the Centers for Medicare and Medicaid Services (CMS).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of timely submissions of "Waiver and Special Terms and Conditions" documents, reports, and State Plan Amendments to CMS | 100 | 100 | 100 |

- ◆ **Goal 4** To develop and maintain accurate AHCCCS statutes to

ensure compliance with federal and state legal requirements and changes in policy.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|-------------------------|-------------------------|
| Percent of timely submissions and approval of rule packages | 100 | 100 | 100 |
| Explanation: | Seven packages submitted and approved in FY 2011 | | |

- ◆ **Goal 5** To resolve problems raised to the Director's Office by customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of inquiries acknowledged within three days regarding client service issues | 98 | 90 | 90 |

- ◆ **Goal 6** To develop, maintain, and enhance computerized PMMIS application systems as dictated by cost efficiencies and agency needs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of time the PMMIS is available to our users | 100 | 99.0 | 99.0 |

- ◆ **Goal 7** To administer a streamlined claims processing system, including the integration of an electronic format for provider claims submission, inquiry, payment, and remittance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------------------|-------------------------|-------------------------|
| Percent of administrative invoices paid within 30 days | 97.4 | 97.0 | 97.0 |
| Explanation: | Refers to administrative invoices | | |
| Percent of total programmatic payments completed electronically | 98.3 | 97.0 | 97.0 |

- ◆ **Goal 8** To administer an effective and efficient informal grievance process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of enrollees filing a grievance | 0.2 | 1.0 | 0.5 |

| HCA 1.2 | Subprogram Summary |
|---------|-----------------------------------|
| | PASS-THRU TO OTHER STATE AGENCIES |
| | Thomas J. Betlach, Director |
| | Phone: (602) 417-4711 |
| | A.R.S. Title 36, Title XIX, SSA |

Mission:

To partner with other state agencies for administrative services to reach across Arizona to provide comprehensive quality health care for those in need.

Description:

The Department of Economic Security (DES), Department of Health Services (DHS), Office of Administrative Hearings (OAH) and the Department of Administration's Data Center (DOADC) coordinate with AHCCCS by providing administrative support for the program. DES performs eligibility determination for approximately three-fourths of the AHCCCS members, which include 1931(b) Eligibility (TANF), SOBRA pregnant women and children, Proposition 204, and other "medical assistance only" groups for families with minor children. AHCCCS passes through state and federal funds to DES to cover the costs of determining eligibility and automation of the eligibility systems. Preadmission screening and annual resident reviews are conducted by DES and DHS by conducting level II screenings for eligible patients in Title XIX certified nursing facilities. These residents have been identified through a level I screening process as potentially having a mental retardation or mental illness. The DES, Disability Determination Services, determines disability entitlement for the Arizona Long Term Care System's applicants, SSI/MAO, and SSI-related Federal Emergency Services applicants.

In addition, DHS, Nursing Facility Licensure, determines whether institutions and suppliers of service meet the requirements for participation in the Medicaid program as it applies to licensure, certification, or registration. DOA provides computer processing services, operating manuals, documentation services, and back-up support in case of equipment failure. And OAH provides legal hearings for providers and members, ensuring equitable treatment of all participants in the Arizona Health Care Cost Containment System. (Pass-Thru funding includes DES, DHS, OAH, DOADC and Trauma Center.)

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 23,087.5 | 26,649.2 | 27,955.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 23,849.1 | 34,056.1 | 37,502.0 |
| Program Total | 46,936.6 | 60,705.3 | 65,457.2 |
| FTE Positions | 995.9 | 995.9 | 995.9 |

| HCA 1.3 | Subprogram Summary |
|---------|---------------------------------|
| | OFFICE OF MANAGED CARE |
| | Kari Price, Assistant Director |
| | Phone: (602) 417-4625 |
| | A.R.S. Title 36; Title XIX, SSA |

Mission:

To enhance the capability of the AHCCCS program to ensure the provision of quality health care services to its members, while obtaining full economic value for monetary resources expended.

Description:

The Division of Healthcare Management (DHCM) is the main contact with AHCCCS health plans and program contractors. It ensures that the health plans and program contractors continue to be viable economic entities while providing quality health care to members. In addition to regular on-site audits, health plans and program contractors have periodic reporting requirements to DHCM such as utilization of service, financial statements, network participants, and grievance and appeals. DHCM, with the assistance of actuaries, is responsible for developing and negotiating contracts with health plans and program contractors as well as rate setting and encounter reporting. DHCM also coordinates oversight of the delivery of behavioral health services through Arizona Long Term Care System (ALTCS) program contractors and through a contract with the Department of Health Services for acute care members. In addition, for purposes of monitoring performance and quality of care, there are sections for clinical research and data management, as well as clinical quality management.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,987.0 | 2,170.9 | 2,170.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,303.8 | 3,163.5 | 3,163.5 |
| Program Total | 4,290.8 | 5,334.4 | 5,334.4 |
| FTE Positions | 75.3 | 75.3 | 75.3 |

- ◆ **Goal 1** To ensure Acute Care health plans and Arizona Long Term Care System (ALTCS) program contractors (collectively referred to as health plans) comply with AHCCCS contract provisions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of acute and ALTCS health plan operational and financial reviews completed on time | 64 | 100 | 100 |
| Percent of financial viability issues detected prior to an impact on contract. | 100 | 100 | 100 |

- ◆ **Goal 2** To ensure the availability and accessibility of AHCCCS health plan providers throughout the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Rural counties with at least two competitive risk health plans available | 100 | 100 | 100 |
| Explanation: Revised measure as percent | | | |
| Member satisfaction: percent of choice exercised in moving from current health plan | 1.5 | 4.5 | 4.5 |

- ◆ **Goal 3** To improve the completeness and quality of encounter data collected from health plans, program contractors, and behavioral health.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| The number of encounters per member month | 5.1 | 4.5 | 4.5 |
| Explanation: Benefit changes, population freezes, etc. may reduce encounters pmpm | | | |

| Performance Measures | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------|--|-------------------|---------------------|---------------------|
| Omission error percent | | 16.6 | 11.9 | 11.9 |
| Explanation: | Weighted total omission and correctness rate source: FFY in which Data Validation Study completed. | | | |
| Correctness error percent | | 23.9 | 20.0 | 16.0 |
| Explanation: | Weighted total omission and correctness rate source: FFY in which Data Validation Study completed. | | | |

| HCA 1.4 | Subprogram Summary |
|---|--------------------|
| OFFICE OF MEDICAL MANAGEMENT | |
| Jennifer H. Amen, MD, MPH, Assistant Director | |
| Phone: (602) 417-4048 | |
| A.R.S. Title 36; Title XIX, SSA | |

Mission:

To place a greater emphasis on the health care of our fee-for-service members through oversight of provider registration, prior authorization, and claims administration.

Description:

The Division of Fee-for-Service Management (DFSM) consists of prior authorization and claims administration. The prior authorization unit ensures that proposed services are medically necessary, provided in the most appropriate setting, and within the scope of AHCCCS coverage for fee-for-service members. The accuracy of payment for services is carefully monitored.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 1,030.3 | 1,125.6 | 1,125.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,097.0 | 2,879.5 | 2,879.5 |
| Program Total | 3,127.3 | 4,005.1 | 4,005.1 |
| FTE Positions | 83.8 | 83.8 | 83.8 |

◆ **Goal 1** To streamline claims processing

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of Fee-For-Service claims adjudicated within 30 days | 97.8 | 97.0 | 97.0 |

| HCA 1.5 | Subprogram Summary |
|---|--------------------|
| ADVISORY COUNCIL ON INDIAN HEALTH CARE (PASS-THROUGH) | |
| Fred Hubbard, Executive Director | |
| Phone: (602) 374-2575 | |
| A.R.S. § 36-2902; Title XIX, SSA | |

Mission:

To advocate for increasing access to high quality healthcare programs for all American Indians in Arizona.

Description:

Established in FY 1990, the Advisory Council on Indian Health Care consists of 23 members who serve staggered, two-year terms. Twenty members appointed by the Governor represent five health care agencies, five social service agencies, five agencies serving the developmentally disabled, two tribal organizations or metropolitan Indian centers, and three tribal members serving at-large. The remaining three representatives from AHCCCS, the Arizona Department of Health Services, and the Department of Economic Security are appointed by the respective directors of each of these departments. Technical advisors to the Council include one representative each from the Veteran's Administration, Bureau of Indian Affairs, and the Indian Health Service.

The Council utilizes its knowledge of Indian healthcare issues and tribal sovereignty; serves as a resource for Tribal governments and the state of Arizona; and supports prevention, training, education, and policy development as the keys to meet the unique health care needs of the Arizona Indian population. Ongoing strategic planning efforts are designed to address and measure these objectives.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 112.4 | 104.9 | 104.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 109.2 | 104.9 | 104.9 |
| Program Total | 221.6 | 209.8 | 209.8 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

- ◆ **Goal 1** To facilitate communications, planning, and discussion regarding operations, financing, policy, and legislation relating to Indian health care among tribes, the state, and federal agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Advisory Council On Indian Health Care (ACOIH): Number of meetings annually | 9 | 6 | 6 |

| HCA 1.6 | Subprogram Summary |
|------------------------------------|--------------------|
| DIVISION OF MEMBER SERVICES | |
| Melanie Norton, Assistant Director | |
| Phone: (602) 417-4511 | |
| A.R.S. Title 36; Title XIX, SSA | |

Mission:

To assist AHCCCS-eligible members in accessing health care.

Description:

The Division of Member Services (DMS) is responsible for the determination of eligibility for the Arizona Long Term Care System (ALTCS) and for other SSI-related Medical Assistance Only (MAO) programs; the state's Children's Health Insurance Title XXI Program (KidsCare) as well as Families with Children Medicaid programs for households that have both KidsCare and Medicaid-eligible members, Freedom to Work (FTW), Breast and Cervical Cancer (BCC), and for three Medicare cost-sharing programs.

In addition, DMS is responsible for enrolling eligible acute care and ALTCS members, and for providing member eligibility and enrollment information. Eligibility for the SSI-MAO program is now expanded due to the approval of the State Plan amendment and the provisions of Senator Andrew Nichols' Comprehensive Health Insurance Coverage Act, which further simplifies and streamlines the expansion of Medicaid. DMS maintains day-to-day liaison with, and oversight of, the Department of Economic Security in performing AHCCCS eligibility determinations, including the expansion of eligibility under a State Plan amendment to provide AHCCCS services to 1931(b) eligible members with income at or below 100% Federal Poverty Level.

DMS also conducts quality control targeted and statistically valid sample management evaluation reviews for these specific programs, in addition to predetermination quality control reviews.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 10,317.8 | 11,272.6 | 11,583.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 13,064.1 | 17,938.7 | 18,249.6 |
| Program Total | 23,381.9 | 29,211.3 | 29,833.1 |
| FTE Positions | 600.3 | 600.3 | 612.3 |

- ◆ **Goal 1** To administer eligibility processes in a timely manner for ALTCS, KidsCare, BCC, FTW, SSI-MAO, and three Medicare Cost Sharing programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Percent of applications processed on time | 84 | 97 | 97 |
| Percent of financial redeterminations processed on time | 43 | 80 | 80 |
| Explanation: | Reduction in staff; Increased applications; renewals are lower priority | | |

- ◆ **Goal 2** To determine eligibility in an accurate manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of ALTCS eligibility accuracy as measured by quality control sample | 97 | 97 | 97 |

- ◆ **Goal 3** To ensure that member information in the recipient data base is accurate and updated in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Member File Integrity System: percent of timely reconciliation of AHCCCS data with other governmental data bases | 99 | 99 | 99 |

- ◆ **Goal 4** To provide accurate eligibility and enrollment information to providers and members in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| | | | |
|---|----|----|----|
| Percent accuracy of Communications Center for eligibility and enrollment verifications as measured by internal quality assurance. | 95 | 98 | 98 |
|---|----|----|----|

- ◆ **Goal 5** To ensure compliance with federal Medicaid Eligibility Quality Control (MEQC) requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| ALTCS eligibility case error percent | 3 | 3 | 3 |
| Cost avoidance from Predetermination Quality Control Program (in millions) | 23.14 | 15.75 | 15.75 |

| HCA 2.0 | Program Summary |
|----------------|---|
| | AZ LONG TERM CARE SYSTEM (ALTCS) |
| | Jami Snyder, Administrator |
| | Phone: (602) 417-4614 |
| | A.R.S. Title 36; Title XIX, SSA |

Mission:

To provide quality long-term care, acute care, behavioral health, and case management services to eligible Arizona Long Term Care System (ALTCS) members.

Description:

AHCCCS implemented the first phase of ALTCS for persons with developmental disabilities on December 19, 1988, and the second phase for the elderly and physically disabled persons on January 1, 1989. Eligibility is performed by AHCCCS. Available services include care in a nursing facility, Intermediate Care Facility for the Mentally Retarded, Residential Treatment Facility, alternative residential settings, and a wide range of home and community-based services. On October 1, 1992, behavioral health services were added for Early Periodic Screening, Diagnostic and Treatment (EPSDT) ALTCS children, under age 21. The remaining populations were phased in until October 1, 1995, when all Title XIX members became eligible for behavioral health services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 139,302.3 | 172,917.0 | 173,188.5 |
| Other Appropriated Funds | 1,804.5 | 1,468.8 | 6,093.9 |
| Other Non Appropriated Funds | 2,064,815.5 | 2,045,334.5 | 2,048,052.6 |
| Program Total | 2,205,922.3 | 2,219,720.3 | 2,227,335.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of quality, cost-effective ALTCS services to AHCCCS members in the least restrictive setting.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| ALTCS monthly enrollment | 51,224 | 53,072 | 54,934 |
| Percent of members utilizing home and community based services | 72.4 | 72.0 | 73.0 |

| HCA 3.0 | Program Summary |
|---------|-----------------------------------|
| | ACUTE CARE |
| | Shelli Silver, Assistant Director |
| | Phone: (602) 417-4647 |
| | A.R.S. Title 36; Title XIX, SSA |

Mission:

To provide quality health care to eligible populations through contracted health plans.

Description:

Health plans receive a monthly capitation payment to cover the full range of approved services for AHCCCS enrollees. In addition to prospective capitation, health plans receive funding to pay for certain services provided to members prior to enrollment in a health plan. AHCCCS also maintains some populations in a fee-for-service environment, the largest segment being the Native American population served by or through Indian Health Services. AHCCCS also pays Medicare premiums for qualified low-income Medicare beneficiaries and special low-income Medicare beneficiaries, so that the federal Medicare program serves as a source of payment for some of AHCCCS' medical services. (Acute funding: county contributions are allocated to capitation programs proportionately, tobacco taxes are allocated between acute program lines proportionately, and third party liability is grouped into fee-for-service programs proportionately.)

This Program Contains the following Subprograms:

- ▶ 1931(b) Eligibility Family Assistance
- ▶ Supplemental Security Income
- ▶ SOBRA Women
- ▶ SOBRA Children
- ▶ Federal Emergency Services
- ▶ Medicare Premiums
- ▶ Disproportionate Share Payments
- ▶ Family Planning Services
- ▶ Adoption Subsidy/foster Care
- ▶ Graduate Medical Education
- ▶ Children's Rehabilitative Services

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 729,332.4 | 981,126.9 | 954,763.4 |
| Other Appropriated Funds | 49,094.0 | 48,821.5 | 75,848.4 |
| Other Non Appropriated Funds | 3,931,985.1 | 3,901,790.9 | 3,685,646.7 |
| Program Total | 4,710,411.5 | 4,931,739.3 | 4,716,258.5 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| HCA 3.1 | Subprogram Summary |
|---------|---------------------------------------|
| | 1931(B) ELIGIBILITY FAMILY ASSISTANCE |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4511 |
| | A.R.S. § 36-2901.4(b) |

Mission:

To provide quality health care to families eligible for 1931(b) Medicaid for families with dependent children.

Description:

When the federal Personal Responsibility and Work Opportunity Reconciliation Act was enacted, it unlinked Medicaid benefits from the Aid to Families with Dependent Children (AFDC) cash assistance program. The Medicaid 1931 family coverage group was established to provide medical assistance to families who would have met the AFDC cash assistance eligibility criteria already in place on July 1996, and the requirements in Section 1931 of the Social Security Act. This coverage category includes parents or other adult relatives and their children under age 18; if 18, they must be students in a secondary school with the expectation of completing their education before they reach age 19; applicants who are in the last trimester of pregnancy and have no other children. When these persons become ineligible, due to excess income from employment, they qualify for transitional medical assistance for up to 12 months. If they become ineligible, due to receipt of child or spousal support income, they qualify for continued medical coverage for four consecutive months. (Breast and Cervical Cancer Treatment funding is included in this program.)

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 270,247.7 | 346,649.3 | 333,749.8 |
| Other Appropriated Funds | 19,666.9 | 19,557.9 | 30,384.8 |
| Other Non Appropriated Funds | 1,357,486.9 | 1,399,864.0 | 1,293,140.9 |
| Program Total | 1,647,401.5 | 1,766,071.2 | 1,657,275.5 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of quality acute care services to AHCCCS 1931(b) eligibles.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| 1931 (b) Eligibility Family Assistance monthly enrollment | 410,353 | 440,998 | 454,483 |
| Percent of well child visits in the first 15 months of life - Early Periodic Screening, Diagnosis and Treatment | 63.4 | 62.0 | 64.0 |

Explanation: The current HEDIS national mean for Medicaid managed care plans is 45%, so AHCCCS is performing well above the comparable national average.

| HCA 3.2 | Subprogram Summary |
|---------|------------------------------------|
| | SUPPLEMENTAL SECURITY INCOME |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4511 |
| | A.R.S. § 36-2901 |

Mission:

To provide comprehensive quality health care to individuals eligible for Supplemental Security Income (SSI).

Description:

The SSI cash program is administered by the Social Security Administration. Individuals receiving SSI monthly cash payments are automatically eligible for AHCCCS acute care services. The three major SSI categories include individuals who are 65 years or older, blind, or disabled. Eligibility for the SSI program is based on uniform federal requirements. The Medical Assistance Only (MAO) population is not eligible for cash assistance, but is still eligible for Medicaid. SSI-MAO eligibility is based on SSI-related eligibility criteria, and eligibility is determined by the AHCCCS Administration. Individuals eligible for AHCCCS health insurance under the SSI-MAO program do not have to meet any limit on resources. Also, unlike the income limit for SSI cash, SSI-MAO members may have income at or below 100% of FPL under a state plan amendment that became effective April 1, 2001. (Ticket to Work Funding is included in the SSI program.)

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 172,631.7 | 221,436.3 | 213,196.2 |
| Other Appropriated Funds | 12,563.1 | 12,493.3 | 19,409.5 |
| Other Non Appropriated Funds | 867,150.1 | 894,220.0 | 826,046.3 |
| Program Total | 1,052,344.9 | 1,128,149.6 | 1,058,652.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of quality acute care services to AHCCCS SSI-MAO eligibles.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Supplemental Security Income monthly enrollment | 116,195 | 124,593 | 129,519 |

| HCA 3.3 | Subprogram Summary |
|---------|------------------------------------|
| | SOBRA WOMEN |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4511 |
| | A.R.S. § 36-2901 |

Mission:

To provide comprehensive quality health care to eligible pregnant women.

Description:

Under the provisions of the federal Sixth Omnibus Budget Reconciliation Act (SOBRA), the state provides care to pregnant women, whose family income does not exceed specified percentages of the Federal Poverty Level (FPL). Percentages of the FPL are specified in SOBRA, Title XIX, and A.R.S. § 36-2901. The federal government currently requires states to provide care to pregnant women whose family income does not exceed 133% of FPL. AHCCCS commonly refers to this population as "SOBRA Women and Infants," after the Sixth Omnibus Budget Reconciliation Act, which took effect in 1987. DES determines eligibility for this program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 37,314.1 | 47,863.1 | 46,082.0 |
| Other Appropriated Funds | 2,715.5 | 2,700.4 | 4,195.3 |
| Other Non Appropriated Funds | 187,433.2 | 193,284.3 | 178,548.7 |
| Program Total | 227,462.8 | 243,847.8 | 228,826.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of quality acute care services to AHCCCS SOBRA-eligible women.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of women receiving cervical screening within a three year period | 60.9 | 58.0 | 55.0 |

| HCA 3.4 | Subprogram Summary |
|---------|------------------------------------|
| | SOBRA CHILDREN |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4635 |
| | A.R.S. § 36-2901 |

Mission:

To provide comprehensive quality health care to eligible children.

Description:

Under the provisions of the federal Sixth Omnibus Budget Reconciliation Act (SOBRA), the state provides care to children whose family income does not exceed specified percentages of the Federal Poverty Income Level (FPL). Percentages of the FPL are specified in SOBRA, Title XIX, and A.R.S. § 36-2901. Based on changes included in the Omnibus Budget Reconciliation Act of 1989, the federal government currently requires states to provide care to children whose families income does not exceed the amount specified for the specific age group. There are two children's groups: children under age 6 at 133% of FPL, and children age 6 or over at 100% FPL. Effective July 1, 2001, the state elected to cover children up through age 18. DES determines eligibility for this program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 194,416.6 | 249,380.0 | 240,100.1 |
| Other Appropriated Funds | 14,148.5 | 14,069.9 | 21,858.8 |
| Other Non Appropriated Funds | 976,578.2 | 1,007,064.2 | 930,287.5 |
| Program Total | 1,185,143.3 | 1,270,514.1 | 1,192,246.4 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of quality acute care services to AHCCCS SOBRA-eligible children.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| SOBRA children monthly enrollment | 334,673 | 344,702 | 355,165 |
| Percent of well child visits in the first 15 months of life - Early Periodic Screening, Diagnosis and Treatment | 63.4 | 64.0 | 65.0 |

| HCA 3.5 | Subprogram Summary |
|---------|--|
| | FEDERAL EMERGENCY SERVICES |
| | Jennifer H. Amen MD, MPH, Assistant Director |
| | Phone: (602) 417-4048 |
| | A.R.S. § 36-2901 |

Mission:

To provide limited emergency health care to individuals eligible for the Federal Emergency Services Program.

Description:

The Federal Emergency Services Program (FES) is available to individuals who, except for their citizenship/alien status, meet Federal Title XIX eligibility requirements. The program provides emergency services to two general categories: (1) persons not qualifying for full Medicaid services, because they are qualified aliens who entered the country on or after August 22, 1996, but are not yet entitled to full services; and (2) illegal immigrants. This program covers only emergency services, including labor and delivery. As of July 1, 1997, prenatal care is no longer covered. Eligibility for FES for pregnant women, children, or families with children under age 18 years is determined by the Department of Economic Security. Eligibility for individuals who are age 65 or older, blind, or disabled is determined by AHCCCS. The length of eligibility will normally be six months, except for pregnant women who are eligible through their pregnancy, and FES-eligible members in an active AHCCCS household with members eligible for full services. FES eligibility may be determined by either DES or AHCCCS.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 26,214.6 | 31,359.3 | 30,927.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 74,847.9 | 63,413.0 | 63,652.5 |
| Program Total | 101,062.5 | 94,772.3 | 94,580.1 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of emergency services to AHCCCS FES eligibles.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Federal Emergency Services monthly enrollment | 47,109 | 48,998 | 50,963 |

| HCA 3.6 | Subprogram Summary |
|---------|------------------------------------|
| | MEDICARE PREMIUMS |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4511 |
| | A.R.S. § 36-2911 |

Mission:

To provide quality health care to individuals eligible for both Medicare and AHCCCS, either through acute care or Arizona Long Term Care System programs.

Description:

AHCCCS pays Medicare Part A premiums (hospital insurance) for some eligible members, and Part B premiums (supplemental medical insurance) on behalf of AHCCCS members eligible for Medicare/Medicaid, or for those who are Qualified Medicare Beneficiaries (QMBs). This "buy-in" reduces state costs because the federal government, through Medicare, absorbs some costs that would have otherwise been paid by AHCCCS. Additionally, AHCCCS is able to "buy-in" to Part A and pay the premium costs for certain disabled individuals. The state's financial responsibility is reduced for Medicaid AHCCCS members who also have Part A or Part B Medicare coverage, since Medicare coverage serves as a source of third-party funds for Medicare-covered services provided to AHCCCS members.

Under the Qualified Medicare Beneficiary Program (QMB), an eligible person has income at or below 100% of FPL. Programs include QMB Onlys and QMB Duals. QMB Onlys include those individuals who meet the income and resource requirements of the program and for whom AHCCCS will pay the Medicare Part A and Part B premiums, deductibles, and coinsurance; they do not receive any other AHCCCS benefits. QMB Dual means the individual is eligible for both QMB and one of the federal categorically needy programs; full Medicaid benefits are covered.

Under the Specified Medicare Beneficiary (SLMB) program, an eligible person has income above the FPL, but at or below 120% of FPL. The SLMB benefit is payment of the Part B premium. Prescriptions are no longer covered due to implementation of Part D. Individuals who meet SLMB eligibility requirements, except for income, may qualify to have AHCCCS pay their Part B Medicare Premium if their income does not exceed 135% FPL under the Qualified Individual I program.

AHCCCS determines eligibility for all Medicare cost-sharing programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 28,448.6 | 44,847.9 | 39,087.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 97,703.3 | 90,291.4 | 93,902.8 |
| Program Total | 126,151.9 | 135,139.3 | 132,990.5 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To reduce state health care costs through the enrollment of AHCCCS members eligible for Medicare cost sharing.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Members enrolled monthly in the Medicare Premiums programs | 35,876 | 38,971 | 41,712 |

| HCA 3.7 | Subprogram Summary |
|---------|-----------------------------------|
| | DISPROPORTIONATE SHARE PAYMENTS |
| | Shelli Silver, Assistant Director |
| | Phone: (602) 417-4647 |
| | A.R.S. § 36-2903.01(R) |

Mission:

To allocate federal and state dollars to hospitals that serve a disproportionate share of low-income and Medicaid patients.

Description:

Disproportionate share (DSH) payments will be made to provide additional reimbursement to hospitals that serve a disproportionate share of low-income and Medicaid patients. Based on a formula established in federal and state law, payments may be made to the Arizona State Hospital and other public and private hospitals throughout Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 3,114.7 | 3,186.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 74,739.3 | 88,369.8 | 114,188.7 |
| Program Total | 74,739.3 | 91,484.5 | 117,375.2 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure disproportionate share (DSH) payments are correctly allocated to hospitals through consultation with the Governor's Office and the Legislature using established formulas.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of dollars recouped after distribution | 0 | 0 | 0 |

| HCA 3.8 | Subprogram Summary |
|---------|------------------------------------|
| | FAMILY PLANNING SERVICES |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4511 |
| | A.R.S. § 36-2901 |

Mission:

To provide up to 24 months of voluntary family planning to women whose SOBRA eligibility has terminated for reasons other than incarceration, a move out of state, failure to cooperate, or voluntary withdrawal.

Description:

SOBRA Family Planning Services Extension Program is a capitated program which provides up to 24 months of voluntary family planning to women whose SOBRA eligibility has terminated. Women who receive services through the Family Planning Services Extension Program are only eligible to receive family planning services. The federal match for this population is 90%.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 59.1 | 65.7 | 55.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 531.9 | 590.9 | 710.5 |
| Program Total | 591.0 | 656.6 | 765.7 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the management and delivery of family planning services to women enrolled in the SOBRA Family Planning extension program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Family Planning Services monthly enrollment | 3,899 | 4,437 | 5,067 |

| HCA 3.9 | Subprogram Summary |
|---------|------------------------------------|
| | ADOPTION SUBSIDY/FOSTER CARE |
| | Melanie Norton, Assistant Director |
| | Phone: (602) 417-4511 |
| | A.R.S. § 36-29031.4(b) |

Mission:

To provide Medicaid for children receiving Adoption Subsidy and Foster Care support under Title IV-E of the Social Security Act or State Adoption Subsidy.

Description:

The Title IV-E adoption subsidy or Title IV-E foster care coverage groups include a child for whom an adoption assistance agreement is in effect under Title IV-E of the Act or who receives a foster care maintenance payment under Title IV-E of the Act. AHCCCS must provide Medicaid to individuals who have an adoption assistance agreement in effect under Title IV-E of the Act. Coverage is provided whether or not adoption assistance is being provided, or a judicial decree of adoption has been issued, or foster care maintenance payments are being made under Title IV-E of the Act.

AHCCCS also covers children who have been adopted under a state adoption agreement with the DES Division of Children, Youth, and Families.

- ◆ **Goal 1** To ensure the management and delivery of quality acute care services to AHCCCS children receiving Adoption Subsidy and Foster Care support.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------|------------------|------------------|------------------|
| Monthly Enrollment Figure | 0 | 0 | 0 |
| Explanation: | Not identifiable | | |

| HCA 3.10 | Subprogram Summary |
|----------|-----------------------------------|
| | GRADUATE MEDICAL EDUCATION |
| | Shelli Silver, Assistant Director |
| | Phone: (602) 417-4647 |
| | A.R.S. § 36-2903.01 |

| HCA 3.11 | Subprogram Summary |
|----------|------------------------------------|
| | CHILDREN'S REHABILITATIVE SERVICES |
| | , |
| | Phone: |
| | A.R.S. § 36-263 |

Mission:

To reimburse hospitals for direct and indirect costs of graduate medical education programs.

Description:

In FY 1998, AHCCCS established a separate Graduate Medical Education program to reimburse direct costs to hospitals with graduate medical education (GME) programs. In 2007, the Legislature amended state law to permit limited reimbursement of indirect GME costs, as well as the authority for local, county, and tribal governments to provide monies for additional state-matching funds.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 176,754.1 | 90,977.3 | 90,977.3 |
| Program Total | 176,754.1 | 90,977.3 | 90,977.3 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 36,410.6 | 48,378.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 118,760.2 | 73,716.0 | 94,191.5 |
| Program Total | 118,760.2 | 110,126.6 | 142,569.8 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To help support Graduate Medical Education (GME) through direct cost reimbursements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of timely payments made to hospitals with GME programs | 100 | 100 | 100 |

| HCA 4.0 | Program Summary |
|--|-----------------|
| PROPOSITION 204 - SENATOR ANDREW NICHOLS COMPREHENSIVE HEALTH INSURANCE COVERAGE ACT | |
| Melanie Norton, Assistant Director | |
| Phone: (602) 417-4511 | |
| A.R.S. Title 36, Title XIX, SSA | |

Mission:

To expand Medicaid coverage for persons with income at or below 100% of the Federal Poverty Level, per a voter mandate.

Description:

Laws 2001, Chapter 344, authorizes AHCCCS to streamline and simplify the expansion of Medicaid. This act expanded eligibility for persons with income at or below 100% of the Federal Poverty Level (FPL). Beginning in January 2001, the federal government has continued to approve Arizona's request to expand eligibility to provide Medicaid coverage to individuals with income at or below 100% of FPL, as well as to individuals who incur medical bills sufficient to reduce their income to a level at or below 40% of FPL.

The major provisions of the bill are:

- (1) 100% of FPL: (a) annual redeterminations, (b) streamlined eligibility determination, and (c) eligibility from the first day of the month of application (if otherwise eligible, or eligible the first day of the first eligible month).
- (2) Medical Expense Deduction: (a) can spend down income in excess of 40% of FPL with incurred medical bills; (b) spend down period is for three months--the month before the catastrophic event, the month during, and the month following; and (c) resources are limited to \$100,000 in net worth, no more than \$5,000 of which can be liquid assets.
- (3) AHCCCS and DES have an intergovernmental agreement to perform eligibility that includes: (a) performance measures/incentives, (b) management evaluation, and (c) eligibility quality control reviews.

This Act repealed MN/MI/EAC/ELIC programs and all county responsibility for indigent health care, except that the counties continue to assume financial responsibility for the Seriously Mentally Ill (SMI). The Act included programmatic and administrative costs in FY 2003 and FY2004. In FY 2005, administrative costs were moved into Administration in accordance with a Decision Package in the FY 2005 Budget Submittal.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 375,028.2 | 149,361.9 | 268,334.8 |
| Other Appropriated Funds | 22,248.3 | 30,389.5 | 50,940.1 |
| Other Non Appropriated Funds | 2,355,458.5 | 886,374.2 | 1,452,203.3 |
| Program Total | 2,752,735.0 | 1,066,125.6 | 1,771,478.2 |
| FTE Positions | 771.1 | 771.1 | 784.0 |

- ◆ **Goal 1** To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Senator Andrew Nichols Comprehensive Health Insurance Coverage Act monthly enrollment | 394,275 | 302,783 | 261,403 |

| HCA 5.0 | Program Summary |
|------------------------------|-----------------|
| HEALTHCARE GROUP | |
| Kevin Nolan, Deputy Director | |
| Phone: (602) 417-6763 | |
| A.R.S. § 36-2912 | |

Mission:

To reduce the number of uninsured Arizonans by providing innovative healthcare coverage options to uninsured small businesses and by ensuring access to quality health care so that they can maintain healthy lifestyles.

Description:

Healthcare Group of Arizona (HCG) is a prepaid medical coverage product marketed to small uninsured businesses with 2-50 employees, sole proprietors, and employees of political subdivisions (e.g., the state, counties, towns, cities, and school districts). Enrollment in HCG initially started January 1, 1988. The program is designed to address the health care needs of the working uninsured population in Arizona. State studies note that the majority of the uninsured are working and that small businesses are less likely to offer health insurance to their employees than businesses with 50 or more employees.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,773.7 | 3,496.3 | 2,260.9 |
| Other Non Appropriated Funds | 36,004.7 | 29,338.4 | 27,648.5 |
| Program Total | 37,778.4 | 32,834.7 | 29,909.4 |
| FTE Positions | 30.0 | 20.0 | 20.0 |

- ◆ **Goal 1** To increase enrollment in the Healthcare Group program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|----------------|------------------|------------------|
| Healthcare Group monthly enrollment | 8,300 | 6,892 | 5,544 |

| HCA 6.0 | Program Summary |
|------------------------------------|-----------------|
| CHILDREN'S HEALTH INSURANCE (CHIP) | |
| Melanie Norton, Assistant Director | |
| Phone: (602) 417-4635 | |
| A.R.S. § 36-2982 | |

Mission:

To provide comprehensive quality health care to individuals eligible for the Children's Health Insurance Program (KidsCare).

Description:

This Title XXI program (KidsCare) was implemented in November 1998, covering uninsured eligible children up to the age of 19 with a gross household income up to 200% of FPL. KidsCare eligibility was streamlined, with the benefit package remaining the same as the Title XIX services package. It is delivered through contracted AHCCCS health plans.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 11,449.2 | 8,016.6 | 5,896.2 |
| Other Appropriated Funds | 43,659.7 | 30,176.4 | 21,634.0 |
| Other Non Appropriated Funds | 125.9 | 94.8 | 88.6 |
| Program Total | 55,234.8 | 38,287.8 | 27,618.8 |
| FTE Positions | 151.1 | 151.1 | 151.4 |

- ◆ **Goal 1** To reduce the number of uninsured children under the age of 19 living in families with income not exceeding 200% of the federal poverty level through a simplified eligibility process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| KidsCare monthly enrollment | 18,464 | 12,602 | 11,213 |
| Percent of children with access to primary care provider | 90.0 | 90.0 | 91.0 |

| HCA 7.0 | Program Summary |
|--------------------------------------|-----------------|
| DIRECT SERVICE CLAIMING (DSC) | |
| Marc Leib, MD, Chief Medical Officer | |
| Phone: (602) 417-4466 | |
| 34 CFR Part 300 | |

Mission:

To fund specific medically-necessary Title XIX covered services furnished through public school special education programs with special needs children.

Description:

Through Direct Service Claiming (DSC), Medicaid-covered services are provided in the school setting in order to allow special needs children to obtain a public school education. Services and administration costs are reimbursed through federal Medicaid funds and Local Education Authority (LEA) matching funds. LEAs include participating school districts, charters schools not affiliated with a school district, and the Arizona School for the Deaf and Blind. AHCCCS-initiated school-based claiming began in January 2001 after contracting with a Third Party Administrator (TPA) to administer the program.

Public Consulting Group (PCG), our current TPA, is responsible for training, compliance monitoring, and claims processing. A handbook, website, and training materials are designed to assist the LEAs with program participation, and to ensure the availability of updated information regarding program requirements. Regular Regional Information Sessions have also been established to assist and inform the LEAs. Each LEA has a network of providers that offer services under DSC. Providers include therapists (occupational, physical, and speech), nurses, audiologists, health aides, psychologists and counselors, and transportation providers.

Fewer LEAs are participating in the DSC program now than in previous years. Currently there are 151 LEAs participating.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 32,958.7 | 33,027.1 | 34,218.2 |
| Program Total | 32,958.7 | 33,027.1 | 34,218.2 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To reduce the financial burden on schools providing mandated Medicaid services to special needs children by providing for matching federal funds through Direct Service Claiming.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of participating Local Education Authorities (LEAs) | 130 | 123 | 123 |

| APA 0.0 | Agency Summary |
|---------|--|
| | BOARD OF APPRAISAL |
| | Dan Pietropaulo, Executive Director |
| | Phone: (602) 542-1593 |
| | A.R.S. §§ 32-3601 et seq. Articles 1-5 |

Mission:

To promote quality real estate appraisal in Arizona that protects the health, safety, and welfare of the public.

Description:

The State Board of Appraisal processes the applications of those applying for real estate appraiser licensure, certification, or tax agent registration assuring that all candidates meet the education and experience requirements as set forth by the Appraisal Qualification Board of the Appraisal Foundation. The Board acts as a disciplinary body to ensure conformity to the statutes, rules, and regulations governing the agency. In addition to protecting the interests of the general public, the Board provides services for appraisers, course providers, property tax agents, other state appraisal boards, and lending institutions. The Board is also charged with the registration and regulation of all Appraisal Management Companies.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 605.7 | 755.5 | 755.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 605.7 | 755.5 | 755.5 |
| FTE Positions | 4.5 | 5.5 | 5.5 |

Strategic Issues:

Issue 1 To maintain consistency of Board's statutes and rules with applicable Federal laws

The Board updated its statutes and rules to make them consistent with federal laws. The Board has also undertaken the writing of the rules for regulating Appraisal Management Companies (AMCs) and is completing all steps to bring them to finalization with the Secretary of State's office.

- ◆ Goal 1 To ensure that licensure/certification is granted only to candidates who are competent and who meet the Appraisal Qualification Board standards, state standards, and adhere to the current Uniform Standards of Professional Appraisal Practice.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of complaints received against appraisers | 170 | 170 | 170 |
| Number of complaint resolutions | 185 | 185 | 185 |
| Appraisers with more than one complaint filed | 30 | 30 | 30 |

- ◆ Goal 2 To efficiently process initial and renewal applications and license/certify appraisers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average days from receipt of application to test approval | 60 | 60 | 60 |
| Explanation: Monitor results and compare with previous year | | | |
| Average days from receipt of test scores to licensure/ certification | 10 | 10 | 10 |
| Average days from receipt of nonresident application to licensure/certification | 3 | 3 | 3 |

- ◆ Goal 3 To expedite investigation of complaints and provide remedial discipline or take stronger regulatory measures when necessary to protect the public from incompetent and unethical conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Disciplinary actions | 25 | 25 | 25 |
| Recidivism rate for those receiving disciplinary action | 10 | 10 | 10 |
| Average days from receipt of complaint to resolution | 130 | 130 | 130 |
| Average annual backlog of noncurrent cases | 10 | 10 | 10 |

- ◆ Goal 4 To maintain up-to-date lists of all licensed and certified real estate appraisers, all registered Property Tax Agents, registered Appraisal Management Companies, and all approved Qualifying and Continuing education courses and providers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Processing days from receipt of registration until name appears on list | 10 | 10 | 10 |
| Days from receipt of renewal form until the list is updated | 15 | 10 | 10 |
| Number of new and existing licensees | 2,437 | 2,341 | 2,285 |
| Administration as percent of total cost | 2 | 2 | 2 |
| Customer satisfaction rating (scale 1-8) | 7.5 | 7.5 | 7.5 |

- ◆ Goal 5 To continue to implement the regulatory process to regulate all Appraisal Management Companies. This will require completion of the rulemaking process, design and creation of all forms and internal processes for application, maintenance, and discipline.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| To adequately register all AMC's as prescribed by SB 1351. | 170 | 180 | 180 |

HUA 0.0

Agency Summary

COMMISSION ON THE ARTS

Robert Booker, Executive Director

Phone: (602) 771-6524

A.R.S. § 41-982

Mission:

To imagine an Arizona where everyone can participate in and experience the arts.

Description:

The Arizona Commission on the Arts is a 45-year old agency of the State of Arizona whose primary functions include providing leadership, programs, services and grants to support the availability and sustainability of arts and arts education programs. These functions are coincident with the agency's statutorily required duties which include (ARS §41-982, §41-983):

Stimulating the arts in Arizona by encouraging the study and presentation of the arts as well as encouraging public interest and participation;

Working with arts organizations in the State to encourage public participation in and appreciation of the arts; and

Encouraging public interest in the State's cultural heritage and expanding the State's cultural resources.

Through the Arts Commission, the State of Arizona and the National Endowment for the Arts make strategic investments of public dollars to support the statewide arts and culture sector, helping Arizona communities to attract and retain skilled workers and creative businesses. This public investment leverages additional contributions from the private sector, increasing the sustainability of Arizona's arts and culture sector and thereby promoting statewide economic growth.

The Arts Commission's other significant function is to compete for, receive and disburse federal arts funding from the National Endowment for the Arts (ARS §41-983). (60% of the NEA's grantmaking budget is delivered via direct grants to nonprofit organizations across the nation; 40% is delivered via a competitive grant process to state and regional arts agencies, as Partnership Agreements.) To receive federal arts funding, state arts agencies must meet criteria outlined by the NEA.

In addition, in keeping with the arts and culture sector's "matched investment" infrastructure, state arts agencies are required to match their annual NEA grant on a one-to-one basis with a guaranteed allocation of state funds. Since its inception, the Arizona Commission on the Arts has successfully competed for over \$30 million in federal funding, which was delivered through grants, programs and services statewide.

Annually, Arts Commission grants and programs serve 8 million people, and 1.4 million Arizona youth are served by Arts Commission-sponsored arts education programs in charter, private and public schools. The Arts Commission maximizes resources in three key areas: Leadership and Partnerships; Programs and Services; and Strategic Funding.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 652.5 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,105.3 | 2,550.7 | 2,558.0 |
| Program Total | 2,757.8 | 2,550.7 | 2,558.0 |
| FTE Positions | 17.0 | 17.0 | 17.0 |

Strategic Issues:

Issue 1 *Arizonans can access vibrant, quality arts and cultural activities wherever they live, and have opportunities to*

participate as practitioners, professionals, patrons, donors and volunteers.

Challenge: As a result of the recession, the State of Arizona's fiscal crisis and ongoing reductions to the Arizona Commission on the Arts' overall budget, available state grant funding for the arts industry has diminished greatly. Arts organizations currently receiving grant support – 300+ nonprofit organizations across the state – will receive 50% to 80% less support than in previous years, when even at its peak level of funding Arizona's state arts agency support was far below the national average. These grant reductions come at a time when the arts industry continues to struggle mightily against decreased support from local businesses, foundations and charitable donations. The Arts Commission is focused on meeting the new and tremendous needs of the arts field in non-monetary ways, as reductions in grant funding have given birth to other acute needs: for technical support, counsel, accountability training and crisis management guidance, all of which the agency provides to constituents as a part of its mission.

Proposed Solution: In fiscal year 2013, the Arts Commission intends to increase its support of the arts industry in the areas of focused technical assistance and convenings across the state. Arts Commission leadership will refocus a percentage of labor previously applied to grant administration to increase staff availability, such that staff can provide expert counsel and resources to statewide arts businesses as those businesses attempt to stabilize and rebuild. This on-site support will occur in targeted Arizona communities and will be supported with comprehensive marketing efforts to ensure the greatest potential outreach and results.

Issue 2 *Students have access to quality, robust arts education programs in Arizona schools. In-school arts opportunities are enhanced by meaningful opportunities in out-of-school and community settings.*

Challenge: Because of increased financial pressures on education at all levels, access to quality arts education opportunities within Arizona's in-school and out-of-school settings is at significant risk. In addition, though Arizona students are expected to meet the Department of Education's Academic Standards in the Arts for preK-12 Arizona students, a significant number of Arizona schools are not financially prepared to provide adequate instruction in arts-based learning, and/or instructors are not qualified/prepared to provide satisfactory arts-based learning opportunities to students.

Proposed Solution: In fiscal year 2013, the Arts Commission intends to continue its efforts to provide grant funding to quality arts programming which supports lifelong learning in, through and about the arts, and to quality student-centered arts programming which supports the Arizona Department of Education's Academic Standards in the Arts for preK-12 Arizona students. In addition, the Arts Commission will continue to provide innovative, current and sequential learning opportunities to delivery agents of statewide arts learning programs, as well as practical training to diverse arts education stakeholders. Finally, the agency will continue to advance "The Choice is Art," a statewide promotional campaign for the arts in Arizona, to build broad public support for programs which engage students in learning in, through and about the arts, in the pursuit of positive personal, educational and community outcomes.

Issue 3 *Recognizing the arts industry's role in economic viability and enhanced quality of life, Arizona's for-profit businesses invest in the arts as partners, supporters and champions.*

Challenge: Because of decreased financial investment from the public sector, local businesses, foundations and individuals, Arizona arts organizations are seeking new partners, programmatic opportunities and sources of revenue to allow them to continue their work in Arizona communities.

Proposed Solution: In fiscal year 2013, the Arts Commission intends to increase its efforts to provide networking opportunities and research to the arts industry, such that arts leaders, arts businesses, and representatives from non-arts sectors can take advantage of innovative partnerships and funding opportunities. In addition the Arts Commission will expand its many existing long-term partnerships with non-arts entities by working with public

policy forums and leaders such as those in education, workforce preparation, transportation, community development and revitalization, tourism, healthcare and services to the aging, to increase the potential for direct benefit to the statewide arts industry.

- ◆ **Goal 1** To ensure Arizonans can access vibrant, quality arts and cultural activities wherever they live, and have opportunities to participate as practitioners, professionals, patrons, donors and volunteers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Individuals benefiting from programs sponsored by Agency (in thousands) | 8,457.0 | 8,400.00 | 8,500.0 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR) and reflect the total number of persons benefiting from programs supported by Arts Commission grants; figures provided by grantees as a part of their annual final reports. | | |
| Number of applications for community-driven projects received/number funded | 340/295 | 320/280 | 340/295 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Number of grant applications submitted by ethnic-run organizations | 65 | 60 | 70 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Percentage of applications submitted by ethnic-run organizations funded | 82 | 85 | 90 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Number of applications submitted by rural applicants | 102 | 85 | 90 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Percentage of applications submitted by rural applicants funded | 89 | 85 | 90 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |

- ◆ **Goal 2** To ensure students have access to quality, robust arts education programs in Arizona schools. In-school arts opportunities are enhanced by meaningful opportunities in out-of-school and community settings.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Total amount of state investment in arts participation opportunities (in thousands) | 1,665.7 | 1,350.0 | 1,400.0 |
| Explanation: | Figures for this measure are constructed by adding the following State monies provided to the Arts Commission: Community Service Projects, Arts Trust Fund, ArtShare Endowment Interest. | | |
| Total amount of other public and private funds leveraged for arts participation opportunities/state investment (in millions) | 141/1.1 | 145/1.1 | 145/1.1 |
| Explanation: | Figures for this measure are constructed as follows: Cumulative statewide arts budgets as entered into our online grants system (EGOR) by grantees/Total State dollars granted to Arizona arts organizations and schools by the Arts Commission. | | |
| Number of public policy forums in which the Commission participates in order to integrate the arts | 54 | 45 | 45 |
| Explanation: | Figures for this measure reflect a subset of total leadership forums Arts Commission staff participate in annually as leaders in the field of arts and culture. This particular measure reflects participation and partnerships in non-arts sectors. | | |
| Cumulative contributions to Arizona ArtShare including both non-designated funds and contributions to arts organization endowments (in thousands) | 0.0 | 0.0 | 0.0 |
| Explanation: | Figures for this measure are no longer collected, as the Arizona Arts Endowment Fund was eliminated in three separate budget-balancing actions in FY2010 and FY2011. The matching program, which collected data to account for private contributions to arts organizations' endowments, was therefore discontinued. | | |

- ◆ **Goal 3** To facilitate private investment in the arts, support efforts to build recognition in the arts industry's role in economic viability and enhanced quality of life, such that Arizona's for-profit businesses invest in the arts as partners, supporters and champions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Constituent satisfaction ratings (scale of 1-8) | 7.00 | 7.00 | 7.10 |
| Explanation: | Figures for this measure are compiled by Arts Commission staff and reflect ratings from the Agency's annual satisfaction survey as well as evaluations from all presentations, convenings, workshops and review panels. | | |
| Number of outreach activities including site visits, public presentations, convenings and technical assistance | 519 | 550 | 600 |
| Explanation: | Figures for this measure are compiled by Arts Commission staff and reflect the total number of workshops, convenings, panels, training sessions and planning meetings led by the Arts Commission; the number of speaking engagements and panels involving Arts Commission staff; and the number of publications presented to the field as technical assistance. | | |
| Number of Arizonans impacted by outreach activities (in thousands) | 230.0 | 240.0 | 250.0 |
| Explanation: | Figures for this measure are compiled by Arts Commission staff and reflect the total number of people participating in workshops, convenings, panels, training sessions and planning meetings led by the Arts Commission; the number of people attending speaking engagements and panels involving Arts Commission staff; and the number of people receiving publications presented to the field as technical assistance. | | |
| Number of applications submitted by organizations that did not apply in previous year | 70 | 70 | 75 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Percentage of applications submitted by organizations that did not apply in previous year funded | 74 | 80 | 80 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Number of applications submitted for arts education programs/dollar amount funded (in thousands) | 85/1,540 | 90/1,600 | 100/1,800 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |
| Number of individual Arizona youth served by Commission programs and initiatives (in millions) | 1.4 | 1.5 | 1.5 |
| Explanation: | Figures for this measure are compiled in our online grants program (EGOR). | | |

| | |
|------------------------------------|----------------|
| BAA 0.0 | Agency Summary |
| BOARD OF ATHLETIC TRAINERS | |
| J. Randy Frost, Executive Director | |
| Phone: (602) 589-8353 | |
| A.R.S. § 32-4101 to 32-4161 | |

Mission:

To protect the health, safety, and welfare of the public by licensing and regulating individuals who provide athletic training services.

Description:

The Board of Athletic Training is a regulatory board, which issues and annually renews approximately 530 licenses for the athletic training profession and continues to monitor 337 closed licenses. By law, the Board requires that each applicant meet minimum standards of education, experience, and competency. The Board also receives and investigates complaints, takes appropriate disciplinary action and responds to inquiries from consumers as to the license status of individual athletic training professionals.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 95.9 | 101.2 | 101.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 95.9 | 101.2 | 101.2 |
| FTE Positions | 1.5 | 1.5 | 1.5 |

Strategic Issues:

Issue 1 *Revise rules to reflect law changes.*

The Board is in the proces of revising rules to match existing laws. Due to the Governors rules moratorium the Board has been unable to make the required changes in the past.

◆ **Goal 1** To ensure that licenses and renewals are issued in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of Athletic Training licenses issued | 589 | 600 | 600 |
| Number of license renewals received | 502 | 535 | 545 |
| Average calendar days to renew a license | 5 | 5 | 5 |
| Average calendar days to issue a license. | 5 | 5 | 5 |

◆ **Goal 2** To investigate and adjudicate complaints within 120 days.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|----------------|------------------|------------------|
| Complaints received | 15 | 10 | 10 |
| Disciplinary actions taken | 6 | 6 | 6 |
| Complaints resolved within 120 days | 6 | 6 | 6 |

◆ **Goal 3** To continually improve customer satisfaction by providing consistency in carrying out the Board's policies and procedures for licensing and regulation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of athletic training complaints received | 2 | 1 | 1 |
| Percent of licenses issued within 10 days of approval. | 100 | 100 | 100 |
| Complaints resolved within 120 days | 2 | 1 | 1 |
| Customer Satisfaction rating (scale 1-8) | 7.5 | 7.8 | 7.8 |

| AGA 0.0 | Agency Summary |
|--------------------------------------|----------------|
| ATTORNEY GENERAL - DEPARTMENT OF LAW | |
| Tom Horne, Attorney General | |
| Phone: (602) 542-7000 | |
| A.R.S. § 41-191 | |

Mission:

To provide comprehensive legal protection to the citizens of Arizona and quality legal services to the state agencies of Arizona by upholding the Constitution and enforcing the law in a fair and just manner.

Description:

The Attorney General is a Constitutionally establish, elected position and holds office for a four-year term. The Attorney General is legal advisor to all state agencies, boards and commissions, except those few exempted by law. Other primary responsibilities include prosecuting and defending proceedings in which the State has an interest and rendering written opinions upon questions of law.

| Agency Summary: | | (\$ Thousands) | | |
|--------------------------|----------------|------------------|-----------------|--|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request | |
| ➤ LEGAL SERVICES | 92,361.2 | 89,674.5 | 94,719.9 | |
| ➤ CENTRAL ADMINISTRATION | 10,038.9 | 11,072.2 | 11,464.1 | |
| Agency Total: | 102,400.1 | 100,746.7 | 106,184.0 | |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 17,237.4 | 16,931.5 | 21,806.2 |
| Other Appropriated Funds | 33,639.8 | 39,378.6 | 41,244.8 |
| Other Non Appropriated Funds | 51,522.9 | 44,436.6 | 43,133.0 |
| Program Total | 102,400.1 | 100,746.7 | 106,184.0 |
| FTE Positions | 687.2 | 756.2 | 724.3 |

Strategic Issues:

Issue 1 Border Security

The Attorney General's Office works diligently to keep the border safe and eliminate border related crime, such as human and drug smuggling, arms trafficking, money laundering and identity theft. The AGO coordinates its efforts on border security with federal, state and local law enforcement in Arizona and with Mexican law enforcement to combat crimes on both sides of the border.

Issue 2 Prosecution of Complex Financial Crimes

The Attorney General's Office criminal prosecution team aggressively prosecutes "white collar" crime and has earned a national reputation in this area.

Issue 3 Consumer Protection

The Attorney General's Office enforces the Arizona Consumer Fraud Act thereby providing effective protection to consumers from being deceived or misled.

Issue 4 Protection of the Elderly from Physical and Financial Abuse

The Attorney General's Office implemented a task force which is aggressively addressing senior abuse in response to the vital need to protect the elderly from physical and financial abuse. The Healthcare Fraud and Abuse Section, Criminal and Public Advocacy Divisions, Community Outreach and Victims Rights Sections along with dedicated outside stakeholders are working diligently to eradicate senior abuse in Arizona.

Issue 5 Protection of Children

The Attorney General's Office plays a critical and central role in the protection of Arizona's children by representing state agencies and programs designed to help children grow up free from abuse and neglect,

allowing children to be children.

Issue 6 Protection of Civil Rights

The Attorney General's Office vigorously enforces civil rights laws to defend its citizens when discrimination occurs based on gender, race, national origin or age, as people are entitled to employment, housing and public accommodations free from discrimination.

| AGA 1.0 | Program Summary |
|---------|----------------------------|
| | LEGAL SERVICES |
| | Eric Bistrow, Chief Deputy |
| | Phone: (602) 542-8080 |
| | A.R.S. § 41-191 |

Mission:

To protect the safety, health, economic and environmental well being, and civil rights of Arizonans by fairly and aggressively prosecuting criminal activity, safeguarding the rights of crime victims and providing high quality, innovative legal representation to the State and our client agencies.

Description:

Legal services are provided through the following divisions of the Attorney General's Office: (1) Child and Family Protection Division; (2) Civil Division; (3) Civil Rights Division; (4) Criminal Division; (5) Public Advocacy Division and (6) Solicitor General's Office. The Child and Family Protection Division provides legal services to the Department of Economic Services through the Protective Services Section, the Child Support Enforcement Section, and the Civil, Criminal Litigation and Advice Section. The Civil Division focuses on specialty areas of civil law and provides day-to-day legal services for a myriad of State agencies, departments, boards and commissions. The Civil Rights Division enforces state and federal statutes prohibiting discrimination in employment, voting, public accommodations and housing. The Criminal Division prosecutes a broad array of crimes, (including border-related crimes and crimes committed by organized criminal syndicates) using experienced criminal prosecutors and highly trained investigators. The Criminal Division also works with Arizona's crime victims and effectively represents the State in capital and non-capital criminal appeals and federal habeas actions. The Finance Division provides legal advice and litigation services to the Executive and Judicial Branches of State Government, collects debt owed to the State as well as providing budgetary, contract, accounting and financial control services, and information technology support to the Attorney General's Office. The Public Advocacy Division enforces the State's consumer protection, environmental, antitrust and tobacco laws while representing a number of client agencies including the Arizona Department of Environmental Quality, Arizona Game and Fish, the Department of Agriculture, the Department of Real Estate, the Securities Division of the Arizona Corporation Commission, the Arizona Department of Insurance, the Department of Financial Institutions and the Department of Health Services.

This Program Contains the following Subprograms:

- ▶ Public Advocacy Division
- ▶ Civil Rights Division
- ▶ Criminal Division
- ▶ Child and Family Protection Division
- ▶ Civil Division
- ▶ Finance Division

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 11,366.8 | 10,929.8 | 15,627.0 |
| Other Appropriated Funds | 31,138.8 | 36,351.9 | 38,075.2 |
| Other Non Appropriated Funds | 49,855.6 | 42,392.8 | 41,017.7 |
| Program Total | 92,361.2 | 89,674.5 | 94,719.9 |
| FTE Positions | 636.1 | 633.0 | 601.1 |

| AGA 1.1 | Subprogram Summary |
|---------|------------------------------------|
| | PUBLIC ADVOCACY DIVISION |
| | Tom Chenal, Division Chief Counsel |
| | Phone: (602) 542-8323 |
| | A.R.S. § 41-191 |

Mission:

To use the discretionary power of the Office of the Attorney General to pursue those who prey upon the public and threaten the economic and environmental well-being of all Arizonans.

Description:

The Division's major duties are to enforce the environmental, consumer protection, and antitrust laws in a largely pro-active manner. The Division has administrative and civil functions. While most of its work involves using the Attorney General's independent authority to pursue wrongdoing, the Division does have some client representation duties. It serves the Arizona Department of Environmental Quality, Arizona Game and Fish, the Department of Agriculture, the Department of Real Estate, the Securities Division of the Arizona Corporation Commission, the Arizona Department of Insurance, the Department of Financial Institutions, and the Department of Health Services (DHS).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,997.7 | 1,769.3 | 3,063.6 |
| Other Appropriated Funds | 5,224.3 | 6,434.9 | 6,666.8 |
| Other Non Appropriated Funds | 6,101.2 | 2,952.7 | 2,850.9 |
| Program Total | 13,323.2 | 11,156.9 | 12,581.3 |
| FTE Positions | 101.3 | 82.3 | 82.3 |

◆ Goal 1 To be responsive to public concerns about consumer fraud.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Complaints opened | 24,303 | 25,000 | 25,000 |
| Complaints closed | 22,733 | 23,000 | 23,000 |
| Telephone calls received from the public | 47,101 | 48,000 | 48,000 |

◆ Goal 2 To deter fraudulent business practices as a means to protect consumers from fraud.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|---|------------------|------------------|
| Civil cases/investigations opened | 73 | 65 | 65 |
| Explanation: | Due to current economy and the housing/mortgage crisis, our Office opened more investigations/cases than estimated. | | |
| Judgments | 36 | 25 | 25 |
| Explanation: | Due to current economy and the housing/mortgage crisis, our Office obtained more judgments than estimated. | | |

◆ Goal 3 To provide the highest quality legal advice and representation to the Department of Environmental Quality.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Civil advice and litigation files open. | 662 | 630 | 630 |
| Cases resolved within the year | 138 | 120 | 120 |
| Explanation: | Litigation matters referred by client increased. | | |
| Hours spent on matters reviewed but not opened | 4,870 | 4,700 | 4,700 |
| Explanation: | General issues referred by client decreased. | | |
| Administrative hearings set | 52 | 40 | 40 |
| Explanation: | Legislative changes ended availability of SAF funds in UST matters. | | |
| Summary and trial judgments | 27 | 18 | 20 |
| Explanation: | Litigation matters referred by client increased. | | |

◆ Goal 4 To provide the highest quality legal representation and advice to: Departments of Agriculture, Financial Institutions, Game and Fish, Insurance and Real Estate.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
| Cases opened | 307 | 300 | 300 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Enforcement and regulatory matters handled for agency clients | 295 | 275 | 275 |

- ◆ **Goal 5** To enforce the Model Escrow Statute, Directory Statute and Master Settlement Agreement and work to reduce sales of tobacco products to minors.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|-------------------|---------------------|---------------------|
| Youth compliance checks conducted | 1,979 | 2,000 | 2,000 |

- ◆ **Goal 6** To protect and promote competition for the benefit of Arizona consumers through enforcement of the Arizona Uniform Antitrust Act.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Complaints received | 38 | 20 | 20 |
| Explanation: | Gas prices increased more than \$1 per gallon over the previous years' prices and we received more complaints than anticipated. | | |
| Restitution ordered for Arizona consumers and costs recovered in antitrust cases (\$ dollars) | 464,600 | 75,000 | 50,000 |
| Explanation: | At the time recoveries were estimated for FY11 ATU did not know that the Vitamins and Remeron cases would conclude and the monies would be disbursed. | | |

| AGA 1.2 | Subprogram Summary |
|---------|--------------------------------------|
| | CIVIL RIGHTS DIVISION |
| | Melanie Pate, Division Chief Counsel |
| | Phone: (602) 542-7716 |
| | A.R.S. §§ 41-191 and 41-1401 |

Mission:

To enforce civil rights laws and eliminate discrimination statewide by increasing public awareness of civil rights through education and enforcement and providing greater access to victims, including offering dispute resolution services to the people of Arizona.

Description:

The Division's major duty is to enforce state statutes that prohibit discrimination in employment, voting, public accommodations, and housing by investigating and litigating civil rights complaints. In addition, the Division provides conflict resolution services and mediation programs statewide, including many court and agency programs. The Division not only is responsive to complaints it receives but is pro-active in addressing discriminatory activity by providing education and awareness. It also may conduct surveys and inquiries in efforts to eliminate discrimination and publish reports to highlight civil rights issues in the State.

The Division has administrative, community service, and civil functions. Its staff is comprised of lawyers, compliance officers, program managers, coordinators, support personnel, volunteers, and interns. The Division has offices in Phoenix and Tucson.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 1,497.5 | 1,368.3 | 1,470.0 |
| Other Appropriated Funds | 113.4 | 126.7 | 126.7 |
| Other Non Appropriated Funds | 902.1 | 830.5 | 830.5 |
| Program Total | 2,513.0 | 2,325.5 | 2,427.2 |
| FTE Positions | 35.1 | 31.6 | 31.6 |

- ◆ **Goal 1** To increase compliance with anti-discrimination laws through timely and effective investigation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of cases investigated | 1462 | 1,500 | 1,500 |
| Number of cases resolved | 948 | 950 | 1,000 |
| Percentage of cases resolved using voluntary settlement agreements | 14 | 15 | 15 |

- ◆ **Goal 2** To identify major litigation with an emphasis on class and policy cases and to obtain monetary relief and significant remedial relief as appropriate.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Number of lawsuits | 19 | 25 | 25 |
| Explanation: | This number includes all cases that were pending or newly opened in FY2011. | | |
| Number of lawsuits resolved | 7 | 10 | 10 |
| Explanation: | More pre-litigation conciliation agreements in FY2011 resulted in fewer lawsuits and lawsuits resolved. | | |
| Percentage of litigation cases resolved using voluntary settlement agreements | 86 | 90 | 90 |
| Explanation: | One litigation case was resolved through a jury verdict in favor of the Division in FY2011. | | |

- ◆ **Goal 3** To provide the people of Arizona and its governmental entities effective dispute resolution services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Number of cases referred to mediation | 513 | 425 | 425 |
| Explanation: | In FY2011, a new mediation referral review process resulted in more cases referred to mediation. | | |
| Number of Civil Rights discrimination cases mediated | 110 | 115 | 120 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percentage of total mediations in which agreement reached (including non-discrimination cases) | 89 | 80 | 80 |
| Maintain satisfaction rate of participants above 90 percent | 94 | 95 | 95 |

- ◆ **Goal 4** To increase public awareness through litigation of the State's zero tolerance of discrimination, resulting in a positive impact on the community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Approximate number of people assisted through litigation | 1,500 | 1500 | 1500 |
| Explanation: | This figure is approximate because it reflects estimated numbers of employees, staff, and other related persons who may have received additional training or other benefits due to agreements reached with the Division. | | |
| Approximate number of people reached through presentation and training | 10,000 | 4,500 | 4,500 |
| Explanation: | This figure is approximate because it reflects estimated numbers of people who may have been reached through information booths at large public events, Division forums and training presentations. It is inflated for FY2011 due to work performed on a federal grant during the last quarter that included newspaper ads, radio spots and television appearances. | | |

AGA 1.3 Subprogram Summary

CRIMINAL DIVISION

James Keppel, Division Chief Counsel

Phone: (602) 542-8473

A.R.S. §§ 41-191 and 21-427

Mission:

To protect the citizens of Arizona by successfully investigating and aggressively and fairly prosecuting cases involving sophisticated and complex financial crimes, human trafficking and identity theft related crimes, technology crimes, gang-related crimes, drug traffickers, trafficking organizations, money launderers and individuals involved in criminal enterprises within the State of Arizona. To provide high quality of investigative support to the Attorney General's Office and to law enforcement agencies throughout the State. To promote and facilitate safety, justice, healing and restitution for Arizona's crime victims and support statewide criminal and juvenile justice system entities in the administration of victims' rights laws. To effectively represent the State of Arizona in capital and non-capital appeals and federal habeas actions filed by convicted felons.

Description:

Criminal Appeals Section/Capital Litigation Section - The Section's primary function is defending the State of Arizona against appeals and federal habeas actions generated by convicted felons. In non-capital appeals, the Section represents the State in federal court cases arising out of state court convictions where the defendant is incarcerated by the Arizona Department of Corrections. In capital appeals, the Section defends the State in death penalty proceedings from the time a death sentence is imposed until the sentence is carried out or until the case is otherwise concluded. Those proceedings include the direct appeal, state post-conviction and federal habeas corpus matters. The Section also provides trial and research assistance at the request of county attorneys.

Criminal Prosecutions Section (CRP) - The Criminal Prosecutions Section is comprised of the following units:

Drug Unit (DRG) - The Drug Unit combats major drug trafficking in Arizona. This includes prosecuting individuals and organizations that traffic in illegal drugs, money launder illicit proceeds and commit violent crimes. The Unit works closely with law enforcement agencies from throughout the State and provides legal counsel and assistance in wiretap and undercover investigations. Additionally, the attorneys in this section provide legal advice and training on a statewide basis on issues involving search and seizure law, wiretap law, prosecuting cases involving children found at drug-related scenes and courtroom testimony. Attorneys in the Unit will also provide assistance to County Attorneys on complex, major drug cases.

Fraud and Public Corruption Unit (FPC) - The Fraud Unit investigates and prosecutes white collar and organized fraudulent criminal activity, including, but not limited to, identity theft related crimes, human smuggling, mortgage fraud, high technology crimes, child exploitation through the use of computers, public corruption, securities fraud, health care fraud, financial exploitation of the elderly, telemarketing fraud, charity fraud, tax fraud, public corruption, insurance fraud, banking fraud, home improvement fraud, real estate fraud, employee embezzlement and other types of financial crimes involving racketeering offenses. The Unit also works closely with the Financial Remedies Section to insure that any ill-gotten monies are subject to forfeiture. Unit attorneys also prosecute cases referred by other prosecutorial offices throughout the State when those offices have a conflict of interest.

Medicaid Fraud Control Unit (MFCU) - The Arizona Medicaid Fraud Control Unit investigates and prosecutes health care fraud crimes that impact the State's billion dollar Medicaid program known as AHCCCS. In addition, this Section is charged with investigating allegations of abuse and neglect that take place within health care settings that are at least partially funded by the State's AHCCCS program. The MFCU investigates and prosecutes cases

involving the falsification of medical records and the filing of false or inflated Medicaid billing claims, thefts and embezzlements from AHCCCS clients and health care institutions, the illegal diversion of prescription drugs by health care providers and the physical, sexual and emotional abuse of residents being cared for in AHCCCS funded facilities.

Financial Remedies Section (FRS) - The Financial Remedies Section combats the impact of racketeering on legitimate commerce in Arizona by using civil remedies against criminal enterprises. The Section supports statewide efforts to deprive racketeers, through forfeiture and civil racketeering actions, of the profits that give them the incentive to continue operations and materials that allow them to operate their criminal enterprises, and to provide compensation to the victims of the racketeering. Attorneys in FRS also advise and provide training to law enforcement on a statewide basis on forfeiture, money laundering and racketeering.

Office of Victim Services (OVS) - The Office of Victim Services is a service-oriented Section within the Criminal Division of the Attorney General's Office whose programs are established for directly benefiting both crime victims and the many state and local governmental entities in Arizona who serve them. The OVS provides statutorily mandated services to victims of various crimes being prosecuted by the Attorney General and those crime victims whose cases are being appealed. OVS staff also provides more than twenty types of services (non-mandated) to address the needs of crime victims recovering from the personal and social effects of victimization. Additionally, the OVS supports state, county and municipal law enforcement, custodial, prosecutorial and correctional agencies and courts, having duties established and defined by Arizona's victims' rights laws. These entities benefit from the Victims' Rights Program administered by OVS which provides funding, training and other forms of assistance that further uniformity, efficiency and victims' rights compliance. Finally, the OVS's duties encompass enforcement of victims' rights laws and resolution of victim complaints.

Special Investigations Section (SIS) - The Special Investigations Section consists of special agents, supervising agents, analysts, auditors and administrative personnel with specialized areas of experience unavailable from other law enforcement agencies. The Section is divided into six investigative units which function primarily within the following AGO Sections: Consumer Protection and Advocacy, Criminal Prosecutions, Medicaid Fraud, Financial Remedies and Fraud and Public Corruption. SIS personnel provide expertise in the special areas of prosecution upon which the AGO has sole jurisdictional responsibility. Investigative assistance by SIS personnel is provided in the complex areas of abuse of the vulnerable, consumer fraud, drug trafficking, environmental crimes, gangs and violence, medical fraud, money laundering, white collar crimes, public corruption and prosecution of crimes which occur in Arizona but the perpetrator has fled to the Republic of Mexico.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 7,517.9 | 7,427.3 | 10,698.5 |
| Other Appropriated Funds | 3,449.8 | 3,567.3 | 3,588.6 |
| Other Non Appropriated Funds | 41,942.7 | 38,080.2 | 36,806.9 |
| Program Total | 52,910.4 | 49,074.8 | 51,094.0 |
| FTE Positions | 221.9 | 213.6 | 181.7 |

- ◆ **Goal 1** To ensure that death penalty sentences are carried out justly and as timely as possible in order to preserve the rights of the victims.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Death penalty cases open | 130 | 135 | 140 |
| Death sentences carried out | 4 | 5 | 5 |
| Percentage of capital case convictions upheld by the Arizona Supreme Court on direct appeal and in post-conviction proceedings | 100 | 95 | 95 |
| Percentage of death penalty sentences affirmed by the Arizona Supreme Court | 88 | 95 | 95 |

- ◆ **Goal 2** To defend the State of Arizona in all non-capital appellate cases.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of briefs, habeas answers, petitions for review and responses to petitions for review filed | 890 | 899 | 908 |
| Explanation: Statistics are for the Criminal Appeals Section only. | | | |
| Average number of briefs, habeas answers, petitions for review and responses to petitions for review filed per attorney for non-capital cases | 32 | 35 | 35 |

- ◆ **Goal 3** To aggressively investigate and prosecute drug, money laundering, gang and other related offenses that occur in Arizona, to seek fair civil economic remedies to reduce the profit incentive of drug trafficking, and to disrupt racketeering enterprises.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------------|-----------------------|-------------------------|-------------------------|
| Cases open | 667 | 700 | 750 |
| Opened cases resolved within the year | 280 | 300 | 300 |
| Number of defendants charged | 614 | 650 | 650 |
| Number of child abuse victims | 4 | 5 | 5 |

- ◆ **Goal 4** To investigate and prosecute complex financial and high technology crimes and to assist prosecutorial offices throughout the State by prosecuting matters that are referred due to conflicts of interest.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Cases open | 1,202 | 1300 | 1400 |
| Opened cases resolved within the year | 434 | 450 | 475 |
| Matters reviewed but not opened | 285 | 300 | 315 |
| Total victim losses (\$ millions) | 342 | 350 | 350 |
| Total number of victims | 85,789 | 6,500 | 6,500 |
| Explanation: Increases in FY10 and FY11 reflect many large scale fraud cases with multiple victims. | | | |
| Restitution ordered by the courts (\$ millions) | 10.6 | 8.5 | 8.5 |

- ◆ **Goal 5** To assist prosecutorial offices throughout the state by prosecuting matters that are referred due to conflicts of interest.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| County Attorney conflict of interest referrals | 44 | 45 | 45 |
| Explanation: Decrease in conflict cases in FY11 is due to a reduction in requests for conflict assistance from the Maricopa County Attorney's Office. | | | |

- ◆ **Goal 6** To protect legitimate commerce from loss, prevent unfair competitive advantage based on criminal proceeds, reduce the financial power of criminal enterprises and compensate the victims of financially motivated crimes by dismantling racketeering enterprises through civil racketeering remedies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Forfeiture cases opened | 1355 | 1000 | 1100 |
| Explanation: Decrease of cases opened in FY11 in comparison to FY10 is due in part to a new operational strategy from only pursuing large and complex multi-defendant/asset cases to working with our law enforcement partners on any case they wish to submit for prosecution. | | | |
| Opened cases resolved within the year | 376 | 400 | 450 |
| Number of defendants | 1395 | 1600 | 1700 |
| Amount forfeited to State (\$ millions) | 9.3 | 5.5 | 5.5 |

- ◆ **Goal 7** To support statewide prosecution and forfeiture efforts through training, research and property management support.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|-----------------------|-------------------------|-------------------------|
| Law enforcement training seminars | 44 | 30 | 30 |
| Financial inquiries | 1574 | 1100 | 1200 |

- ◆ **Goal 8** To improve the treatment of crime victims in Arizona by exhibiting leadership, promoting public policy reforms where needed and increasing the quality of victim services and

victims' rights compliance through the administration of the Victims' Rights Program (VRP).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of victim service network events participated in | 101 | 110 | 75 |
| Total awards disbursed (\$ millions) | 2.7 | 2.7 | 2.7 |
| Percent of VRP recipients in compliance with mandates | 100 | 100 | 100 |
| Number of trainings and presentations given | 63 | 50 | 50 |
| Number of attendees at trainings and presentations | 1300 | 1000 | 1000 |
| Number of victims' rights violation complaints investigated | 270 | 250 | 250 |
| % of Victims' Rights award recipients satisfied with the Victim's Rights Program | 100 | 100 | 100 |
| Number of agencies audited | 11 | 12 | 12 |

- ◆ **Goal 9** To foster victims' recovery from the traumatic short and long-term effects of victimization, to prepare victims to cope with the impact of criminal justice system involvement, and to provide for the efficient and effective delivery of quality services to victims during all stages of criminal prosecutions and Victims' Rights programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of victims served | 7,125 | 7200 | 7200 |
| Number of mandated services provided | 26,995 | 20,000 | 20,000 |
| Number of non-mandated services provided | 109,166 | 120,000 | 120,000 |
| Open restitution cases | 206 | 200 | 200 |
| Compliance checks of restitution orders conducted | 1,034 | 1,000 | 1,000 |

- ◆ **Goal 10** To provide competent and timely investigations of criminal conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|---------------------|---------------------|
| Open cases | 209 | 250 | 300 |
| Explanation: | Decrease in FY11 was due to continued reallocation of resources caused in part by two consecutive years of unusual number of vacancies from retirements, resignations and the difficulty in attracting applicants with specialized areas of expertise. | | |
| Law enforcement assists | 1874 | 1500 | 1500 |
| Matters reviewed but not opened by Duty Agent | 2,198 | 2,000 | 2,000 |

| AGA 1.4 | Subprogram Summary |
|---------|--------------------------------------|
| | CHILD AND FAMILY PROTECTION DIVISION |
| | Nicole Davis, Division Chief Counsel |
| | Phone: (602) 542-9948 |
| | A.R.S. § 41-191 |

Mission:

To provide the Department of Economic Security (DES) with high quality and timely legal advice and representation to promote the safety, economic sufficiency and well being of children, adults and families.

Description:

The Division is responsible for providing legal services to all programs and business operations of the Department of Economic Security (DES). The Division provides these services through three sections.

- The Protective Services Section (PSS) represents Child Protective Services in 15 counties statewide. PSS represents DES in all dependency, severance and guardianship proceedings (including appeals) brought for the protection of abused and neglected children. PSS administers a case-processing system established by federal and state law designed to expedite dependency court proceedings and place children in permanent homes. PSS also provides advice to DES on state and federal laws relating to child welfare and related funding programs.
- The Child Support Enforcement Section (CSE) represents the DES Division of Child Support Enforcement (DCSE). This includes establishing paternity and obtaining, modifying and enforcing child support orders. The section also represents DCSE in appeals, complex litigation actions and provides legal advice and support. CSE provides representation in 11 of the 15 Arizona counties.
- The Civil and Criminal Litigation & Advice Section (CLA) provides legal advice and representation in administrative hearings and state and federal courts to a myriad of programs within DES. Other than Child Protective Services and Child Support Enforcement, CLA represents all other programs (approximately 100) within DES. Some of the programs include Developmental Disabilities, Procurement, Unemployment Insurance, Collections, Welfare programs (Supplemental Nutrition Assistance and Child Care Assistance) and Licensing (foster homes and child welfare agencies). CLA also represents DES in all personnel and operations matters, prosecutes criminal cases relating to various DES program violations, including recipient benefit fraud, employee embezzlement, provider fraud and criminal nonpayment of child support and all related appeals.

The budget for this Division is shown as a lump sum appropriation within DES's budget, and is allocated across three Special Line Items.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 865.8 | 494.4 | 494.4 |
| Program Total | 865.8 | 494.4 | 494.4 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To assist DES in protecting children from abuse and neglect by providing legal services and representation compliant with the timeframes established by federal and state law.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of dependencies filed by DES (including supplemental and in-home petitions) | 4,073 | 4,000 | 4,100 |

Explanation: In FY2011, the economic climate continued to worsen causing additional stressors on families. DES's Division of Children, Youth and Families (DCYF) saw the severity of abuse and neglect increase and therefore took more children into care under dependency petitions to ensure their health and safety. The result is the increase reflected.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Number of preliminary protective hearings within five to seven days of filing initial dependency petition | 3,735 | 3,600 | 3,700 |
| Explanation: | The increase in preliminary protective hearings is based on two facts. First, the familiarity of the new case management systems tracking capabilities in FY2011 further improved the capture of data on hearings from date of removal of the child through case closure. In addition, the increase of dependency petitions resulted in an increase in the number of preliminary protective hearings. | | |

- ◆ **Goal 2** To assist DES in establishing permanent living situations for children by providing legal services and representation in all stages of judicial proceedings that comply with federal and state timeframes for new cases.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Number of hearings held to establish a permanent plan within 12 months | 4,818 | 4,700 | 4,800 |
| Number of reunifications achieved (child back with parents) | 1,722 | 1,500 | 1,600 |
| Explanation: | FY2011 figures are due to an increased ability to capture reunification data as a result of the continued improvements to the case management system, which requires that when a case is dismissed, an outcome be specified. | | |
| Number of guardianships achieved (child placed with guardian) | 378 | 400 | 450 |
| Explanation: | Termination of parental rights and adoption is DCYF's preferred permanent plan for children. Thus there has been a decrease in the number of children placed in the less permanent arrangement of guardianship. The decrease may also be attributable to the successful adoption of children by relatives and foster parents. | | |
| Number of terminations achieved (child removed from parents) | 2,078 | 1,900 | 2,000 |
| Explanation: | In FY2011, there was an increase in termination of parental rights cases due in part to the use of a straight to severance procedure for cases in which reunification is not possible. | | |

- ◆ **Goal 3** To increase the percentage of cases in the State's child support caseload which have child support orders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percentage of court ordered cases ratio required | 83.0 | 84.0 | 85.0 |

- ◆ **Goal 4** To increase the number of children in the State's child support caseload whose paternity is established.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of children with paternity established | 2,117 | 2,200 | 2,200 |

- ◆ **Goal 5** To provide legal representation in DES litigation and to prosecute and deter fraud.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Administrative, Civil and Appellate litigation resolved | 1,031 | 1,000 | 1,000 |
| Explanation: | In FY2011, the CLA section experienced a significant increase in litigation matters resolved. This is due primarily to the continuing economic downturn. | | |
| Civil Collection litigation resolved | 239 | 250 | 250 |
| Criminal prosecutions completed successfully | 169 | 175 | 200 |
| Explanation: | The decline in the number of prosecutions completed successfully from estimate is related to the increased time and complexity associated with charging matters involving the unlawful receipt of unemployment insurance benefits, as well as the attrition and resultant vacancy in employment of prosecutors versed in the respective areas of law. | | |

- ◆ **Goal 6** To generate funds for the State via criminal restitution and civil judgments.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|--|---------------------|---------------------|
| Civil judgments (\$) | 577,633 | 600,000 | 600,000 |
| Garnishment funds received (\$) | 253,001 | 275,000 | 300,000 |
| Explanation: | The reduction in FY2011 garnishment funds received is attributable to the continuing economic down turn and the attendant unemployment of persons whose wages would otherwise be subject to garnishment. | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Criminal restitution ordered (\$) | 521,307 | 575,000 | 600,000 |
| Explanation: | The decrease from estimate in FY2011 is directly related to the fact that the number of actual criminal prosecutions remained constant from FY2010 to FY2011 even though the actual criminal restitution dollars ordered increased by 15%. | | |
| Criminal restitution received prior to sentencing (\$) | 320,834 | 350,000 | 375,000 |

- ◆ **Goal 7** To provide comprehensive legal advice to the Department of Economic Security.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-------------------|---------------------|---------------------|
| Hours of counsel and advice | 20,653 | 22,000 | 22,000 |

| | |
|-------------------------------------|---------------------------|
| AGA 1.5 | Subprogram Summary |
| CIVIL DIVISION | |
| Pam Culwell, Division Chief Counsel | |
| Phone: (602) 542-7682 | |
| A.R.S. § 41-191 | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|------------------------------|-----------------------------|-----------------------------|
| Average billable hourly rate: per workers compensation matter: AGO | 103 | 96 | 96 |
| Average billable hourly rate: per workers compensation matter - OSC | 0 | 135 | 135 |
| Explanation: | In FY2011, OSC had no cases. | | |

Mission:

To provide high-quality, effective, and innovative legal representation to the State of Arizona, its agencies, officers, and employees acting within the scope of their employment.

Description:

The Civil Division consists of attorneys and staff whose principal assignments focus on specialty areas of civil law. In addition, the Division provides day-to-day legal services to a number of departments, boards, and commissions in the State of Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 346.6 | 356.2 | 380.5 |
| Other Appropriated Funds | 17,041.8 | 18,898.8 | 20,231.4 |
| Other Non Appropriated Funds | 43.8 | 35.0 | 35.0 |
| Program Total | 17,432.2 | 19,290.0 | 20,646.9 |
| FTE Positions | 225.6 | 226.6 | 226.6 |

- ◆ **Goal 1** To provide legal strategy, advice, and advocacy that secures and augments the value of the State Land Trust and contributes to the General Fund.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-----------------------------|-----------------------------|
| Amounts recovered, generated, and/or saved (in millions of dollars) | 60 | 60 | 60 |
| Explanation: | FY2011 results reflect continued depressed real estate market conditions and the deferral of payments on some transactions, with a slight movement upward due to unusual sale transactions. | | |

- ◆ **Goal 2** To provide quality legal services that are more efficient and less costly than outside legal counsel (AGO = Attorney General's Office and OSC = Outside Counsel).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-----------------------------|-----------------------------|
| Average months in suit: per tort lawsuit - AGO | 21 | 20 | 20 |
| Explanation: | Average for any given year is based only on those cases which closed during that year. The facts of each case are different - as are the witnesses, attorneys, and judges - thereby causing fluctuations in average numbers from one year to the next. Additionally, criminal cases have priority over civil cases for judge assignments. | | |
| Average months in suit: per tort lawsuit - OSC | 30 | 30 | 30 |
| Explanation: | Average for any given year is based only on those cases which closed during that year. The facts of each case are different - as are the witnesses, attorneys, and judges - thereby causing fluctuations in average numbers from one year to the next. | | |
| Average billable hours: per tort lawsuit - AGO | 319 | 300 | 250 |
| Average billable hours: per tort lawsuit - OSC | 273 | 250 | 250 |
| Average billable hourly rate: per tort lawsuit - AGO | 104 | 108 | 110 |
| Average billable hourly rate: per tort lawsuit - OSC | 173 | 200 | 210 |
| Average months in suit: per employment lawsuit - AGO | 9 | 25 | 25 |
| Average months in suit: per employment lawsuit - OSC | 0 | 35 | 35 |
| Explanation: | It is increasingly difficult to get a meaningful average for outside counsel suits, because fewer cases are being assigned to outside counsel. | | |
| Average billable hours: per employment lawsuit - AGO | 195 | 500 | 650 |
| Average billable hourly rate: per employment lawsuit - AGO | 88 | 105 | 115 |

| AGA 2.0 | Program Summary |
|--|-----------------|
| CENTRAL ADMINISTRATION | |
| Eric Bistrow & Margaret Dugan, Chief Deputy & Chief of Staff | |
| Phone: (602) 542-8080 | |
| A.R.S. § 41-191 | |

Mission:

To provide administrative and policy support in addition to direction for the Department of Law.

Description:

The program is comprised of three areas: (1) Executive Office and Policy and Program Development Office; (2) Solicitor General; and (3) Employee Services Office. The Attorney General and Executive Staff are responsible for providing legal advice to state officials, legislators, county attorneys, and all client state agencies in addition to certifying rules promulgated by state agencies. The Solicitor General's responsibilities include: (1) managing the State's civil appellate matters; (2) overseeing and advising on significant criminal appeals; (3) supervising the production of formal Attorney General opinions; (4) handling matters of election law; (5) providing independent advice to state agencies and boards in administrative proceedings in which other assistant attorneys general appear as advocates; (6) representing the Governor's Regulatory Review Council and five appellate boards; (7) serving as a clearinghouse for lawyers throughout the Attorney General's Office on a variety of special projects; and (8) providing policy support in the specific areas of ethics and training, specialized litigation, and key programs as prioritized by the Attorney General. Finally, the Employee Services Office provides administrative support to the Office in the areas of human resources and facilities management.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 5,870.6 | 6,001.7 | 6,179.2 |
| Other Appropriated Funds | 2,501.0 | 3,026.7 | 3,169.6 |
| Other Non Appropriated Funds | 1,667.3 | 2,043.8 | 2,115.3 |
| Program Total | 10,038.9 | 11,072.2 | 11,464.1 |
| FTE Positions | 51.1 | 123.2 | 123.2 |

- ◆ **Goal 1** To optimize the use of State funds in fulfilling the mission of the Attorney General's Office.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Administrative costs as a % of total costs | 4.2 | 4.2 | 4.2 |

- ◆ **Goal 2** To provide a superior level of legal services to our client agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Customer satisfaction rating for client agencies (scale of 1 to 8, with 8 the highest) | 7.44 | 7.50 | 7.50 |

- ◆ **Goal 3** To timely issue formal legal opinions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Days to respond to a request for a legal opinion | 43 | 50 | 50 |

- ◆ **Goal 4** To retain professional, experienced staff whose skills serve both state residents and client agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|-----------------------|-------------------------|-------------------------|
| Percent of agency staff turnover | 17.6 | 17.5 | 17.0 |

| ATA 0.0 | Agency Summary |
|---------|-------------------------------------|
| | AUTO THEFT AUTHORITY |
| | Brian R. Salata, Executive Director |
| | Phone: (602) 364-2888 |
| | A.R.S. § 41-3451 |

Mission:

To deter vehicle theft in Arizona through a cooperative effort by supporting law enforcement activities, vertical prosecution, and public education programs.

Description:

The Arizona Automobile Theft Authority (AATA) acts as a catalyst to spur the most effective and efficient law enforcement strategies and tactics to combat auto theft. Auto theft in Arizona is significantly a crime of facilitation and is an integral part of the illegal alien and narcotics trafficking trade that permeates our state.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,270.4 | 4,273.6 | 4,273.6 |
| Other Non Appropriated Funds | 2.3 | 0.0 | 0.0 |
| Program Total | 4,272.7 | 4,273.6 | 4,273.6 |
| FTE Positions | 6.0 | 6.0 | 6.0 |

Strategic Issues:

Issue 1 The Arizona Automobile Theft Authority will maintain statewide vehicle theft enforcement, prosecution and prevention programs in FY 2012 and 2013.

Arizona’s vehicle theft problem requires a dedicated and coordinated statewide strategy in order to respond in an efficient and effective manner. The AATA works on a local, state, national and international level to develop, implement and support law enforcement activities, border interdiction, effective prosecution, and public education programs to deter and prevent vehicle theft. The AATA's 12 member Board of Directors has committed the maximum available resources to support the Agency's aggressive anti-vehicle theft programs during the next two fiscal years.

Goal 1 To analyze the problem and trends of vehicle theft and associated criminal activity.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|----------------|------------------|------------------|
| Number of studies conducted | 5 | 6 | 6 |

Goal 2 To reduce the incidence of vehicle theft and associated criminal activity by supporting deterrence and prevention programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Number of vehicles stolen statewide (2010 calendar year). | 20,251 | 19,000 | 18,000 |
| Explanation: | AATA expects a continued downward trend due to new, innovative strategies and programs. *2010 stolen vehicle data from AZ. DPS 2010 "Crime in Arizona Report." FBI to release final Uniform Crime Report (UCR) data October '11. | | |
| Arizona vehicle theft rate (# per 100,000 population) | 317 | 297 | 281 |

Goal 3 To deter vehicle theft and associated criminal activity through aggressive, proactive law enforcement strategies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Number of Task Force positions funded by AATA | 32 | 28 | 28 |
| Explanation: | Funding reduction since FY09 have directly impacted Task Force staffing levels. | | |
| Number of stolen vehicles recovered by AZ. Auto Theft Task Force | 1,455 | 1,500 | 1,500 |
| Explanation: | The Arizona Vehicle Theft Task Force has shifted focus to investigating and dismantling organized auto theft rings. | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Value of stolen vehicles recovered by Task Force (in millions of dollars) | 19.0 | 20.0 | 20.0 |
| Number of felony arrests by Task Force | 147 | 200 | 200 |
| Number of "chop shops" investigated by Task Force | 28 | 30 | 30 |
| Number of insurance fraud investigations by Task Force | 8 | 15 | 15 |
| Number of training and investigative assistance provided by Task Force | 504 | 900 | 900 |
| Return on investment (for every dollar funded by the Arizona Auto Theft Authority amount recovered by Task Force) | 6.13 | 6.67 | 6.67 |
| Explanation: | Lower return on investment is expected due to reduced funding and staffing as well as a change in Task Force focus. | | |
| Number of law enforcement grants awarded | 6 | 6 | 6 |

Goal 4 To assure deterrence of vehicle theft and associated criminal activity through effective auto theft (vertical) prosecution.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Number of prosecutors funded by AATA | 3.5 | 4.5 | 5 |
| Explanation: | Since FY09, funding reductions have directly impacted Vertical Prosecution staffing levels. | | |
| Number of participating counties | 5 | 6 | 7 |
| Explanation: | Funding reductions since FY09 have impacted the Vertical Prosecution Program and the number of participating counties. | | |
| Number of vehicle theft cases filed | 348 | 600 | 800 |
| Explanation: | ATA funding decreases have reduced program effectiveness. | | |
| Number of vehicle theft convictions | 300 | 400 | 500 |
| Percent of convictions to cases closed | 95.0 | 95.0 | 95.0 |
| Amount of restitution ordered | 500,000 | 1,000,000 | 2,000,000 |
| Number of training sessions provided | 6 | 8 | 12 |

Goal 5 To provide public education & prevention strategies to reduce victimization of vehicle theft and related criminal activity.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Number of Public Awareness grants to criminal justice agencies | 0 | 0 | 0 |
| Number of PACE (Public Awareness and Community Education) events statewide | 47 | 50 | 50 |
| Number of PACE events sponsored by AATA | 22 | 20 | 20 |
| Number of PACE events sponsored by AATA grant agencies | 25 | 30 | 30 |
| Estimated media exposures (in millions) | 50 | 50 | 50 |
| Number of ACTIVE Watch Your Car (WYC) enrollments | 61,450 | 60,000 | 55,000 |
| Explanation: | The WYC program currently reduced to maintenance level due to decreased funding and staffing. | | |

Goal 6 To develop expertise and promote well-trained vehicle theft/insurance fraud investigators and prosecutors.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Number of professional training grants awarded to agencies | 20 | 20 | 30 |
| Explanation: | Major statewide auto theft training seminar hosted in Arizona every two years. | | |
| Number of criminal justice personnel receiving auto theft training | 20 | 40 | 50 |

Goal 7 To maximize Agency effectiveness, efficiency and customer satisfaction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Ratio of administrative costs as a percent of total expenditures | 5.26 | 6.0 | 6.0 |
| Explanation: | Ratio decrease result of reduced staffing along with agency evaluation and reduction of admin expenses. | | |
| Number of grant agency contractual compliance reviews | 23 | 25 | 25 |
| Explanation: | All grant agencies are reviewed annually for compliance. | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Customer satisfaction rating (scale of 1-3, 1 highest rating) | 1 | 1 | 1 |
| Number of site visits to grant agencies and statewide law enforcement & criminal justice partners. | 35 | 40 | 50 |
| Initiate monthly e-newsletter and electronic communications with agency customers/stakeholders. | 30 | 40 | 50 |
| Explanation: | AATA staff continue to implement more cost effective strategies for agency and stakeholder communications. | | |

| BBA 0.0 | Agency Summary |
|--------------------------------------|----------------|
| BOARD OF BARBER EXAMINERS | |
| Sam B. LaBarbera, Executive Director | |
| Phone: (602) 542-4498 | |
| A.R.S. §§ 32-301 et. seq. | |

Mission:

To preserve the public welfare and health through the development and enforcement of adequate sanitation procedures, rules, and laws governing barbers and barbering establishments.

Description:

The Board administers barbering examinations, grants and renews licenses, inspects barbering establishments, investigates consumer complaints regarding unlawful activities, and takes measures to resolve complaints, including holding hearings, levying fines, and suspending or revoking licenses.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 250.5 | 320.7 | 320.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 250.5 | 320.7 | 320.7 |
| FTE Positions | 3.5 | 4.0 | 4.0 |

Strategic Issues:

Issue 1 To allow all staff to utilize the database more efficiently.

To continually upgrade the database and other computer programs to enable the Board to work in an efficient manner.

Issue 2 To investigate methods to prevent usage of licenses by unlicensed individuals.

The Board has implemented a change to the Barber Database which allows the licensee's photograph to be printed on each license. This should cut down substantially on fraudulent usage of barber licenses. The Board has completed the input of all photos. In addition, the Board will require replacement of photographs every ten years. The Board has implemented a computer program to track each licensee's status of citizenship or legal residency.

Issue 3 To lower the turnover of staff and increase the efficiency of staff

The Board has had great difficulty in recruiting and keeping staff. It needs to decide on what will attract qualified staff and implement a action plan.

Goal 1 To ensure that all licenses issued by the Board meet minimum requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| New examination applications accepted | 308 | 372 | 453 |
| Number of full examinations passed | 152 | 186 | 226 |
| Percent of examinations passed | 50 | 50 | 50 |
| Number of all exam applicants (includes retakes) | 499 | 608 | 741 |
| Number of written examinations given | 376 | 421 | 471 |
| Number of practical examinations given | 385 | 481 | 601 |
| Number of barber/instructor issued | 314 | 358 | 408 |
| Number of applications for new shop/school licenses | 180 | 200 | 220 |

Goal 2 To ensure the proper use of sanitary procedures to prevent the transmission of disease, parasites, or injury to the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|----------------|------------------|------------------|
| Number of inspections conducted | 2306 | 3,200 | 3,200 |
| Percent of total inspections passed | 78 | 75 | 75 |
| Number of complaints received | 350 | 350 | 350 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Avg. calendar days from receipt of complaint to start of investigation | 21 | 21 | 21 |

Goal 3 To enforce legislative requirements concerning the regulation of barbers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of inspections conducted | 2306 | 3,200 | 3,200 |
| Percent of inspections passed | 78 | 75 | 75 |
| Number of licenses revoked or suspended | 1 | 4 | 4 |
| Disciplinary hearings | 28 | 30 | 30 |
| Disciplinary hearings resulting in penalties | 20 | 10 | 10 |

Goal 4 To serve licensees in an efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average number of calendar days from receipt of application to acceptance or denial | .15 | 3 | 3 |
| Administrative cost as a percent of total cost | 10 | 10 | 10 |
| Number of all licenses | 7356 | 7575 | 7800 |

| | |
|--------------------------------------|-----------------------|
| BHA 0.0 | Agency Summary |
| BOARD OF BEHAVIORAL HEALTH EXAMINERS | |
| Debra Rinaudo, Executive Director | |
| Phone: (602) 542-1864 | |
| A.R.S. §§ 32-3251 to 32-3322 | |

Mission:

To establish and maintain standards of qualifications and performance for licensed behavioral health professionals in the fields of counseling, marriage and family therapy, social work, and substance abuse counseling, and to regulate the practice of licensed behavioral health professionals for the protection of the public.

Description:

The Board licenses and biennially renews licensure for approximately 8,300 behavioral health professionals requiring these professionals meet minimum standards of education, experience, and competency as measured by examination. The Board also receives and investigates complaints, takes necessary disciplinary action, and responds to inquiries from consumers regarding the licensure status and complaint history of individual behavioral health professionals.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,203.1 | 1,458.7 | 1,776.9 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,203.1 | 1,458.7 | 1,776.9 |
| FTE Positions | 17.0 | 17.0 | 17.0 |

Strategic Issues:

Issue 1 Insufficient Staff

Due to the State hiring freeze and the Board's decision to not fill vacant positions, the Board employs only about two-thirds of its 17 FTE positions. The lack of personnel has a serious impact on the Board's ability to provide timely services. As a result, the Board has been forced to eliminate all non-essential services until it can re-establish an appropriate staffing level. Excessive workload demands on current staff is also delaying the Board's efforts to hire and train new employees.

- ◆ **Goal 1** To improve agency operations to ensure equitable, consistent, and timely enforcement of statutes and rules regulating behavioral health professionals.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of application reviews completed within 180 days | 96.6 | 90 | 90 |
| Number of new and existing licenses issued | 8,435 | 8,450 | 8,450 |
| Administration as a percentage of total cost | 4.7 | 4.2 | 4.2 |
| Applications received | 898 | 770 | 770 |
| Individuals licensed | 569 | 655 | 655 |
| Renewals received | 3,404 | 4,059 | 3,585 |
| Average number of days to renew a license from receipt of application to issuance | 20 | 30 | 30 |
| Average number of days to process verifications | 5 | 10 | 10 |
| Verifications received | 228 | 200 | 200 |
| Numbers of inspections/investigations | 240 | 300 | 300 |
| Average days to resolve a complaint | 305 | 350 | 350 |
| Number of complaints received about licensees | 161 | 160 | 160 |
| Customer satisfaction rating (scale 1-8) | 6.5 | 5.5 | 5.5 |

| | |
|---|----------------|
| PDA 0.0 | Agency Summary |
| STATE CAPITAL POST CONVICTION PUBLIC DEFENDER | |
| , Director | |
| Phone: (602) 771-9000 | |
| A.R.S.41-4301 | |

Mission:

To provide representation to capital defendants in post conviction proceedings, as assigned by the Supreme Court, in accordance with guidelines established by the American Bar Association.

Description:

The Office was established in 2006 and began accepting cases in September 2007. All capital convictions are automatically appealed to the State Supreme Court. If the sentence is affirmed on appeal, the Supreme Court appoints counsel to represent the inmate in state post conviction relief proceedings. The agency accepts appointments to cases from the Supreme Court as resources allow.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 633.8 | 688.9 | 688.9 |
| Other Appropriated Funds | 93.0 | 161.0 | 161.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 726.8 | 849.9 | 849.9 |
| FTE Positions | 6.0 | 6.0 | 6.0 |

Strategic Issues:

Issue 1 *To add sufficient staff to be able to provide services to as many clients as possible*

Funding levels were increased in FY 2011 and the Office was granted authority to access its new fund. The increase in funding is sufficient to provide the necessary resources to adequately represent clients by providing funding for additional staffing.

◆ **Goal 1** To provide high quality legal representation to clients assigned to the Agency

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Complete factual and legal investigation of case. | 2 | 2 | 3 |
| Explanation: | FY 2013 recognizes increased staff funding. | | |
| Number of professional staff providing high quality representation to clients. | 5.5 | 6.0 | 6.5 |
| Explanation: | Estimates result from additional funding in future years for staffing. | | |

| CSA 0.0 | Agency Summary |
|---------------------------------|----------------|
| STATE BOARD FOR CHARTER SCHOOLS | |
| DeAnna Rowe, Executive Director | |
| Phone: (602) 364-3080 | |
| A.R.S. §§ 15-181 to 15-189 | |

Mission:

To improve public education in Arizona by sponsoring charter schools that provide quality educational choices.

Description:

The Arizona State Board of Charter Schools reviews new, replication, and renewal applications and grants charters to qualified applicants and oversees the academic, fiscal and organizational compliance of the charter schools it sponsors.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 715.3 | 750.6 | 985.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 48.0 | 36.0 | 36.0 |
| Program Total | 763.3 | 786.6 | 1,021.2 |
| FTE Positions | 8.0 | 8.0 | 11.0 |

Strategic Issues:

Issue 1 Fulfilling Statutory Obligations and Meeting Caseload Requirements

In order to continue to promote quality charter schools, the Board must maintain quality authorizing practices as a mechanism for sustained results. This requires additional FTE positions and funding to maintain its work and fulfill its statutory obligations of sponsoring new charters, monitoring existing charter school performance, and renewing the contracts of high quality charter holders.

Renewal of Charter Contracts - A.R.S. § 15-183.I
Over the course of the next three years, the Board will process 111 renewal applications. The Board evaluates the academic performance of each school operated by the charter holder to determine application requirements. Based on prior academic performance, on average, one-half of the eligible charter holders will require a school site visit as part of the renewal process. Once the renewal application package is submitted by the charter holder, the Board reviews the fiscal, academic and contractual compliance of the charter holder. When the Board approves the renewal application, the current monitoring practices remain. If a renewal application is not approved, the Board must initiate administrative proceedings and closure processes.

General Supervision Over Charter Schools - A.R.S. § 15-182
In as much as charter schools are established to provide a learning environment that will improve pupil achievement (A.R.S. § 15-181) and the Board is required to exercise general supervision over the charter schools it sponsors, the Board has developed a systematic monitoring process to make informed decisions about charter expansion, renewal, and disciplinary action as necessary.

Specifically, the Board has established academic performance levels which, if not met, result in corrective action plans requiring the charter holder to demonstrate it has identified the methods and secured the resources for immediate improvement. The evaluation and monitoring of the corrective action plans (Performance Management Plans) is critical to 1) ensuring that charter schools that remain open are improving and 2) creating an argument to support closing low performing charter schools. Failure to meet academic improvement targets will result in the initiation of revocation proceedings against the charter holder. Over the course of the next three years, the Board anticipates evaluating and monitoring 150 Performance Management Plans.

Grant Charter Status to Qualifying Applicants - A.R.S. § 15-182
In addition to the renewal work and the monitoring of the schools currently in operation, the Board continues to approve high quality applications for new charter schools each year and supports the continued expansion of existing quality charters through a replication application process. The Board processes an average of 50 expansion applications each year.

The Board understands the financial position of the State and has managed its operations to date with the utmost care and diligence. The 500+ charter schools monitored by the Board make up 25% of all public schools and serve approximately 13% of all Arizona students enrolled in public schools. The Board must receive additional resources if it is to fulfill its mission of improving public education in Arizona by sponsoring charter schools that provide quality educational choices.

- ◆ Goal 1 To increase quality in sponsored charter schools by evaluating performance, assigning interventions, and monitoring compliance to ensure the continuation of schools that meet contractual obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of students enrolled in sponsored charters. | 123,600 | 126,072 | 127332 |
| Explanation: Total Average Daily Membership | | | |
| Number of sponsored charters with one or more sites in operation | 391 | 405 | 400 |
| Explanation: The numbers include the 13 remaining State Board of Education sponsored schools since the Charter School Board provides oversight of these charters. | | | |
| Number of sponsored charter school sites in operation | 517 | 531 | 526 |
| Explanation: The numbers include all State Board of Education sponsored schools, but not district sponsored schools. | | | |
| Number of annual on-site monitoring visits | 104 | 142 | 71 |
| Number of contract amendments processed annually. | 500 | 450 | 450 |
| Number of charter school annual audits reviewed | 366 | 365 | 393 |
| Number of corrective action plans mandated based on fiscal or contractual noncompliance. | 80 | 80 | 80 |
| Explanation: Any non-compliance matter requiring further action by charter holder and the Board. | | | |
| Number of disciplinary actions that resulted in withholding of funds | 19 | 22 | 22 |
| Explanation: Pursuant to A.R.S. 15-185.H | | | |
| Number of Notices of Intent to Revoke Charter issued. | 5 | 4 | 4 |
| Explanation: Revocation proceedings cross fiscal years, but are only reported once. | | | |
| Number of charter contracts voluntarily surrendered. | 6 | 5 | 5 |
| Number of Consent/Settlement Agreements entered. | 3 | 4 | 4 |
| Number of charter contracts revoked. | 1 | 2 | 2 |
| Number of five-year interval reviews completed. | 69 | 64 | 40 |
| Number of five-year interval review schools required to submit performance management plans. | 11 | 98 | 25 |
| Number of annual complaints regarding sponsored schools | 123 | 120 | 120 |
| Explanation: Complaints are reviewed for contractual compliance and processed accordingly. | | | |
| Customer satisfaction survey (Scale 1-8) | 6.6 | 6 | 6 |
| Explanation: Respondents are charter holders. | | | |
| Administration as a % of total cost | 2 | 2 | 2 |

- ◆ Goal 2 To approve quality applications and grant charters to qualified applicants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of new application packages reviewed by staff for administrative completeness. | 35 | 42 | 37 |
| Number of new application packages considered by the Board. | 10 | 15 | 15 |
| Number of new application packages approved by the Board. | 9 | 12 | 12 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Number of replication application packages received. | 16 | 10 | 8 |
| Number of replication application packages approved by the Board. | 16 | 10 | 8 |
| Number of renewal applications prepared. | 23 | 45 | 27 |
| Explanation: Determination of application criteria based upon previous performance. | | | |
| Number of renewal applications submitted. | 39 | 45 | 28 |
| Number of renewal application packages approved by the Board. | 35 | 40 | 20 |
| Number of renewal applications requiring a performance management plan. | 13 | 15 | 10 |

| | |
|----------------------------------|----------------|
| CEA 0.0 | Agency Summary |
| BOARD OF CHIROPRACTIC EXAMINERS | |
| Patti Pritzl, Executive Director | |
| Phone: (602) 864-5088 | |
| A.R.S. § 32-900 et. seq. | |

Mission:

To protect the health, welfare, and safety of Arizona citizens who seek and use chiropractic care.

Description:

The Board conducts examinations and evaluates applications from chiropractors seeking initial or renewal of licensure, as well as from persons seeking participation in Board-approved preceptorship or chiropractic assistant programs. The Board investigates complaints made against chiropractors and conducts administrative hearings as required. The Board provides information to the public concerning applicants, licensees, and regulatory actions taken.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 390.0 | 449.3 | 452.1 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 390.0 | 449.3 | 452.1 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

Strategic Issues:

Issue 1 Agency revenues cannot meet expenses.

Revenues have fallen by 56,000 while mandated increases in expenses for the Agency have exceeded \$60,000 over the past four years. As a result, the Agency's revenues no longer cover basic costs to maintain Agency functions of enforcement, licensing and customer service. The Agency has eliminated the dedicated attorney general service contract, professional chiropractic investigator contracts, expert witnesses for hearings, out-of-state travel for participation in national regulatory planning and coordination, cut costs for supplies and postage, left an investigator and support staff position unfilled and now holds all hearings before the Board rather than the resource of the Office of Administrative Hearings. The agency is also unable to implement best practice strategies, such as encryption of Board material, has restricted services and is unable to implement new services as desired by the profession and the public. The agency will need to restrict expenses to within inadequate revenues to perform the mission of protecting the health, welfare and safety of the public. If the agency is unable to obtain a fee increase, loss of human resources will have further negative impact on the profession and the public.

Issue 2 The enforcement workload for investigations and probationary monitoring has begun to exceed the human resources of the Agency.

Complaint investigations average 120 per year. The investigations have found some level of violation in majority of cases and an average of 16% of all investigations result in disciplinary action. This reflects a substantial time commitment in the investigation of complaints. In addition, the Agency monitors 30 to 50 probationary files at any point in time. The Agency has one full time and trained enforcement officer. The position that provides enforcement support has been left vacant. Any cuts to staffing will prevent the agency from performing its most basic function. As it is, the agency has left an investigator position unfilled. The result of current circumstances is that investigation generally take a year to conclude.

Issue 3 The workload from requests for license verifications and credentialing remains high in both volume and in type of information requested.

Historically, license verifications received by the Agency have requested the Agency to confirm the license status of no more than ten licensees at a time. Verifications took a matter of one to two minutes each. Verification

levels have risen from 70 to 100 requests from one credentialing company at a time, with extensive records requests requiring that hard copy files be pulled, copied and sent via mail or fax. The time to verify each license has increased from five to ten minutes each. Additional fees have been instituted to fund facilitation of public records response time. The database and web site have been improved to allow on-line access to credentialing information and disciplinary actions. Ongoing trends in information technology and unfunded legislative and administrative mandates require continued funding development and emphasize the need to retain current staff members who have demonstrated the ability to manage some of the agency IT need.

Issue 4 Mandated information technology contracts or policies remain unfunded.

Unfunded mandates, such as AZNET, increase operating costs as much as four-fold. The agency requires legislative authorization to raise fees in order to fund the IT and communications mandates that are being issued.

Issue 5 There is an ongoing need for public outreach.

The public is largely unaware of the resources offered by the Agency or has developed a negative perception of health regulatory agencies due to the media's negative focus on the Medical Board. In addition, the Agency has a presence only in Maricopa County. There is an ongoing need for the Agency to provide outreach initiatives to the public throughout the state. The performance measures do indicate improvement in this area, however, this will always be a focus for growth and development.

Issue 6 Agency staff does not possess the technical knowledge sometimes required for complete analysis and investigation of a complaint.

At the recommendation of the Auditor General, the Agency had implemented contracts with chiropractic professionals to assist in the technical components of investigations. However, the combination of falling revenues and mandatory increases in expenses imposed by legislation has depleted all funds for this purpose. Board staff no longer has support from qualified chiropractic professionals for investigations other than limited volunteer resources.

Issue 7 The agency is no longer able to contract with the Office of the Attorney General for services, resulting in lack of legal guidance and adequate resources to conduct timely hearings and responses to appeals.

At the recommendation of the Office of the Auditor General, the Board had contracted for dedicated A.G. services to provide timely services for the conduct of hearings, adequate resources for Superior Court Appeals, and adequate Board meeting coverage and legal advice. Due to the fall in revenues and mandatory increased expenses, the Board can no longer afford a contract for dedicated legal services. As a result, the Board does not always have legal counsel available while the Board is meeting, placing the State of Arizona at risk of liability. History also tells us that the lack of a contract for legal services on an ongoing basis delays conduct of hearings by up to 4 years, and the lack of consistency in legal advice and attorney familiarity with the Chiropractic Act creates a liability for both the Board and the State.

Issue 8 Much of the Boards technical equipment is end of life.

In 2004, the Board began using laptops for Board meetings rather than paper materials. The move was a cost savings for the agency and afforded greater protection for confidential information, particularly patient records. Three of the nine laptops have had to be replaced within the last two years, and the remaining 7 laptops are end of life. Due to falling revenues and increased mandatory expenses, the Board does not have the funds to replace equipment.

- ◆ Goal 1 To issue and renew licenses promptly to those applicants determined to be eligible based on their accurate and complete application and demonstration of the required standards of education, knowledge, and competency while ensuring that the health, safety, and welfare of the public is protected.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of applications for licensure received | 71 | 75 | 75 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Explanation: This measure is used to assess future revenues. | | | |
| Average number of days between receipt of complete application and Board action | 20 | 25 | 25 |
| Explanation: This performance measure determines if the Board is meeting the licensing time frames required in law. | | | |
| Number of new licenses issued | 59 | 60 | 60 |
| Explanation: This measure identifies a trend that impacts revenue, staffing and resources planning | | | |
| Number of licenses issued prior to undisclosed conviction being identified | 0 | 0 | 0 |
| Explanation: This performance measure is related to the Board's mission to protect the health, welfare and safety of the public. | | | |
| Number of licenses eligible for renewal | 2,473 | 2,500 | 2,500 |
| Percent of license renewal applications processed within 15 business days | 100 | 95 | 95 |

- ◆ **Goal 2** To investigate promptly complaints filed against licensees throughout the state and to proactively identify risks to the consumer public. To timely and knowledgeably determine if a matter should be dismissed or proceed to hearing, to conduct formal interviews and hearings in a timely manner, and to impose appropriate sanctions on those found to have violated the public trust.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of new complaints filed | 128 | 120 | 120 |
| Percent of complaints resolved within 180 days of receipt with no hearing required | 41 | 80 | 80 |
| Average number of months to resolve a complaint by administrative hearing | 3 | 3 | 3 |
| Total number of investigations conducted | 190 | 165 | 165 |
| Percent of concluded investigations resulting in disciplinary action | 16 | 22 | 22 |

- ◆ **Goal 3** To ensure Board and staff competence and knowledge.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of survey responses which indicate that staff was knowledgeable and courteous in public communications or that the measure was not applicable. | 97 | 97 | 97 |
| Administration as a percent of total cost | 15 | 17 | 17 |

- ◆ **Goal 4** To increase public awareness of agency functions, resources, and public records accessibility.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Web site access count | 10,879 | 20,000 | 30,000 |
| Self assessment surveys returned. | 22 | 30 | 30 |
| Percent of complaint investigations that the Board found to be outside of its jurisdiction. | 0 | 1 | 1 |

| | |
|----------------------------------|-----------------------|
| ECA 0.0 | Agency Summary |
| CLEAN ELECTIONS COMMISSION | |
| Todd F. Lang, Executive Director | |
| Phone: (602) 364-3477 | |
| A.R.S. §§ 16-901 et seq | |

Mission:

To fairly, faithfully, and fully implement and administer the Arizona Citizens' Clean Elections Act.

Description:

The Citizens' Clean Elections Act was a campaign finance reform measure initiated by Arizona citizens and approved by majority vote in 1998. The Act created a new campaign financing system for statewide and legislative offices that provides public funding to qualified candidates who agree to abide by CCEC guidelines. Candidates wishing to utilize public funding for statewide and legislative offices must become certified as participating candidates by agreeing to abide by all contribution and expenditure limits imposed in the Act and then obtain a certain number of \$5 qualifying contributions, depending on the office sought, in order to qualify for public funding. Non-participating candidates must accept campaign contributions at amounts that are 20 percent less than allowed in statute and comply with reporting requirements specified in the Act. The Commission sponsors debates and develops a procedure for publishing a document having space of predefined size for a message chosen by each candidate. The document is mailed before the primary and general elections to every household that contains a registered voter. The Commission is composed of five members of which no more than two can be from the same political party nor can more than two be residents of the same county. Appointments are for a five-year term.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 31,891.6 | 16,264.8 | 16,264.8 |
| Program Total | 31,891.6 | 16,264.8 | 16,264.8 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

Strategic Issues:

Issue 1 Legislation

The Commission will pursue legislative changes to the Clean Elections Act (A.R.S. § 16-940 through 961) to address concerns raised by the Commission, candidates, and members of the public from the 2010 election cycle. The intent of the proposed legislative changes is to clarify the law. All proposed legislative changes further the purpose of the Act, which is to diminish the influence of special interest money, encourage citizen participation in the political process, and promote freedom of speech under the U.S. and Arizona Constitutions.

Issue 2 Voter Education

The Commission will continue its active program of voter education. The Commission sponsors candidate debates, publishes a candidate statement pamphlet for both the primary and general elections, mails the pamphlet to each household in Arizona with a registered voter, holds candidate training seminars, and travels statewide to communicate with and educate voters.

- ◆ **Goal 1** To provide public funding to qualified candidates.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of certified participating candidates (calendar years) | 125 | 85 | 125 |

- ◆ **Goal 2** To administer debates and develop a procedure for communicating candidate statements to the citizens of Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
|-----------------------------|-----------------------|-------------------------|-------------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of candidates submitting candidate statements (calendar years) | 175 | 175 | 175 |
| Number of candidate statement pamphlets mailed to AZ households (calendar years in thousands) | 3,800.0 | 3,800.0 | 3,800.0 |

- ◆ **Goal 3** To comply with the Caps for spending specified in the Clean Elections Act

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of cap spent on administration and enforcement (calendar years) | 9.0 | 9.0 | 9.0 |

| CAA 0.0 | Agency Summary |
|----------------------------|----------------|
| ARIZONA COMMERCE AUTHORITY | |
| Don Cardon, CEO | |
| Phone: (602) 845-1215 | |
| 41-1501 | |

Mission:

To provide private sector leadership in growing and diversifying the economy of Arizona, create high quality employment through expansion, attraction and retention of business, and market Arizona for the purpose of expansion, attraction and retention of businesses.

Description:

The Arizona Commerce Authority (Authority) was established through Executive Order 2010-12, and is charged with the following responsibilities: job creation and expansion of capital investment through business attraction, expansion and retention, including business incubation and entrepreneurship; create, monitor and execute a comprehensive economic and workforce strategy; manage and administer economic development and workforce programs; provide statewide marketing leadership; utilize all means necessary, prudent and practical to integrate private sector-based innovation, flexibility, focus and responsiveness; and advance public policy to meet its objectives.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,473.1 | 31,500.0 | 31,500.0 |
| Other Appropriated Funds | 3,403.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 76,114.6 | 54,254.1 | 41,948.0 |
| Program Total | 82,991.6 | 85,754.1 | 73,448.0 |
| FTE Positions | 105.6 | 56.0 | 49.7 |

Strategic Issues:

Issue 1 Creation of jobs and bringing investment to the State of Arizona

In an effort to create jobs and bring investment to the State of Arizona, the Arizona Commerce Authority will pursue several strategic strategies. Some of those strategies are the following:

1. Establish offices in Los Angeles and the San Jose/Bay area to identify, pursue, and secure business relocation and enhance opportunities for Arizona businesses. These offices will aggressively market the Arizona opportunity to California businesses looking to relocate.
2. Collaborate with Arizona State University and Sichuan American University to establish a geographical presence in China. Expected to open sometime next year, this Arizona Commerce Authority office will help further the growth of Arizona exports and attract foreign investment in the state.
3. Monetary allocation to support direct business creation and expansion in Arizona's rural communities. The Arizona Commerce Authority will establish offices in Flagstaff and Tucson to support statewide efforts and coordinate the expansion of Arizona agricultural exports to foreign markets.
4. Creation of a national and international representation of how Arizona is the most pro-business friendly environment. A private and public marketing and brand campaign, this program will center on the Arizona business opportunities, and highlight the state's natural resources and quality of life assets.

Issue 2 Collaboration with partners

In an effort to facilitate and leverage the strength of Arizona's economic development entities into a unified approach, the Arizona Commerce Authority will become a member and financial supporter of economic development partners and business groups. Some of these groups include

the Greater Phoenix Economic Council, Tucson Regional Economic Opportunity, and the Arizona Chamber of Commerce. The Arizona Commerce Authority will contribute resources to such partners, with a focus on coordination of strategies, marketing, and attraction efforts with local governments and recommendations on policy pursuits.

- ◆ **Goal 1** To create opportunities that increase market penetration of Arizona products and services. The Arizona Commerce Authority team encourages retention, expansion, and location of businesses across the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of companies participating in trade events | N/A | 225 | 225 |
| Number of substantive export and trade related technical assistance sessions provided to export-related, growth-potential companies and individuals | 0 | 200 | 200 |
| Number of trade events (trade shows, trade missions, conferences and workshops) | 0 | 80 | 80 |

- ◆ **Goal 2** To help create and retain higher paying jobs that support emerging and base industries in every region of the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of workers under contract to be trained | 0 | 10,000 | 11,000 |
| Number of companies assisted | 0 | 80 | 80 |
| Number of new jobs created as a result of grant program | 0 | 1100 | 1250 |
| Percent of Job Training funds distributed to small businesses | 0 | 9.0 | 9.5 |

- ◆ **Goal 3** To implement an effective apprenticeship training system designed to produce highly skilled workers that support emerging and base industries in every region of the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of active registered programs | 0 | 125 | N/A |
| Percentage of registered programs with rural employers | 0 | 35 | N/A |
| Number of workers in registered apprenticeship programs | 0 | 4200 | N/A |

- ◆ **Goal 4** To promote foreign investment in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Potential foreign investors attracted to Arizona for site visits | 0 | 14 | 14 |
| Foreign delegations served (attracted or assisted) | 0 | 13 | 13 |

- ◆ **Goal 5** To enhance awareness of Arizona as a premier state for business relocation and expansion activities in targeted industries that generates new company locates or expansion through out the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Jobs created by companies utilizing Arizona Commerce Authority business development programs | 0 | 10,000 | 10,000 |
| Average hourly wage rate per job | 0 | 19.00 | 19.00 |
| Number of new company relocations/expansions | 0 | 15 | 15 |
| Locate/expansion capital investments (in millions) | 0 | 412 | 412 |
| Number of companies recruited to rural locations | 0 | 5 | 5 |

| EPA 0.0 | Agency Summary |
|--------------------------------|----------------|
| DEPARTMENT OF COMMERCE | |
| Sandra Watson, Deputy Director | |
| Phone: (602) 771-1215 | |
| A.R.S. § 41-1501 | |

Mission:

To provide state leadership to create and retain quality jobs and strengthen Arizona's economic base.

Description:

As the State's principal economic development agency, the Department of Commerce, which is in the process of becoming the Arizona Commerce Authority, develops and implements the state's economic development plan directed at creating and retaining quality jobs statewide. Accordingly, the Department implements statewide strategies that promote Arizona's global competitiveness; facilitates the coordination of the state's workforce development system; supports the expansion of existing businesses, including small and minority-owned businesses; conducts targeted business attraction to enhance economic diversification; and promotes international trade and investment.

Agency Summary:

| | (\$ Thousands) | | |
|--------------------------------------|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADMINISTRATION AND RESEARCH | 4,422.8 | 0.0 | 0.0 |
| ➤ BUSINESS DEVELOPMENT | 15,843.6 | 0.0 | 0.0 |
| ➤ ENERGY DEVELOPMENT AND UTILIZATION | 62,725.2 | 0.0 | 0.0 |
| Agency Total: | 82,991.6 | 0.0 | 0.0 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 3,473.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,403.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 76,114.6 | 0.0 | 0.0 |
| Program Total | 82,991.6 | 0.0 | 0.0 |
| FTE Positions | 105.6 | 0.0 | 0.0 |

Strategic Issues:

Issue 1 *As of 06/30/2011 The Arizona Department of Commerce terminated and The Arizona Commerce Authority established 07/01/2011 thru HB2001.*

| EPA 1.0 | Program Summary |
|---------------------------------------|-----------------|
| ADMINISTRATION AND RESEARCH | |
| Wayne Holder, Chief Financial Officer | |
| Phone: (602) 771-1112 | |
| A.R.S. § 41-1504 | |

Mission:

To be a model of good government by providing strong leadership, clear direction, and quality support services that will enable the Agency to operate in an effective and efficient manner.

Description:

Administration and Finance supports the planning and operational needs of the Department by providing administrative guidance, services, and technical assistance to executive management and to all Department divisions.

This Program Contains the following Subprograms:

- ▶ Administration
- ▶ Research Administration

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 236.8 | 0.0 | 0.0 |
| Other Appropriated Funds | 377.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 3,809.0 | 0.0 | 0.0 |
| Program Total | 4,422.8 | 0.0 | 0.0 |
| FTE Positions | 41.5 | 0.0 | 0.0 |

| EPA 1.1 | Subprogram Summary |
|---------|------------------------------|
| | ADMINISTRATION |
| | Jerry Ewing, Deputy Director |
| | Phone: (602) 771-1162 |
| | A.R.S. §§ 41-1504 et. seq. |

Mission:

To be a model of good government by providing strong leadership, clear direction and quality support services that will enable the Agency to operate in an effective and efficient manner.

Description:

Administration supports the planning and operational needs of the Department by providing administrative guidance, services, and technical assistance to executive management and to all Department divisions. These services include accounting, human resources, information technology, planning and budget, procurement, and quality management of financial incentive programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 29.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 377.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,384.7 | 0.0 | 0.0 |
| Program Total | 1,790.8 | 0.0 | 0.0 |
| FTE Positions | 18.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide high-level, cost-effective customer service to Department of Commerce internal customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of surveys marked "very good" or "excellent" from annual survey of Administration Division's internal customers | 82 | na | na |

- ◆ **Goal 2** To provide the Department with reliable information systems.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|----------------|------------------|------------------|
| Percentage of network up-time | 99 | na | na |

| EPA 1.2 | Subprogram Summary |
|---------|--------------------------------------|
| | RESEARCH ADMINISTRATION |
| | William Schooling, State Demographer |
| | Phone: (602) 771-1179 |
| | A.R.S. §§ 41-1504, 41-1505 |

Mission:

To provide employment, economic, and demographic information, and federally-required data and analyses that enables sound policy and decision-making by Arizona state government, and communities, businesses, and residents of the state.

Description:

Research provides core services in: 1) demographic research and analysis, including constitutionally-required population estimates; 2) employment and unemployment data, and 3) strategic economic research, including occupation and industry projections. Information is made available to the public. Leaders in business and all levels of government use these data to assist in making informed decisions. In addition, Research provides population projections and maintains data partnerships with the Employment and Training Administration, the Bureau of Labor Statistics, and the Census Bureau.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 207.7 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,256.9 | 0.0 | 0.0 |
| Program Total | 2,464.6 | 0.0 | 0.0 |
| FTE Positions | 22.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure information and resources that are strategic, timely, useful and relevant to stakeholders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of stakeholders who rated Research information they received as very or extremely useful, timely, and relevant | 85 | na | na |
| Number of reports in on-line economic clearinghouse database | 800 | na | na |
| Number of Populations Statistics Unit Page website hits | 26503 | na | na |
| Number of Labor Market Information training and presentations statewide. | 9 | na | na |
| Number of Labor Market Information website visits. | 206598 | na | na |

| EPA 2.0 | Program Summary |
|---------|--|
| | BUSINESS DEVELOPMENT |
| | Sandra Watson, Assistant Deputy Director |
| | Phone: (602) 771-1215 |
| | A.R.S. §§ 41-1504 et. seq. |

Mission:

To enhance Arizona's global competitiveness, creating jobs and a higher standard of living for Arizonans.

Description:

The Business Development team works with strategic partners and provides leadership that increases the retention, expansion, and location of businesses across the state. Commerce provides a single point of contact and promotes all of Arizona as a great place to do business. The Business Development team supports the expansion of existing businesses, including small, minority-, and women-owned businesses; conducts targeted business attraction focused on Arizona's key industries; promotes international trade and investment; and facilitates innovative and technology-based companies to enhance economic diversification and create high-quality jobs.

This Program Contains the following Subprograms:

- ▶ Business Assistance Center
- ▶ Business Development Finance
- ▶ Job Training
- ▶ Apprenticeship Service
- ▶ Motion Picture Development

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-----------------|------------------|-----------------|
| General Funds | 3,236.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,026.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 9,580.4 | 0.0 | 0.0 |
| Program Total | 15,843.6 | 0.0 | 0.0 |
| FTE Positions | 35.1 | 0.0 | 0.0 |

| EPA 2.1 | Subprogram Summary |
|---------|--------------------------------|
| | BUSINESS ASSISTANCE CENTER |
| | Sandra Watson, Senior Director |
| | Phone: (602) 771-1215 |
| | A.R.S. §§ 41-1504 et. seq. |

Mission:

To promote the development and expansion of small, minority-, and women-owned businesses.

Description:

The Small Business Services team serves as the primary liaison and service provider for small business development in Arizona by providing information, resources and assistance to entrepreneurs, government agencies, and business organizations that are focused on small, minority-, and women-owned business endeavors.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,362.7 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,414.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 5,659.9 | 0.0 | 0.0 |
| Program Total | 9,436.9 | 0.0 | 0.0 |
| FTE Positions | 17.3 | 0.0 | 0.0 |

- ◆ **Goal 1** To serve as the primary source of information to assist and enable small business growth statewide.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of responses to inquiries (includes phone, walk-in, mail, fax and online program, and emails) | 83,400 | na | na |

- ◆ **Goal 2** To create opportunities that increase market penetration of Arizona products and services internationally. The Business Development team encourages retention, expansion, and location of businesses across the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of substantive export and trade related technical assistance sessions provided to export-ready, growth-potential companies and individuals | 126 | na | na |
| Number of trade events (trade shows, trade missions, conferences and workshops) | 49 | na | na |
| Number of companies participating in trade events | 213 | na | na |
| Percentage of companies rating service as "important" or "very important" to the ability of their business to access foreign markets | na | na | na |
| Customer satisfaction rating for business development program (Percentage rating services as good or excellent). | na | na | na |

- ◆ **Goal 3** To promote foreign investment in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Potential foreign investors attracted to Arizona for site visits | 26 | na | na |

- ◆ **Goal 4** To enhance awareness of Arizona as a premier state for business relocation and expansion activities in targeted industries.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of companies recruited to rural locations | 3 | na | na |
| Locate/expansion capital investment (in millions) | 1,303 | na | na |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Average hourly wage rate per job | 19.00 | na | na |
| Explanation: Based on companies receiving business development assistance. | | | |
| Jobs created by companies utilizing Commerce Business Development programs | 10634 | na | na |
| Number of new company relocations, expansions | 30 | na | na |

- ◆ **Goal 5** To enhance technical and financial resources of stakeholders in rural Arizona to strengthen statewide economic and community vitality.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of REDI-certified (rural) communities currently implementing local/regional economic development efforts | na | na | na |
| Number of active Main Street communities implementing strategic plans | na | na | na |

| EPA 2.2 | Subprogram Summary |
|---------|--|
| | BUSINESS DEVELOPMENT FINANCE |
| | Sandra Watson, Assistant Deputy Director |
| | Phone: (602) 771-1215 |
| | A.R.S. § 41-1504 |

Mission:

To provide quality management of financial incentive programs and offer technical expertise in support of the Agency's economic development goals.

Description:

The Department of Commerce is statutorily responsible for numerous economic development finance and tax programs which are administered by the Finance and Investment Division. These programs include management of the State's federal private activity bond volume cap, Enterprise and Military Reuse Zones, the Greater Arizona Development Authority, Commerce and Economic Development Commission, Economic Strengths Projects, and five tax credits (small business opportunity, motion picture, healthy forest, commercial solar and military restructuring). The Division processes applications, certifies/approves applicants according to statutory requirements, provides technical assistance, and maintains public and confidential records.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 689.6 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,612.6 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,302.2 | 0.0 | 0.0 |
| FTE Positions | 4.6 | 0.0 | 0.0 |

- ◆ **Goal 1** To administer the Private Activity Bond program fairly and consistently.

- ◆ **Goal 2** To administer the Enterprise Zone program fairly and effectively.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Total number of jobs created by companies participating in the Enterprise Zone program | 3890 | na | na |
| Capital investment made by companies participating in Enterprise Zone program (property tax and income tax programs) (in millions) | 1348 | na | na |

| EPA 2.3 | Subprogram Summary |
|---------|--|
| | JOB TRAINING |
| | Sandra Watson, Assistant Deputy Director |
| | Phone: (602) 771-1215 |
| | A.R.S. §§ 41-1541 to 41-1544 |

Mission:

To promote economic prosperity by providing qualified businesses with the resources to train and develop Arizona’s workforce.

Description:

The Arizona Department of Commerce Job Training Program is a job-specific reimbursable grant program that supports the design and delivery of customized training to meet specific needs of employers, create new jobs and help increase the skill and wage levels of employees in Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 3,695.7 | 0.0 | 0.0 |
| Program Total | 3,695.7 | 0.0 | 0.0 |
| FTE Positions | 9.2 | 0.0 | 0.0 |

- ◆ **Goal 1** To help create and retain higher paying jobs that support emerging and base industries in every region of the State.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of companies assisted | 55 | na | na |
| Number of workers under contract to be trained | 11,954 | na | na |
| Explanation: Forecasted to go through training to increase their job skills. | | | |
| Number of new jobs created as a result of the grant program. | 1522 | na | na |
| The Job Training program was reactivated in October 2010, after being placed on hold for 22 months (January 2009 thru October 2010) due to budget sweeps. | | | |
| Percent of Job Training Funds distributed to Small Business. | 8.4 | na | na |
| The Job Training program was reactivated in October 2010, after being placed on hold for 22 months (January 2009 thru October 2010) due to budget sweeps. | | | |

| EPA 2.4 | Subprogram Summary |
|---------|--|
| | APPRENTICESHIP SERVICE |
| | Sandra Watson, Assistant Deputy Director |
| | Phone: (602) 771-1215 |
| | A.R.S. § 41-1504 |

Mission:

To ensure a vibrant registered apprenticeship program in Arizona that will contribute to the future growth and development of a quality workforce system in Arizona.

Description:

The Arizona Department of Commerce apprenticeship program assists employers in developing registered apprenticeships that address their labor needs to help them compete in the global economy. Apprenticeship programs provide structured training that combines on-the-job training with related theoretical and practical classroom instruction to prepare exceptional workers for Arizona’s industry.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 184.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 224.8 | 0.0 | 0.0 |
| Program Total | 408.8 | 0.0 | 0.0 |
| FTE Positions | 4.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To implement an effective apprenticeship training system designed to produce highly skilled workers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of active registered programs | 105 | na | na |
| Percentage of registered programs with rural employers | 28 | na | na |
| Number of workers in registered apprenticeship programs | 3,059 | na | na |

| EPA 2.6 | Subprogram Summary |
|---------|-------------------------------------|
| | MOTION PICTURE DEVELOPMENT |
| | Sandra Watson, Asst Deputy Director |
| | Phone: (602) 771-1215 |
| | A.R.S. §§ 41-1504 et. seq. |

Mission:

To enhance Arizona's film and visual arts production industry.

Description:

The Arizona Department of Commerce Film Office works to promote and develop the visual arts industry, and all of its components, throughout the State. It acts as a central point of contact to ensure that all of Arizona benefits from a strong visual arts industry. The Film Office's primary activities are to build the industry through collaborative partnerships with local film offices and industry groups, provide professional and timely assistance to film, television, and multimedia customers, work with government entities to streamline the production process, and promote the state as a great place to do business through unique branding, comprehensive web presence, and direct customer relationship building.

- ◆ **Goal 1** To enhance Arizona's imported film and visual arts production industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of projects attracted or facilitated | na | na | na |

| EPA 3.0 | Program Summary |
|---------|------------------------------------|
| | ENERGY DEVELOPMENT AND UTILIZATION |
| | Leisa Brug, Director |
| | Phone: (602) 771-1244 |
| | A.R.S. §§ 41-1504 et. seq. |

Mission:

To provide leadership on policy and programs that drive Arizona's sustainable energy development, economic prosperity, and security.

Description:

The Energy Office works in partnership with local governments, utilities, and other public and private organizations to implement and facilitate programs that will increase the efficient use of energy resources to ensure that energy resources remain available, reliable, and affordable. This office also manages new federal-state energy programs created through ARRA.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 62,725.2 | 0.0 | 0.0 |
| Program Total | | 62,725.2 | 0.0 | 0.0 |
| FTE Positions | | 29.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To strengthen existing and build new partnerships with government entities, businesses and industry, and community groups that result in sustainable energy development, economic prosperity, and security.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Estimated present value of energy/dollars saved (in millions) by encouraging the incorporation of building science principles | 124 | na | na |
| Number of rural communities participating in the Municipal Energy Management Program/Community Energy Program. | na | na | na |
| British Thermal Units (in billions) displaced with energy efficiency and renewals to energy projects in cities and counties. | na | na | na |
| Kilowatt Hours (in millions) produced annually from renewable energy systems installed. | na | na | na |

| CNA 0.0 | Agency Summary |
|---|----------------|
| CONSTABLE ETHICS STANDARDS AND TRAINING | |
| Jesse Bolinger, Chairman | |
| Phone: (602) 252-6563 | |
| A.R.S. 22-136 | |

Mission:

To regulate and support the performance of elected and appointed constables in Arizona.

Description:

The Constable Ethics Standards and Training Board is a citizen Board whose membership consists of a county manager, constables, a justice of the peace, a sheriff, a representative of the multi-housing industry, and a representative of the general public. As an entity, it works to regulate and support the performance of elected and appointed constables in Arizona through the active enforcement of a professional code of conduct and the issuance of grants for constable training & equipment.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 188.6 | 245.3 | 245.3 |
| Program Total | 188.6 | 245.3 | 245.3 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

Strategic Issues:

Issue 1 *The CNA will spend FY12 and FY13 refining the Constable Code of Conduct and will continue to improve upon ways to resolve citizen complaints against constables.*

The CNA will spend FY12 and FY13 refining the Constable Code of Conduct and will continue to improve upon ways to resolve citizen complaints against constables.

◆ **Goal 1** To revise the Arizona Constable Code of Conduct

◆ **Goal 2** To adopt rules governing the operation of the Board

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| The number of rules adopted in fiscal year | 0 | 1 | 0 |

◆ **Goal 3** To investigate and resolve complaints against constables

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| The number of citizen complaints against constables received by the Board | 15 | 12 | 12 |
| The number of citizen complaints against constables resolved by the Board | 14 | 13 | 12 |

◆ **Goal 4** To distribute grants for constable training & equipment

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------|----------------|------------------|------------------|
| The number of grants awarded | 17 | 25 | 25 |

◆ **Goal 5** To ensure compliance with constable training reporting requirements

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of constables reporting approved training | 53 | 75 | 75 |

| RGAs | Agency Summary |
|------|---------------------------|
| 0.0 | REGISTRAR OF CONTRACTORS |
| | William Mundell, Director |
| | Phone: (602) 542-1525 |
| | A.R.S. § 32-1101 |

Mission:

To promote quality construction by Arizona contractors through a licensing and regulatory system designed to protect the health, safety, and welfare of the public.

Description:

The Registrar of Contractors licenses, investigates, and seeks to resolve complaints against licensed and unlicensed contractors. The agency also administers the Residential Contractors' Recovery Fund, which reimburses residential property owners for poor workmanship or non-performance by a licensed residential contractor.

| Agency Summary: | (\$ Thousands) | | |
|----------------------|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ REGULATORY AFFAIRS | 7,904.2 | 12,002.7 | 12,002.7 |
| ➤ RECOVERY FUND | 6,160.4 | 4,952.2 | 10,952.2 |
| Agency Total: | 14,064.6 | 16,954.9 | 22,954.9 |

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 7,904.2 | 12,002.7 | 12,002.7 |
| Other Non Appropriated Funds | | 6,160.4 | 4,952.2 | 10,952.2 |
| Program Total | | 14,064.6 | 16,954.9 | 22,954.9 |
| FTE Positions | | 152.8 | 152.8 | 152.8 |

Strategic Issues:

Issue 1 Efficient Delivery of Services

Current agency procedures for issuing and renewing licenses, investigating complaints, and providing financial reimbursement through the Recovery Fund are labor-intensive and lengthy in duration. To the extent possible under statute, and with respect for the legal requirements to ensure due process, the agency will identify and implement ways to streamline and simplify these operational processes to serve the public in a more timely manner.

| RGAs | Program Summary |
|------|--|
| 1.0 | REGULATORY AFFAIRS |
| | Tyler Palmer, Audit & Planning Manager |
| | Phone: (602) 771-6710 |
| | A.R.S. § 32-1101 |

Mission:

To protect the health, safety, and welfare of the public by ensuring regulations and workmanship standards governing residential and commercial construction are being enforced, while maintaining a high level of service to all stakeholders.

Description:

The program licenses and regulates residential and commercial contractors.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 7,904.2 | 12,002.7 | 12,002.7 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 7,904.2 | 12,002.7 | 12,002.7 |
| FTE Positions | | 144.8 | 144.8 | 144.8 |

- ◆ **Goal 1** To process applications for new and renewal licenses in an efficient, thorough and timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Applications received | 3,706 | 3,706 | 3,706 |
| Total number of contractors licensed in state | 56,050 | 56,050 | 56,050 |
| Average number of days from receipt of complete application to issuance | 36 | 36 | 36 |

- ◆ **Goal 2** To protect the health, safety, and welfare of the public by investigating acts of licensed contractors; and when warranted issuing corrective work orders and citations in a timely, fair and consistent manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Complaints received - licensed contractors | 5,427 | 5,427 | 5,427 |
| Total complaints closed through compliance | 3,762 | 3,762 | 3,762 |

- ◆ **Goal 3** To determine whether, after a timely review of a complaint, to issue a citation or impose discipline upon a contractor's license; and whether to assess penalties against an unlicensed contractor, while ensuring due process to all parties.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Total number of disciplinary license revocations and suspensions | 1,997 | 1,997 | 1,997 |
| Average number of days to process a claim for hearing | 78 | 78 | 78 |

- ◆ **Goal 4** To protect the health, safety, and welfare of the public by investigating unlicensed contracting and advertising violations; and when warranted taking action in the form of cease and desist orders, civil citations or criminal prosecution in a timely, fair and consistent manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of complaints received - unlicensed contractors | 1,725 | 1,725 | 1,725 |
| Average number of days per complaint from receipt to investigation completion | 27 | 27 | 27 |

- ◆ **Goal 5** To improve internal operational efficiency; enable accurate and timely generation of reports, electronic sharing of data, and exchange of information with other state agencies and

the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of calls to the call center answered within two minutes | 86 | 86 | 86 |

| RGAs | Program Summary |
|------|--|
| 2.0 | RECOVERY FUND Wilma Dengavi, Assistant Director - Administration Phone: (602) 542-1525 A.R.S. § 32-1131 |

Mission:

To provide a measure of reimbursement to consumers who have been injured by an act, representation, transaction or conduct of a licensed residential contractor.

Description:

The Residential Contractors' Recovery Fund was established to assist persons who have hired licensed residential contractors in the recovery of monetary damages as a direct result of a violation by the contractor. The fund pays a maximum of \$30,000 per homeowner. The maximum payout per residential contractor's license is \$200,000.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 6,160.4 | 4,952.2 | 10,952.2 |
| Program Total | 6,160.4 | 4,952.2 | 10,952.2 |
| FTE Positions | 8.0 | 8.0 | 8.0 |

- ◆ **Goal 1** To provide equitable financial restitution, in a timely manner, to persons financially injured as a result of workmanship of a licensed residential contractor.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------|-------------------|---------------------|---------------------|
| Claims closed with payout | 527 | 527 | 527 |

| | |
|--|-----------------------|
| CCA 0.0 | Agency Summary |
| CORPORATION COMMISSION | |
| Ernest G. Johnson, Executive Director | |
| Phone: (602) 542-3931 | |
| Arizona Constitution Article XV, A.R.S. § 40-101 et seq. | |

Mission:

To exercise exclusive state regulatory authority over public service corporations (public utilities) in the public interest; to grant corporate status and maintain public records; to ensure the integrity of the securities marketplace; and to foster the safe operations of railroads and gas pipelines in Arizona.

Description:

The Corporation Commission was established by Article 15 of the State Constitution and is composed of five elected Commissioners. Commissioners are currently serving terms that expire in 2012 or 2014. The seats are staggered in four-year terms. Staffing is provided in seven divisions, each headed by a division director serving under the Commission's Executive Director, who is the chief executive officer and responsible for the day-to-day operations of the divisions. The Commission's primary responsibilities include reviewing and establishing public utility rates, regulating the sale of securities, ensuring pipeline and railroad safety, and administering the Arizona Corporations Code. The Commission also serves as the repository of corporate annual reports and other publicly available documents filed by corporations in accordance with state law.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|-----------------------------|-------------------|---------------------|--------------------|
| ➤ ADMINISTRATION | 3,031.3 | 2,925.1 | 3,275.1 |
| ➤ HEARINGS | 1,525.2 | 1,547.5 | 1,997.7 |
| ➤ CORPORATIONS | 4,018.5 | 4,120.7 | 4,120.7 |
| ➤ SECURITIES | 4,330.7 | 4,363.0 | 4,363.0 |
| ➤ RAILROAD SAFETY | 613.7 | 586.4 | 586.4 |
| ➤ PIPELINE SAFETY | 1,744.9 | 1,530.3 | 1,530.3 |
| ➤ UTILITIES | 5,746.3 | 5,729.2 | 6,495.3 |
| ➤ LEGAL | 1,766.9 | 1,797.4 | 2,197.6 |
| ➤ INFORMATION TECHNOLOGY | 2,186.7 | 2,212.8 | 2,433.0 |
| Agency Total: | 24,964.2 | 24,812.4 | 26,999.1 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 619.9 | 511.4 | 511.4 |
| Other Appropriated Funds | 23,142.0 | 23,360.7 | 25,586.1 |
| Other Non Appropriated Funds | 1,202.3 | 940.3 | 901.6 |
| Program Total | 24,964.2 | 24,812.4 | 26,999.1 |
| FTE Positions | 312.3 | 312.3 | 313.3 |

Strategic Issues:

Issue 1 *Continue modernization of Agency processes and service delivery to keep up with the rapid population growth of the constituency it serves.*

There are increasing demands on existing resources due not only to population growth, but from the growing number of difficult and complex issues the Commission is required to hear and rule upon. For example, the transition to competition in the telecommunications industries has resulted in the explosive growth in numbers of entities the Commission regulates. In addition, the Telecom Act of 1996 (TA96) imposes and delegates certain obligations on the Commission. These obligations and delegations require the Commission to arbitrate/mediate various issues that arise from interconnection agreements. This has led to an increase in applications for

arbitration between and among companies. In the long term, there will be a natural exiting of market participants due to competitive pressures and Commission resources may be sufficient. A similar transition in the electric industry has not occurred as previously expected. For various reasons, including the vacating of large portions of the electric competition rules by the courts, retail competition has not developed in the Arizona electric industry. Because of this the Commission has had to process traditional rate cases for electric utilities. Additionally, because of developments in the natural gas and wholesale electric power markets, the Commission has had to enhance its oversight of the actions of regulated utilities that participate in or may be impacted by market-related activities. Also, the Commission has identified revamping the resource planning process in Arizona and complying with the requirements of the Federal Energy Policy Act of 2005 as priorities.

Issue 2 *Develop and strengthen human resources within the Agency.*

In order to keep pace with increasing overall demands on existing Commission resources, the Agency needs to continue to fill critical vacant positions with quality personnel. In addition, the Commission needs to retain the valuable personnel currently on staff. Finally, the Commission should constantly seek to improve the abilities and capabilities of its personnel through on-going training and equipment (hardware and software) support.

| CCA 1.0 | Program Summary |
|---------|--|
| | ADMINISTRATION |
| | Kimberly Battista, Interim Administration Director |
| | Phone: (602) 542-0657 |
| | A.R.S. § 40-105 |

Mission:

To provide the executive leadership and decision-making authority for the timely resolution of matters coming before the Commission. To plan, coordinate and direct the administrative and fiscal activities necessary to support the Commissioners and all divisions of the Commission.

Description:

The Administration Division is composed of the five elected commissioners and their staff, the Executive Director's Office and the administrative functions, which provide the fiscal and administrative services necessary to support all divisions of the Corporation Commission. The chief executive officer of the Commission is the Executive Director, who serves at the pleasure of the Commissioners. He is assisted by the Administration Division Director (Deputy Executive Director), who oversees the administrative and fiscal functions of the Commission. The business office provides accounting, payroll, purchasing, and personnel support for the entire Commission. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 7.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,010.3 | 2,925.1 | 3,275.1 |
| Other Non Appropriated Funds | 14.0 | 0.0 | 0.0 |
| Program Total | 3,031.3 | 2,925.1 | 3,275.1 |
| FTE Positions | 29.0 | 29.0 | 29.0 |

- ◆ **Goal 1** To ensure all matters coming before the Commission are resolved in a timely manner, in accordance with administrative procedures.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of open meetings held | 63 | 65 | 65 |
| Agenda items considered | 547 | 550 | 550 |
| Claims processed | 1,510 | 1500 | 1500 |
| Revenue deposited with the Treasurer (in millions) | 60 | 62 | 65 |

- ◆ **Goal 2** To provide business services to all Divisions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------|----------------|------------------|------------------|
| Purchase orders issued | 199 | 250 | 250 |

| CCA 2.0 | Program Summary |
|---------|--------------------------------------|
| | HEARINGS |
| | Lyn A. Farmer, Chief Hearing Officer |
| | Phone: (602) 542-4250 |
| | A.R.S. § 40-243 to 40-255 |

Mission:

To preside over administrative hearings and procedural conferences concerning complex utility and securities matters, and to write and submit Proposed Opinion and Orders for the Commissioners' consideration at Open Meeting.

Description:

The Hearing Division exercises the Commission's authority to hold public evidentiary hearings on matters involving the regulation and deregulation of public service corporations, the sale of securities, and the registration of non-municipal corporations. Under the direction of the presiding hearing officer, the proceedings are conducted on a formal basis through the taking of direct testimony, the cross-examination of witnesses, the admission of documentary and other physical evidence, and the submission of oral arguments or post-hearing briefs. The Division is also responsible for Commission record-keeping through its Docket Control Center. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,525.2 | 1,547.5 | 1,997.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,525.2 | 1,547.5 | 1,997.7 |
| FTE Positions | 16.0 | 16.0 | 16.0 |

- ◆ **Goal 1** To conduct fair and impartial hearings, and to propose timely, factually, and legally sound Orders for the Commissioners' consideration.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Rehearings granted - Hearing Officer's error | 0 | 0 | 0 |
| Procedural Orders issued | 531 | 600 | 600 |
| Proposed Orders issued | 155 | 155 | 155 |

- ◆ **Goal 2** To provide timely and efficient docket services to regulated utilities and consumers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Open Meeting items processed | 1,220 | 1,200 | 1,200 |
| Filings docketed (in thousands) | 9 | 9 | 9 |
| Number of Decisions | 700 | 700 | 700 |

| CCA 3.0 | Program Summary |
|--|-----------------|
| CORPORATIONS | |
| Patricia L. Barfield, Interim Director | |
| Phone: (602) 542-3521 | |
| A.R.S. Title 10 | |

Mission:

To approve corporate names and grant corporate or limited liability company status to entities organizing under the laws of the State of Arizona; to approve applications from foreign corporations and limited liability companies to transact business in this State; to collect annual reports from all corporations of record; and to maintain corporate and limited liability company records for the benefit of public record and service of process.

Description:

The Corporations Division is comprised of five sections (Annual Reports, Corporate Filings, Records, Call Center, Initial Processing). The Division also has a few staff members in the Tucson office of the Corporation Commission to provide some services to the residents of Southern Arizona.

The Corporations Division approves for filing all articles of incorporation, amendments to articles, mergers, consolidations, withdrawals, and dissolutions for Arizona corporations; approves corporate and limited liability company (LLC) names; approves all articles of organization, amendments, changes and terminations for LLCs; grants authority to foreign corporations and LLCs transacting business in this State; propounds interrogatories when necessary; and may administratively dissolve or revoke corporations and LLCs that do comply with specific provisions of Arizona law.

The Division collects from every corporation an annual report reflecting the current statutory agent, corporate address, amount of stock issued (for-profits), lists of officers and directors, Certificate of Disclosure, Statement of Bankruptcy. The Division updates the corporation's public record with information provided by the annual report and also when amendments or changes are submitted by the corporation. The Division must maintain all information on corporations and LLCs in a data format conducive to public access; respond to public questions concerning Arizona corporations and LLCs; and respond to the needs of the business sector by disseminating information. The Division has limited investigatory powers and no regulatory authority. Arizona corporations and LLCs, however, may be administratively dissolved if certain statutory requirements are not met. Likewise, the authority of foreign (non-Arizona) corporations or LLCs to transact business in Arizona may be administratively revoked. The Division acts as an agent for Arizona corporations and limited liability companies whenever either entity does not maintain a statutory agent or when the agent cannot be located. In these instances, services of process directed to the entity are accepted by the Records Section on behalf of the entity. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,018.5 | 4,120.7 | 4,120.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 4,018.5 | 4,120.7 | 4,120.7 |
| FTE Positions | 79.5 | 79.5 | 79.5 |

- ◆ **Goal 1** To provide customers with timely processing of their business documents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of expedited requests achieved within 5 business days | 100 | 100 | 100 |
| Percent of regular requests achieved within 30 business days | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Range of days to process expedited requests - corporate filings | 2-8 | 2-5 | 2-5 |
| Range of weeks to process regular requests - Corporate Filings | 5-7 | 4-6 | 3-6 |
| Total active corporations and Limited Liability Corporations recorded | 678,983 | 685,000 | 685,000 |
| Total filings | 351,966 | 365,000 | 365,000 |
| Average turnaround time (days) for normal Annual Reports | 26 | 26 | 26 |
| Average turnaround time (days) for expedited Annual Reports | 2 | 2 | 2 |
| Annual reports filed | 137,614 | 170,000 | 170,000 |
| Number of e-filed Annual Reports | 96,922 | 120,000 | 120,000 |

- ◆ **Goal 2** To provide customers the most expedient public information services possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Division-wide incoming calls for corporate filings and records, annual reports, and calls to Tucson office | 149,163 | 165,000 | 165,000 |
| Division-wide calls answered | 123,184 | 140,000 | 140,000 |
| Days to process expedited requests - Records Section | 1-3 | 1-3 | 1-3 |
| Days to process regular requests - Records Section | 5-7 | 5-7 | 5-7 |
| Mail and counter work orders | 31,235 | 33,000 | 33,000 |
| Number of web site hits (in thousands) | 98,349 | 65,000 | 65,000 |
| Corps. Homepage hits (in thousands) | 3,805 | 3,000 | 3,000 |
| Explanation: Changed count from "hundreds" to "thousands" in FY08. | | | |
| Corp. Filings Forms (in thousands) | 2,115 | 1,200 | 1,200 |
| Annual Report Hits (in thousands) | 93 | 275 | 275 |
| Corp Records images (in thousands) | 65 | 16 | 16 |
| Total number of image downloads (in thousands) | 15,076 | 16,000 | 16,000 |

- ◆ **Goal 3** To streamline and improve internal customer-related administrative/ operational functions

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total mail received - division-wide, including faxes | 139,232 | 150,000 | 150,000 |
| Initial Processing Section documents scanned | 231,703 | 290,000 | 290,000 |
| Division checks processed | 105,660 | 110,000 | 110,000 |

- ◆ **Goal 4** To expand training opportunities for division staff members.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| General in-house class hours | 109 | 150 | 150 |
| Class hours per full-time equivalent (FTE) | 1.79 | 2.5 | 2.5 |

- ◆ **Goal 5** To continually improve customer service and customer satisfaction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Overall satisfaction score from customer surveys on a 8.0 scale | 7.7 | 7.8 | 7.8 |
| Explanation: (on scale of 1-8; 8=high) | | | |

| CCA 4.0 | Program Summary |
|---------|------------------------------|
| | SECURITIES |
| | Matthew Neubert, Director |
| | Phone: (602) 542-0605 |
| | A.R.S. §§ 44-1801 to 44-2041 |

Mission:

To ensure the integrity of the securities marketplace through investigative actions as well as the registration and/or oversight of securities, securities dealers and brokers, investment advisers, and their representatives; to enhance legitimate capital formation; and to minimize the unnecessary burden and expense of regulatory compliance by legitimate businesses.

Description:

The Division consists of four sections: Registration and Compliance, General Counsel, Enforcement, and Administrative Support. The Division reviews prospective offerings of securities to ascertain that full and fair disclosure is made to potential securities investors and that the terms of offerings are not inherently fraudulent. Securities dealers and salespersons are required to register with the Division. Investment advisers and their representatives are required to be licensed by the Division unless exempt. The Division reviews these applications and monitors the conduct of dealers and salespersons, investment advisers, and their representatives and investigates possible violations. Where the evidence warrants, the Division brings administrative, civil, or criminal enforcement actions. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,308.8 | 4,363.0 | 4,363.0 |
| Other Non Appropriated Funds | 21.9 | 0.0 | 0.0 |
| Program Total | 4,330.7 | 4,363.0 | 4,363.0 |
| FTE Positions | 55.3 | 55.3 | 55.3 |

- ◆ **Goal 1** To ensure that registered securities offered to public investors are structured fairly and equitably and fully disclose all information necessary for an investor to make an informed decision.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of applications/filings | 24,423 | 20,000 | 20,000 |
| Number of registrations/exemptions | 25,782 | 21,000 | 21,000 |
| Number of exemptions (Rule 126) | 1,259 | 1,500 | 1,500 |
| Number of months required to review applications | 1.5 | 1.5 | 1.5 |
| Number of other exemptions | 100 | 100 | 100 |
| Number of name changes | 2,082 | 2,000 | 2,000 |
| Number of dealer examinations | 5 | 15 | 15 |
| Number of dealer registrations | 2,104 | 2,000 | 2,000 |
| Number of salesman registrations | 172,478 | 175,000 | 175,000 |
| Number of IA registrations | 395 | 350 | 350 |
| Number of IAR registrations | 5,533 | 4,000 | 4,000 |
| Number of IA examinations | 28 | 35 | 35 |
| Number of Public Educational Programs | 45 | 55 | 55 |
| Number of Legislative initiatives | 0 | 0 | 0 |
| Number of training programs | 5 | 5 | 5 |
| Number of legal research & analysis projects | 54 | 50 | 50 |

- ◆ **Goal 2** To reduce the public investor losses and protect Arizona's reputation from damage caused by fraudulent sales and services peddled to victims by unlicensed and unregistered frauds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of complaints | 306 | 250 | 250 |
| Enforcement action: number of investigations initiated | 38 | 45 | 45 |
| Enforcement action: number of subpoenas issued | 332 | 300 | 300 |
| Commission Order: Number of Cease and Desist Orders | 49 | 35 | 35 |
| Commission Order: Fines- Number of Respondents | 105 | 50 | 50 |
| Commission Order: Restitution - Number of Respondents | 77 | 40 | 40 |
| Number of civil cases initiated | 1 | 2 | 2 |
| Number of indictments - True Bills | 6 | 7 | 7 |
| Number of civil proceedings closed | 0 | 3 | 3 |
| Number of civil proceedings open at year end | 5 | 2 | 2 |
| Total examinations under oath | 43 | 50 | 50 |
| Number of cases to hearing | 7 | 5 | 5 |
| Administrative Proceedings: Number Respondents | 102 | 45 | 45 |
| Number of administrative proceedings initiated | 35 | 20 | 20 |
| Civil Proceeding Initiated : Number of Defendants | 42 | 5 | 5 |
| Number Criminal Defendants - Indicted | 10 | 10 | 10 |
| Number of Criminal Restitution Orders | 10 | 8 | 8 |
| Number of Defendant Pleas and Convictions | 7 | 8 | 8 |
| Number of Investigations Closed | 50 | 50 | 50 |
| Number of Investigations Open at Year End | 69 | 70 | 70 |
| Number of Respondents: Commission Orders | 134 | 65 | 65 |

| CCA 5.0 | Program Summary |
|---------|------------------------------|
| | RAILROAD SAFETY |
| | Steve Olea, Interim Director |
| | Phone: (602) 542-7270 |
| | A.R.S. §§ 42-201 et. seq. |

Mission:

To ensure that the citizens of Arizona as well as railroad employees throughout the State have a Railroad System that is operated and maintained in as safe a manner as possible.

Description:

The Railroad Safety Section is responsible for inspection activities on both intrastate and interstate railroads operating in Arizona. Inspection activities are carried out under the authority of the federal government by way of an Interagency Agreement between the Commission and the Federal Railroad Administration (FRA). It is through this agreement that the Commission's Rail Safety Staff obtains the authority to fulfill its mission objectives.

Under the terms of the agreement, Commission Inspectors must be FRA certified. Inspectors conduct inspections, informing railroads of any defects that are found. Defects must be corrected and verified by a re-inspection. If an inspector finds that defects were not corrected and no effort was made to address the problem, he/she may submit a federal violation against the company. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 610.8 | 511.4 | 511.4 |
| Other Appropriated Funds | 2.9 | 75.0 | 75.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 613.7 | 586.4 | 586.4 |
| FTE Positions | 6.0 | 6.0 | 6.0 |

- ◆ **Goal 1** To promote and ensure the safe operation of Arizona railroads.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------------|----------------|------------------|------------------|
| Miles of railroad track inspected | 1,150 | 1,200 | 1,200 |
| Freight cars inspected | 2,183 | 2,500 | 2,500 |
| Locomotive units inspected | 160 | 160 | 160 |
| Operating practices inspections | 0 | 0 | 0 |
| Hazardous materials inspections | 3,219 | 3,300 | 3,300 |
| Grade crossing inspections | 187 | 250 | 250 |
| Industrial spur track inspections | 6 | 10 | 10 |
| Federal violations filed | 16 | 25 | 25 |
| Deraillments | 23 | 20 | 20 |
| Number of grade crossing accidents | 19 | 25 | 25 |
| Other accidents | 3 | 2 | 2 |
| Grade crossing complaints | 28 | 30 | 30 |
| Other complaints | 11 | 15 | 15 |
| Operation Lifesaver presentations | 5 | 3 | 3 |
| HazMat Accidents/Incidents | 13 | 12 | 12 |

- ◆ **Goal 2** To ensure rail/highway grade crossings safety.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------------|----------------|------------------|------------------|
| Grade crossings improved | 7 | 10 | 10 |
| New Grade Crossings Installed | 1 | 1 | 1 |
| Signal & Train control inspections | 14 | 15 | 15 |
| Signal system components inspected | 486 | 550 | 550 |

| CCA 6.0 | Program Summary |
|---------|------------------------------|
| | PIPELINE SAFETY |
| | Steve Olea, Interim Director |
| | Phone: (602) 542-7270 |
| | A.R.S. §§ 42-201 et. seq. |

Mission:

To enforce federal and state pipeline safety regulations and to provide training and guidance to pipeline operators to ensure safe operation of pipeline facilities. To enforce the Arizona Underground Facilities Law and to provide training to facility owners and excavators in an attempt to reduce damage to underground facilities and to eliminate personal injuries and deaths associated with underground facilities.

Description:

The Pipeline Safety Office maintains staff in Phoenix, Tucson, Prescott, and Flagstaff. The Office has the responsibility for the inspection of all intrastate pipeline operators within the State of Arizona. The Office also has the responsibility to enforce the Arizona Underground Facilities Law and to provide training to facility owners and excavators. The Office conducts training classes for operators of master meter gas systems and maintains a natural gas equipment loan-out program to assist them in complying with Pipeline Safety regulations. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 869.8 | 900.0 | 900.0 |
| Other Non Appropriated Funds | 875.1 | 630.3 | 630.3 |
| Program Total | 1,744.9 | 1,530.3 | 1,530.3 |
| FTE Positions | 16.0 | 16.0 | 16.0 |

- ◆ **Goal 1** To protect the public and the environment by providing the highest level of pipeline safety awareness.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Fines collected (in thousands) | 34 | 50 | 50 |
| Total intrastate inspections | 99 | 80 | 80 |
| Violations: Intrastate (major operators only) | 142 | 165 | 165 |
| Violations: Master Meter | 1,231 | 1,189 | 1,189 |
| Total master meter inspections | 1,238 | 1,329 | 1,329 |
| Total number of code compliance inspections | 1,346 | 1,410 | 1,410 |
| Total Bluestake violations written | 96 | 100 | 100 |
| Random Bluestake inspections | 135 | 60 | 60 |
| Seminars/Public awareness meetings held | 24 | 28 | 28 |
| Investigated incidents | 226 | 272 | 272 |
| Total number of Interstate pipeline safety violations | 2 | 0 | 0 |
| Total interstate inspections | 9 | 15 | 15 |

- ◆ **Goal 2** To ensure the pipeline operators in Arizona operate gas pipeline systems as safely as possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total intrastate violations corrected (major operators only) | 153 | 100 | 100 |
| Major pipeline operators training classes held | 0 | 2 | 2 |
| Master Meter training classes held/persons attending | 16/223 | 16/268 | 16/268 |
| Bluestake training classes held/persons attending | 40/2,200 | 36/2,000 | 36/2,000 |
| Total master meter violations corrected | 1,411 | 1,237 | 1,237 |

- ◆ **Goal 3** To receive and maintain an interagency agreement with the

Federal Dept. of Transportation to ensure safe operations of interstate pipeline.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Renewal of interstate agreement for gas and liquid | 2 | 2 | 2 |

- ◆ **Goal 4** To maintain and improve the professional skills of the ACC pipeline staff.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Development/updating of training courses for staff | 6 | 6 | 6 |

| CCA 7.0 | Program Summary |
|---------|--------------------------|
| | UTILITIES |
| | Steve Olea, Director |
| | Phone: (602) 542-4251 |
| | A.R.S. § 40-201 et. seq. |

Mission:

To conduct research and analysis and provide recommendations to the elected commissioners on all matters relating to the regulation of public service corporations (public utilities) under the state constitution and statutes to ensure their actions are consistent with the public interest.

Description:

The Utilities Division carries out its responsibilities through five organizational sections: Finance and Regulatory Analysis, Telecom and Energy, Engineering, Compliance, and Consumer Services. The Utilities Division makes specific recommendations to the Commissioners to assist them in reaching decisions regarding public utility rates, financial condition and quality of service for approximately 670 traditional utilities. The Division implements the Commission rules for deregulation of segments of the telecommunications and electric industries. The Division conducts research, presents evidence in hearings, and contracts with utility rate analysts and expert witnesses in carrying out its responsibilities. The Division also monitors compliance with Commission decisions. The staff conducts public workshops and other public proceedings on various regulatory topics. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 2.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 5,452.9 | 5,419.2 | 6,224.0 |
| Other Non Appropriated Funds | 291.3 | 310.0 | 271.3 |
| Program Total | 5,746.3 | 5,729.2 | 6,495.3 |
| FTE Positions | 71.0 | 71.0 | 71.0 |

- ◆ **Goal 1** To ensure that utility service within the Commission's jurisdiction is available to all consumers at authorized rates.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|-------------------|---------------------|---------------------|
| Utilities regulated | 631 | 625 | 600 |
| Rate cases completed | 52 | 50 | 50 |
| Tariff applications processed | 165 | 160 | 170 |

- ◆ **Goal 2** To promote the transition of the telecommunications and electricity generation markets from the current regulated monopoly structure to one of competition while ensuring safe and reliable service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| CLEC applications filed | 12 | 10 | 10 |
| Reseller applications filed | 4 | 10 | 10 |
| Certifications processed: CLECs | 14 | 12 | 12 |
| Certifications processed: Resellers | 9 | 15 | 15 |
| CLEC interconnection agreements processed | 43 | 50 | 50 |

- ◆ **Goal 3** To maximize the Division's operating efficiency through modernization of electronic processing and enhancing the Division's information technology.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Consumer complaints/requests submitted electronically | 10,331 | 10,500 | 10,500 |

- ◆ **Goal 4** To maintain public involvement, accessibility, and regulatory oversight by conducting workshops, forums, and community outreach programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|-------------------|---------------------|---------------------|
| Number of public awareness functions | 45 | 45 | 45 |
| Number of water workshops | 6 | 5 | 5 |
| Number of electric workshops | 12 | 10 | 10 |

| CCA 8.0 | Program Summary |
|---------|------------------------------|
| | LEGAL |
| | Janice Alward, Chief Counsel |
| | Phone: (602) 542-6029 |
| | A.R.S. § 40-106 |

Mission:

To provide legal representation to the Corporation Commission in the performance of all of its powers and duties, except for matters pertaining to the activities of the Securities Division.

Description:

Matters handled by the Legal Division fall into five general categories: Commission dockets; federal regulatory dockets; litigation; other administrative matters; and special projects. The Legal Division represents the Commission in all matters relating to public utility-rate setting, and in other areas not associated with the Securities Division. Securities-related legal cases are litigated by the Attorney General's Office. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,766.9 | 1,797.4 | 2,197.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,766.9 | 1,797.4 | 2,197.6 |
| FTE Positions | 19.5 | 19.5 | 19.5 |

◆ Goal 1 To provide efficient, high-quality legal representation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Education and training expenditures (\$) | 1,544 | 6,720 | 6,720 |
| Attorney legal education classes completed | 14 | 6 | 6 |
| Job-related education classes for attorneys | 90 | 37 | 37 |
| Classes completed: job-related education for support staff | 24 | 3 | 3 |
| Classes completed: other education | 39 | 0 | 0 |
| Expenditures on advanced research tools | 32,354 | 34,000 | 34,000 |

◆ Goal 2 To provide high-quality representation in administrative matters before the Corporation Commission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Docketed matters handled | 494 | 500 | 500 |
| Administrative hearing days handled by the Legal Division | 23 | 100 | 100 |
| Orders to Show Cause prepared by the Legal Division | 2 | 1 | 1 |
| Formal complaints prepared by the Legal Division | 1 | 1 | 1 |
| Discovery/Data Requests/ Responses/ Oppositions prepared | 247 | 450 | 450 |
| Motions, Briefs, & other pleadings prepared | 239 | 350 | 350 |

◆ Goal 3 To provide high-quality representation in Judicial matters before various courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Commission actions appealed to courts | 7 | 3 | 3 |
| Motions, briefs and other pleadings filed in courts | 19 | 20 | 20 |

◆ Goal 4 To provide high-quality legal advice to the Commission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

| | | | |
|--|-----|-----|-----|
| Open/Special Open Meetings attended by Legal counsel | 65 | 65 | 65 |
| Explanation: On numerous occasions, more than 1 staff member attend. | | | |
| Line Siting hearing days attended by counsel | 0 | 23 | 23 |
| Explanation: On numerous occasions, more than 1 staff member attend. | | | |
| Commission Staff Meetings attended by counsel | 13 | 35 | 35 |
| Explanation: On numerous occasions, more than 1 staff member attend. | | | |
| Commission hearing days attended by counsel | 162 | 135 | 135 |

| CCA 9.0 | Program Summary |
|-------------------------------------|-----------------|
| INFORMATION TECHNOLOGY | |
| Clark Lathrum, IT Division Director | |
| Phone: (602) 542-0671 | |
| A.R.S. § 40-105 (B)(2) | |

Mission:

To provide accurate, efficient, and timely technology design, development, implementation, communications and maintenance support services to the agency and its respective divisions.

Description:

The Information Technology Division provides technology services and support such as application development, network services, hardware support, and project management for the entire Commission. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,186.7 | 2,212.8 | 2,433.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,186.7 | 2,212.8 | 2,433.0 |
| FTE Positions | 20.0 | 20.0 | 21.0 |

- ◆ **Goal 1** To provide electronic interaction effectively with the public and other governmental entities. In addition, to implement effective protocols, software, and communication with the public to allow them to retrieve and submit data, forms, and all other documents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of website hits to databases (in millions) | 85.4 | 90 | 100 |
| Number of entities available via the internet (in thousands) | 682 | 700 | 725 |
| Number of dockets available via the internet | 16.9 | 17 | 18 |
| Number of filings submitted electronically to the ACC (in thousands) | 333.6 | 350 | 400 |
| Streaming Audio listening time hours (in thousands) | 3.1 | 23 | 23 |

- ◆ **Goal 2** To use information technologies effectively to enhance intra-agency communications

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of hits to agency intranet pages (in thousands) | 3,045.6 | 3,200 | 3,500 |
| Percentage of staff using electronic document management integrated with business processes. | 60 | 65 | 70 |

- ◆ **Goal 3** To improve employees' preparation to use technology and react to their job-specific needs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of staff in attendance at IT-related training classes | 64 | 70 | 70 |
| Number of staff in attendance at formal IT-related security classes | 15 | 20 | 20 |

| | |
|---------------------------|-----------------------|
| DCA 0.0 | Agency Summary |
| DEPARTMENT OF CORRECTIONS | |
| Charles L. Ryan, Director | |
| Phone: (602) 542-5225 | |
| A.R.S. § 41-1602 | |

Mission:

To serve and protect the people of Arizona by securely incarcerating convicted felons, by providing structured programming designed to support inmate accountability and successful community reintegration, and by providing effective supervision for those offenders conditionally released from prison.

Description:

The Department serves and protects the people of the state of Arizona by incarcerating inmates in correctional facilities and supervising conditionally released offenders in the community. During incarceration, welfare services and health care services including medical, nursing, dental, mental health, and pharmacy are provided to inmates. In addition, work, education, career training, substance abuse treatment, religious services, and recreation are provided to inmates to promote employability, literacy, sobriety, and accountability to crime victims and to increase the likelihood that released inmates will become law-abiding citizens upon release. In the community, the Department supervises offenders released from prison to serve the remainder of their sentence on community supervision. The Department also provides for the return to custody of those offenders who violate conditions of supervision and who represent a serious threat to the safety of the community.

| Agency Summary: | | (\$ Thousands) | | |
|----------------------------------|------------------|--------------------|--------------------|--|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request | |
| ➤ PRISON OPERATIONS AND SERVICES | 925,095.2 | 1,010,706.8 | 1,054,508.0 | |
| ➤ COMMUNITY CORRECTIONS | 13,893.8 | 16,127.4 | 16,692.4 | |
| ➤ ADMINISTRATION | 42,473.5 | 37,453.5 | 63,290.5 | |
| Agency Total: | 981,462.4 | 1,064,287.7 | 1,134,490.9 | |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|------------------|--------------------|--------------------|
| General Funds | 899,401.6 | 948,188.6 | 1,026,088.3 |
| Other Appropriated Funds | 31,659.1 | 50,649.1 | 50,094.6 |
| Other Non Appropriated Funds | 50,401.8 | 65,450.0 | 58,308.0 |
| Program Total | 981,462.4 | 1,064,287.7 | 1,134,490.9 |
| FTE Positions | 10,222.7 | 10,214.5 | 10,836.5 |

Strategic Issues:

Issue 1 Managing Inmate Population Growth

Inmate population has increased from an average daily population of 29,936 in FY 2001 to 40,226 in FY 2011 (34.4 percent increase). After continuous inmate population growth from FY 2001 to FY 2010, with a monthly average growth rate of 117 inmates, inmate population growth dramatically declined in FY 2010 and FY 2011. ADC grew by only 65 inmates in FY 2010, and then actually declined by 296 inmates in FY 2011. FY 2010 and FY 2011 had the two lowest growth rates on record going back to 1973. Although inmate population growth slowed in FY 2010 and FY 2011, the Department must continue to use planning and process improvement strategies throughout the organization to maximize resources and ensure the safety of the public, staff, and inmates. As part of this strategic issue, the Department will focus on accurate bed plan forecasting; efficient control of population movement and management of permanent state beds and contracted private beds; maximization of inmate programming and complex scheduling; effective management of an aging inmate population; development of a viable workforce through targeted

staff recruitment and retention; and appropriate allocation of resources to address unmet state prison physical plant needs.

Issue 2 Enhancing Security and Oversight of Prison Operations

When Director Charles L. Ryan assumed Department leadership in January 2009, he began a systemic review of the operational and administrative practices at both state-operated and contracted private prisons, focusing on the strict and uniform compliance with Department policy, especially safety and security practices. Since then, the Department has worked diligently to develop systems to strengthen state-operated and contracted private prison oversight, including enhancements to the significant incident reporting (SIR) process; collection and analysis of assault data and mortality data; improved private prison contract monitoring; improved Department Office of the Inspector General (IG) investigative processes, and a new inspection program and annual audit instrument designed to identify areas of non-compliance and violations of policy, correct them, and use data and information to make systemic operational changes to reduce violations and ensure safety. As part of this strategic issue, the Department will continue to work to improve its oversight procedures; provide ongoing staff training; increase security and staff presence among inmates; ensure safe housing assignments; and develop sound intervention strategies for high risk inmates.

Issue 3 Maximizing efficiency through privatization of services and public/private partnerships

The Department has been actively engaged in privatization and efficiency efforts since 1986. With over 600 current contracts, the Department uses private contractors for many functions, including private prisons that house inmates in-state; correctional health services; inmate food services; inmate commissary services; inmate telephone services; and inmate career training provided through Arizona Community Colleges. As part of this strategic issue, the Department will focus on the privatization of all correctional health care services; the legislatively mandated addition of 5,000 private medium/minimum beds; and the exploration of viable opportunities for additional privatization.

Issue 4 Integration of ADC Technology and Service Delivery

The need for viable technology, process automation, system integration, and easy to use, secure information systems that are efficient, effective, and standardized is essential to the ability of the Department to continue to effectively carry out its mission and its obligations to the public. Without viable hardware and software solutions, integrated platforms, and automated processes in place, it will become increasingly difficult for the Department to provide appropriate services in an efficient and safe manner. As part of this strategic issue, the Department will focus on the migration of the AIMS mainframe system to new web-based technology; the exploration of optimum blends of hosted and in-house hardware/software platforms designed to increase efficiency; and the enhancement of disaster recovery capabilities and disaster recovery exercise cycles.

| DCA 1.0 | Program Summary |
|--------------------------------|-----------------|
| PRISON OPERATIONS AND SERVICES | |
| Charles L. Ryan, Director | |
| Phone: (602) 542-5225 | |
| A.R.S. § 41-1602 | |

Mission:

To ensure public and staff safety by imprisoning inmates, providing inmate programming opportunities, providing constitutionally mandated health care, and administering prison operations in an environment that is secure and humane.

Description:

This program establishes prison operations and administers prison budgets. This encompasses security; the physical plant; personnel and business office functions; inmate records; occupational safety; fleet/motor pool; warehouse; food services; classification; mail and property; telecommunications and security systems; laundry; information technology; inmate programs including work, treatment, education, religious services, and recreation; and Arizona Correctional Industries, which develops and manages revenue-generating inmate work activities in correctional institutions. This program also provides health care to inmates including medical, dental, mental health, nursing and pharmaceutical services through licensed corrections staff and contracts with community hospitals and specialists.

This Program Contains the following Subprograms:

- ▶ Security
- ▶ Inspections and Investigations
- ▶ Inmate Education, Treatment, and Work Programs
- ▶ Health Care
- ▶ Private Prisons
- ▶ Prison Management and Support

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 846,644.1 | 899,501.5 | 951,564.2 |
| Other Appropriated Funds | 30,924.1 | 49,664.5 | 48,545.0 |
| Other Non Appropriated Funds | 47,527.0 | 61,540.8 | 54,398.8 |
| Program Total | 925,095.2 | 1,010,706.8 | 1,054,508.0 |
| FTE Positions | 9,689.7 | 9,686.5 | 10,304.5 |

| DCA 1.1 | Subprogram Summary |
|----------------------------------|--------------------|
| SECURITY | |
| Robert Patton, Division Director | |
| Phone: (602) 542-3894 | |
| A.R.S. § 41-1604 | |

Mission:

To maintain effective custody and control over inmates in an environment that is safe, secure and humane.

Description:

This subprogram is responsible for implementation and oversight of operational areas of inmate accountability; key control; security/facility inspections; inmate regulations; inmate transportation; emergency preparedness; incident management; inmate escape prevention/response; searches; substance abuse detection; interdiction and control; execution procedures; inmate death or hospitalization notification/disposition; tool and restricted product control; inmate levels of supervision; armory procedures; and security systems. It also includes evaluating and allocating security staff and providing for their in-service training; implementing gang management strategies; developing operational intelligence (acquisition, analysis, storage, dissemination); and enhancing security and safety measures through utilization of service dog resources and security technology transfer and product review.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 478,336.1 | 505,299.6 | 528,178.9 |
| Other Appropriated Funds | 0.0 | 5,917.4 | 167.4 |
| Other Non Appropriated Funds | 590.0 | 2,230.0 | 128.4 |
| Program Total | 478,926.1 | 513,447.0 | 528,474.7 |
| FTE Positions | 7,696.0 | 7,696.0 | 8,290.0 |

- ◆ **Goal 1** To safeguard the public, staff and inmates through the efficient, safe and secure operations of prisons

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of escapes of inmates from any location | 4 | 0 | 0 |
| Number of major rule violations per 1,000 inmates per annual average daily population | 453.89 | 419.35 | 383.18 |
| Number of inmate on staff assaults per 1,000 offenders per annual average daily population; includes all assaults, including those that did not result in physical injury. [95% of all assaults on staff are committed by higher custody inmates housed exclusively in state prisons. Since FY2009, despite an ongoing state prison staff shortage of 565 correctional officer II positions, ADC has reduced the 2-year rate of increase from 33.5% to 8.6%. The rate of increase is projected to be at or below 3% within 3 years.] | 9.50 | 10.10 | 10.22 |
| Number of inmate on inmate assaults per 1,000 inmates per annual average daily population | 20.31 | 20.75 | 21.35 |
| Number of major inmate disturbances | 3 | 0 | 0 |
| Number of inmate homicides [Homicide numbers are subject to change, as final determinations are contingent upon official medical examiner reports, which may be issued in a subsequent fiscal year.] | 4 | 0 | 0 |

- ◆ **Goal 2** To reduce drug use by incarcerated inmates

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of inmate random positive urinalysis results per 1,000 inmates per annual average daily population | 31.72 | 29.32 | 26.77 |

◆ **Goal 3** To reduce inmate grievances and inmate litigation

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of formal inmate grievances (excluding health grievances) per 1,000 inmates per average daily population | 82.91 | 76.61 | 70.01 |
| Number of inmates lawsuits (non-habeas) per 1000 inmates per annual average daily population | 2.68 | 3.56 | 3.28 |

| DCA 1.2 | Subprogram Summary |
|---------|--------------------------------|
| | INSPECTIONS AND INVESTIGATIONS |
| | Charles L. Ryan, Director |
| | Phone: (602) 542-5225 |
| | A.R.S. § 41-1604 |

Mission:

To promote Department safety and security by conducting administrative, civil, criminal, and gang related investigations; performing annual peer reviews and targeted performance audits; and ensuring agency compliance with fire and life safety codes.

Description:

This subprogram conducts administrative investigations in support of the hiring and retention of professional staff through enforced policy compliance; conducts investigations into criminal acts and civil violations committed by inmates, staff, or others, to support successful prosecution and/or effective applications of discipline; develops intelligence, and investigates Security Threat Group activity to support management of inmates and the safe operation of institutions; provides consultation and assistance in fire and life safety code compliance to support staff, inmate, and environmental safety in all agency matters.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 5,161.2 | 6,388.6 | 6,388.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 5,161.2 | 6,388.6 | 6,388.6 |
| FTE Positions | 107.0 | 107.0 | 107.0 |

◆ **Goal 1** To conduct investigations, audits and core competency testing to ensure State prisons and Department staff are compliant with Department policies and procedures

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of administrative investigations completed within established time frames | 100 | 100 | 100 |
| Average annual Arizona State Operated Prison compliance audit percent score (Annual audit Instrument was substantially revised in FY2011.) | 93.85 | 94.00 | 95.00 |
| Explanation: (FY2011 percent score average is based on inspections at ASPC-Eyman, ASPC-Lewis, ASPC-Tucson, and ASPC-Yuma) | | | |
| Average annual core competency test score for correctional series staff | 86.58 | 88.00 | 90.00 |
| Average annual core competency test score for non-correctional series staff | 83.00 | 85.00 | 87.00 |

| DCA 1.3 | Subprogram Summary |
|--|--------------------|
| INMATE EDUCATION, TREATMENT, AND WORK PROGRAMS | |
| Laura Krause, Division Director | |
| Phone: (602) 364-3234 | |
| A.R.S. § 41-1604, 1604.02, 41-1623 | |

Mission:

To require inmate participation in self improvement programming opportunities and services including work, education, substance abuse treatment, sex offender treatment, and spiritual access designed to prepare inmates to be responsible citizens upon release.

Description:

This subprogram establishes structured access to work, education, substance abuse treatment, sex offender treatment, and spiritual services to improve the offender's successful reintegration into the community in accordance with Department goals, mandates, and statutes.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 17,763.9 | 17,743.2 | 17,743.2 |
| Other Appropriated Funds | 413.9 | 1,000.9 | 1,000.9 |
| Other Non Appropriated Funds | 35,221.1 | 39,637.0 | 38,769.0 |
| Program Total | 53,398.9 | 58,381.1 | 57,513.1 |
| FTE Positions | 464.5 | 461.3 | 461.3 |

◆ Goal 1 To maximize inmate participation in Department programming opportunities

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of all eligible inmates participating in appropriate work, education and treatment assignments | 69.30 | 75.00 | 75.00 |
| Number of inmate hours worked through the Work Incentive Pay Plan | 26.1M | 27.9M | 29.9M |
| Number of hours provided to communities by inmates per established IGAs or work contracts | 2.5M | 2.6M | 2.6M |

◆ Goal 2 To expand work opportunities for inmates through Arizona Correctional Industries (ACI)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of ACI inmate hours worked | 3.5M | 4.1M | 4.5M |
| Dollar amount deducted from ACI inmates wages being deposited directly in the State General Fund | 3.0M | 3.2M | 3.6M |

◆ Goal 3 To provide education programs and services, including functional literacy, special education, GED, and jobs training to all eligible and assessed inmates

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of inmates achieving grade eight proficiency | 5,400 | 5,400 | 5,500 |
| Number of inmates achieving the General Equivalency Diploma (GED) | 1,948 | 2,250 | 2,500 |
| Number of Career and Technical Education certificates earned | 3,683 | 3,050 | 3,250 |
| Number of inmates receiving special education services | 372 | 380 | 380 |
| Percent of special education inmates receiving special education services | 100 | 100 | 100 |

◆ Goal 4 To provide assessment and treatment services to eligible inmates

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of eligible inmates completing substance abuse treatment | 2,302 | 2,400 | 2,500 |
| Number of eligible inmates completing sex offender treatment | 179 | 150 | 150 |

◆ Goal 5 To ensure spiritual services are available to inmates

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of inmates involved in spiritual services | 12,843 | 14,750 | 15,250 |
| Number of volunteer spiritual service hours provided | 42,096 | 43,000 | 44,000 |

| DCA 1.4 | Subprogram Summary |
|---------|---|
| | HEALTH CARE |
| | Dr. Michael Adu-Tutu, Division Director |
| | Phone: (602) 364-2900 |
| | A.R.S. § 31-201.01, 41-1604 |

Mission:

To provide cost-effective constitutionally mandated correctional health care.

Description:

This subprogram provides medical, dental, mental health, nursing, and pharmaceutical services through licensed corrections staff and contracts with community hospitals and specialists.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 102,138.8 | 122,092.6 | 123,408.4 |
| Other Appropriated Funds | 7,499.4 | 11,499.4 | 11,499.4 |
| Other Non Appropriated Funds | 84.1 | 63.4 | 47.9 |
| Program Total | 109,722.3 | 133,655.4 | 134,955.7 |
| FTE Positions | 776.2 | 776.2 | 778.2 |

◆ **Goal 1** To provide medically necessary medical care, dental care and mental health care to inmates

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of inmates requiring ongoing mental health services admitted for psychiatric hospital care | 2.78 | 2.78 | 2.78 |
| Number of formal inmate health grievances per 1000 inmates per annual average daily population | 23.74 | 23.25 | 22.80 |
| Percent of ADC state prison complexes accredited by the National Commission on Correctional Health care (NCCCHC) | 90.00 | 90.00 | 100.00 |

◆ **Goal 2** To contain health care costs

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of inmates hospitalized | 2,177 | 2,200 | 2,400 |
| Explanation: (New measure added in FY2011) | | | |
| Average length of stay for in-patient hospital care in days | 5.49 | 5.50 | 5.50 |
| Average cost per inmate for health care (Cost Per Inmate Calculations are estimates until the 1-Year Administrative Adjustment period is complete. This occurs one year after the end of the Fiscal Year.) | 3,258.00 | TBD | TBD |

| DCA 1.5 | Subprogram Summary |
|---------|----------------------------------|
| | PRIVATE PRISONS |
| | Robert Patton, Division Director |
| | Phone: (602) 542-3894 |
| | A.R.S. § 41-1604, 1604-02 |

Mission:

To develop private prison contracts and provide oversight to monitor their safe, secure and cost-effective operation, while imprisoning inmates according to the Department's mission.

Description:

This subprogram manages all aspects of private prison contracts including initial research and development, proposal evaluation, contract negotiations, and contract maintenance functions. This subprogram works with private prison firms and Arizona county jails as necessary to ensure comparable confinement and program services are provided to all Arizona state inmates regardless of location. Oversight of private prisons in Arizona and other jurisdictions and in-state county jail contracts are provided by Department staff who monitor facility operations, inmate management, inmate services, clearance of contractor personnel, and payment of fees consistent with the terms outlined in individual facility and service contracts.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 99,785.2 | 101,146.8 | 110,565.1 |
| Other Appropriated Funds | 23,010.7 | 28,496.8 | 28,496.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 122,795.9 | 129,643.6 | 139,061.9 |
| FTE Positions | 24.0 | 24.0 | 33.0 |

◆ **Goal 1** To systematically and effectively monitor private prison operations

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Average annual Contracted Private Prison compliance audit percent score (Annual audit Instrument was substantially revised in FY2011.) | 93.40 | 94.00 | 95.00 |

Explanation: (FY2011 percent score average is based on inspection at ASP-Marana only, the balance of inspections will be conducted by the end of CY 2011.)

| DCA 1.6 | Subprogram Summary |
|----------------------------------|--------------------|
| PRISON MANAGEMENT AND SUPPORT | |
| Robert Patton, Division Director | |
| Phone: (602) 542-3894 | |
| A.R.S. § 41-1604 | |

Mission:

To provide leadership and direction in the administration and operations of all prisons to ensure inmate accountability and staff safety.

Description:

This subprogram oversees prison operations, Regional Operations Directors, and Wardens and their immediate staff; administers prison budgets and staffing/safety programs; manages prison activation; and directs centralized operational systems and services. This subprogram includes fiscal management, fleet management, fire and safety, food service, warehouse, and maintenance. This subprogram is also responsible for inmate classification, protective segregation, time computation and records, legal access, and family assistance services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 143,458.9 | 146,830.7 | 165,280.0 |
| Other Appropriated Funds | 0.0 | 2,750.0 | 7,380.5 |
| Other Non Appropriated Funds | 11,631.8 | 19,610.4 | 15,453.5 |
| Program Total | 155,090.7 | 169,191.1 | 188,114.0 |
| FTE Positions | 622.0 | 622.0 | 635.0 |

- ◆ **Goal 1** To manage inmate population growth and the allocation of physical and fiscal resources

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Average daily inmate population | 40,226 | 40,154 | 40,154 |
| Average daily bed deficit | 2,621 | 3,751 | 3,751 |

| DCA 2.0 | Program Summary |
|----------------------------------|-----------------|
| COMMUNITY CORRECTIONS | |
| Robert Patton, Division Director | |
| Phone: (602) 542-3894 | |
| A.R.S. § 41-1604 | |

Mission:

To maintain effective community supervision of offenders, facilitate their successful transition from prison to the community and return offenders to prison when necessary to protect the public.

Description:

This program is charged with supervising offenders on community supervision and identifying and returning to prison offenders who violate conditions of supervision and represent a serious threat to public safety. The program refers to law enforcement and prosecutorial agencies sex offenders subject to registration, community notification and sexually violent person laws; coordinates sex offender registration prior to release; assists in the apprehension, extradition and transportation of fugitives; completes due process on all offenders returned to custody; represents the Department at revocation hearings conducted by the Board of Executive Clemency; conducts administrative hearings; provides criminal history information to authorized criminal justice agencies; manages the implementation of the Interstate Compact for the Supervision of Adult Inmates and Offenders (parolees); collaborates with state and community agencies; and interacts with individual victims and victim associations.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 10,368.3 | 12,544.7 | 12,544.7 |
| Other Appropriated Funds | 735.0 | 984.6 | 1,549.6 |
| Other Non Appropriated Funds | 2,790.5 | 2,598.1 | 2,598.1 |
| Program Total | 13,893.8 | 16,127.4 | 16,692.4 |
| FTE Positions | 164.0 | 160.0 | 160.0 |

- ◆ **Goal 1** To effectively manage offenders' conditions of supervision

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of offenders on community supervision returned to prison for technical violations | 12.00 | 11.00 | 11.00 |

- ◆ **Goal 2** To apply meaningful incentives and sanctions to encourage civil behavior

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of offenders on community supervision returned to prison for a new crime | 1.00 | 1.00 | 1.00 |

- ◆ **Goal 3** To effectively monitor and track all offenders on community supervision

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of offenders on community supervision returned to prison for absconding | 4.00 | 4.00 | 3.00 |

| DCA 3.0 | Program Summary |
|---------------------------|-----------------|
| | ADMINISTRATION |
| Charles L. Ryan, Director | |
| Phone: (602) 545-5225 | |
| A.R.S. § 41-1602, 41-1604 | |

Mission:

To provide leadership, direction, resource management, and support for Department employees to enable the Department to serve and protect the people of the State of Arizona and to provide comprehensive victim services and victim-focused restorative justice programs that hold offenders accountable.

Description:

This program determines current policy and future direction of the Department through the following functional areas, legal services, legislative affairs, public and internal communications, constituent services, victims services, policy promulgation, human services, employee relations, equal opportunity, employee grievances and disciplinary actions, training and employee development, budgeting, planning, research, engineering and physical plant services, financial and procurement services, and information technology services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 42,389.2 | 36,142.4 | 61,979.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 84.3 | 1,311.1 | 1,311.1 |
| Program Total | 42,473.5 | 37,453.5 | 63,290.5 |
| FTE Positions | 369.0 | 368.0 | 372.0 |

◆ Goal 1 To recruit, retain, recognize, and develop staff

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of employee formal grievances | 211 | 200 | 190 |
| Percent of employee grievances upheld and/or modified in favor of the employee | 40.00 | 35.00 | 35.00 |
| Annual Correctional Officer II vacancy rate percentage | 3.80 | 2.50 | 3.50 |
| Annual Correctional Officer II turnover rate percentage | 9.90 | 10.00 | 10.00 |
| Annual employee turnover rate percentage (excluding Correctional Officer IIs) | 10.70 | 10.00 | 10.00 |
| Percent of staff completing mandatory training | 93.48 | 94.00 | 96.00 |
| Number of executives and managers participating in professional development courses | 80 | 88 | 90 |

◆ Goal 2 To maintain and/or enhance current and future information technology applications, communications and network needs by providing the optimal support to computer users

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------------------|------------------|------------------|
| Percent of network uptime | 97.30 | 98.00 | 98.00 |
| Customer satisfaction survey rating of 3.5 or above for IT Applications/Data Management Unit on a scale of 1 to 5 | 4.86 | 4.90 | 4.90 |
| Percent of IT help desk calls resolved in a timely manner | 96.00 | 97.00 | 98.00 |
| Explanation: | (New FY 2011 Performance Measure) | | |

◆ Goal 3 To provide a standard process for receiving, reviewing and responding to public concerns regarding inmate related issues

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of service contacts provided to inmate families and friends. | 24,971 | 25,500 | 26,000 |

◆ Goal 4 To effectively provide crime victims with information on inmate incarceration and release, affect change within the inmate population through various restorative justice methods of education and provide service to the community

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------------------|------------------|------------------|
| Number of crime victim Notifications of Release sent | 5,468 | 5,400 | 5,400 |
| Number of service contacts provided to crime victims (all crimes) | 8,545 | 9,050 | 9,550 |
| Explanation: | (New FY 2010 Performance Measure) | | |
| Dollar amount of court-ordered restitution collected from inmates | 1.6M | 1.7M | 1.7M |
| Average dollar amount of court-ordered restitution paid per inmate required to pay court-ordered restitution | 201.19 | 205.00 | 205.00 |

| | |
|--------------------------------|-----------------------|
| CBA 0.0 | Agency Summary |
| BOARD OF COSMETOLOGY | |
| Donna Aune, Executive Director | |
| Phone: (480) 784-4539 | |
| A.R.S. § 32-501 et seq. | |

Mission:

To ensure the public health, welfare, and safety through education and enforcement of the cosmetology laws and rules by the efficient regulation of salons, schools, and individuals who practice cosmetology.

Description:

In order to achieve its mandate of protecting the public in Arizona, the Board of Cosmetology issues 12 categories of licenses to salons, schools and individuals who qualify by reciprocity or through the administration of a written and practical examination. The Board enforces regulation by routine health and safety inspections of salons and schools, investigates consumer complaints, conducts hearing and imposes enforcement action when appropriate. The Board also establishes health and safety standards, educational and curriculum standards and oversight, and provides monthly classes on infection control and law and regulation practices for the general licensing population by registration. The Board also uses the educational classes for remediation and regulatory rehabilitation of violators by Board Order as terms of probation, and Laws 2011 Chapter 199 mandates infection protection and law classes for all reciprocity applicants. Furthermore, the Board offers electronic services to customers to increase efficiency and reduce the demands on full-time staff. The Board is recognized by national industry entities as being progressive, insightful, and a leader in cosmetology regulation.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,678.2 | 1,742.1 | 1,742.1 |
| Other Non Appropriated Funds | 23.4 | 157.1 | 157.1 |
| Program Total | 1,701.6 | 1,899.2 | 1,899.2 |
| FTE Positions | 24.5 | 24.5 | 24.5 |

Strategic Issues:

Issue 1 *Increased efficiency through system maintenance and upgrades*

The Board must continue to inform the licensees of the efficiency and accuracy that can be achieved through electronic filing. This can be accomplished through continued notification sent with license renewal applications, licenses, and providing information to anyone walking into or phoning the office. Maintenance and enhancement of the current system will allow user friendly use and increase applications on-line which must be continued.

“True Identification” is another Board concern for the public, regarding licensees with pictures on licenses'. Inspectors/Investigators must have the ability to identify the individuals performing services that fall under legislated areas of regulation. This will contribute to the consumer's protection and safety and a decrease of customer injuries and consumer complaints with fraudulent licenses'. Allowing us to purchase or set in place an electronic picture device for inspectors and investigators, will enable us to have a picture ID of the licensee with information at the job site.

Issue 2 *Improved enforcement efficiency*

The agency is at a 35% reduction in staff positions leading to a longer processing time for investigations, preventing the agency from meeting its health and safety performance objectives. Furthermore, the regulatory requirements in Arizona are comprehensive and complex for businesses such as salons; salons must often hold six or more professional licenses in addition to city and county permits to operate legally.

Issue 3 *Other operating expenses*

To improve efficiency, the board must be able to effectively keep up with the ongoing growth of the industry. The agency provides service for over 113,000 applicants, a number which grows yearly. Cost increases; attorney services, and computer system maintenance; postage; supplies; facility maintenance; utilities; printing; travel; and other operating expenses affect employee training and system upgrades. To allow the Board to fulfill its mandate within constraints of a limited appropriated budget, the Board is seeking to reduce expenditures on items classified as "other operating expenses" and concentrate funding on critical issues.

Issue 4 *Continuity Plan*

To provide continued public protection even in times of disaster, a workable continuity plan for a small agency must be in place. This will require finding a place to set up an office away from the current Board office in case of a local tragedy, perhaps by coordinating with another state office for use of their offices. There must be a provision in law and rule to allow for licensees to provide services outside of a salon setting in a disaster such as earthquake, tornado, or flood.

Issue 5 *Employee Development*

The Board recognizes the value of good employees and must nurture professional growth and development. The Agency has continually reduced personnel requirements by maximizing the use of technology as well as undertaking ongoing review and care of its employees. As a result the agency has retained personnel longevity and satisfaction. However, the reduction of staff and the reduction of pay for increased retirement and performance, has caused a downgrade of employee morale and challenges their dedication. The agency must communicate appreciation to the current employees by providing professional development and implementing the technology necessary for staff to meet the demands for even greater efficiency, due to the increase of licenses every year, requires staffing positions to be filled.

Issue 6 *External Partners*

To maintain its relationship with current partners, the leadership involvement that has proven to assist the board to benchmark and remain current both as a regulatory agency and as the profession requires must be continued. These partners include The Internal Revenue Service (for small business participation and investigative tax fraud), Cut it Out (in partnership with the Attorney General), National Interstate Council of State Boards of Cosmetology, National Accreditation Commission of Cosmetology Arts and Sciences, Council for Licensure, Enforcement and Regulation Federation Association of Regulatory Boards, AACCS American Association of Cosmetology Schools, The Salon Association, and others. All require travel to meeting locations or electronic participation at the very least which must continue to be funded.

Issue 7 *Public Communication*

Ongoing communication with the Arizona Legislature and State Administration about the importance of the mandate and the funding necessary to continue responsible regulation is required. Regulatory pamphlets, health and safety information classes, and issues of public interest require publication to be available to answer regulatory questions and issues. Reorganization and the continuing restructuring of the Agency website is also needed to improve communication with a highly colorful, artistic and ever- changing profession.

Issue 8 *Rule Promulgation (Declaration)*

Rule promulgation is needed for the ability to be able to require all license renewal applications to be accompanied with 2 current photographs. With an updated system those pictures would be scanned and printed on licenses. At this time the BOC requires pictures to be submitted for all first licenses, but requires rule promulgation for renewals. Consistency and efficiency will prevent unforeseen hindrances in legislative and regulatory interpretations.

Issue 9 *Budget Contingency Plan*

To establish a fund or insurance plan for fund availability for legal issues at a state level.

To acquire Lobbyist services for consistency and efficiency, which may

prevent unforeseen hinderances in legislative and regulatory interpretations.

- ◆ **Goal 1** To establish standards for the professional practice of cosmetology.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Average calendar days from receipt of completed application to issuance of license | 17 | 17 | 17 |
| Total individuals and establishments licensed | 113,188 | 118,000 | 123,000 |

- ◆ **Goal 2** To ensure swift, fair, and effective enforcement of statutes and rules governing the profession.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Total inspections conducted | 6,148 | 6,300 | 6,300 |
| Total complaints and application denials | 2,354 | 2,400 | 2,400 |
| Average calendar days to resolve a complaint | 120 | 120 | 120 |

- ◆ **Goal 3** To educate the consumers and cosmetology professionals about their rights, resolutions, and responsibilities among the cosmetology community, the public and the Board by delivering courteous, efficient, and cost effective service to the citizens, owners, and employees of state government.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Educational class opportunities offered to the public in class or over the internet | 24 | 48 | 48 |
| Explanation: | The Board wants to mandate (Rule Law Change) that all reciprocity applications take classes | | |
| Percent of citizen satisfaction surveys reporting Board service as satisfied or higher | 97 | 95 | 95 |

- ◆ **Goal 4** To provide services through efficient government.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Constituents aided in transferring to another governmental jurisdiction or educational institution. | 2,436 | 3,000 | 3,000 |
| Licensees accepted through reciprocity from another state or country. | 2,717 | 3,000 | 3,000 |
| Percentage of applicants or license holders reporting very good or excellent. | 95 | 95 | 95 |

| JCA 0.0 | Agency Summary |
|--|----------------|
| CRIMINAL JUSTICE COMMISSION | |
| John A. Blackburn, Jr., Executive Director | |
| Phone: (602) 364-1146 | |
| A.R.S. § 41-2401 | |

Mission:

To sustain and enhance the cohesiveness, the effectiveness, and the coordination of the criminal justice system in Arizona; to monitor the criminal justice system and identify needed revisions to the system; to monitor existing criminal justice statutes and proposed or new criminal justice statutes and identify needed revisions in the statutes or proposed legislation; to acquire and administer designated funds for the enhancement of specified criminal justice programs and activities in the State of Arizona; and to make reports on these activities and functions.

Description:

The Commission administers several federal criminal justice grants provided to local law enforcement agencies.

Agency Summary:

| | (\$ Thousands) | | |
|---------------------------------------|-----------------|------------------|-----------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ AGENCY MANAGEMENT | 1,015.2 | 1,301.2 | 1,026.2 |
| ➤ CRIME VICTIMS | 3,581.8 | 5,537.5 | 5,537.5 |
| ➤ STATISTICAL ANALYSIS CENTER | 640.5 | 755.9 | 755.9 |
| ➤ CRIMINAL JUSTICE SYSTEM IMPROVEMENT | 3,451.9 | 5,587.2 | 13,072.9 |
| ➤ CRIME CONTROL | 16,023.6 | 14,651.5 | 10,211.8 |
| Agency Total: | 24,713.0 | 27,833.3 | 30,604.3 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 8,000.0 |
| Other Appropriated Funds | 5,486.8 | 5,625.5 | 6,325.8 |
| Other Non Appropriated Funds | 19,226.2 | 22,207.8 | 16,278.5 |
| Program Total | 24,713.0 | 27,833.3 | 30,604.3 |
| FTE Positions | 27.7 | 27.7 | 27.7 |

Strategic Issues:

Issue 1 *The Criminal Justice Commission will provide mandated, responsible and reliable service to a significantly increasing and more complex population in Arizona over the next 5 years.*

All new mandates, either Federal or State, will require expansion of staff and funding for the Criminal Justice Commission.

Issue 2 Criminal Justice Records Integration Project

The Arizona ICJIS Strategic Plan adopted by the Commission indicated a cost of \$28 million to complete. The funding would not provide the total answer to all integration efforts but would improve the integration process and eventually allow for complete full integration among all agencies. All funding would not be needed in a single year as the agencies would not be able to accomplish all the goals in a single year. As such, ACJC is pursuing a strategic funding plan that would call for \$8 million per year for two years and would continue to seek funds for the third year. This strategic issue ties with the critical funding issue submitted in the FY12-13 budget request.

| JCA 1.0 | Program Summary |
|--|-----------------|
| AGENCY MANAGEMENT | |
| John A. Blackburn, Jr., Executive Director | |
| Phone: (602) 364-1146 | |
| A.R.S. § 41-2405 | |

Mission:

To provide planning, direction, and administration for all Commission mandates, programs, functions, and activities to carry out the mission of the Agency.

Description:

The Agency Support operations consist of central management, coordination, and administrative functions of the Arizona Criminal Justice Commission. It organizes, supports, schedules, and carries out the many public meetings of the nineteen member Commission; the many meetings of the various committees, task forces, and working groups of the Commission; and implements the decisions of these groups. It serves as the clearing house and liaison focus for the enhancement and coordination of criminal justice system wide concerns and activities. It also provides for the direct management oversight, fiscal administration, and policy establishment functions for the Commission staff and for all programs contained within the Commission.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 261.6 | 295.9 | 295.9 |
| Other Non Appropriated Funds | 753.6 | 1,005.3 | 730.3 |
| Program Total | 1,015.2 | 1,301.2 | 1,026.2 |
| FTE Positions | 12.0 | 12.0 | 12.0 |

◆ **Goal 1** To acquire and distribute timely, accurate information regarding relevant criminal justice legislation at both state and federal levels and to provide an effective mechanism for both legislative advocacy and related informational resources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of agency legislative events | 188 | 200 | 200 |
| Number of criminal justice legislative liaison meetings coordinated | 27 | 30 | 30 |

◆ **Goal 2** To develop, establish, and maintain reliable accurate fiscal systems for all Commission activities including grant programs and fund distribution functions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Generate and execute contracts, working agreements and other routine fund distribution and expenditure functions | 170 | 175 | 175 |

◆ **Goal 3** To provide a continuous, organized forum for the discussion of the criminal justice system, the identification of changes needed, the development of change mechanisms including legislative proposals, and the coordination of information regarding these activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Organize, support and conduct meetings under the Commission responsibility to produce effective results | 45 | 35 | 35 |
| Conduct liaison with congressional and legislative officials and other officials at all levels of federal, state, county, and municipal governments that produce coordination, cooperation and effective outcomes | 118 | 125 | 125 |

◆ **Goal 4** To develop, implement and sustain processes that provide a

relevant, reliable source of information on crime and the criminal justice system in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Develop, continuously refine and sustain the implementation of a criminal justice records improvement program for the criminal justice system in AZ | 85 | 100 | 100 |
| Develop, implement and operate data and information producing programs and processes on crime activity and the criminal justice system in AZ | 85 | 100 | 100 |
| Accurately and successfully publish, distribute reports containing reliable info and data on crime activity and the criminal justice system in AZ | 95 | 100 | 100 |

- ◆ **Goal 5** To develop and sustain programs, functions and activities related to the criminal justice system that increases productivity in the system, enhances the coordination of the system and the effectiveness of the system.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Develop strategies and implement plans that effectively utilize funds and resources available to the Commission | 100 | 100 | 100 |
| Develop and sustain fiscal processes that successfully acquire, allocate, monitor, and report on all programs, functions and activities under the Commission's control | 100 | 100 | 100 |
| Organize, support, and conduct all meetings under the Commission responsibility to produce effective results | 100 | 100 | 100 |

- ◆ **Goal 6** To provide a continuity of reliable, accurate, responsible service that meets the statutory mandates for the Commission and enhances the cohesiveness, the effectiveness and coordination of the criminal justice system in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent completion of statutory mandates regarding Commission duties, responsibilities and mandates | 100 | 100 | 100 |
| Collect and analyze data, conduct research and evaluation, and publish reports regarding the criminal justice system | 100 | 100 | 100 |

- ◆ **Goal 7** To provide a continuum of effective organization and administration for Commission responsibilities, activities and programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|-------------------|---------------------|---------------------|
| Number of required reports published | 42 | 13 | 13 |

| JCA 2.0 | Program Summary |
|---------|---|
| | CRIME VICTIMS |
| | Larry Grubbs, Crime Victims Program Manager |
| | Phone: (602) 364-1146 |
| | A.R.S. §§ 41-2407 et. seq. |

Mission:

To administer the Crime Victims Programs under the authority of the Arizona Criminal Justice Commission in a reliable and accurate manner which provides support to all agencies that assist and compensate the victims of crime.

Description:

The Crime Victims Program administers the Arizona Crime Victim Compensation Fund, the Arizona Crime Victim Assistance Fund, and the Office of Justice Programs, Office for Victims of Crime, Victims of Crime Act (VOCA) victim compensation grant. The funds are disseminated on a state-wide basis through a grant and formula allocation to public and private service providers and operational units. These provide financial assistance, services, and reimbursement to victims of crime. This program also monitors all victim-related legislation on both the federal and state levels and disseminates this information to victim advocates and programs.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,373.4 | 4,085.4 | 4,085.4 |
| Other Non Appropriated Funds | 208.4 | 1,452.1 | 1,452.1 |
| Program Total | 3,581.8 | 5,537.5 | 5,537.5 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

- ◆ **Goal 1** To increase the number of compensation claims filed and awarded to eligible crime victims.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Obtain increased spending authority for the crime victim compensation program | 2.49M | 2.49M | 2.49M |
| Increase in compensation awards reported by Operational units | 2.49M | 2.49M | 2.49M |
| Increase in eligible benefits available to crime victims | 2.49M | 2.49M | 2.49M |

- ◆ **Goal 2** To effectively manage the allocation and administration of Crime Victim Compensation Funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Continuity of administration in the 15 counties | 15 | 15 | 15 |
| Percent of counties in which case reviews completed | 60 | 60 | 60 |
| Percent of cases reviewed showing no deficiencies | 85 | 90 | 90 |
| Percent of programs reviewed reflecting compliance with certified assurances and fiscal management practices | 60 | 60 | 60 |

- ◆ **Goal 3** To effectively manage the allocation and administration of state crime victim assistance funds to provide a high probability of relieving the impact of crime on crime victims.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Applicants requesting funds | 56 | 55 | 55 |
| Grants awarded in a timely manner to victim services providers | 44 | 44 | 44 |
| Number of site visits completed | 19 | 22 | 22 |
| Program audits reflecting no deficiencies | 15 | 20 | 20 |
| Program single audits reflecting compliance with Administrative Rules | 23 | 25 | 25 |

| JCA 3.0 | Program Summary |
|---|-----------------|
| STATISTICAL ANALYSIS CENTER | |
| Phillip Stevenson, Statistical Analysis Center Director | |
| Phone: (602) 364-1146 | |
| A.R.S. § 41-2405 | |

Mission:

To improve the criminal justice system in Arizona through the efforts of a quality Statistical Analysis Center.

Description:

The Statistical Analysis Center's purpose is to oversee the research, analysis, studies, reports, and publications regarding crime and criminal justice statistics for the benefit of criminal justice agencies across the State. The Statistical Analysis Center also conducts the biennial School Drug Survey (AYS) which provides critical information to the Governor and Legislature regarding the use of drugs among students in Arizona. Other statistical and research projects are conducted by the Center with the approval of the Executive Director.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 128.5 | 234.7 | 234.7 |
| Other Non Appropriated Funds | 512.0 | 521.2 | 521.2 |
| Program Total | 640.5 | 755.9 | 755.9 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

- ◆ **Goal 1** To implement and maintain an effective and relevant criminal justice research program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of studies/research projects proposed by internal and external customers | 30 | 25 | 25 |
| Number of studies/reports completed and published | 52 | 20 | 40 |
| Number of research products mailed via US mail to external customers (paper reduction). | 2 | 5 | 5 |
| Number of public and media data requests processed | 46 | 30 | 45 |
| Number of legislative and policy-maker data requests processed | 31 | 40 | 40 |

| JCA 4.0 | Program Summary |
|--|-----------------|
| CRIMINAL JUSTICE SYSTEM IMPROVEMENT | |
| Pat Nelson, CJ Systems Improvement Program Manager | |
| Phone: (602) 364-1146 | |
| A.R.S. § 41-2405 | |

Mission:

To improve the criminal history records in the State of Arizona as well as manage criminal justice records integration and criminal justice system improvements projects through out the state.

Description:

The Records Improvement Program is an ongoing, long-term effort to coordinate the process of the integration of all criminal justice information systems. This is accomplished through the development and implementation of a comprehensive criminal justice records improvement plan. Activities in this area include, but are not limited to, encouraging and facilitating the development of common data standards among criminal justice agencies, facilitating the development and implementation of automated records systems and processes, encouraging and facilitating interagency cooperation and information sharing, and other activities intended to increase the accuracy, completeness, and timeliness of criminal justice and criminal history information.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 8,000.0 |
| Other Appropriated Funds | 18.8 | 8.4 | 8.4 |
| Other Non Appropriated Funds | 3,433.1 | 5,578.8 | 5,064.5 |
| Program Total | 3,451.9 | 5,587.2 | 13,072.9 |
| FTE Positions | 3.7 | 3.7 | 3.7 |

- ◆ **Goal 1** To apply for available federal funds in such program areas as DNA and Laboratory Improvements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of grant applications submitted to proper agencies. | 5 | 4 | 4 |

- ◆ **Goal 2** To establish and publish technology and data standards for criminal justice agencies of the state annually.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|----------------|------------------|------------------|
| Meetings conducted annually | 0 | 2 | 2 |

- ◆ **Goal 3** To improve disposition reporting of each county to the central repository each year.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Meetings coordinated to discuss record improvement challenges by records coordinator annually. | 26 | 12 | 12 |
| □ Percentage of increase in disposition reporting utilizing the Records Quality Index (RQI) tool for record improvement projects funded through the program annually. | 2 | 2 | 2 |

- ◆ **Goal 4** To introduce legislation to change/improve criminal history reporting as needed.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Bills submitted to Legislature | 0 | 1 | 1 |
| Bills passed by the Legislature for the improvement of criminal history record reporting | 0 | 1 | 0 |

- ◆ **Goal 5** To administer, monitor, and evaluate grant projects on a continual basis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Site visits to grantee agencies | 1 | 4 | 5 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Assistance provided to grantee agencies | 28 | 10 | 8 |
| Program progress and financial reports received on a quarterly basis from each grantee agency to monitor progress and ensure funding expenditure occurs prior to grant expiration date | 296 | 280 | 280 |

- ◆ **Goal 6** To develop a strategic plan and allocation plans for utilization of available funds on an annual basis to assist in the completion of the Arizona Records Improvement Plan.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Grants awarded to agencies for improvement of criminal justice/history records | 5 | 12 | 12 |

- ◆ **Goal 7** To apply for available funds from federal Justice Department agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of grant applications submitted to proper agencies | 5 | 4 | 4 |
| Number of grant awards provided to the Commission by the various granting agencies | 4 | 4 | 4 |
| Number of applicants requesting funding | 21 | 12 | 12 |

| | |
|--|------------------------|
| JCA 5.0 | Program Summary |
| CRIME CONTROL | |
| Tony Vidale, Crime Control Program Manager | |
| Phone: (602) 364-1146 | |
| A.R.S. § 41-2402 | |

Mission:

To enhance and coordinate the funded efforts to deter, investigate, prosecute, adjudicate, and punish drug, violent crime, and criminal street gang offenders.

Description:

The program administers the federally funded Edward Byrne Memorial Justice Assistance Grant (Byrne JAG Grant Program), a congressionally consolidated local law enforcement program in 2004 previously known as Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program and the Local Law Enforcement Block Grant Program (LLEBG). This grant program provides enhanced funding to state and local law enforcement and related agencies to carry out the purposes set forth under A.R.S. § 41-2402. The Arizona Criminal Justice Commission is designated as the State Administrative Agency (SAA) for this program. In 1996 the Arizona Criminal Justice Commission was also designated as the State Administrative Agency for the Residential Substance Abuse Treatment Grant Program. This program also administers a number of non-grant projects such as Fill the Gap funds for distribution to counties.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,704.5 | 1,001.1 | 1,701.4 |
| Other Non Appropriated Funds | 14,319.1 | 13,650.4 | 8,510.4 |
| Program Total | 16,023.6 | 14,651.5 | 10,211.8 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

- ◆ **Goal 1** To distribute appropriated funds and court fines to County Attorneys as required by A.R.S. § 41-2409 for the purpose of improving case processing and by January 8th each year report to those stated in the legislation on the expenditure of the monies in the state aid to county attorneys fund for the prior fiscal year and on the progress made in achieving the goal of improved criminal case processing.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Completion of annual report by due date. | 1 | 1 | 1 |

- ◆ **Goal 2** To distribute appropriated funds and court fines to County indigent defense agencies and contract indigent defense as required by A.R.S. § 41-2409 for the purpose of improving case processing and by January 8th each year report to those stated in the legislation on the expenditure of the monies in the state aid to indigent defense fund for the prior fiscal year and on the progress made in achieving the goal of improved criminal case processing.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Completion of annual report by due date. | 1 | 1 | 1 |

- ◆ **Goal 3** To effectively manage the acquisition, allocation and administration of local, state and federal grant funds to provide a high potential for significant productivity and impact on drug, violent and street gang crime in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Grants identified, applications submitted and approved by funding authorities | 2 | 2 | 2 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Number of grant applications received from criminal justice agencies requesting grant funds for criminal justice system activities authorized by the Commission. | 37 | 35 | 35 |
| Number of grant applications evaluated and awarded to criminal justice agencies for criminal justice system activities authorized by the Commission. | 35 | 35 | 35 |
| Number of arrests made by grant-funded task forces | 6858 | 6500 | 6500 |
| Convictions reported by grant-funded prosecution projects | 25242 | 25,000 | 25,000 |
| Percent of grant agreements executed in a timely manner by Commission staff | 100 | 100 | 100 |
| Percent of requests for training/technical assistance received and filled | 100 | 100 | 100 |
| On-site monitoring visits conducted by Commission staff | 6 | 10 | 10 |
| Federal grantor agency conferences, workshops and planning sessions attended by Commission staff | 1 | 1 | 1 |
| Complaints received by Commissioners regarding actions by the Commission staff in the administration of sub-grants | 0 | 0 | 0 |
| Percent of complete, accurate reports submitted on or before due dates | 100 | 100 | 100 |

SDA 0.0 Agency Summary
ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND
 Robert E. Hill, Superintendent
 Phone: (520) 770-3704
 A.R.S. § 15-1300 et. Seq

Mission:

To work together with parents, school districts, advocacy organizations, business and community members to create nurturing environments in which children with a vision or hearing loss feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help them become productive and responsible members of society.

Description:

The Arizona State Schools for the Deaf and the Blind provide education and evaluation to children and youth, with a vision or hearing loss, from birth to 22 years of age. School-aged children are served in one of the schools located in Tucson or Phoenix or in their home school district. The Tucson campus provides a residential program. Preschool children are served in both Tucson and Phoenix. Infants and toddlers with vision or hearing loss receive services in their homes throughout the State. ASDB also provides comprehensive evaluation services for some children referred with multiple disabilities.

Agency Summary:

| | (\$ Thousands) | | |
|-------------------------|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ PHOENIX DAY SCHOOL | 10,615.6 | 11,453.9 | 12,922.1 |
| ➤ TUCSON CAMPUS | 17,099.6 | 15,206.1 | 17,262.3 |
| ➤ REGIONAL COOPERATIVES | 17,622.2 | 17,795.9 | 17,795.9 |
| ➤ PRESCHOOL | 4,942.9 | 6,405.1 | 7,389.3 |
| ➤ ADMINISTRATION | 4,381.3 | 4,866.7 | 4,866.7 |
| Agency Total: | 54,661.6 | 55,727.7 | 60,236.3 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 21,511.2 | 20,686.3 | 25,194.9 |
| Other Appropriated Funds | 12,349.9 | 12,725.5 | 12,725.5 |
| Other Non Appropriated Funds | 20,800.5 | 22,315.9 | 22,315.9 |
| Program Total | 54,661.6 | 55,727.7 | 60,236.3 |
| FTE Positions | 967.4 | 893.7 | 893.7 |

Strategic Issues:

Issue 1 *Fostering the development of parent and community partnerships*

The Principals have implemented and coordinated a number of activities to involve more parents with the schools and their child's educational program.

Parent folders are used to inform parents of learning occurring in the classroom, activities at the school, and events in the community. Parent groups are also active on both site-based campuses. Parent groups provide support and information to other parents regarding the education of students with visual impairment and hearing loss. Parent groups provide support to school events for students in the form of after school activities.

Staff is involved in presenting information to community organizations and parents regarding advocacy and general information for accessing educational programs. Agency staff provide speakers, location, and child care for meetings to occur and to encourage a larger number of parents. ASDB is developing cooperative arrangements with other community agencies to support provision of service for our students. ASDB participates in local organizational meetings with other professionals in the education

field, in the rehabilitation area, and community businesses to foster cooperation and increased success of our students. Several agency employees are members of service organizations to expand ASDB's exposure to the community and to provide service to others. ASDB works with employers to support students in occupations that will be sustainable after graduation. ASDB works, in conjunction with other agencies serving Hard of Hearing, Deaf, or Visually Impaired individuals, to increase choices and opportunities for the students. Agencies include SAAVI, CPY, VCD, AFB, COPD and FBC.

Issue 2 *Developing and maintaining a proactive work environment within the Agency.*

The Department of Human Resources implemented a number of changes to enhance operations in the Agency with the goal of being able to respond quicker to employee needs and requests. ASDB is part of the HRIS system which will better track work schedules, leave, etc. An HRIS Specialist is being employed with time dedicated solely to maintaining the HRIS and TMG systems and to keep the Agency in line with state requirements. Specialists in HR have developed a schedule for visiting ASDB sites outside of Tucson. They are conducting employee meetings to answer questions about benefits, policies, etc.

The Professional Development Leadership Team conducted a survey of the schools to assess the environment and to provide information to be used as part of a strategic plan to improve the organizational climate.

Issue 3 *Embracing technology into instructional and operational activities of the Agency.*

Educational technology has become a joint effort of the site-based programs. A representative group from both site-based programs worked together to develop an Educational Technology Plan, which was submitted and approved by the Arizona Department of Education. The Agency also submitted the GITA plan to the State. Staff attended a variety of technology workshops across the country, returned to the educational programs and presented information to be immediately utilized by teachers. An excess costs grant was written and successfully obtained to purchase assistive technology for use with students with visual impairment and blindness. The Agency database is being centralized for use from anywhere in the state to provide the most up-to-date information on students. The database provides demographic information that can be used for accountability reports. The database will be expanded to include additional information on student progress. An Internet based program called PowerSchool has been implemented at the site-based schools. This allows parents to review their son or daughter's school information from home using a secure password. It also allows parents and teachers to communicate directly via the Internet. The infrastructure of the technology system has been enhanced at the Agency to make communication more effective and efficient. New methods of communication are being provided for Hard of Hearing and Deaf students through the implementation of a system-wide video relay system.

In order to facilitate communication, Internet and e-mail access is available to all agency personnel as well as the public. All programs in the Agency are now connected and able to access the Internet for resources. An updated E-mail system has increased the ability of staff to communicate across the state and results in faster services to students.

The current infrastructure is under review to improve functionality, security, and to reduce downtime. Specifics could include the tying together of (1) assistive technology, (2) dormitory wiring/fiber/wireless, (3) Tucson Campus building wiring/fiber/wireless, and (4) upgrade and combination of overall technological capabilities and resources (both business support and assistive technologies working in a symbiotic relationship). This will be done in conjunction with GITA, AZNET and ASDB.

Issue 4 *Enhancing recruitment and retention of employees.*

Hiring enough qualified teachers is critical to the success of ASDB. The competition for teachers has become very intense with many districts offering bonuses as well as other incentives. ASDB continues to focus on three areas: hiring, staff services, and staff development.

To increase the awareness of potential teachers, ASDB has initiated a

national recruiting effort. The Agency works with several university programs around the country to recruit talented future professionals to ASDB. Presentations are made by ASDB teachers at universities and colleges that have teacher preparation programs to communicate information regarding the Agency and the students served. Student teachers and graduate interns are encouraged to come to ASDB to complete their university program.

The Internet is being used as a means to recruit qualified staff from around the country. Websites offered by the Arizona Department of Education, Jobing.com, Gateway and professional organization websites are a few of the most popular sites. The selection process has been revamped for principals, directors and supervisors to reflect more consistency, more assessment steps, and greater inclusion of constituents in the selection panel.

Formal presentations and training's are made available during the school year to educate and inform staff regarding employment issues to enhance benefit opportunities. Employee seminars are held to inform staff of current benefits. New employee orientations are held to provide organization and procedural information regarding agency function.

An extensive staff development program has been implemented to educate staff in strategies and techniques to improve student classroom performance. The focus is on developing existing skills, developing new skills, and succession planning. In addition to regularly scheduled staff meetings, larger blocks of time are reserved for more in-depth presentations by outside professionals and staff returning from national conferences.

Compensation issues are currently not being addressed adequately due to budgetary deficits at the state level. The Agency continues to compare salaries of staff with other equal positions at other state agencies and at school districts to keep information current.

Issue 5 *Provide leadership and organizational support.*

ASDB Leadership has restructured the Agency to create more communication and interaction opportunities between the site-based and cooperative programs consisting of the Northern and Southern Regions. This structure is in response to the need to provide a continuum of service for all Hard of Hearing, Deaf, or Visually Impaired students. This structure offers the opportunity for fresh interactions among programs and with outside programs and agencies. Interagency agreements have been broadened to increase the provision of service to staff and students, and to increase service to other agency personnel. Interagency interactions with university and community college programs allow our students access to a wider choice of programs. Interagency interactions with university and community college programs allow programs to have more choices for their college students for practicum and internship possibilities, and brings specialized services (e.g. audiology) to ASDB programs. Interactions with state agencies allow provision of affordable service to clients and staff. Procurement has been centralized to more efficiently meet state procurement law. Training is provided at a variety of leadership levels to promote quality of service to our constituents.

Issue 6 *Enhancing curriculum and instructional accountability.*

Curriculum enhancement has occurred on a variety of levels with all programs served by ASDB. Curriculum Based Measurement is being conducted with our Hard of Hearing and Deaf students. Quality Programming for the Visually Impaired training is being conducted at all regional cooperatives and at the site-based programs. A curriculum selection process and accompanying textbook purchases have been completed at the site-based programs. Curriculum enhancement activities continue in the areas of science and social studies through History Alive! and Science Alive! trainings. Currently, curriculum is being evaluated in Language, Reading, Mathematics, and Science.

Instructional accountability continues to be a critical focus area of the Agency. A large data base has been collected to compare results of standardized testing with fixed factors. Training is provided for teachers to enhance their use of results from standardized assessment in planning the educational program for their students. The accountability coordinator has

created an ongoing dialogue with ADE to obtain test results for those students that require accommodations.

Issue 7 *Reviewing the Agency structure to enhance communication, efficiency and effectiveness.*

The Agency is restructuring the operation of the Early Childhood Program in response to increased demand on a statewide basis. The Birth to Three Program is being assessed and ideas proposed to promote better and increased services to infants and toddlers in home based programs. The Three to Five Program is being assessed to look at how to provide preschool services closer to the students' homes across the state. The Agency continues to investigate ways to increase services through partnerships with local school districts. Regional Directors and Principals have monthly meetings to review agency issues.

Issue 8 *Providing students and staff with appropriate facilities.*

The Legislature appropriated \$19 million dollars to be used to address building needs on both campuses. A new middle school/high school has been constructed on the Phoenix campus and was occupied for the 2008-2009 school year. In Tucson, the current student health center and OT/PT buildings were also completed January 2009. The building also includes a new Career and Technical Education center. The final four dormitories that did not have air conditioning have had air-conditioning added. In Phoenix, satellite programs have been established in elementary schools, in partnership with school districts, to serve Hard of Hearing, Deaf, or Visually Impaired preschool students closer to their homes. Additional programs are being explored with other local school districts. Since these programs are dependent on the availability of space, it is not always possible to have satellite programs where they are needed the most.

| SDA 1.0 | Program Summary |
|---------|-----------------------------|
| | PHOENIX DAY SCHOOL |
| | Robert Hill, Superintendent |
| | Phone: (520) 770-3704 |
| | A.R.S. § 15-1300 et. Seq |

Mission:

To create a nurturing environment in which children who are deaf or hard of hearing feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help them become productive and responsible members of society.

Description:

PDSD was established in 1967 and has expanded over the years from its inception as an elementary school to include a middle school and high school. The campus in North-Central Phoenix sits on 14 acres and currently provides educational services to approximately 350 students aged 5 through 22 who live within the metropolitan Phoenix area for whom daily transportation is feasible.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,839.1 | 3,904.7 | 5,372.9 |
| Other Appropriated Funds | 5,688.4 | 5,708.4 | 5,708.4 |
| Other Non Appropriated Funds | 2,088.1 | 1,840.8 | 1,840.8 |
| Program Total | 10,615.6 | 11,453.9 | 12,922.1 |
| FTE Positions | 177.0 | 197.3 | 197.3 |

- ◆ **Goal 1** To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Individual Educational Plans (IEP) with participation of representatives from school districts | 100 | 95 | 95 |
| Percent of IEPs developed with participation of parent | 97 | 0 | 0 |

- ◆ **Goal 2** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of parents satisfied with the quality of the program in Phoenix | 96 | 95 | 95 |
| Percent of parents satisfied with their involvement in the program | 97 | 95 | 95 |

- ◆ **Goal 3** To effectively manage transportation, food service and medical services to ensure that these programs are supportive of the educational programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of parents satisfied with the quality of transportation services provided at PDSD | 95 | 95 | 95 |
| Percent of parents satisfied with the quality of food services provided at PDSD | 91 | 90 | 90 |
| Percent of parents satisfied with the quality of medical services provided at PDSD | 100 | 95 | 95 |

| SDA 2.0 | Program Summary |
|---------|-----------------------------|
| | TUCSON CAMPUS |
| | Robert Hill, Superintendent |
| | Phone: (520) 770-3704 |
| | A.R.S. § 15-1300 et. Seq |

Mission:

To create a nurturing environment in which children who are visually impaired, deaf or hard of hearing feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help them become productive and responsible members of society.

Description:

ASDB's Tucson Campus is the home of the Arizona School for the Deaf (ASD), the Arizona School for the Blind (ASB), the evaluation center for the entire agency (Technical Assistance to Schools [TAS]), and the ASDB administrative headquarters. The Tucson Campus has boarding facilities for students who live far from the Tucson Campus and need the services that only a special school for the deaf or the blind can provide. Currently about 215 students aged 5 through 22 attend the Tucson Campus, and of these about 65 live in the campus residence halls.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 12,278.9 | 9,539.1 | 11,595.3 |
| Other Appropriated Funds | 4,032.8 | 4,462.7 | 4,462.7 |
| Other Non Appropriated Funds | 787.9 | 1,204.3 | 1,204.3 |
| Program Total | 17,099.6 | 15,206.1 | 17,262.3 |
| FTE Positions | 309.6 | 291.0 | 291.0 |

- ◆ **Goal 1** To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Individual Educational Plans (IEP) with participation of representatives from school districts in Tucson | 100 | 95 | 95 |
| Percent of IEPs developed with participation of parent | 100 | 95 | 95 |
| Percent of parents satisfied with their involvement in the program in Tucson | 100 | 95 | 95 |
| Percent of parents satisfied with the quality of educational programs provided to their child. | 99 | 95 | 95 |

- ◆ **Goal 2** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of parents satisfied with the quality of the program in Tucson | 99 | 95 | 95 |

- ◆ **Goal 3** To effectively manage transportation, food service and medical services to ensure that these programs are supportive of the educational programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of parents satisfied with the quality of transportation services provided at ASD/ASB in Tucson. | 96 | 95 | 95 |
| Percent of parents satisfied with the quality of food services provided at ASD/ASB in Tucson. | 96 | 90 | 90 |
| Percent of parents satisfied with the quality of medical services provided at ASD/ASB in Tucson. | 100 | 95 | 95 |

| SDA 3.0 | Program Summary |
|-----------------------------|-----------------|
| REGIONAL COOPERATIVES | |
| Robert Hill, Superintendent | |
| Phone: (520) 770-3704 | |
| A.R.S. § 15-1300 et. Seq | |

Mission:

To work together with parents, school districts, advocacy organizations, business and community members to create nurturing environments in which children with a vision or hearing loss feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help them become productive and responsible members of society.

Description:

The assessment of students is done by certified staff personnel many of whom have advanced degrees up to and including several individuals with Doctorates. Instruction is provided by itinerant teachers who serve several school districts. These teachers work in cooperation with the child's family and the local school district. Placement for each child is a team decision made by the family, the home school district and ASDB staff. The decision is based on the individual comprehensive evaluation and the Individual Education Plan.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 848.7 | 797.5 | 797.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 16,773.5 | 16,998.4 | 16,998.4 |
| Program Total | 17,622.2 | 17,795.9 | 17,795.9 |
| FTE Positions | 355.4 | 285.1 | 285.1 |

◆ Goal 1 To operate the Cooperatives in a cost effective manner

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------------|----------------|------------------|------------------|
| Per student costs for Cooperatives | 15508 | 15,508 | 15508 |

◆ Goal 2 To provide quality programming for students

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of parents rating the program as good or excellent | 97 | 95 | 95 |

◆ Goal 3 To provide programming meeting the individual needs of students

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of parents rating the student IEP progress as good or excellent | 96 | 95 | 95 |

◆ Goal 4 To increase the number of students served through the regional cooperatives.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of students served by the regional cooperatives and the Outreach program | 1300 | 1600 | 1600 |

◆ Goal 5 To increase the number of school districts served by the Cooperatives

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of districts served by the Cooperatives | 225 | 240 | 240 |

| SDA 4.0 | Program Summary |
|-----------------------------|-----------------|
| PRESCHOOL | |
| Robert Hill, Superintendent | |
| Phone: (520) 770-3704 | |
| A.R.S. § 15-1300 et. Seq | |

Mission:

To look at the whole child, as a member of a family, as a child first who happens to be visually impaired, blind, hard of hearing or deaf. We are committed to nurturing the child and the family through education, involvement and continued support. We are sensitive to the cultural, emotional, social and educational priorities of each family. We are committed to fostering a partnership with families that will enable the child with visual impairments to reach personal independence.

Description:

There are two components to the Preschool program offered by ASDB - Parent Outreach and Preschool. The Parent Outreach Program serves children birth to three with hearing or vision loss as well as children who are deaf-blind. The statewide program serves every county in the state of Arizona. ASDB participates with the Arizona Early Intervention Program (AzEIP) in providing early intervention services to families and their children with sensory impairments under IDEA (The Individuals with Disabilities Education Act) Part C. The AzEIP participating State Agencies are the five state agencies identified in A.R.S. §§ 8-651 and 8-652 as responsible for maintaining and implementing a comprehensive, coordinated, interagency system of early intervention services. The five participating state agencies identified in A.R.S. § 8-652 are: Arizona Department of Economic Security (DES), Arizona State School for the Deaf and the Blind (ASDB), Arizona Department of Health Services (ADHS), the Arizona Health Care Cost Containment System (AHCCCS), and the Arizona Department of Education (ADE). Currently, 590 children are served by the program. The Preschool program serves VI and HI children from 3 to 5 in a structured learning environment on the Tucson campus and in Phoenix at several locations throughout the metropolitan area. Services offered to eligible children, their families and school districts include: Family education, developmentally appropriate center based preschool education, comprehensive educational assessment, functional vision assessments, audiological assessment, orientation/mobility services, physical therapy, sensory integration therapy, occupational therapy, speech/communication therapy, feeding therapy, transition to kindergarten and transportation.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 1,406.1 | 2,858.0 | 3,842.2 |
| Other Appropriated Funds | 2,628.7 | 2,554.4 | 2,554.4 |
| Other Non Appropriated Funds | 908.1 | 992.7 | 992.7 |
| Program Total | 4,942.9 | 6,405.1 | 7,389.3 |
| FTE Positions | 51.4 | 50.3 | 50.3 |

◆ Goal 1 To increase the number of students participating in the Parent Outreach Program

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of students served annually through the Parent Outreach Program and the Preschool program. | 500 | 500 | 500 |

◆ Goal 2 To provide quality programming for preschool students

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of parents rating overall quality as good or excellent | 100 | 95 | 95 |
| Percent of parents indicating the staff regularly communicates with them. | 100 | 95 | 95 |
| Percent of parents who feel their child is progressing satisfactorily toward their child's IEP/IFSP goals. | 100 | 95 | 95 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of parents satisfied with their level of participation in the IEP/IFSP and MET process. | 100 | 95 | 95 |
| Percent of parents satisfied with the services and specialized equipment provided based on the IEP/ISFP. | 100 | 95 | 95 |

| SDA 5.0 | Program Summary |
|---------|-----------------------------|
| | ADMINISTRATION |
| | Robert Hill, Superintendent |
| | Phone: (520) 770-3704 |
| | A.R.S. § 15-1300 et. Seq |

Mission:

To provide leadership and vision for the Arizona State Schools for the Deaf and the Blind programs and to secure, maintain, and protect resources needed to meet the mission of the Agency.

Description:

The Arizona State Schools for the Deaf and the Blind (ASDB) consists of a variety of programs that provide education and evaluation to children and youth, with a vision or hearing loss, from birth to 22 years of age. School-aged children are served in one of the site based schools located in Tucson or Phoenix or in their home school district through one of the five Regional Cooperative programs. In addition to educational and evaluation services, the ASDB Tucson campus provides a residential program. Preschool children are served in both Tucson and Phoenix. Infants and toddlers with vision or hearing loss receive services in their homes throughout the State. ASDB also provides comprehensive evaluation services for some children referred with multiple disabilities.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 4,138.4 | 3,587.0 | 3,587.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 242.9 | 1,279.7 | 1,279.7 |
| Program Total | 4,381.3 | 4,866.7 | 4,866.7 |
| FTE Positions | 74.0 | 70.0 | 70.0 |

- ◆ **Goal 1** To prudently and fairly manage personnel resources of the Agency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of permanent certified positions filled PDS | 85 | 85 | 85 |
| Percent of permanent classified positions filled PDS | 85 | 85 | 85 |
| Percent of permanent certified staff turnover PDS | 10 | 10 | 10 |
| Percent of permanent classified staff turnover PDS | 25 | 25 | 25 |

- ◆ **Goal 2** To effectively manage facilities, transportation, food service and loss prevention to ensure that these services are supportive of the educational programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of parents satisfied with the quality of the medical services provided at ASDB. | 99 | 95 | 95 |
| Percent of parents satisfied with the quality of transportation services provided at ASDB. | 96 | 95 | 95 |
| Percent of parents satisfied with the quality of food services provided at ASDB. | 93 | 90 | 90 |

- ◆ **Goal 3** To maintain a positive relationship with parents

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of parents satisfied with leadership at ASDB | 99 | 90 | 90 |
| Percent of parents rating overall quality of services as good or excellent based on annual survey PDS | 98 | 95 | 95 |

- ◆ **Goal 4** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Percent of parents satisfied with instructional programs and services as measured by a survey PDS | 96 | 95 | 95 |
| Percent of students graduating from PDS with a high school diploma | 100 | 100 | 100 |
| Percent of students graduating from ASD and ASD with a high school diploma | 100 | 100 | 100 |

◆ **Goal 5** To prudently and fairly manage personnel resources of the Agency

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Percent of permanently certified positions filled (TC) | 90 | 90 | 90 |
| Percent of permanent classified positions filled (TC) | 80 | 80 | 80 |
| Percent of permanent certified staff turnover (TC) | 10 | 10 | 10 |
| Percent of permanent classified staff turnover (TC) | 25 | 25 | 25 |

◆ **Goal 6** To maintain a positive relationship with parents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Percent of parents rating overall quality of services as good or excellent based on annual survey (TC) | 97 | 90 | 90 |

◆ **Goal 7** To provide quality services to the schools within the Regional Cooperatives

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Percent of parents with students served through the cooperatives satisfied with the services provided by ASDB. | 97 | 95 | 95 |

DFA 0.0 Agency Summary

COMMISSION FOR THE DEAF AND HARD OF HEARING

Sherri L. Collins, Executive Director

Phone: (602) 542-3336

A.R.S. §§ 36-1941 through 36-1978

Mission:

To ensure, in partnership with the public and private sectors, accessibility for the Deaf, Hard of Hearing, DeafBlind and persons with speech difficulties to improve their quality of life.

Description:

The Arizona Commission for the Deaf and the Hard of Hearing (ACDHH) acts as an information bureau for the Deaf, Hard of Hearing, Deaf Blind, and individuals with speech difficulties, as well as for state agencies and institutions providing services to those consumers. Local government and other public and private community agencies also benefit from ACDHH information, programs and activities. For example, ACDHH Deaf and Hard of Hearing Specialists provide sensitivity training for state agencies and other organizations and groups that work with the Deaf, Hard of Hearing, Deaf Blind, and individuals who have speech difficulties.

ACDHH also administers a telecommunications equipment distribution voucher program that loans equipment to qualifying Arizona State residents. The Arizona Relay Service (7-1-1), which allows equal accessibility of public telephone service, is available through ACDHH as well. The service is administered by ACDHH and is required by the Federal Communications Commission. ACDHH is also mandated to license American Sign Language interpreters and certify American Sign Language teachers.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| ➤ COUNCIL ACTIVITIES | 1,231.6 | 1,734.4 | 1,734.4 |
| ➤ TDD - TELECOMMUNICATION DEVICE FOR THE DEAF | 2,011.6 | 2,011.3 | 2,363.0 |
| Agency Total: | 3,243.2 | 3,745.7 | 4,097.4 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,243.2 | 3,745.7 | 4,097.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 3,243.2 | 3,745.7 | 4,097.4 |
| FTE Positions | 15.0 | 15.0 | 15.0 |

Strategic Issues:

Issue 1 Maintain Effective Quality Assurance of Arizona Telecommunications Relay Services

(1A) Monitor the delivery of telecommunications relay services through a third party contract.

The services provide access to functionally equivalent telephone services for Arizonans who are Deaf, Hard of Hearing, Deaf-Blind or speech disabled. The commission reviews and monitors quality assurance standards set by the Federal Communications Commission and specific negotiated quality, service delivery and customer service standards set by the Commission for services unique to Arizona. The Commission reviews monthly reports provided by the contractor to measure call answering standards, the number of completed calls and customer service satisfaction. The Commission also conducts annual site visits to monitor employee performance. The Commission also receives weekly reports from the AZ Relay Outreach Specialist to monitor local education, outreach and training. The Commission shall continue to negotiate for the highest quality assurance measurements for each contract renewal.

(1B) Continue to advocate for the best technological access to telecommunication services for the Deaf and the Hard of Hearing. The newest technology available to consumers in the deaf and hard of hearing communities is video and internet protocol services. State relay administrators have been informed of the impending transfer of the new technology costs to individual states. The current appropriation will not satisfy the impending cost of intrastate video and internet protocol relay services. The Commission will attend state, local and national meetings to participate in discussions regarding the FCC's determination of the assignment of costs to states for video and internet protocol services. The Commission shall determine the impact on AZ service delivery, monitor the need to request additional funding to maintain functionally equivalent access to telecommunication services, advocate for funding at the legislature and educate the public about these services.

Issue 2 Administer the Statewide Telecommunications Equipment Distribution Program

ACDHH is responsible for the distribution of telecommunication devices to citizens who qualify. The commission shall continue to provide outreach and education to inform the public about the program, receive and screen applications, and provide one-on-one training and customer service for the repair and replacement of defective devices. The Commission shall increase consumer awareness by increasing links to service related sites.

Issue 3 Increase Public Awareness

There are more than 643,000 Arizonans with varying degrees of hearing loss and more than 70,000 individuals who are profoundly deaf. The Commission serves a large number of citizens who are hard of hearing, deaf, deafblind and individuals who have speech difficulties. Thousands more are either un-served or underserved due to limited staffing. The Commission also serves thousands who are hearing family members, friends, employers and co-workers from the general public. This is possible only through the outreach and education efforts of the staff. The Commission continues to form collaborative partnerships with many agencies to spread the word about services. The Department Economic Security, Rehabilitation Services Administration, Area Agency on Aging, Maricopa Community Colleges, Department of Emergency Management and many civic organizations of and for the deaf and the hard of hearing. The Commission has also improved its website by offering video blogs to educate the general public about issues of hearing loss, deaf culture and the employment of the deaf and the hard of hearing. The Commission will continue to seek opportunities to partner for the development of public service announcements, and the submission of articles in professional magazines and local, state and national newspapers.

Issue 4 Determine American Sign Language Teacher Standards

In the State of Arizona, there are no standards for individuals who teach American Sign Language. The Commission shall gather information via community forums, and the formation of work groups made up of Arizona stakeholders including but not limited to consumers, professionals and others. The Commission shall consult Maricopa Community Colleges staff, University staff, other states with certification standards, and the American Sign Language Teachers Association to assist in determining the best standards for American Sign Language teachers in Arizona.

| DFA 1.0 | Program Summary |
|---------|-----------------------------------|
| | COUNCIL ACTIVITIES |
| | Lynn Wakefield, Business Manager |
| | Phone: (602) 542-3363 |
| | A.R.S. §§ 36-1941 through 36-1978 |

Mission:

To assist agency administrators and political subdivision directors to improve the quality of services available for the Deaf, Hard of Hearing, DeafBlind and persons with speech difficulties; and to educate the Deaf, Hard of Hearing, DeafBlind and persons with speech difficulties on how best to access services.

Description:

The agency director and staff make numerous presentations to public organizations, agencies and private businesses on the needs of the Deaf, Hard of Hearing, Deaf Blind and persons with speech difficulties. These individuals coordinate consumer workshops, seminars, and interpreters for the Deaf, Hard of Hearing, Deaf Blind and persons with speech difficulties. Support staff responds to hundreds of inquiries regarding technology, laws, and availability of services.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,231.6 | 1,734.4 | 1,734.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,231.6 | 1,734.4 | 1,734.4 |
| FTE Positions | 12.0 | 12.0 | 12.0 |

- ◆ **Goal 1** To increase public awareness of accessibility issues related to the Deaf, Hard of Hearing, DeafBlind and persons with speech difficulties.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total number of information and referral contacts | 268,919 | 200,000 | 200,000 |
| Explanation: Contacts and Trainings | | | |
| Total number of website visits | 54,435 | 60,000 | 60,000 |
| Total number of advertisements | 2,286,855 | 1,500,000 | 1,500,000 |
| Explanation: In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards. | | | |
| Total number of articles | 1,939,210 | 1,500,000 | 1,500,000 |
| Explanation: In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards. | | | |
| Number of persons receiving training, exhibits and workshops providing information on the Arizona Commission for the Deaf and Hard of Hearing, the Arizona Relay Service, and the Arizona Telecommunications Equipment Distribution Program | 32,846 | 25,000 | 25,000 |
| Number of newsletters distributed | 37,947 | 40,000 | 50,000 |
| Explanation: Agency began weekly E-Newsletter Distribution | | | |

- ◆ **Goal 2** To increase the number of public and private sector partnerships in providing training and program services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|----------------|------------------|------------------|
| Number of partnerships formed | 5 | 5 | 5 |

- ◆ **Goal 3** To prepare present and future American Sign Language instructors for national-level standards and certification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------|----------------|------------------|------------------|
| Total number of workshop hours | 0 | 0 | 0 |

- ◆ **Goal 4** To improve interpreter support services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of general licensed interpreters | 293 | 320 | 350 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of calendar days from receipt of complaint about licensed interpreter to resolution | 89 | 120 | 120 |
| Number of complaints about certified/licensed interpreters | 5 | 5 | 5 |
| Number of licensed legal interpreters | 35 | 44 | 52 |
| Number of provisional interpreters | 73 | 90 | 120 |

- ◆ **Goal 5** To improve public relations on issues related to hearing loss.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of printed articles related to the Arizona Commission for the Deaf and Hard of Hearing | 1,417,396 | 1,000,000 | 1,000,000 |
| Explanation: In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards. | | | |
| Number of printed articles related to the Arizona Telecommunications Equipment Distribution Program | 0 | 15 | 15 |
| Number of printed articles related to the Arizona Relay Service | 521,817 | 400,000 | 400,000 |
| Explanation: In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards. | | | |
| Number of telecommunication advertisements for Arizona Relay Service | 0 | 5 | 10 |
| Number of telecommunication advertisements for Arizona Telecommunications Equipment Distribution Program | 0 | 5 | 10 |

| DFA 2.0 | Program Summary |
|---|-----------------|
| TDD - TELECOMMUNICATION DEVICE FOR THE DEAF | |
| Lynn Wakefield, Business Manager | |
| Phone: (602) 542-3363 | |
| A.R.S. §§ 36-1941 through 36-1978 | |

Mission:

To provide telecommunications access for the Deaf, Hard of Hearing, DeafBlind and persons with speech difficulties.

Description:

The Agency provides various assistive devices on a loaner basis to Arizona residents who are Deaf, Hard of Hearing, Deaf Blind and persons with speech difficulties. In addition, the Agency contracts with an interstate telephone company to provide telephone relay services 24 hours a day, 7 days a week. This relay service provides a link between Deaf, Hard of Hearing, Deaf Blind and persons with speech difficulties and all other telephone users.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,011.6 | 2,011.3 | 2,363.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,011.6 | 2,011.3 | 2,363.0 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

- ◆ **Goal 1** To monitor telecommunications relay services to ensure compliance with current contract.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of telecommunications relay service calls completed without a complaint | 99.9 | 99.5 | 99.5 |
| Annual call minutes for the telecommunications relay service | 907,938 | 1,200,000 | 1,260,000 |

- ◆ **Goal 2** To administer voucher system of the Telecommunications Equipment Distribution Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of customer satisfaction with equipment distribution voucher program | 97 | 90 | 90 |
| Number of equipment distributed to consumers | 900 | 1,100 | 1,100 |
| Explanation: Resumed Voucher Program | | | |
| Number of applications distributed to consumers regarding the equipment distribution program | 994 | 1,500 | 1,500 |
| Number of demonstrations performed | 126 | 200 | 200 |

| DXA 0.0 | Agency Summary |
|------------------------------------|----------------|
| BOARD OF DENTAL EXAMINERS | |
| Elaine Hugunin, Executive Director | |
| Phone: (602) 242-1492 | |
| A.R.S. §§ 32-1201, 32-1299 | |

Mission:

To provide professional, courteous service and information to the dental profession and the general public through examination, licensing, complaint adjudication and enforcement processes to protect the oral health, safety, and welfare of Arizona citizens through a fair and impartial system.

Description:

The State Board of Dental Examiners examines, licenses, and certifies professionals to practice in the field of dentistry. The Board also accepts complaints against licensees and certificate holders, investigates allegations, and administratively adjudicates complaints. The Board serves approximately 8,000 professionals licensed or certified to practice in the state, as well as all Arizona citizens who receive their professional services.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,004.1 | 1,183.8 | 1,183.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,004.1 | 1,183.8 | 1,183.8 |
| FTE Positions | 11.0 | 11.0 | 11.0 |

Strategic Issues:

Issue 1 Information Technology Development

The Agency is preparing to offer online renewals which will not only be convenient to the Agency’s licensees, but will reduce Agency operating expenses. The Legislature has enacted the required changes to the Dental Practice Act. The Agency is currently working on the next two steps: 1) Development of the online renewal component within the database; and 2) Online payment options.

The Agency previously reported a strategic issue was to take control of the Agency’s website and enable the public to access licensing and complaint histories. The Agency has staff able to make content changes to the website. As an adjunct to our database, the Agency has transitioned to a real-time licensee directory which enables the public to access licensing and complaint histories. The Agency plans a redesign of the website to conform to all state standards and operationalize online renewals.

In an effort to keep the licensees informed of changes to the Dental Practice Act, the Agency has published and mailed a newsletter. In FY11, the Agency found that copying and mailing a newsletter was not only cost prohibitive, but leaves a large carbon footprint. The Agency plans to utilize its website to publish newsletters.

- ◆ Goal 1 To ensure the health, safety, and welfare of the public through regulation of the dental profession.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of days from receipt of completed application to issuance or denial of certification or license | 3 | 10 | 10 |
| Total number of applications received | 662 | 741 | 741 |
| Total number of individuals or facilities licensed | 8364 | 8566 | 8668 |
| Customer satisfaction rating (scale 1-5) | 5 | 4 | 4 |
| Total number of licenses/renewals issued | 3004 | 3117 | 2970 |
| Average calendar days to renew a license (from receipt of application to issuance) | 10 | 10 | 10 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of cases adjudicated each calendar year (ratio of complaints resolved to complaints received) | 101 | 90 | 90 |
| Average number of calendar days from receipt of complaint to resolution of complaint | 104 | 150 | 150 |
| Percent of investigations resulting in disciplinary or enforcement action | 13 | 15 | 15 |
| Number of licenses revoked or suspended | 11 | 11 | 11 |
| Total number of investigations conducted | 326 | 447 | 447 |
| Total number of complaints received annually | 276 | 368 | 368 |
| Total number of inspections conducted | 184 | 208 | 208 |
| Percent of total licensees with disciplinary action | 1 | 5 | 5 |

- ◆ Goal 2 To ensure compliance with statutory mandates

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Publication of periodic newsletter that provides information to licensees regarding statutes and rules | 0 | 2 | 2 |
| Administration as a percent of total cost | 4.7 | 5.0 | 5.0 |

| CDA 0.0 | Agency Summary |
|--|----------------|
| EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD | |
| Rhian Evans Alvin, Executive Director | |
| Phone: (602) 771-5100 | |
| ARS § 8-1181, ARS Title 8, Chap 13 | |

Mission:

To increase the quality of, and access to, the early childhood development and health system that ensures a child entering school comes healthy and ready to succeed.

Description:

The Arizona Early Childhood Development and Health Board or First Things First (FTF) is a voter approved initiative to ensure the quality and accessibility of early childhood development and health programs at the community level. Proposition 203 created a new, state-level board, the Arizona Early Childhood Development and Health Board, which provides oversight and guidance on the implementation of the Proposition. First Things First is also the name of the state agency created to carry out the work of the Arizona Early Childhood Development and Health Board.

The Arizona Early Childhood Development and Health Board receives revenues from additional tax levied on tobacco products. Ninety percent of the monies deposited into the Early Childhood Development and Health Fund are devoted to the program costs and ten percent are devoted to administrative costs.

First Things First establishes Regional Partnership Councils throughout the state. The Regional Partnership Councils are to include eleven members who reside or work in the region. Funding will be based on the number of children ages birth to five years living in the area, as well as the number of young children whose incomes do not exceed 100% of the federal poverty level. Programs funded through the AZECDH Board may be conducted either by grantees in the region or directly by the Regional Partnership Council.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 113,840.2 | 240,435.1 | 150,849.1 |
| Program Total | 113,840.2 | 240,435.1 | 150,849.1 |
| FTE Positions | 141.0 | 160.0 | 160.0 |

Strategic Issues:

Issue 1 Increasing quality and availability of early care and education services in Arizona.

FTF will improve/accomplish this by:

- a) Improving the quality of early childhood development and health programs.
- b) Increasing access to quality early childhood development and health programs.
- c) Increasing access to preventative health care and health screening for children through age five.
- d) Offering parent and family support and education concerning early child development and literacy.
- e) Providing professional development and training for early childhood development and health providers.
- f) Increasing coordination of early childhood development and health programs and public information about the importance of early childhood development and health.

◆ **Goal 1 To support the building of a comprehensive, high quality early childhood development and health system**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|----------------|------------------|------------------|
| Dollars (in millions) awarded in | 137 | 140 | 145 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| support of direct program delivery | | | |
| Number of awards made | 278 | 275 | 260 |
| Number of Board service program goal areas funded | 6/6 | 6/6 | 6/6 |

◆ **Goal 2 To increase public awareness of, and support for early childhood investment.**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Dollars (in millions) spent on Communications | 4.8 | 6.5 | 6.6 |
| % of regions participating in a coordinated communications strategy | 87 | 85 | 85 |
| % of Arizonans who see Early Education as important and % who see K-12 important. | 80/86 | 81/86 | 82/86 |

◆ **Goal 3 To achieve high level of integration, coordination and collaboration with early childhood partners and stakeholders.**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Estimated number of grants that have Grant and Sub-Grantee relationship | 30 | 30 | 30 |
| Number of multi-agency grants FTF is the recipient of | 2 | 2 | 2 |
| % of Council seats/positions (required by statute to have broad and diverse community and sector composition) not filled | 9 | 10 | 10 |

◆ **Goal 4 To monitor and report on services, results, and outcomes**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Dollars (in millions) spent on evaluation and Needs & Assets | 7.9 | 6.4 | 6.4 |
| % of grantees (providing direct client services and have reporting requirements) reporting on units served | 95 | 99 | 100 |
| # of years a longitudinal study on system outcomes for children 0-5 in AZ has been in place (or operating/running) | 3 | 4 | 5 |

◆ **Goal 5 To provide a cohesive and efficient delivery support structure within FTF**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Staff Vacancy Rate (%) | 10 | 20 | 15 |
| Staff External Turnover Rate (%) | 26 | 8 | 7 |
| Staff External Voluntary Turnover Rate (%) | 20 | 25 | 25 |
| % of regional councils with dedicated staff | 100 | 100 | 100 |
| % of female (vs. male) employees | 85 | 80 | 70 |
| % of minority employees | 48 | 43 | 40 |

◆ **Goal 6 To be fiscally accountable to the citizens of Arizona**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Major Deficiencies in the Annual Audit | 0.0 | 0.0 | 0.0 |

| DEA 0.0 | Agency Summary |
|---------------------------------|----------------|
| DEPARTMENT OF ECONOMIC SECURITY | |
| Clarence H. Carter, Director | |
| Phone: (602) 542-5678 | |
| A.R.S. § 41-1954 | |

Mission:

To promote the safety, well-being and self-sufficiency of children, adults, and families.

Description:

The Department of Economic Security (DES) is an integrated human services agency that provides critical protective and assistance services each month to more than one million of Arizona's children, adults and families.

Together, DES' programs impact the safety, well-being and self-sufficiency of Arizonans. Some of these programs include: Child Protective Services; Children Services to provide families the tools they need to care for their children; child care assistance for working parents; Adult Protective Services; domestic violence shelter and supports; early intervention services for infants and toddlers at risk of developmental delays; home and community-based services for individuals with developmental disabilities and the aged; independent living programs for both seniors and young adults; unemployment insurance; employment assistance including vocational rehabilitation and job training; nutrition assistance and child support enforcement.

DES and its services are an integral part of the Arizona community. Recognizing the interconnectedness and interdependence between DES services and community resources, the Department works closely with a network of community organizations and providers, as well as federal agencies that oversee Department programs, other state agencies, and Native American tribes in the delivery of services to the people of Arizona.

The Department's objective is to move beyond simply delivering services to ensuring that these services are offered to improve outcomes and are integrated to best meet the clients' needs in the most effective and efficient manner possible. Emphasis is on assisting individuals and families to gain the tools they need to effectively and permanently escape the hardships of poverty and other barriers that currently prevent them from being self-sufficient.

The following overarching, interrelated goals have been established for DES:

Strengthen individuals and families
Increase self-sufficiency
Collaborate with communities to increase capacity
Increase efficiency and effectiveness through innovation and accountability

These goals serve as the framework and foundation for the DES vision that every child, adult, and family in the state of Arizona will be safe and economically secure.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|--------------------|---------------------|--------------------|
| ➤ ADMINISTRATION | 138,645.3 | 164,387.8 | 164,580.0 |
| ➤ DEVELOPMENTAL DISABILITIES | 874,367.8 | 1,024,434.3 | 1,064,210.9 |
| ➤ BENEFITS AND MEDICAL ELIGIBILITY | 1,886,305.0 | 1,916,263.3 | 1,916,263.3 |
| ➤ CHILD SUPPORT ENFORCEMENT | 56,696.6 | 54,645.1 | 54,645.1 |
| ➤ AGING AND COMMUNITY SERVICES | 139,208.8 | 140,325.4 | 140,325.4 |
| ➤ CHILDREN, YOUTH AND FAMILIES | 483,571.5 | 468,612.0 | 509,012.0 |
| ➤ EMPLOYMENT AND REHABILITATION SERVICES | 2,030,371.9 | 1,107,664.1 | 610,991.9 |
| Agency Total: | 5,609,166.9 | 4,876,332.0 | 4,460,028.6 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|--------------------|---------------------|--------------------|
| General Funds | 538,226.9 | 603,065.0 | 694,242.6 |
| Other Appropriated Funds | 432,079.4 | 481,385.7 | 434,607.6 |
| Other Non Appropriated Funds | 4,638,860.6 | 3,791,881.3 | 3,331,178.4 |
| Program Total | 5,609,166.9 | 4,876,332.0 | 4,460,028.6 |
| FTE Positions | 9,269.1 | 9,284.2 | 9,366.2 |

Strategic Issues:

Issue 1 Core Mission, Accountability, and Efficiency

The Department has a history of innovation and efficiency in the delivery of human services and must continue to innovate and find ways to improve efficiency throughout the agency. The Department is focused on ensuring that core services continue while also incorporating inventive and efficient strategies to successfully provide services to Arizona's most vulnerable populations.

In recent years, the agency has been working to improve the accountability of its programs in order to ensure that they are being administered as effectively and efficiently as possible to be of a maximum benefit to the people they serve. With an eye toward further future improvement, beginning in fiscal year 2012 the Department has established a new Office of Accountability, headed by a Chief Accountability Officer and tasked with helping transform the Department into an agency that coordinates the delivery of benefits across divisions by helping to develop an enterprise approach to performance management and accountability. This approach will lead to a customer-focused model that seeks to meet the specific needs of individuals, rather than requiring individuals to navigate a system focused on individual programs.

As the Department manages through a rapidly changing environment, including such factors as declining state revenue, the changing nature of the workforce, and changes in technology, and intensifies its focus on its core work, the Department is also working to strengthen its workforce. Given the difficult economic climate in Arizona and the nation, the Department must provide resources and supports to the maximum extent possible to ensure that staff can stay focused on the agency's core mission and continue working hard for the families and individuals DES serves.

Issue 2 Economic and Social Stressors

Arizona and the nation are experiencing an unparalleled economic downturn. The nation's mortgage foreclosure crisis and associated losses in the housing and construction industries have hit Arizona disproportionately hard and the state's unemployment rate remains above nine percent. The economic decline creates competing stressors on state government and on DES services in particular. While the decline has caused state revenue to fall sharply leaving less money available to provide services, at the same

time it has also led to greater demand for Department services. For example, in recent years there were dramatic rises in unemployment insurance caseloads and in applications for the Supplemental Nutrition Assistance Program. Families are seeking assistance to meet basic needs such as housing, food, and health care, and people who have never experienced financial difficulties in the past have come to DES for services.

According to the U.S. Census Bureau's 2009 American Community Survey, in Arizona, more than 14 percent of people live in poverty, and nearly 21 percent of Arizona's children are living below the federal poverty level. In 2011, the federal poverty level for a family of four is \$22,350.

In addition to the stress caused by the economic downturn, violence against children continues to be a substantial concern, oftentimes brought on by multiple risk factors including poverty and substance abuse, thus establishing critical needs for protective, remedial, preventive, and intervention services for children and families. The current economic situation may create even more intense stress on already fragile family environments, further compounding these issues. Additionally, as more people have children later in life, a growing segment of the population is raising children while simultaneously caring for aging parents. Supports may be necessary for these caregivers to succeed in meeting this challenge.

Issue 3 Federal Funding

The Department's recent annual state budgets have relied heavily on federal funds in order to reduce the state's General Fund support for the Department. In fiscal years 2010 and 2011, a significant amount of federal support expired. These expiring federal funds are from the American Recovery and Reinvestment Act of 2009 (ARRA, P.L. 111-5), which was signed into law On February 13, 2009. ARRA, which is commonly referred to as the federal stimulus, temporarily augmented the funding provided under a number of the Department's federal grants. As a result, the Legislature was not only able to address caseload growth with federal funds, but was also able to significantly reduce the Department's General Fund base.

The Legislature has responded to the expiration of this federal funding by including additional General Fund support to sustain critical operations in child welfare, developmental disabilities, and Temporary Assistance for Needy Families (TANF) for fiscal year 2012.

In addition to the expiring ARRA funds, the Department also faces the loss of the population supplemental for the TANF Block Grant in fiscal year 2012. When TANF was created, supplemental funding in addition to the base block grant was made available to seventeen states with rapid population growth. This funding provision expired on June 30, 2011. Arizona's population supplemental in state fiscal year 2011 was about \$21.8 million. If the population supplemental is not renewed in the federal budget, and it does not appear likely that it will be at this time, the Department estimates a structural shortfall in TANF-funded programs of approximately \$40 million in fiscal year 2013 and beyond. There would also likely be cash flow issues in fiscal year 2012.

Issue 4 Collaboration with Community and Faith-Based Partners

The Department places an emphasis on collaboration with community and faith-based partners to accomplish its goals. DES recognizes that all communities are unique, and believes that those within a community often have a greater understanding of the best ways to meet their community's needs. This integrated and innovative approach to human services is crucial to developing and incorporating systems to best assist the populations the agency serves and to achieve the best possible outcomes for the vulnerable individuals, children and families of Arizona.

The Department is committed to continuing to expand and strengthen these relationships by involving faith-based partners and community constituencies in strategic planning and resource allocation efforts. The Department is enhancing the role of faith-based partners, family voice, community partnerships, tribal relationships, and sister agency collaboration to improve outcomes for Arizona's children and families.

| Program Summary | |
|---|----------------|
| DEA 1.0 | ADMINISTRATION |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954 | |

Mission:

To provide leadership, direction, coordination, and support to enable the Department of Economic Security to achieve its mission and vision.

Description:

The Administrative support areas provide leadership, direction, coordination, and support to the Department and its six client divisions in delivering human services to the people of Arizona.

This Program Contains the following Subprograms:

- ▶ Central Administration
- ▶ Finger Imaging
- ▶ Attorney General Legal Services
- ▶ Disaster Recovery
- ▶ Governor's Advisory Council on Aging
- ▶ Governor's Council on Developmental Disabilities
- ▶ Arizona Early Intervention Program

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 59,230.3 | 68,679.6 | 68,774.3 |
| Other Appropriated Funds | | 5,753.7 | 9,294.3 | 9,294.3 |
| Other Non Appropriated Funds | | 73,661.3 | 86,413.9 | 86,511.4 |
| Program Total | | 138,645.3 | 164,387.8 | 164,580.0 |
| FTE Positions | | 1,153.7 | 1,499.7 | 1,500.7 |

| DEA 1.1 | Subprogram Summary |
|---------|---|
| | CENTRAL ADMINISTRATION |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | PL 108-446 |

Mission:

To provide leadership, direction, coordination, and support to enable the Department of Economic Security to achieve its mission and vision.

Description:

The Central Administration of DES consists of the Office of the Director, Employee Services and Support, Business and Finance, Technology Services, Financial Services, Human Resources, and Office of Management Development.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 58,082.6 | 56,094.0 | 56,188.7 |
| Other Appropriated Funds | 5,509.6 | 6,512.8 | 6,512.8 |
| Other Non Appropriated Funds | 61,115.2 | 62,317.2 | 62,411.8 |
| Program Total | 124,707.4 | 124,924.0 | 125,113.3 |
| FTE Positions | 1,084.7 | 1,104.2 | 1,105.2 |

- ◆ **Goal 1** To improve the quality and efficiency of services delivered to customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Agencywide customer satisfaction rating (scale 1-5) | 4.00 | 4.00 | 4.00 |
| Total Office of Accounts Receivable and Collections cost per dollar to administer, bill, and collect debts | 0.06 | 0.06 | 0.06 |
| DES percentage below Phoenix Market Rate per square foot | 15.3 | 15.3 | 15.3 |
| Explanation: % below/(above) comparable market rate | | | |
| Percent of OLCR licenses to foster homes without a complaint | 97.8 | 98.0 | 98.0 |

| DEA 1.2 | Subprogram Summary |
|---------|---|
| | FINGER IMAGING |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 46-217; 46-218 |

Mission:

To utilize a fingerprint imaging comparison system in the FAA eligibility determination process for Cash Assistance and Nutrition Assistance (Food Stamps) to ensure participants receive benefits appropriately.

Description:

The Arizona Fingerprint Imaging Program (AFIP) is an automated fingerprint imaging comparison system used to reduce multiple enrollment fraud in Department programs. AFIP is designed to ensure that participants only receive benefits for which they are entitled.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 461.7 | 461.7 | 461.7 |
| Other Appropriated Funds | 89.4 | 127.8 | 127.8 |
| Other Non Appropriated Funds | 272.8 | 336.8 | 339.7 |
| Program Total | 823.9 | 926.3 | 929.2 |
| FTE Positions | 19.5 | 0.0 | 0.0 |

- ◆ **Goal 1** To eliminate multiple enrollments.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|----------------|------------------|------------------|
| Number of finger images processed | 561,875 | 560,000 | 560,000 |

| DEA 1.3 | Subprogram Summary |
|---------|---|
| | ATTORNEY GENERAL LEGAL SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-191 |

Mission:

To provide the Department of Economic Security with high-quality and timely legal advice and representation to promote the safety, economic self-sufficiency, and well-being of children, adults, and families.

Description:

The Attorney General Child and Family Protection Division is responsible for providing legal services to all programs and business operations of the Department of Economic Security (DES). The division provides these services through three sections: the Protective Services Section, which represents Child Protective Services; the Child Support Enforcement Section, which represents the Division of Child Support Enforcement; and the Civil, Criminal Litigation and Advice Section (CLA) which provides legal advice and representation in administrative hearings and state and federal courts to all other programs within the Department, as well as all personnel and operations matters. In addition, CLA prosecutes criminal cases relating to various DES programs, including recipient benefit fraud, employee embezzlement, provider fraud, and criminal nonpayment of child support.

NOTE: Goals and performance measures for this program are included in the Master List for the Attorney General, AGA 1.4, Child and Family Protection Division.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 627.6 | 12,063.8 | 12,063.8 |
| Other Appropriated Funds | 154.7 | 2,653.7 | 2,653.7 |
| Other Non Appropriated Funds | 1,617.7 | 12,435.6 | 12,435.6 |
| Program Total | 2,400.0 | 27,153.1 | 27,153.1 |
| FTE Positions | 35.5 | 380.5 | 380.5 |

| DEA 1.4 | Subprogram Summary |
|---------|---|
| | DISASTER RECOVERY |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-3504 |

Mission:

To provide a Disaster Recovery Plan and the most efficient and cost-effective recovery services possible for the Department's data center and network.

Description:

In the past, the Division of Technology Services was required to maintain an acceptable recovery point objective and recovery time objective for the equipment and the Department's application systems.

This program is no longer funded.

| DEA 1.5 | Subprogram Summary |
|---------|---|
| | GOVERNOR'S ADVISORY COUNCIL ON AGING |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 46-183 |

Mission:

To advise the Governor, Legislature, and all state departments that the Council deems necessary on all matters and issues relating to the aging population, including the administration of the State Plan on Aging.

Description:

The Governor's Advisory Council on Aging (GACA) is a policy advisory body and does not have regulatory authority. It was established and organized to meet the responsibilities and duties prescribed in A.R.S. § 46-183. The Council advises the Governor, the Legislature, and state departments about aging policies and programs. The Council works to find solutions to the current aging problems and lay groundwork for the future needs of an increasingly aging population.

Note: The goals and performance of this program are reflected in the measures for the Division of Aging and Community Services and its programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 58.4 | 60.1 | 60.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 128.2 | 133.3 | 133.3 |
| Program Total | 186.6 | 193.4 | 193.4 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

| DEA 1.6 | Subprogram Summary |
|---------|--|
| | GOVERNOR'S COUNCIL ON DEVELOPMENTAL DISABILITIES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. 41-2451 |

Mission:

To work in partnership with individuals with developmental disabilities and their families through systems change, advocacy, and capacity building activities that promote independence, choice, and the ability of all individuals to pursue their own dreams.

Description:

The Governor's Council on Developmental Disabilities (GCDD) is Arizona's state planning council for people with developmental disabilities. It was established in 1974 and organized to meet the responsibilities and duties prescribed in the Developmental Disabilities Assistance and Bill of Rights Act (Public Law 98-527 as amended by Public Law 104-183, Public Law 106-402 and state statute (A.R.S. §§ 41-2451 to 41-2454).

Note: The goals and performance of this program are reflected in the measures for the Division of Developmental Disabilities and its programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 696.2 | 769.9 | 769.9 |
| Program Total | 696.2 | 769.9 | 769.9 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

| DEA 1.7 | Subprogram Summary |
|---|--------------------|
| ARIZONA EARLY INTERVENTION PROGRAM | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| PL 108-446 | |

Mission:

To enhance the capacity of families to support the infants and toddlers with delays or disabilities to thrive in their homes and communities.

Description:

This program is described and performance measures are indicated in the Division of Developmental Disabilities.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 9,831.2 | 10,421.1 | 10,421.1 |
| Program Total | 9,831.2 | 10,421.1 | 10,421.1 |
| FTE Positions | 8.0 | 9.0 | 9.0 |

| DEA 2.0 | Program Summary |
|---|-----------------|
| DEVELOPMENTAL DISABILITIES | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-554 | |

Mission:

To support the choices of individuals with developmental disabilities and their families by promoting and providing flexible, quality, consumer-driven services and supports.

Description:

The Division of Developmental Disabilities, in partnership with individuals with developmental disabilities, their families, advocates, community members, and service providers, administers and manages the various programs, services, and supports to Arizonans and their families who have autism, cerebral palsy, epilepsy, or a cognitive disability, which is manifested before the age of 18, and children who are below the age of six and at risk of having a developmental disability.

The Division serves both Arizona Long Term Care System (ALTCS) eligible individuals and state only eligible individuals with developmental disabilities. ALTCS is a federally matched Medicaid research and demonstration program. Individuals with developmental disabilities who are eligible for services through the Division may also be eligible for services through the Arizona Long Term Care System.

This Program Contains the following Subprograms:

- ▶ Developmental Disabilities Operations
- ▶ Case Management - Title XIX
- ▶ Case Management - State Only
- ▶ Home and Community Based Services - Title XIX
- ▶ Home and Community Based Services - State Only
- ▶ Institutional Services - Title XIX
- ▶ Institutional Services - State Only
- ▶ Medical Services
- ▶ ATP-Coolidge - Title XIX
- ▶ ATP-Coolidge - State Only
- ▶ State-Funded Long Term Care
- ▶ Medicare Clawback Payments
- ▶ Arizona Early Intervention Program

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 242,252.7 | 335,524.6 | 351,895.2 |
| Other Appropriated Funds | 22,416.9 | 30,518.4 | 30,518.4 |
| Other Non Appropriated Funds | 609,698.2 | 658,391.3 | 681,797.3 |
| Program Total | 874,367.8 | 1,024,434.3 | 1,064,210.9 |
| FTE Positions | 1,813.6 | 1,827.7 | 1,908.7 |

| DEA 2.1 | Subprogram Summary |
|---|--------------------|
| DEVELOPMENTAL DISABILITIES OPERATIONS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-554 | |

Mission:

To enhance supports and services to consumers and families through the effective and efficient use of state and federal funding.

Description:

The Division of Developmental Disabilities Operations subprogram provides administrative oversight and operating support for the all of the Division's programs, including programs for both Arizona Long Term Care System (ALTCS) eligible individuals and state only eligible individuals with developmental disabilities. The Division of Developmental Disabilities coordinates services and resources through five district offices and approximately 67 local offices in various communities throughout the state.

Note: Goals and performance for the operating function of the division are reflected in the goals and performance of the division's programs and special line items.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 11,318.1 | 13,941.1 | 13,941.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 36,261.2 | 27,013.4 | 27,013.4 |
| Program Total | 47,579.3 | 40,954.5 | 40,954.5 |
| FTE Positions | 294.3 | 294.3 | 294.3 |

| DEA 2.2 | Subprogram Summary |
|---|--------------------|
| CASE MANAGEMENT - TITLE XIX | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-554 | |

Mission:

To coordinate services and supports in a timely manner for eligible individuals with developmental disabilities and their families to promote attainment of maximum potential for independence, productivity, and integration into the community.

Description:

Case management services coordinate services and supports for Long Term Care eligible individuals and their families.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 11,076.9 | 10,943.6 | 11,689.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 34,950.6 | 26,913.6 | 28,423.1 |
| Program Total | 46,027.5 | 37,857.2 | 40,112.5 |
| FTE Positions | 755.5 | 755.5 | 836.5 |

- ◆ **Goal 1** To provide quality case management services for all eligible consumers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of consumer satisfaction with case management services (Title XIX only) | 98.7 | 98.0 | 98.0 |
| Average number of consumers with developmental disabilities served | 23,194 | 24,260 | 25,417 |

| DEA 2.3 | Subprogram Summary |
|---|--------------------|
| CASE MANAGEMENT - STATE ONLY | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-554 | |

Mission:

To coordinate services and supports in a timely manner for eligible individuals with developmental disabilities and their families to promote attainment of maximum potential for independence, productivity, and integration into the community.

Description:

Case management services coordinate services and supports for state only eligible individuals and their families.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,887.3 | 3,846.0 | 3,846.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 294.0 | 3,773.3 | 3,773.3 |
| Program Total | 4,181.3 | 7,619.3 | 7,619.3 |
| FTE Positions | 120.6 | 134.7 | 134.7 |

- ◆ **Goal 1** To promote quality case management services for all eligible consumers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of consumers with developmental disabilities served | 7,790 | 7,800 | 7,800 |

| DEA 2.4 | Subprogram Summary |
|---|--------------------|
| HOME AND COMMUNITY BASED SERVICES - TITLE XIX | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-552 | |

Mission:

To effectively meet the needs of eligible individuals with developmental disabilities and their families, in the least restrictive home- and community-based settings, using the principles of family support and self-determination to promote independence and inclusion within the community.

Description:

This program consists of home- and community-based services including, but not limited to, respite, habilitation, therapies, and attendant care delivered in the consumer's home and community.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 148,537.8 | 227,063.6 | 237,503.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 416,861.7 | 462,998.2 | 484,126.4 |
| Program Total | 565,399.5 | 690,061.8 | 721,629.4 |
| FTE Positions | 94.5 | 94.5 | 94.5 |

- ◆ **Goal 1** To provide home- and community-based services that support the majority of consumers in their family or own home or in a community-based setting.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of child and adult consumers with a developmental disability that live with their family or in their own home or in a community-based setting. | 88.6 | 88.0 | 88.0 |

- ◆ **Goal 2** To provide consumer, family, and caregiver satisfaction with home- and community-based services and supports.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of relatives and caregivers of consumers stating the services received meet the consumer's needs | 98.7 | 98.0 | 98.0 |
| Percent of relatives and caregivers satisfied with the providers of services received. | 98.7 | 98.0 | 98.0 |

- ◆ **Goal 3** To increase consumers' economic prosperity and self-sufficiency by placing adult consumers in community employment opportunities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of eligible adult consumers placed in community employment | 18.2 | 18.0 | 18.0 |

| DEA 2.5 | Subprogram Summary |
|--|--------------------|
| HOME AND COMMUNITY BASED SERVICES - STATE ONLY | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-552 | |

Mission:

To effectively meet the needs of eligible individuals with developmental disabilities and their families, in the least restrictive home- and community-based settings, using the principles of family support and self determination to promote independence and inclusion within the community.

Description:

This program consists of home- and community-based services, including, but not limited to, respite, habilitation, therapies, and attendant care delivered in the consumer’s home and community.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 16,611.9 | 28,625.0 | 28,625.0 |
| Other Appropriated Funds | 500.0 | 3,990.3 | 3,990.3 |
| Other Non Appropriated Funds | 3,497.9 | 563.3 | 563.3 |
| Program Total | 20,609.8 | 33,178.6 | 33,178.6 |
| FTE Positions | 53.6 | 53.6 | 53.6 |

- ◆ **Goal 1** To provide home- and community-based services that support the majority of consumers in their family or own home or in a community-based setting.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of child and adult consumers with a developmental disability who live with their family or in their own home or in a community-based setting | 99.0 | 99.0 | 99.0 |

| DEA 2.6 | Subprogram Summary |
|---|--------------------|
| INSTITUTIONAL SERVICES - TITLE XIX | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-552 | |

Mission:

To provide services and supports to eligible individuals with developmental disabilities that will promote home- and community-based placement whenever appropriate.

Description:

This program consists of state and privately operated intermediate care facilities for the mentally retarded (ICF/MR) and nursing facilities.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 5,365.0 | 5,351.6 | 5,351.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 16,698.5 | 13,955.7 | 13,955.7 |
| Program Total | 22,063.5 | 19,307.3 | 19,307.3 |
| FTE Positions | 74.0 | 74.0 | 74.0 |

- ◆ **Goal 1** To reduce or maintain the number of people placed in institutional settings.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of consumers in ICF/MRs and skilled nursing facilities (*point in time 6/30/2010) | 185 | 185 | 185 |

| DEA 2.7 | Subprogram Summary |
|---------|---|
| | INSTITUTIONAL SERVICES - STATE ONLY |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 36-552 |

Mission:

To provide services and supports to eligible individuals with developmental disabilities that will promote home- and community-based placement whenever appropriate.

Description:

This program consisted of state and privately operated intermediate care facilities for the mentally retarded (ICF/MR) and nursing facilities.

Funding for this program was moved to the Institutional Services - Title XIX program beginning in fiscal year 2011, so goals and performance are reflected in that program.

| DEA 2.8 | Subprogram Summary |
|---------|---|
| | MEDICAL SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 36-2939 |

Mission:

To provide cost-effective, quality medical services that enable Arizona Long Term Care System (ALTCS) eligible individuals with developmental disabilities to achieve and maintain optimal health and well-being.

Description:

The program provides medical care and services for ALTCS-eligible individuals including hospital care; physician, pharmacy, laboratory, and rehabilitation services; durable medical equipment; and Early and Periodic Screening, Diagnosis, and Treatment and other medical services, care, and supports.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 38,562.9 | 38,552.8 | 40,419.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 78,625.2 | 100,380.0 | 104,157.3 |
| Program Total | 117,188.1 | 138,932.8 | 144,576.5 |
| FTE Positions | 35.4 | 35.4 | 35.4 |

◆ **Goal 1** To provide cost effective, quality health care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of consumers receiving acute care services through the Division of Developmental Disabilities | 23,692 | 24,840 | 26,030 |

| DEA 2.9 | Subprogram Summary |
|---------|---|
| | ATP-COOLIDGE - TITLE XIX |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 36-2939 |

Mission:

To provide active treatment, residential care, supervision, and services to eligible individuals to promote home and community placements whenever possible and appropriate.

Description:

The Arizona Training Program at Coolidge is an Intermediate Care Facility for the Mentally Retarded (ICF/MR) consisting of certified residential facilities that provide active treatment and other services in accordance with federal and state regulations.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 4,754.2 | 4,704.0 | 4,704.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 14,443.0 | 10,897.5 | 10,897.5 |
| Program Total | 19,197.2 | 15,601.5 | 15,601.5 |
| FTE Positions | 383.7 | 383.7 | 383.7 |

- ◆ **Goal 1** To provide quality residential services in the Arizona Training Program at Coolidge.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total number of consumers living at Arizona Training Program at Coolidge | 114 | 111 | 111 |

| DEA 2.10 | Subprogram Summary |
|----------|---|
| | ATP-COOLIDGE - STATE ONLY |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 36-2939 |

Mission:

To provide active treatment, residential care, supervision, and services to eligible individuals to promote home and community placements whenever possible and appropriate.

Description:

The Arizona Training Program at Coolidge is an Intermediate Care Facility for the Mentally Retarded (ICF/MR) consisting of certified residential facilities that provide active treatment and other services in accordance with federal and state regulations.

Note: Funding for this program was shifted to the ATP-Coolidge - Title XIX program beginning in fiscal year 2011, so goals and performance are reflected in that program.

| DEA 2.11 | Subprogram Summary |
|----------|---|
| | STATE-FUNDED LONG TERM CARE |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | Laws 2007, Chapter 255, Section 28 |

Mission:

To effectively meet the needs of Long Term Care-eligible individuals with developmental disabilities.

Description:

This funding provides non-Title XIX services to Long Term Care-eligible consumers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 21,916.9 | 26,528.1 | 26,528.1 |
| Other Non Appropriated Funds | 4.7 | 6.3 | 6.3 |
| Program Total | 21,921.6 | 26,534.4 | 26,534.4 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

- ◆ **Goal 1** To provide state funded services to Long Term Care-eligible consumers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of Long Term Care-eligible consumers that receive state-funded room and board to live in community-based homes | 3,685 | 3,860 | 4,040 |

| DEA 2.12 | Subprogram Summary |
|----------|---|
| | MEDICARE CLAWBACK PAYMENTS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | Laws 2007, Chapter 255, Section 28 |

Mission:

To provide Medicare clawback funds as required by federal law under the Medicare Modernization Act.

Description:

The Medicare clawback payment budget provides for a payment each year to Medicare, as required by the Medicare Modernization Act (MMA). The health plan medical costs are reconciled on actual claims data rather than on accrued audited financial statements. A data warehouse has been developed to house claims data and to facilitate the production of standard reporting.

Note: The Department has no control over the payment.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,731.3 | 2,496.9 | 2,496.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,731.3 | 2,496.9 | 2,496.9 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

DEA 2.13

Subprogram Summary**ARIZONA EARLY INTERVENTION PROGRAM**

Michael Wisehart, Chief Financial Officer

Phone: (602) 542-3786

PL 108-446

Mission:

To enhance the capacity of families to support the infants and toddlers with delays or disabilities to thrive in their homes and communities.

Description:

The Arizona Early Intervention Program (AzEIP) is Arizona's statewide, interagency system of supports and services for infants and toddlers with developmental delays or disabilities and their families. AzEIP is established by Part C of the Individuals with Disabilities Education Act (IDEA), which provides eligible children and their families access to services to enhance the capacity of families and caregivers to support the child's development.

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 407.3 | 0.0 | 3,319.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 8,061.4 | 11,890.0 | 8,881.0 |
| Program Total | 8,468.7 | 11,890.0 | 12,200.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide early intervention services for children birth to age 3 who have developmental delays.

Performance Measures

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Total Arizona Early Intervention Program Cases | 5,572 | 5,600 | 5,600 |

DEA 3.0

Program Summary**BENEFITS AND MEDICAL ELIGIBILITY**

Michael Wisehart, Chief Financial Officer

Phone: (602) 542-3786

A.R.S. § 41-1954

Mission:

To promote the safety, well-being, and self-sufficiency of children, adults, and families.

Description:

The Division of Benefits and Medical Eligibility determines eligibility, operates an evaluation and monitoring program, and pays benefits for the Temporary Assistance for Needy Families (TANF) Cash Assistance, Nutrition Assistance (formerly Food Stamps), and Tuberculosis Control programs. The Division also provides financial assistance to Native American tribes operating their own TANF programs and provides child passenger restraint seats.

This Program Contains the following Subprograms:

- ▶ Benefits and Medical Eligibility Operations
- ▶ Disability Determination Services Administration
- ▶ TANF Cash Benefits
- ▶ Tribal Pass-Through Funding
- ▶ Tuberculosis Control Payments
- ▶ Food Stamps Benefits
- ▶ Child Passenger Restraint

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 35,583.8 | 28,233.9 | 30,910.4 |
| Other Appropriated Funds | 71,717.5 | 60,133.8 | 60,133.8 |
| Other Non Appropriated Funds | 1,779,003.7 | 1,827,895.6 | 1,825,219.1 |
| Program Total | 1,886,305.0 | 1,916,263.3 | 1,916,263.3 |
| FTE Positions | 1,048.8 | 1,048.8 | 1,048.8 |

| DEA 3.1 | Subprogram Summary |
|---------|---|
| | BENEFITS AND MEDICAL ELIGIBILITY OPERATIONS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954 |

Mission:

To promote the safety, well-being, and self-sufficiency of children, adults, and families.

Description:

Division of Benefits and Medical Eligibility Operations includes the following areas:

The Family Assistance Administration (FAA) provides support to field staff by providing leadership, oversight, policy and procedures, training, system support, financial and purchasing control, human resources, and management information. FAA programs ensure conformity with federal and state laws in the Nutrition Assistance (formerly Food Stamps), Cash Assistance under Temporary Assistance for Needy Families (TANF), General Assistance, and Tuberculosis Control programs; coordinate eligibility determination for Medical Assistance Only programs; and provide child passenger restraint seats.

The Office of Program Evaluation (OPE) evaluates and monitors eligibility for the following programs: Cash Assistance, Food Stamps, General Assistance, and specialized areas within the Arizona Health Care Cost Containment System (AHCCCS) through the application of approved quality control and performance measurements. OPE performs a management evaluation function by reviewing local office processes to determine Food Stamps and Cash Assistance program accuracy and compliance with state and federal mandates.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 27,531.6 | 23,553.6 | 26,230.1 |
| Other Appropriated Funds | 9,618.1 | 15,134.4 | 15,134.4 |
| Other Non Appropriated Funds | 115,708.1 | 115,708.1 | 113,031.6 |
| Program Total | 152,857.8 | 154,396.1 | 154,396.1 |
| FTE Positions | 756.8 | 756.8 | 756.8 |

◆ **Goal 1** To improve customer service and accessibility.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of recipients receiving medical assistance for which DES determines eligibility per month | 1,205,683 | 1,205,700 | 1,205,700 |
| Percent of clients satisfied with Family Assistance Administration | 83.8 | 84.0 | 84.0 |

| DEA 3.2 | Subprogram Summary |
|---------|--|
| | DISABILITY DETERMINATION SERVICES ADMINISTRATION |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 46-251 |

Mission:

To provide timely and accurate disability determinations for the people we serve.

Description:

The Disability Determination Services Administration (DDSA) adjudicates Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) benefit claims from Social Security offices in Arizona. Federal statutes and regulations require the states to administer the disability documentation and decision-making process for claimants who are residents. DDSA operates under federal statutes and regulations that require states to make SSDI and SSI disability determinations for their residents. The Social Security Administration (SSA) funds 100 percent of the program cost and mandates specific program guidelines and performance standards. In addition, DDSA reviews and determines entitlements for all referred initial and continuing Arizona Long Term Care System claims. The applicant's potential for vocational rehabilitation is considered, with referrals made as appropriate. DDSA measures are reported on federal fiscal year.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 34,671.5 | 34,671.5 | 34,671.5 |
| Program Total | 34,671.5 | 34,671.5 | 34,671.5 |
| FTE Positions | 292.0 | 292.0 | 292.0 |

◆ **Goal 1** To improve Disability Determination Services Administration performance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of correct cases (*June 2010) | 94.5 | 94.5 | 94.5 |
| Average Social Security Disability Insurance initial case processing time (days) | 100.9 | 100.0 | 100.0 |
| Average Supplemental Security Income initial case processing time (days) | 104.6 | 104.0 | 104.0 |

| DEA 3.3 | Subprogram Summary |
|---------|---|
| | TANF CASH BENEFITS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 46-291 |

Mission:

To promote the safety, well-being, and self-sufficiency of children, adults, and families.

Description:

Cash Assistance (CA) under Temporary Assistance for Needy Families (TANF) provides for financial benefit payments to those individuals who meet the eligibility criteria. The CA program also offers a grant diversion program which offers a one-time up-front payment to needy CA applicants who are likely to obtain immediate employment. The one-time diversion payment is intended to eliminate the applicant’s need for ongoing enrollment in the CA program.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 3,416.4 | 0.0 | 0.0 |
| Other Appropriated Funds | 62,099.4 | 44,999.4 | 44,999.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 65,515.8 | 44,999.4 | 44,999.4 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To increase the Family Assistance Administration's efficiency and accountability.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average number of TANF Cash Assistance recipients | 44,828 | 35,100 | 35,100 |
| Percent of TANF Cash Assistance issued timely | 91.2 | 95.0 | 95.0 |
| Number of TANF Cash Assistance applicants diverted from long-term cash assistance with diversion grants | 22,216 | 22,200 | 22,200 |

| DEA 3.4 | Subprogram Summary |
|---------|---|
| | TRIBAL PASS-THROUGH FUNDING |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 46-134 |

Mission:

To promote the safety, well-being, and self-sufficiency of children, adults, and families.

Description:

Tribal Pass-Through Funding provides financial assistance to Native American tribes who elect to operate their own Temporary Assistance for Needy Families (TANF) programs by providing cash assistance for eligible households to help them become self-sufficient through increased educational and employment opportunities and supportive services while maintaining tribal values. In addition to monies received from this pass-through, these tribes independently receive TANF block grant monies from the federal government.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 4,629.7 | 4,680.3 | 4,680.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 4,629.7 | 4,680.3 | 4,680.3 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide financial assistance to tribes who operate their own TANF program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of individuals receiving benefits | 31,172 | 31,200 | 31,200 |

| DEA 3.5 | Subprogram Summary |
|---|--------------------|
| TUBERCULOSIS CONTROL PAYMENTS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 36-716 | |

Mission:

To promote the safety, well-being, and self-sufficiency of children, adults, and families.

Description:

This program provides financial assistance and support services to persons certified unemployable because of communicable tuberculosis.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 6.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 6.1 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To increase the Family Assistance Administration's efficiency and accountability.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of individuals receiving assistance | 11 | 11 | 11 |

| DEA 3.6 | Subprogram Summary |
|---|--------------------|
| FOOD STAMPS BENEFITS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954 | |

Mission:

To promote the safety, well-being, and self-sufficiency of children, adults, and families.

Description:

Food Stamps (FS), now known as Nutrition Assistance, provides low-income households increased food-purchasing power, enabling them to obtain a more adequate nutritional diet. This is a federal program regulated by the U.S. Department of Agriculture (USDA). The state administers the distribution of nutrition assistance through electronic benefit transfers (EBT).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,628,508.1 | 1,677,400.0 | 1,677,400.0 |
| Program Total | 1,628,508.1 | 1,677,400.0 | 1,677,400.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To increase the Family Assistance Administration's efficiency and accountability.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of total nutrition assistance payments issued accurately | 94.6 | 95.0 | 95.0 |
| Average monthly number of nutrition assistance recipients | 1,049,272 | 1,084,500 | 1,084,500 |
| Percent of total nutrition assistance payments issued timely | 85.9 | 94.0 | 94.0 |

DEA 3.7 Subprogram Summary**CHILD PASSENGER RESTRAINT**

Michael Wisehart, Chief Financial Officer

Phone: (602) 542-3786

A.R.S. § 28-907

Mission:*To promote the safety, well-being, and self-sufficiency of children, adults, and families.***Description:**

The program provides car seats for distribution to requesting hospitals, health clinics, domestic violence shelters, and homeless shelters for loan to indigent applicants.

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 116.0 | 116.0 | 116.0 |
| Program Total | 116.0 | 116.0 | 116.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To disburse the Child Passenger Restraint Fund monies on purchasing and distributing child restraint seats.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|---------------------------|-----------------------------|-----------------------------|
| Car seats purchased and distributed | 2,163 | 2,200 | 2,200 |

DEA 4.0 Program Summary**CHILD SUPPORT ENFORCEMENT**

Michael Wisehart, Chief Financial Officer

Phone: (602) 542-3786

A.R.S. § 41-1954: Laws 1994, Ch 374

Mission:*To provide effective and fair child support services.***Description:**

This program provides intake services, locates absent parents, establishes paternity, and establishes the legal obligation to pay child support and provide medical support in local and interstate cases. The program enforces child support obligations and medical support through various administrative and judicial remedies. Child support services are provided to custodial persons who receive Cash Assistance, Arizona Health Care Cost Containment System (AHCCCS) medical assistance services, foster care assistance, as well as to any other custodial or non-custodial person who applies. These services are provided pursuant to Title IV-D of the Social Security Act. Services in ten counties are provided by the Department of Economic Security's Division of Child Support Enforcement (DCSE), in conjunction with the Attorney General's Office. DCSE contracts with a private vendor to provide services in one county and has intergovernmental agreements with County Attorneys to provide services in four counties. The program also provides payment processing services statewide for all cases, Title IV-D and non-Title IV-D.

This Program Contains the following Subprograms:

- ▶ Child Support Enforcement Operations
- ▶ Genetic Testing
- ▶ County Participation
- ▶ CSE Attorney General Legal Services

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 6,991.2 | 6,733.8 | 13,433.8 |
| Other Appropriated Funds | 10,327.0 | 14,212.0 | 7,512.0 |
| Other Non Appropriated Funds | 39,378.4 | 33,699.3 | 33,699.3 |
| Program Total | 56,696.6 | 54,645.1 | 54,645.1 |
| FTE Positions | 828.5 | 680.5 | 680.5 |

| DEA 4.1 | Subprogram Summary |
|---|--------------------|
| CHILD SUPPORT ENFORCEMENT OPERATIONS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954; Laws 1994, Ch 374 | |

Mission:

To provide effective and fair child support services.

Description:

This program provides intake services, locates absent parents, establishes paternity, and establishes the legal obligation to pay child support and provide medical support in local and interstate cases. The program enforces child support obligations and medical support through various administrative and judicial remedies. Child support services are provided to custodial persons who receive Cash Assistance, Arizona Health Care Cost Containment System (AHCCCS) medical assistance services, foster care assistance, as well as to any other custodial or non-custodial person who applies. These services are provided pursuant to Title IV-D of the Social Security Act. Services in ten counties are provided by the Department of Economic Security's Division of Child Support Enforcement (DCSE), in conjunction with the Attorney General's Office. DCSE contracts with a private vendor to provide services in one county and has intergovernmental agreements with County Attorneys to provide services in four counties. The program also provides payment processing services statewide for all cases, Title IV-D and non-Title IV-D.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 6,310.9 | 6,733.8 | 13,433.8 |
| Other Appropriated Funds | 7,407.1 | 12,872.9 | 6,172.9 |
| Other Non Appropriated Funds | 27,868.6 | 26,438.2 | 26,438.2 |
| Program Total | 41,586.6 | 46,044.9 | 46,044.9 |
| FTE Positions | 680.5 | 680.5 | 680.5 |

- ◆ **Goal 1** To increase IV-D cases and collections, including the number of court ordered cases and compliance with court orders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| IV-D dollars collected for each IV-D dollar expended (cost-effectiveness ratio) | 6.23 | 5.00 | 5.00 |
| Ratio of court ordered cases (in percent) | 85.38 | 85.0 | 85.0 |
| Ratio of current IV-D child support collected and distributed to current IV-D support due | 51.11 | 53.99 | 53.99 |
| Number of IV-D cases | 199,811 | 199,800 | 199,800 |
| Total amount of IV-D support collections (millions) | 359.3 | 360.0 | 360.0 |

| DEA 4.2 | Subprogram Summary |
|---|--------------------|
| GENETIC TESTING | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954; Laws 1994, Ch 374 | |

Mission:

To provide funding to cover the cost of genetic testing services required to establish potential paternities.

Description:

Genetic testing is part in the process of establishing paternities and is performed by vendors secured under the state procurement process.

Beginning in fiscal year 2011, funding for this program was shifted to the Division of Child Support Enforcement Operations.

| DEA 4.3 | Subprogram Summary |
|---------|---|
| | COUNTY PARTICIPATION |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; Laws 1994, Ch 374 |

Mission:

To ensure that the participating County Attorney-operated child support offices provide effective and fair child support services.

Description:

The Division of Child Support Enforcement has intergovernmental agreements with four participating County Attorneys to provide multiple services to custodial persons who receive Cash Assistance, Arizona Health Care Cost Containment System (AHCCCS) medical assistance services, foster care assistance, as well as any other custodial or noncustodial person who applies for child support services.

Note: Performance measures for the counties operating their own programs are included in the state-wide measures in Division of Child Support Enforcement Operations.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 577.7 | 1,339.1 | 1,339.1 |
| Other Non Appropriated Funds | 6,180.8 | 7,261.1 | 7,261.1 |
| Program Total | 6,758.5 | 8,600.2 | 8,600.2 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 4.4 | Subprogram Summary |
|---------|---|
| | CSE ATTORNEY GENERAL LEGAL SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-191 |

Mission:

To provide the Department of Economic Security (DES) with high-quality and timely legal advice and representation to promote the safety, economic self-sufficiency, and well-being of children, adults, and families.

Description:

The Attorney General Child and Family Protection Division/Child Support Enforcement Section (CSE) represents DES' Division of Child Support Enforcement (DCSE). This includes establishing paternity and obtaining and enforcing support orders. The section also represents DCSE in appeals and class-action litigation, and it provides general legal advice. CSE provides representation in 10 counties.

NOTE: Goals and performance measures for this program are included in the Master List for the Attorney General, AGA 1.4, Child and Family Protection Division.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 680.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,342.2 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 5,329.0 | 0.0 | 0.0 |
| Program Total | 8,351.5 | 0.0 | 0.0 |
| FTE Positions | 148.0 | 0.0 | 0.0 |

| DEA 5.0 | Program Summary |
|---|-----------------|
| AGING AND COMMUNITY SERVICES | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954 | |

Mission:

To support and enhance the ability of at-risk and older adults to meet their needs to the maximum of their ability, choice, and benefit. To assist refugees in Arizona with attaining social and economic self-sufficiency and well-being. To provide leadership by establishing partnerships and building community networks that deliver premiere human services to vulnerable, at-risk populations.

Description:

The Division of Aging and Adult Services administers a statewide program of advocacy, social services, and programs to serve at-risk and older adults. Emphasis in the delivery of services is placed on at-risk and older adults with the greatest social and economic needs. Aging and adult services include investigative and protective services, case management, home care (housekeeper, home health aide, personal care, and home nursing), home repair/adaptation/renovation, transportation, the State Health Insurance Assistance Program, the Family Caregiver Support Program, the Long-Term Care Ombudsman, legal assistance, congregate meals, home-delivered meals, socialization/recreation, counseling, subsidized employment, volunteer opportunities and training, and adult day care.

Through its community services programs, the Division addresses urgent, short-term basic needs, and strategies for long-term solutions by providing direct services and utilizing comprehensive networks and partnerships.

The Arizona Refugee Resettlement Program (RRP) supports and advances successful resettlement of refugees, individuals forced to flee their home countries due to persecution, war, and human rights violations.

This Program Contains the following Subprograms:

- ▶ Aging and Community Services Operations
- ▶ Adult Services
- ▶ Community and Emergency Services
- ▶ Coordinated Hunger
- ▶ Coordinated Homeless
- ▶ Domestic Violence Prevention
- ▶ Community-Based Marriage and Communication Skills Program Fund Deposit
- ▶ Refugee Resettlement Program
- ▶ Grandparent Kinship Care

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 16,197.0 | 17,526.5 | 17,526.5 |
| Other Appropriated Funds | 13,823.8 | 14,964.7 | 14,964.7 |
| Other Non Appropriated Funds | 109,188.0 | 107,834.2 | 107,834.2 |
| Program Total | 139,208.8 | 140,325.4 | 140,325.4 |
| FTE Positions | 253.2 | 253.2 | 253.2 |

| DEA 5.1 | Subprogram Summary |
|---|--------------------|
| AGING AND COMMUNITY SERVICES OPERATIONS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954 | |

Mission:

To support and enhance the ability of at-risk and older adults to meet their needs to the maximum of their ability, choice, and benefit. To assist refugees in Arizona with attaining social and economic self-sufficiency and well-being. To provide leadership by establishing partnerships and building community networks that deliver premiere human services to vulnerable, at-risk populations.

Description:

Division of Aging and Adult Services Operations provides administrative oversight and operating support to the programs in the Division. This program also includes the Adult Protective Services (APS) program. APS accepts and evaluates reports of abuse, neglect, and exploitation of vulnerable and incapacitated adults and offers appropriate services. Elder Rights, as part of Title VII of the Older Americans Act, includes four major components under state leadership. These components are Elder Abuse Prevention, Legal Services Assistance, the State Long-Term Care Ombudsman, and the State Health Insurance Assistance Program. Elder Rights is an advocacy program that incorporates all services, support, and protection to assist vulnerable adults in understanding their rights, maintaining and exercising control over decision making, and benefiting from services and benefits promised by law.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 4,155.0 | 5,191.7 | 5,191.7 |
| Other Appropriated Funds | 204.7 | 250.5 | 250.5 |
| Other Non Appropriated Funds | 5,256.9 | 4,284.0 | 4,284.0 |
| Program Total | 9,616.6 | 9,726.2 | 9,726.2 |
| FTE Positions | 241.2 | 241.2 | 241.2 |

- ◆ **Goal 1** To improve the Adult Protective Services investigation process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Adult Protective Services investigation percentage rate | 100 | 100 | 100 |

| DEA 5.2 | Subprogram Summary |
|---------|---|
| | ADULT SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 46-191 |

Mission:

To further develop and provide a continuum of services designed to meet the needs of older or at-risk adults so they may retain independence and autonomy; to provide statewide leadership in the areas of planning, developing, and coordinating a comprehensive system of protection and advocacy programs that assist disabled and vulnerable elders to exercise their rights and choices promised by law; and to empower economically disadvantaged persons aged 55 or older with job opportunities in training programs or stipend volunteer programs to enhance the participants' quality of life.

Description:

The system of home- and community-based services includes services that assist disabled adults and the elderly to live as independently as possible in their homes and community. Services provided include home care, home delivered meals, transportation, adult day health care, respite, home repair, and case management. Services are also available for family caregivers.

The Older Workers Program consists of two programs. The first is the Senior Community Service Employment Program (SCSEP), also known as Title V of the Older Americans Act, which provides subsidized job training to older workers 55 years of age and older who are at or below 125 percent of the federal poverty levels. The purpose of Title V is to train workers to enable them to move to unsubsidized employment in the public and private sectors.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 6,820.4 | 6,924.1 | 6,924.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 41,762.7 | 41,975.0 | 41,975.0 |
| Program Total | 48,583.1 | 48,899.1 | 48,899.1 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide Arizona's aging population with services to promote independence and autonomy

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| Number of clients served | 366,240 | 366,200 | 366,200 |

| DEA 5.3 | Subprogram Summary |
|---------|--|
| | COMMUNITY AND EMERGENCY SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 46-241; PL 97-35; Title VI |

Mission:

To assist Community Action Agencies in addressing the causes of poverty, pursue community revitalization, and assist low-income people to become more self-sufficient.

Description:

This program funds Community Action Agencies both for services that assist with short-term basic needs and to develop responses to poverty. Areas addressed by agencies include issues associated with energy assistance and homelessness prevention.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,297.4 | 3,724.0 | 3,724.0 |
| Other Non Appropriated Funds | 40,978.9 | 40,709.6 | 40,709.6 |
| Program Total | 44,276.3 | 44,433.6 | 44,433.6 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the provision of emergency and utility assistance services to low-income households throughout the State of Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of households receiving financial assistance in paying rent and mortgage to prevent eviction | 1,868 | 1,800 | 1,800 |
| Number of households receiving financial assistance for paying home energy bills | 49,627 | 49,600 | 49,600 |

| DEA 5.4 | Subprogram Summary |
|---------|---|
| | COORDINATED HUNGER |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 41-1981; PL 97-35; Title VI |

Mission:

To implement effective policies, services, programs, and partnerships that address food security in Arizona.

Description:

The Coordinated Hunger Program provides a focal point for addressing hunger issues in Arizona and promoting food security. The program coordinates with various federal, state, and local organizations that provide food assistance to the hungry and contracts with various hunger organizations to leverage federal and state resources.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,205.4 | 1,254.6 | 1,254.6 |
| Other Appropriated Funds | 377.6 | 500.0 | 500.0 |
| Other Non Appropriated Funds | 2,411.9 | 2,411.9 | 2,411.9 |
| Program Total | 3,994.9 | 4,166.5 | 4,166.5 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To more effectively distribute food resources among counties in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total pounds of food distributed by Department contracted food banks from all food sources (millions of pounds) | 136.7 | 137.0 | 137.0 |

| DEA 5.5 | Subprogram Summary |
|---------|---|
| | COORDINATED HOMELESS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; PL 100-77; PL 100-628 |

Mission:

To work toward preventing and ending homelessness for homeless individuals and families and those at risk of homelessness throughout the state.

Description:

The Coordinated Homeless Program is responsible for staffing the Interagency and Community Council on Homelessness, co-chaired by the DES Director and Department of Housing Director and for the development and implementation of the State Plan to End Homelessness. Additional areas of responsibility include administration of homeless shelter and supportive services contracts, implementation of the Statewide Program Evaluation Project, data collection and analysis, and support for and participation in local homeless planning activities.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 868.3 | 873.1 | 873.1 |
| Other Appropriated Funds | 1,612.9 | 1,649.5 | 1,649.5 |
| Other Non Appropriated Funds | 3,119.9 | 2,969.9 | 2,969.9 |
| Program Total | 5,601.1 | 5,492.5 | 5,492.5 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To develop and fund needed services for homeless individuals and families through a variety of strategies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Individuals receiving emergency shelter | 15,841 | 15,800 | 15,800 |
| Individuals receiving transitional housing | 2,149 | 2,100 | 2,100 |

| DEA 5.6 | Subprogram Summary |
|---------|---|
| | DOMESTIC VIOLENCE PREVENTION |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 36-3001 |

Mission:

To provide safety and services to the victims of domestic violence and their children and to improve the comprehensive Domestic Violence Program in Arizona.

Description:

The Domestic Violence Program provides contractual funding for shelter and supportive services for victims of domestic violence and their children utilizing a statewide network of private nonprofit shelter facilities including safe houses. Technical assistance is provided to the domestic violence network members in collaboration with a statewide coalition against domestic violence.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,147.9 | 3,283.0 | 3,283.0 |
| Other Appropriated Funds | 8,331.2 | 8,840.7 | 8,840.7 |
| Other Non Appropriated Funds | 2,078.0 | 1,279.9 | 1,279.9 |
| Program Total | 13,557.1 | 13,403.6 | 13,403.6 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To assist the community in meeting the needs of victims of domestic violence and their children.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of women and children sheltered in emergency shelters | 9,804 | 9,800 | 9,800 |
| Number of unduplicated women and children sheltered in transitional housing | 580 | 600 | 600 |

| DEA 5.7 | Subprogram Summary |
|---------|--|
| | COMMUNITY-BASED MARRIAGE AND COMMUNICATION SKILLS PROGRAM FUND DEPOSIT |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-2031; 41-2032 |

Mission:

To reduce the divorce rate in Arizona by providing skills training and education for individuals and couples who wish to be better prepared for marriage or who wish to establish and sustain a healthy marriage. Healthy marriages will result in better outcomes and a more stable society.

Description:

Contractors provided marriage and communication skills workshops that promote healthy marriages and strong two-parent families.

This program is no longer funded.

| DEA 5.8 | Subprogram Summary |
|---------|---|
| | REFUGEE RESETTLEMENT PROGRAM |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | PL 96-212 |

Mission:

To assist refugees in Arizona with attaining social and economic self-sufficiency and well-being.

Description:

The Arizona Refugee Resettlement Program (RRP) supports and advances successful resettlement of refugees, individuals forced to flee their home countries due to persecution, war, and human rights violations, through the coordination of public and private resources that best enable them to be firmly established on the path to success and well-being. RRP partners with a wide array of organizations, including local Voluntary Agencies (VOLAGs) and Mutual Assistance Associations (MAAs), to coordinate and provide core employment and case management services that promote self-sufficiency and integration, such as housing, school enrollment, cultural orientations, employment orientations, benefits applications, and ongoing adjustment services.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 13,579.7 | 14,203.9 | 14,203.9 |
| Program Total | 13,579.7 | 14,203.9 | 14,203.9 |
| FTE Positions | 12.0 | 12.0 | 12.0 |

◆ **Goal 1** To promote refugee social and economic self-sufficiency and well-being.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of refugees obtaining employment | 1,426 | 1,400 | 1,400 |

| DEA 5.9 | Subprogram Summary |
|---------|---|
| | GRANDPARENT KINSHIP CARE |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 8-814; |

Mission:

To assist and support grandparents as they transition into their role of raising grandchildren for whom they are responsible.

Description:

The Grandparent Kinship Care Support Service allowed payments of certain expenses if the kinship caregiver is the child’s grandparent.

This program is no longer funded.

| DEA 6.0 | Program Summary |
|---------|---|
| | CHILDREN, YOUTH AND FAMILIES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 8-800 |

Mission:

To promote services for children to enable them to be safe, and live with strong families so they can be successful in life.

Description:

The Division of Children, Youth and Families (Division) provides the following services to children and families: child abuse prevention, family support and preservation, substance abuse treatment, Children Support Services, out-of-home care, adoptions, permanent guardianship, independent living, health care services, and other child welfare programs.

The Division serves as the state-administered child welfare services agency, and is divided into three administrations: Child Welfare Administration (CWA), Finance and Business Operations Administration (FBOA), and Comprehensive Medical and Dental Program (CMDP).

Arizona's 15 counties are divided into five regions. Either directly or through contracts with community providers, each region provides investigation of Child Protective Services (CPS) reports, case management, in-home services, out-of-home services, contracted support services, permanency planning, and foster and adoptive home recruitment, study and supervision.

The Statewide Child Abuse Hotline is centralized for the receiving and screening of incoming communications regarding alleged child abuse and neglect. Incoming communications are centrally screened to determine if the communication meets the definition and criteria of a CPS report. Report information is triaged to determine risk of harm to the child, and to establish a response timeframe. Reports are investigated by Child Protective Services specialists or referred to other jurisdictions (such as tribal jurisdictions) for action.

Finance and Business Office Operations provide oversight of district functions; policy and program development, including analysis of state and federal legislation; management of the Child Welfare Training Institute (CWTI) for initial in-service staff training, ongoing/advanced staff training, and out-service and education programs; management of the Comprehensive Medical and Dental Program (CMDP) that provides dental and health care services for children in out-of-home care; oversight of programs including: Healthy Families Arizona, Promoting Safe and Stable Families, Arizona Families F.I.R.S.T., Adoption Subsidy, Subsidized Guardianship, Independent Living Programs including Chafee, Child Abuse Prevention and Treatment Act, Foster and Adoptive Home Recruitment, Study and Supervision, the Interstate Compact on the Placement of Children; oversight of statewide practice improvement, including case record reviews, data and trend analysis, the federal Child and Family Services Review process, continuous quality improvement processes, new practice improvement initiatives, and implementation of Family to Family strategies; oversight of strategic planning, including development and implementation of the federal Child and Family Services Plan; management of the appeals process for proposed substantiated CPS reports; management of family advocacy and high profile cases; management of business operations, including finance, budget, contracts, payment operations, and the Division's case management and payment processing automated system; and management of data, data analysis, report preparation, and the Division's data dashboard.

This Program Contains the following Subprograms:

- ▶ Children, Youth and Families Operations
- ▶ Children Support Services
- ▶ CPS Emergency Placement
- ▶ CPS Residential Placement
- ▶ Foster Care Placement
- ▶ Education and Training Vouchers
- ▶ Healthy Families
- ▶ Child Abuse Prevention
- ▶ Homeless Youth Intervention
- ▶ Comprehensive Medical and Dental Program
- ▶ Joint Substance Abuse – AZ Families (FIRST)
- ▶ Permanent Guardianship Subsidy
- ▶ Adoption Services
- ▶ Adoption Services - Family Preservation Projects
- ▶ CPS Appeals
- ▶ CYF Attorney General Legal Services
- ▶ Independent Living Maintenance
- ▶ CPS Emergency and Residential Placement

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---------------------------------|-----------------------|-------------------------|------------------------|
| (Thousands) | | | |
| General Funds | 153,621.8 | 136,855.4 | 202,191.2 |
| Other Appropriated Funds | 128,856.6 | 144,540.4 | 104,462.3 |
| Other Non Appropriated Funds | 201,093.1 | 187,216.2 | 202,358.5 |
| Program Total | 483,571.5 | 468,612.0 | 509,012.0 |
| FTE Positions | 2,184.3 | 1,987.3 | 1,987.3 |

| DEA 6.1 | Subprogram Summary |
|---|--------------------|
| CHILDREN, YOUTH AND FAMILIES OPERATIONS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1954; 8-800 | |

Mission:

To promote services for children to enable them to be safe, and live with strong families so they can be successful in life.

Description:

The Division of Children, Youth and Families Operations program provides administrative oversight and operating support to the programs within the Division. In addition, it also includes Child Protective Services, which investigates reports of child abuse and neglect.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 42,845.8 | 46,949.0 | 46,949.0 |
| Other Appropriated Funds | 49,147.5 | 52,885.7 | 52,885.7 |
| Other Non Appropriated Funds | 32,623.9 | 28,671.4 | 28,671.4 |
| Program Total | 124,617.2 | 128,506.1 | 128,506.1 |
| FTE Positions | 1,976.3 | 1,986.3 | 1,986.3 |

- ◆ **Goal 1** To provide quality leadership and training opportunities to enhance the delivery of quality services and promote accountability.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of newly hired Child Protective Services (CPS) Specialists completing training within seven months of hire | 100.0 | 100.0 | 100.0 |
| Percent of CPS complaints reviewed by the Office of the Citizens Aide where allegations are reported as valid by the Ombudsman | 3.4 | 3.4 | 3.4 |
| Number of CPS reports received | 34,896 | 34,900 | 34,900 |
| Child protective services response rate (percent) | 100.0 | 100.0 | 100.0 |
| Percent of child protective service reports that are substantiated | 13.0 | 13.0 | 13.0 |
| Percent of CPS original dependency cases where the court denied or dismissed the dependency | 0.1 | 0.1 | 0.1 |

- ◆ **Goal 2** To provide quality leadership and training opportunities to enhance the delivery of quality services to promote accountability.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of Office of Administrative Hearings (OAH) where CPS case findings are affirmed | 91.0 | 91.0 | 91.0 |

| DEA 6.2 | Subprogram Summary |
|---|--------------------|
| CHILDREN SUPPORT SERVICES | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 8-802; 8-701; 8-521 | |

Mission:

To strengthen, stabilize, and promote safety of families through the provision of a continuum of family-centered in-home services that are comprehensive, coordinated, community-based, accessible, and culturally responsive.

Description:

The Children Support Services Program focuses on families where unresolved problems have produced visible signs of existing or imminent child abuse, neglect, or dependency, and the home situation presents actual and potential risk to the physical or emotional well-being of a child. In-home children services seek to prevent further dependency or child abuse and neglect through provision of social services to stabilize family life and preserve the family unit. These services, including voluntary services without court involvement and court-ordered in-home intervention, are available statewide. Services include parent aide, parenting skills training, counseling, self-help, and contracted case management. Families may also receive referrals for services provided by other Divisions within the Department or other state agencies, including behavioral health services and other community resources.

Contracted services provided are available statewide. This integrated services model includes two service levels, intensive and moderate, which are provided based upon the needs of the child and family. The model is provided through collaborative partnerships between CPS, community social service agencies, family support programs, and other community and faith-based organizations.

The Division uses in-home service units to support delivery of integrated services and other in-home supports. Cases served include voluntary foster care, in-home court intervention, in-home dependency, integrated services, and other in-home support cases.

In the Young Adult Program, youth and Division staff work together to establish youth-centered case plans that include services and supports to assist each youth to reach his or her full potential while transitioning to adulthood and maintain safe, stable, long-term living arrangements and relationships with persons committed to their support and nurturance. State policy requires an individualized independent living case plan for every youth age 16 and older in out-of-home care, regardless of his or her permanency goal. Life skills assessments and services are provided to ensure each youth acquires the skills and resources necessary to live independently of the foster care system at age 18.

Youth in out-of-home care who do not have a goal of reunification, adoption, or guardianship are assisted to establish another planned permanent living arrangement through participation in services, opportunities, and activities through the Arizona Young Adult Program, which is Arizona's State Chafee Program. The Arizona Young Adult Program provides training and financial assistance to children in out-of-home care who are expected to make the transition from adolescence to adulthood while in foster care.

State statute allows youth to continue to receive Division services and supports to age 21 through voluntary foster care services and/or the Transitional Independent Living Program. Young adults served under the Transitional Independent Living Program are former foster youth, ages 18 through 20, who were in out-of-home care and in the custody of the Department while age 16, 17, or 18. This program provides job training, skill development, and financial and other assistance to former foster youth, to complement their efforts toward becoming self-sufficient.

Arizona Families F.I.R.S.T. provides an array of structured interventions to reduce or eliminate abuse of and dependence on alcohol and other drugs, and to address other adverse conditions related to substance abuse.

The Comprehensive Medical and Dental Program (CMDP) provides for the full coverage of medical and dental care for Arizona's children in foster care who are under the jurisdiction of the Department, the Arizona Department of Juvenile Corrections, or the Administrative Office of the Courts/Juvenile Probation Offices. CMDP operates as an acute health care plan under the Arizona Health Care Cost Containment System (AHCCCS) for children who are determined Medicaid eligible.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 26,880.8 | 22,154.4 | 43,154.4 |
| Other Appropriated Funds | 28,673.9 | 46,713.2 | 25,713.2 |
| Other Non Appropriated Funds | 16,050.4 | 38,220.0 | 38,220.0 |
| Program Total | 71,605.1 | 107,087.6 | 107,087.6 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

- ◆ **Goal 1** To enhance the ability of parents being served by Child Protective Services to create safe, stable, and nurturing home environments by providing cost-effective services that promote the safety of all family members.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of families receiving in-home services (*point in time 6/30/11) | 5,623* | 5,600 | 5,600 |
| Number of children receiving services through Healthy Families | 1,570 | 1,570 | 1,570 |

- ◆ **Goal 2** To promote recovery from alcohol and drug abuse for Arizona Families F.I.R.S.T. program participants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of CPS clients referred for substance abuse treatment services | 4,953 | 5,000 | 5,000 |

- ◆ **Goal 3** To provide medical and dental care for children in foster care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|-----------------------|-------------------------|-------------------------|
| Average number of children enrolled | 10,754 | 10,800 | 10,800 |

| DEA 6.3 | Subprogram Summary |
|----------------|---|
| | CPS EMERGENCY PLACEMENT |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-514 |

Mission:

To provide permanence, stability, and continuity of care in safe homes that meet the needs of children who enter out-of-home care. Services include, but are not limited to, case management, permanency planning, provision of out-of-home care, and other out-of-home support services to individuals or families.

Description:

In fiscal year 2012, this program was combined with CPS Residential Placement, DEA 6.4, to create the CPS Emergency and Residential Placement program, DEA 6.18. Description, goals, and performance measures for this program are contained in the Foster Care Placement program, DEA 6.5, as these programs operate in concert with one another and only aggregate data for out-of-home children services is available.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,520.8 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,179.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,275.5 | 0.0 | 0.0 |
| Program Total | 6,976.2 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 6.4 | Subprogram Summary |
|---------|---|
| | CPS RESIDENTIAL PLACEMENT |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-514 |

Mission:

To provide permanence, stability, and continuity of care in safe homes that meet the needs of children who enter out-of-home care. Services include, but are not limited to, case management, permanency planning, provision of out-of-home care, and other out-of-home support services to individuals or families.

Description:

In fiscal year 2012, this program was combined with CPS Emergency Placement, DEA 6.3, to create the CPS Emergency and Residential Placement program, DEA 6.18. Description, goals, and performance measures for this program are contained in the Foster Care Placement program, DEA 6.5, as these programs operate in concert with one another and only aggregate data for out-of-home children services is available.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 4,207.9 | 0.0 | 0.0 |
| Other Appropriated Funds | 13,067.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 18,324.5 | 0.0 | 0.0 |
| Program Total | 35,599.7 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 6.5 | Subprogram Summary |
|---------|---|
| | FOSTER CARE PLACEMENT |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-514 |

Mission:

To provide permanence, stability, and continuity of care in safe homes that meet the needs of children who enter out-of-home care. Services include, but are not limited to, case management, permanency planning, provision of out-of-home care, and other out-of-home support services to individuals or families.

Description:

Out-of-home placement services are available statewide for children who are unable to remain in their homes due to immediate safety concerns or impending and unmanageable risk of maltreatment. Placement services promote safety, permanency, and child and family well-being through supervision and monitoring of children in out-of-home placement, and support of the out-of-home caregiver's ability to meet the child's needs. State policy requires a complete individual placement needs assessment for every child who requires out-of-home care, and that the Division whenever possible: place children in the least restrictive placement available, consistent with the needs of the child; place children in close proximity to the parents' home and within the child's own school district; seek adult relatives or adults with whom the child has a significant relationship to meet the placement needs of the child in out-of-home care; place siblings together unless there is documented evidence that placement together is detrimental to one of the children; and place children with caregivers who can communicate in the child's language.

Placement types include: emergency shelters, kinship homes, foster homes, adoptive homes, group homes, residential treatment centers, and independent living subsidy arrangements.

Goals and performance measures for the Foster Care Placement Program, CPS Emergency Placement, and CPS Residential Placement line items are contained in this program as only aggregate data for out-of-home children services is available.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 14,189.9 | 14,239.5 | 14,239.5 |
| Other Appropriated Funds | 4,983.8 | 6,973.1 | 6,973.1 |
| Other Non Appropriated Funds | 14,335.6 | 14,248.2 | 14,248.2 |
| Program Total | 33,509.3 | 35,460.8 | 35,460.8 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To promote permanent placements for children who enter out-of-home care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of children in out-of-home care (*point in time 5/31/2011) | 10,998* | 11,000 | 11,000 |
| Percent change in number of children in out-of-home care (*point in time 5/31/2011) | 2.5* | 0.0 | 0.0 |

- ◆ **Goal 2** To enhance children's health and development by providing stable and nurturing environments.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of children remaining in shelter more than 21 days | 63 | 63 | 63 |
| Average number of days spent in shelter care for those children in shelter care 21 days or longer | 433 | 433 | 433 |
| Number of children under 3 in shelter care as of June 30 | 24 | 24 | 24 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of children under 6 in group homes as of June 30 | 14 | 14 | 14 |

| DEA 6.6 | Subprogram Summary |
|---------|---|
| | EDUCATION AND TRAINING VOUCHERS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | P.L. 107-133 |

Mission:

To provide young adults with the opportunity to achieve self-sufficiency.

Description:

Through funding received from the federal Education and Training Voucher (ETV) Program, vouchers to support post-secondary education and training costs, including related living expenses, are provided to eligible youth up to 23 years of age.

Note: Funding for this program was shifted to the Children Support Services program in fiscal year 2011.

| DEA 6.7 | Subprogram Summary |
|---------|---|
| | HEALTHY FAMILIES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-701 |

Mission:

To utilize home-based, family-centered services which promote child health and development, prevent child abuse and neglect, and enhance positive parent/child interaction.

Description:

The Healthy Families Arizona program is a community-based, multi-disciplinary program serving pregnant women and families of newborns.

The program is no longer separately funded, but it does receive funding from the Healthy Families distribution from the Arizona Lottery. Performance measures for the program are included in the Children Support Services program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 6,604.3 | 6,319.9 | 6,319.9 |
| Program Total | 6,604.3 | 6,319.9 | 6,319.9 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 6.8 | Subprogram Summary |
|---------|---|
| | CHILD ABUSE PREVENTION |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-701 |

Mission:

To strengthen and stabilize families and to increase public awareness of child abuse prevention.

Description:

The Child Abuse Prevention Fund provides financial assistance to community agencies for the prevention of child abuse. The funds are generally used for the Regional Child Abuse Prevention Councils and the Child Abuse Prevention Conference.

Beginning in fiscal year 2011, funding for this program was shifted to the Children Support Services program, so performance is reflected in the measures for that program.

| DEA 6.9 | Subprogram Summary |
|---------|---|
| | HOMELESS YOUTH INTERVENTION |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-521 |

Mission:

To provide family support, preservation, and reunification, along with independent living skills, establishing a sense of self-reliance and reducing risk factors to Arizona's homeless or potentially homeless youth.

Description:

The focus of this program is to reunify homeless youth with their families and enhance the parent-child relationship by providing the necessary resources and services to enable a safe and stable environment.

This program is no longer funded.

| DEA 6.10 | Subprogram Summary |
|----------|---|
| | COMPREHENSIVE MEDICAL AND DENTAL PROGRAM |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-512 |

Mission:

To promote the well-being of Arizona's children in foster care by ensuring, in partnership with the foster care community, the provision of appropriate and quality health care services.

Description:

CMDP was consolidated in the Children Support Services program beginning in fiscal year 2012. Description, goals and performance indicators can be seen in that program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,517.8 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 26,459.8 | 0.0 | 0.0 |
| Program Total | 27,977.6 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 6.11 | Subprogram Summary |
|---|--------------------|
| JOINT SUBSTANCE ABUSE – AZ FAMILIES (FIRST) | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 8-812 | |

Mission:

To promote permanency for children and stability in families, protect the health and safety of abused and/or neglected children, and promote economic security for families. This is accomplished through the provision of family-centered substance abuse and recovery support services to parents whose substance abuse is a significant barrier to maintaining or reunifying the family.

Description:

This program was consolidated in the Children Support Services program in fiscal year 2012. Description, goals and performance measures can be seen in that program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 4,016.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,714.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 7,730.6 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 6.12 | Subprogram Summary |
|---|--------------------|
| PERMANENT GUARDIANSHIP SUBSIDY | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 8-814 | |

Mission:

To provide permanency for children by strengthening the guardianship placement with a monetary subsidy to persons appointed permanent guardians of a dependent child.

Description:

The Permanent Guardianship subsidy provides a monthly partial reimbursement to caretakers appointed as permanent guardians of children in the care, custody, and control of the Department. These are children for whom reunification and adoption has been ruled out as unachievable or contrary to the child's best interest. Medical services are provided to Title XIX eligible children through the Arizona Health Care Cost Containment System (AHCCCS). Administrative services include payment processing, administrative review, and authorization of services. Many of the permanent homes supported by Subsidized Guardianship are kinship placements.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 6,970.9 | 7,072.3 | 10,148.7 |
| Other Appropriated Funds | 4,249.8 | 1,743.0 | 1,743.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 11,220.7 | 8,815.3 | 11,891.7 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To increase permanency for children who have been adjudicated dependent by providing a monetary subsidy to persons appointed as permanent guardians.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Average number of children receiving subsidized guardianship payments | 2,431 | 2,500 | 2,600 |

| DEA 6.13 | Subprogram Summary |
|----------|---|
| | ADOPTION SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 8-141 - 8-173 |

Mission:

To promote the timely placement of children into permanent adoptive homes, to provide adoption support services to these children and families to maintain the placement, and to provide for the special needs of children who are adopted.

Description:

The Adoptions Services program primarily provides adoption subsidy maintenance payments to adoptive parents who adopt a special needs child. A special needs child is defined in A.R.S. § 8-141 as a child with, or at risk of, a physical, mental or developmental disability, an emotional disturbance; or with other characteristics that make adoption more difficult, such as children age six or older, sibling groups, or racial/ethnic factors. The physical, mental, or emotional disorders may be a direct result of the abuse or neglect the children suffered before entering the child welfare system.

In addition to monthly subsidy payments, the Adoption Services program provides special services, non-recurring adoption costs, and adoptive home recruitment. Special services include payments for services not covered by the subsidy, such as specialized therapy, accommodations for a disability or other specialized services needed to maintain the adoptive placement. These services must be approved prior to the service being rendered and the adoptive parent must first try to receive coverage through their private insurance or through the Arizona Health Care Cost Containment System (AHCCCS). Non-recurring costs are legal costs associated with the adoption process.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 37,511.7 | 37,942.2 | 75,201.6 |
| Other Appropriated Funds | 21,787.6 | 19,802.4 | 4,724.3 |
| Other Non Appropriated Funds | 79,929.0 | 72,222.5 | 87,364.8 |
| Program Total | 139,228.3 | 129,967.1 | 167,290.7 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

◆ **Goal 1** To promote placements in permanent adoptive homes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of children with finalized adoptions | 1,972 | 1,972 | 1,972 |
| Percent of adoptions within 24 months (*as of 4/30/2011) | 45.8* | 46.0 | 46.0 |

| DEA 6.14 | Subprogram Summary |
|----------|--|
| | ADOPTION SERVICES - FAMILY PRESERVATION PROJECTS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | Laws 2007, Chapter 255, section 28 |

Mission:

To promote adoption as a permanent option for children in foster care and to promote placement stability for these children through transitional and after-care services.

Description:

The Adoption Promotion Services - Family Preservation Program provided funding to promote adoption as an option for children.

This program is no longer separately funded. Adoptive home recruitment takes place in the Adoption Services program.

| DEA 6.15 | Subprogram Summary |
|----------|---|
| | CPS APPEALS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 8-800 |

Mission:

To promote services for children to enable them to be safe, and live with strong families so they can be successful in life.

Description:

The CPS Appeals program provides management of the appeals process for proposed substantiated CPS reports.

Funding for this program was moved to the Operating Budget beginning in fiscal year 2012.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 700.6 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 700.6 | 0.0 | 0.0 |
| FTE Positions | 10.0 | 0.0 | 0.0 |

| DEA 6.16 | Subprogram Summary |
|----------|---|
| | CYF ATTORNEY GENERAL LEGAL SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-191 |

Mission:

To provide the Department of Economic Security with high-quality and timely legal advice and representation to promote the safety, economic self-sufficiency, and well-being of children, adults, and families.

Description:

The Attorney General Child and Family Protection Division/Protective Services Section (PSS) represents Child Protective Services in 15 counties statewide. PSS represents DES in all dependency, severance, and guardianship proceedings (including appeals) brought for the protection of abused and neglected children. PSS administers a case-processing system designed to expedite dependency court proceedings and place children in permanent homes. PSS also provides advice to DES on state and federal laws relating to child welfare and related funding programs.

NOTE: Goals and performance measures for this program are included in the Master List for the Attorney General, AGA 1.4, Child and Family Protection Division.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 10,889.7 | 0.0 | 0.0 |
| Other Appropriated Funds | 52.5 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 4,490.1 | 0.0 | 0.0 |
| Program Total | 15,432.3 | 0.0 | 0.0 |
| FTE Positions | 197.0 | 0.0 | 0.0 |

| DEA 6.17 | Subprogram Summary |
|---|--------------------|
| INDEPENDENT LIVING MAINTENANCE | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 8-802, 8-521 | |

Mission:

To provide young adults with the opportunity to achieve self-sufficiency with independent living skills.

Description:

The independent living maintenance program provides stipends to former foster youth between 18 and 21, who are now living on their own and are either enrolled in a postsecondary program or employed.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 2,369.6 | 2,719.3 | 2,719.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,369.6 | 2,719.3 | 2,719.3 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

◆ **Goal 1** To assist young adults to achieve self-sufficiency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of Young Adult Independent Living Subsidy participants | 301 | 300 | 300 |

| DEA 6.18 | Subprogram Summary |
|---|--------------------|
| CPS EMERGENCY AND RESIDENTIAL PLACEMENT | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3876 | |
| A.R.S. § 8-514 | |

Mission:

To provide permanence, stability, and continuity of care in safe homes that meet the needs of children who enter out-of-home care. Services include, but are not limited to, case management, permanency planning, provision of out-of-home care, and other out-of-home support services to individuals or families.

Description:

Description, goals, and performance measures for this program are contained in the Foster Care Placement program, DEA 6.5, as these programs operate in concert with one another and only aggregate data for out-of-home children services is available.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 5,778.7 | 9,778.7 |
| Other Appropriated Funds | 0.0 | 16,423.0 | 12,423.0 |
| Other Non Appropriated Funds | 0.0 | 27,534.2 | 27,534.2 |
| Program Total | 0.0 | 49,735.9 | 49,735.9 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 7.0 | Program Summary |
|---|-----------------|
| EMPLOYMENT AND REHABILITATION SERVICES | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1967; 41-1954; 46-801; 46-136 | |

Mission:

To increase self-sufficiency and well-being for individuals and families through programs and services that promote and support employment and independent living.

Description:

The Division of Employment and Rehabilitation Services administers a comprehensive range of employment programs, services, and supports to Arizonans and their families that includes employment, education, and training services to individuals receiving TANF Cash Assistance and Food Stamps, child care assistance for eligible recipients, assistance to individuals with disabilities in achieving and/or maintaining employment, independent living services and supports to individuals with significant disabilities, Workforce Investment Act (WIA) programs for adults, dislocated workers, and economically disadvantaged youth administered through Local Workforce Investment Areas (LWIAs), Unemployment Insurance benefits to eligible individuals and collection of payroll taxes from employers to fund the payment of those benefits, and employment services to assist job seekers and employers to achieve a quality workforce.

This Program Contains the following Subprograms:

- ▶ Employment and Rehabilitation Services Operations
- ▶ JOBS
- ▶ Day Care Subsidy
- ▶ Transitional Child Care
- ▶ Vocational Rehabilitation Services
- ▶ Independent Living Rehabilitation Services
- ▶ Workforce Investment Act - Discretionary
- ▶ Workforce Investment Act - Local Governments
- ▶ Unemployment Insurance
- ▶ Employment Services
- ▶ Workforce Investment Act Services

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 24,350.1 | 9,511.2 | 9,511.2 |
| Other Appropriated Funds | 179,183.9 | 207,722.1 | 207,722.1 |
| Other Non Appropriated Funds | 1,826,837.9 | 890,430.8 | 393,758.6 |
| Program Total | 2,030,371.9 | 1,107,664.1 | 610,991.9 |
| FTE Positions | 1,987.0 | 1,987.0 | 1,987.0 |

| DEA 7.1 | Subprogram Summary |
|---|--------------------|
| EMPLOYMENT AND REHABILITATION SERVICES OPERATIONS | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1967; 41-1954; 46-801; 46-136 | |

Mission:

To increase self-sufficiency and well-being for individuals and families through programs and services that promote and support employment and independent living.

Description:

Division of Employment and Rehabilitation Services Operations provides administrative oversight and operating support for all Division programs. The costs reflected in this line item include the costs associated with the Rehabilitation Services Administration, Child Care Administration, Employment Service, Unemployment Insurance and the Workforce Investment Act. For the Jobs program, the administrative costs paid from this program do not include the contracted costs, as they are paid from the Jobs program.

Note: Goals and performance for the operating function of the division are reflected in the goals and performance of the division's programs and special line items.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 8,644.8 | 5,750.8 | 5,750.8 |
| Other Appropriated Funds | 18,879.1 | 20,337.2 | 20,337.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 27,523.9 | 26,088.0 | 26,088.0 |
| FTE Positions | 390.8 | 390.8 | 390.8 |

| DEA 7.2 | Subprogram Summary |
|---------|---|
| | JOBS |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; 46-136 |

Mission:

To provide eligible individuals the opportunity to become economically independent through employment. Jobs removes barriers by providing a variety of services that make a positive difference in their lives.

Description:

The Jobs Program provides comprehensive employment, education, and training services to work eligible individuals receiving Temporary Assistance for Needy Families (TANF) Cash Assistance benefits. The services provided include employment skills assessment, job search/job readiness activities, work experience, vocational training, GED preparation, job development and placement, case management, and support services.

The Food Stamp Employment and Training (FS E&T) program provides short-term training, work experience and also offers limited support services for mandatory Food Stamp recipients in the program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 11,229.3 | 13,005.6 | 13,005.6 |
| Other Non Appropriated Funds | 970.7 | 1,283.3 | 1,283.3 |
| Program Total | 12,200.0 | 14,288.9 | 14,288.9 |
| FTE Positions | 119.0 | 119.0 | 119.0 |

- ◆ **Goal 1** To increase the number of Jobs Cash Assistance recipients who obtain employment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of Cash Assistance employment placements | 4,647 | 4,600 | 4,600 |

| DEA 7.3 | Subprogram Summary |
|---------|---|
| | DAY CARE SUBSIDY |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1967; 46-801 |

Mission:

To support the well-being and economic independence of Arizona's families by providing child care assistance and developing quality child care

Description:

The program provides child care assistance for eligible recipients under state appropriation of state and federal block grant funding sources, certifies small family child care homes that serve eligible families, provides funding to increase the availability and improve the quality of child care services, and provides leadership for statewide coordination and collaboration of various child care and early childhood development programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 11,771.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 82,999.9 | 121,396.6 | 121,396.6 |
| Other Non Appropriated Funds | 4,033.8 | 4,163.4 | 4,163.4 |
| Program Total | 98,805.0 | 125,560.0 | 125,560.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To increase the availability, supply, and quality of child care providers to support the needs of children and families.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of customer satisfaction with child care | 88.7 | 89.0 | 89.0 |
| Number of children whose families are assisted by Child Care Resource and Referral | 42,693 | 40,711 | 40,711 |
| Average number of children in Day Care Subsidy program per month | 29,554 | 29,600 | 29,600 |

Explanation: *Includes Transitional Child Care population

| DEA 7.4 | Subprogram Summary |
|---|--------------------|
| TRANSITIONAL CHILD CARE | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 41-1967; 46-801 | |

Mission:

To support the well-being and economic independence of Arizona's families by providing child care assistance and developing quality child care.

Description:

For fiscal year 2012, this special line item was combined with the Day Care Subsidy special line item. Funding is no longer appropriated separately. Description, goals, and performance measures are included in the Day Care subsidy Program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 20,918.7 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 20,918.7 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| DEA 7.5 | Subprogram Summary |
|---|--------------------|
| VOCATIONAL REHABILITATION SERVICES | |
| Michael Wisehart, Chief Financial Officer | |
| Phone: (602) 542-3786 | |
| A.R.S. § 23-501; 36-552 | |

Mission:

To work with individuals with disabilities to achieve gainful employment through the provision of jointly developed and individually planned vocational rehabilitation services in a partnership with the State Rehabilitation Council (SRC), Community Rehabilitation Programs (CRP), and all other stakeholders.

To work with individuals who have significant impairments to maintain and increase self-determination and independence (placing primary emphasis on core services: information and referral services, independent living skills services, peer counseling, and self-advocacy) in partnership with the Centers for Independent Living, other Independent Living Programs, and the Statewide Independent Living Council.

Description:

This subprogram assists individuals with disabilities to evaluate and determine appropriate employment goals and to identify the activities and services necessary to achieve those goals, including the provision of employment support services. To assist individuals in achieving and/or maintaining employment, this subprogram provides counseling and an array of individually planned and purchased services, including medical and psychological restoration, training, job development and placement, job coaching, rehabilitation technology aids, etc. The subprogram also provides program development grants to community rehabilitation programs to develop new or different patterns of services that will benefit clients of the Vocational Rehabilitation (VR) program and provides for the purchase of services and goods that benefit groups of individuals eligible for the VR program.

The Independent Living Rehabilitation Services (ILRS) program promotes and advocates for the independent living needs and goals of individuals with significant disabilities, provides information and referral services, provides peer support and counseling services, provides grants and contracts to community programs to provide services and for community development, provides training in independent living skills to individuals, provides other independent living services as necessary and appropriate to individuals including: technology assistance, adaptive aids and devices, home modifications, etc.; and provides eye exams and glasses.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,794.4 | 3,760.4 | 3,760.4 |
| Other Appropriated Funds | 145.4 | 1,328.1 | 1,328.1 |
| Other Non Appropriated Funds | 75,571.5 | 84,442.2 | 84,442.2 |
| Program Total | 79,511.3 | 89,530.7 | 89,530.7 |
| FTE Positions | 515.3 | 521.8 | 521.8 |

- ◆ **Goal 1** To assist consumers to achieve meaningful and sustained work as effectively and efficiently as possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Individuals in the Vocational Rehabilitation program successfully rehabilitated | 1,157 | 1,200 | 1,200 |

- ◆ **Goal 2** To improve the ability of individuals to make decisions leading to self-determination and to live independently.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of individuals receiving services in order to achieve or maintain their independence | 1,725 | 1,700 | 1,700 |

DEA 7.6 Subprogram Summary

INDEPENDENT LIVING REHABILITATION SERVICES

Michael Wisehart, Chief Financial Officer
 Phone: (602) 542-3786
 (SLI) PL 93-112

Mission:

To work with individuals who have significant impairments to maintain and increase self-determination and independence (placing primary emphasis on core services: information and referral services, independent living skills services, peer counseling, and self-advocacy) in partnership with the Centers for Independent Living, other Independent Living Programs, and the Statewide Independent Living Council.

Description:

For fiscal year 2012, this program was combined with the Vocational Rehabilitation Services program. Goals and performance measures are included with that program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 139.6 | 0.0 | 0.0 |
| Other Appropriated Funds | 997.7 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,465.1 | 0.0 | 0.0 |
| Program Total | 3,602.4 | 0.0 | 0.0 |
| FTE Positions | 6.5 | 0.0 | 0.0 |

DEA 7.7 Subprogram Summary

WORKFORCE INVESTMENT ACT - DISCRETIONARY

Michael Wisehart, Chief Financial Officer
 Phone: (602) 542-3786
 A.R.S. § 41-1954; PL 105-220

Mission:

To provide leadership and support to programs that prepare eligible individuals for long-term employment and self-sufficiency.

Description:

For fiscal year 2012, his program was combined with Workforce Investment Act - Local, DEA 7.8, to form the Workforce Investment Act program, DEA 7.11. Please see that program for additional information.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,496.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 831.9 | 0.0 | 0.0 |
| Program Total | 5,328.8 | 0.0 | 0.0 |
| FTE Positions | 0.3 | 0.0 | 0.0 |

DEA 7.8 Subprogram Summary
WORKFORCE INVESTMENT ACT - LOCAL GOVERNMENTS
Michael Wisehart, Chief Financial Officer
Phone: (602) 542-3786
A.R.S. § 41-1954; PL 105-220

Mission:

To provide leadership and support to programs that prepare eligible individuals for long-term employment and self-sufficiency.

Description:

For fiscal year 2012, his program was combined with Workforce Investment Act - Discretionary, DEA 7.7, to form the Workforce Investment Act program, DEA 7.11. Please see that program for additional information.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 39,516.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 39,516.9 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

DEA 7.9 Subprogram Summary
UNEMPLOYMENT INSURANCE
Michael Wisehart, Chief Financial Officer
Phone: (602) 542-3786
A.R.S. § 23-601

Mission:

To collect taxes from covered employers and to pay benefits to eligible unemployed workers.

Description:

The program provides Unemployment Insurance benefits to eligible individuals based on their past earnings and collects payroll taxes from subject employers to fund the payment of those benefits.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,722,128.7 | 775,278.7 | 278,606.5 |
| Program Total | 1,722,128.7 | 775,278.7 | 278,606.5 |
| FTE Positions | 694.5 | 694.5 | 694.5 |

- ◆ **Goal 1** To increase the degree of timeliness in paying Unemployment Insurance benefits.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| First payment timeliness | 92.4 | 92.0 | 92.0 |

| DEA 7.10 | Subprogram Summary |
|----------|---|
| | EMPLOYMENT SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | (SLI) PL 93-112 |

Mission:

To assist job seekers and employers to achieve a quality workforce through an improved service delivery system.

Description:

The program provides job placement, counseling, job search assistance, referral to training, and certification of employers who qualify for a tax credit for providing jobs to eligible job seekers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 20,836.2 | 22,322.2 | 22,322.2 |
| Program Total | 20,836.2 | 22,322.2 | 22,322.2 |
| FTE Positions | 260.6 | 260.6 | 260.6 |

- ◆ **Goal 1** To provide employment opportunities for individuals seeking employment and recruitment services to employers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|-----------------------|-------------------------|-------------------------|
| Number of clients entered employment | 298,155 | 298,200 | 298,200 |

| DEA 7.11 | Subprogram Summary |
|----------|---|
| | WORKFORCE INVESTMENT ACT SERVICES |
| | Michael Wisehart, Chief Financial Officer |
| | Phone: (602) 542-3786 |
| | A.R.S. § 41-1954; PL 105-220 |

Mission:

To provide leadership and support to programs that prepare eligible individuals for long-term employment and self-sufficiency.

Description:

The Department of Economic Security is the agency and grant recipient for the Workforce Investment Act (WIA) Title I-B federal funds. It has the responsibility for state program planning and policy direction, overall management, program development, and performance oversight of the employment and training programs operated in 14 Local Workforce Investment Areas (LWIAs). The LWIAs administer the programs for adults, dislocated workers, and economically disadvantaged youth. In addition, fifteen percent of the federal WIA allocation is available for discretionary purposes such as administration, statewide initiatives, and competitive grants for employment and training programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 51,654.6 | 51,654.6 |
| Other Non Appropriated Funds | 0.0 | 2,941.0 | 2,941.0 |
| Program Total | 0.0 | 54,595.6 | 54,595.6 |
| FTE Positions | 0.0 | 0.3 | 0.3 |

- ◆ **Goal 1** To achieve the goals of the Workforce Investment Act by providing employment assistance to adults, youth, and dislocated workers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of adults who entered employment | 1,608 | 1,600 | 1,600 |
| Number of youth who entered employment | 288 | 290 | 290 |
| Number of dislocated workers who entered employment | 2,192 | 2,200 | 2,200 |

| | |
|---|-----------------------|
| EDA 0.0 | Agency Summary |
| DEPARTMENT OF EDUCATION | |
| John Huppenthal, Superintendent of Public Instruction | |
| Phone: (602) 542-2843 | |
| A.R.S. § Title 15 et seq. | |

Mission:

To serve Arizona's education community, ensuring every student has access to an excellent education.

Description:

The Arizona Department of Education is administered by the Superintendent of Public Instruction, an elected position pursuant to the Arizona State Constitution. The Superintendent, in conjunction with the State Board of Education, leads the State in developing and implementing educational guidelines and standards. Through various programs within the Department, the Superintendent oversees direct services to 238 locally governed school districts, including 13 vocational districts and 9 accommodation districts. The Superintendent, in conjunction with the State Board for Charter Schools oversees 387 charters. The Department executes the educational guidelines through evaluation, training, school improvement assistance, dissemination of information, and administration and allocation of funds. The Department also serves as the primary source for information on the status and needs of the public school system.

| Agency Summary: | | (\$ Thousands) | | |
|---|--|--------------------|---------------------|--------------------|
| Program | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ STATE BOARD OF EDUCATION / VOC AND TECH EDUCATION | | 908.4 | 894.4 | 894.4 |
| ➤ SCHOOL FINANCE - PAYMENT AND FINANCIAL COMPLIANCE | | 3,900,542.8 | 3,829,966.5 | 3,829,966.5 |
| ➤ SCHOOL ACCOUNTABILITY AND IMPROVEMENT | | 40,284.5 | 50,117.8 | 50,117.8 |
| ➤ EDUCATION SERVICES | | 1,295,847.3 | 1,201,681.7 | 1,206,270.3 |
| ➤ PROFESSIONAL DEVELOPMENT | | 67,029.9 | 82,833.8 | 82,833.8 |
| ➤ ADMINISTRATION | | 11,454.6 | 17,924.0 | 23,074.0 |
| Agency Total: | | <u>5,316,067.5</u> | <u>5,183,418.2</u> | <u>5,193,156.8</u> |

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|--------------------|---------------------|--------------------|
| General Funds | | 3,488,598.3 | 3,436,528.7 | 3,441,117.3 |
| Other Appropriated Funds | | 36,070.6 | 56,959.3 | 62,109.3 |
| Other Non Appropriated Funds | | 1,791,398.6 | 1,689,930.2 | 1,689,930.2 |
| Program Total | | <u>5,316,067.5</u> | <u>5,183,418.2</u> | <u>5,193,156.8</u> |
| FTE Positions | | <u>616.7</u> | <u>676.9</u> | <u>684.9</u> |

Strategic Issues:

Issue 1 Increase Student Achievement

To develop and sustain great schools, excellent teachers and successful students in Arizona, we've defined ambitious goals, focused on achieving breakthrough-levels of academic gain. They include innovative, redesigned classrooms; transformative schools; applied best practices; implementation of common core standards; measuring teacher and student satisfaction; and accountability for performance gains.

Issue 2 Build a 21st Century Workforce

Our commitment to equipping Arizona's students for success is demonstrated through a deliberate plan to ensure college and career readiness for every student. We've defined a comprehensive strategy,

focused on an array of improvement opportunities as unique as Arizona's students, to help each student develop to his/her potential and become value-added contributors to their communities. These include a concerted focus in Adult Education; Career and Technical Education; Education and Career Action Plans (starting in 6th grade to ensure students meet 8th grade benchmarks and are ready for high school); and strengthening alliances with partners in the education and business communities to develop a concept of 21st Century Schools.

Issue 3 Strengthen Customer Relations

We exist to serve our customers. Our mission, "To serve Arizona's education community, ensuring every student has access to an excellent education", is our filter for every action, goal, idea. We recognize that collaboration and communication with all partners and stakeholders is imperative in order to effect meaningful, lasting changes in education. Accordingly, our emphasis will be in strengthening relationships with parents, education, business and community partners. In all relationships, our focus will be on providing value-added services, evaluating satisfaction from the customers' perspective. Our desire is to be regarded as competent, compassionate, professional allies; value-added contributors in the collective effort to provide every student access to an excellent education.

Issue 4 Improve Process Efficiency and Effectiveness

ADE recognizes the importance of a systematic approach to design, deliver and evaluate services and products that add value from a customer perspective. To that end, we have made an organizational commitment to improve the efficiency and effectiveness of processes and procedures. Our approach will include cross-functional and Unit/program-specific improvements that are linked to customer requirements. As a result of our focus, significant improvements are expected in our student accountability systems, grants management system, and cross-functional communication and collaboration.

Issue 5 Build a Great Place to Work

We recognize that quality and high performance are achieved from full participation and partnership between staff and management. To that end, our commitment to build a great place to work is based on creating and sustaining a supportive work culture that sets standards and accountability for cooperation, communication, customer-driven service and continuous improvement.

| EDA 1.0 | Program Summary |
|---|-----------------|
| STATE BOARD OF EDUCATION / VOC AND TECH EDUCATION | |
| Vince Yanez, | |
| Phone: (602) 542-5057 | |
| Arizona State Constitution, A.R.S. § 15-201-231 | |

Mission:

To aggressively set policies that foster excellence in public education.

Description:

The State Board of Education meets at least ten times annually to supervise and regulate the conduct of the public school system. A.R.S. § 15-203 articulates the Board's powers and duties which indicate that the Board shall set statewide education policy for our K-12 schools. The State Board for Vocational and Technological Education meets at least three times annually to supervise and regulate the conduct of vocational and technological education in the public school system.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 539.7 | 525.6 | 525.6 |
| Other Appropriated Funds | 368.7 | 368.8 | 368.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 908.4 | 894.4 | 894.4 |
| FTE Positions | 7.0 | 9.0 | 9.0 |

- ◆ **Goal 1** To set fair and reasonable policies and standards which foster excellence in public education.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Percent of Arizona high school students who enter 9th grade and graduate within four years | 74 | 76 | 78 |
| Explanation: | Fiscal Year data represents class cohort from 1 year previous (i.e. FY 2011 = Class of 2010). | | |
| Percent of Arizona schools receiving an under-performing label | NA* | 5 | 5 |
| Explanation: | * Data not yet available | | |

- ◆ **Goal 2** To ensure student safety by investigating and taking appropriate action on complaints made against professional educators.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|-----------------------|-------------------------|-------------------------|
| Number of investigative cases closed | 291 | 290 | 290 |

| EDA 2.0 | Program Summary |
|---|-----------------|
| SCHOOL FINANCE - PAYMENT AND FINANCIAL COMPLIANCE | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-185, 15-901-917, 15-941-15-1033, 37-521 | |

Mission:

To administer state aid, monitor financial compliance, and provide prompt customer service while collecting and analyzing data on publicly funded schools for state aid payments, accountability to the public, and other statutory requirements.

Description:

The School Finance program disburses equalization assistance (Basic State Aid) to school districts and charter schools. Equalization assistance is designed to provide equitable per-pupil funding among school districts and charter schools for maintenance and operational and instructional needs. Equalization assistance is based on the district or the charter school's student count (Average Daily Membership) and funding levels set in statute. In addition to equalization assistance funding, traditional public school districts also receive a portion of their basic funding from a local tax levy on the property within their boundaries.

This program also disburses other special formula funding for the following programs: (1) Additional State Aid (Homeowner's Rebate Program); (2) Assistance to School Districts (education of children whose parents or legal guardians are employed by certain state institutions); (3) Certificate of Educational Convenience (education of certain children outside of the district in which they live); (4) Special Education and Residential Vouchers; (5) Permanent and Institutional Vouchers; (6) County Jails and Detention Centers; (7) Juvenile Corrections and Adult Corrections; and (8) Classroom Site Fund (additional funds for teacher compensation and other purposes authorized by voter approval of Proposition 301 in the November 2000 General Election).

Financial compliance is monitored by this program through statutory testing of school district budget limits and analysis of required reports and data submitted by school districts and charter schools. The data is submitted electronically through the Student Accountability Information System (SAIS) for purposes of calculating equalization assistance and budget limits as applicable for publicly funded educational entities. Expenditures of school districts are monitored for statutory compliance and school districts are assisted in the resolution of non-compliance issues.

Further, this program collects data to meet reporting requirements for the federal Common Core of Data. In addition, it provides education related data to other governmental agencies and taxpayers as requested and/or required.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,417,179.8 | 3,367,697.0 | 3,367,697.0 |
| Other Appropriated Funds | 32,497.1 | 46,475.5 | 46,475.5 |
| Other Non Appropriated Funds | 450,865.9 | 415,794.0 | 415,794.0 |
| Program Total | 3,900,542.8 | 3,829,966.5 | 3,829,966.5 |
| FTE Positions | 24.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide timely and reliable customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of Instructional Improvement Fund (IIP) payments made on a quarterly basis | 100 | 100 | 100 |
| Percent of Classroom Site Fund payments made on a monthly basis | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Number of days to process budget analysis from July 18 | 103 | 90 | 85 |
| Explanation: | *System related difficulties/legislature session has been closing later, causing September revisions which pushes back distribution of Budget-25 letters. | | |
| External customer overall satisfaction rating* | 2.75 | 3.0 | 3.25 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |

| EDA 3.0 | Program Summary |
|--|-----------------|
| SCHOOL ACCOUNTABILITY AND IMPROVEMENT | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-241, 15-741-15-747, 15-809, P.L. 107-110 | |

Mission:

To promote attainment of high academic achievement for all students through assessing, evaluating, and implementing initiatives and reforms that use scientifically based research and effective practices for assisting schools engaged in the school improvement process.

Description:

The School Accountability and Improvement program focuses on improving student achievement through assessing the achievement level of students at different grade levels and then evaluating that information to determine how well each respective school is performing. This information is the basis for interventions and school improvement measures provided through technical assistance, professional development, funding resources, and administrative oversight.

This program includes Arizona Leaders in Education for the Advancement and Development of Student and School Success (AZ LEADS). AZ LEADS is a statewide initiative for school improvement and student success. It is one of the components of an accountability system, called Arizona Leading Education in Arizona through the Reporting and Notification System (AZ LEARNS), for measuring school performance based on student achievement.

This Program Contains the following Subprograms:

- ▶ Student Assessment
- ▶ Research and Evaluation
- ▶ School Improvement and State Intervention

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 3,771.2 | 3,230.6 | 3,230.6 |
| Other Appropriated Funds | | 4,021.8 | 5,911.5 | 5,911.5 |
| Other Non Appropriated Funds | | 32,491.5 | 40,975.7 | 40,975.7 |
| Program Total | | 40,284.5 | 50,117.8 | 50,117.8 |
| FTE Positions | | 57.1 | 54.0 | 54.0 |

| EDA 3.1 | Subprogram Summary |
|---------|---|
| | STUDENT ASSESSMENT |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-741 - 15-742, P. L. 107-110 |

Mission:

To assist the educational community and the public by developing rigorous academic content standards and providing valid, reliable student assessment aligned to the standards.

Description:

The Assessment Section provides statewide assessments to students, meeting both state and federal statutory requirements. This is done through the administration of Stanford 10 at Grades 2 and 9, AIMS 3-8 at Grades 3 through 8, and AIMS HS at Grade 10 and beyond. The assessments are developed using Arizona educators, following nationally accepted scientific-based methods to produce valid and reliable assessments.

The Assessment Section continues to create support materials for use by educators, parents and students. Accessed through IDEAL, the Formative Assessment program is instrumental in providing quizzes and items for classroom assessments, making it a significant teacher tool for all K-12 educators in the state. Support for individual student needs is provided through the publishing of Student Guides and Sample Test on the ADE website. Standards development and revision is on a five-to six year cycle. Mathematics was revised during the 2007-2008 school year and was adopted by the State Board of Education on June 24, 2008. The State Board of Education adopted the Common Core Standards in Mathematics and English Language Arts June 28, 2010. The State is participating in a consortium of multiple states, Partnership for Assessment of Readiness for College and Careers (PARCC) which applied for a federal Race to the Top Assessment Grant. The PARCC assessment system will be operational 2014-2015.

The following units within Assessment collaborate to facilitate the accomplishment of this mission: Test Administration, Item/Test Development, Formative Assessment, Data/Item Analysis. Assessment collaborates closely with numerous other sections within ADE: Research and Evaluation, School Effectiveness, Student Achievement, Exceptional Student Services, Informational Technology.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-----------------|------------------|-----------------|
| General Funds | 3,230.7 | 3,230.6 | 3,230.6 |
| Other Appropriated Funds | 4,024.5 | 4,650.1 | 4,650.1 |
| Other Non Appropriated Funds | 10,518.1 | 6,623.6 | 6,623.6 |
| Program Total | 17,773.3 | 14,504.3 | 14,504.3 |
| FTE Positions | 21.1 | 17.5 | 17.5 |

- ◆ **Goal 1** To develop relevant and accurate instruments to assess all Arizona students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of AIMS test questions without error on student assessment.* | 99.9 | 99.9 | 99.9 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |
| Percent of administered AIMS tests that result in a valid score.* | 99.9 | 99.9 | 99.9 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |

| EDA 3.2 | Subprogram Summary |
|---------|---|
| | RESEARCH AND EVALUATION |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-743, 15-746, P.L. 107-110 |

Mission:

To evaluate and to provide public reports on the performance of Arizona's public schools in accordance with requirements under the federal No Child Left Behind Act and the Arizona law, while also providing other analysis and evaluation services to the Arizona Department of Education, the legislature, local schools, and other groups.

Description:

The Research and Evaluation subprogram provides the results of timely, accurate, and objective research to inform the public and to support educators and policymakers. Specifically, the Research and Evaluation subprogram is responsible for developing, implementing, and making future modifications to school evaluation formulas found in the federal No Child Left Behind Act of 2001 and state legislation for evaluating school performance. Projects in this subprogram include statutory reporting requirements, program evaluations, and independent research.

This subprogram includes the design and the publication of Achievement Profiles, which are a research-based method of analysis for evaluating school performance. These profiles, also called AZ LEARNS Achievement Profiles, are used to designate all public schools as Excelling, Highly Performing, Performing, Underperforming, or Failing to Meet Academic Standards. The results are evaluated for the purpose of fostering school improvement. For FY 2012 and FY 2013, profiles will also include a letter grade, (A, B, C, D, F) in addition to the current designations. Beginning with FY 2014, the profiles will include only the letter grades.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 540.5 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 761.4 | 761.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 540.5 | 761.4 | 761.4 |
| FTE Positions | 6.6 | 6.2 | 6.2 |

- ◆ **Goal 1** To issue, on time, valid and reliable evaluations of school and student performance as required by State and Federal statutes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of schools with at least 75 percent of students meeting or exceeding standards in AIMS reading. | 49 | 50 | 51 |
| Percent of schools with at least 75 percent of students meeting or exceeding standards in AIMS writing | 15 | 16 | 17 |
| Percent of schools with at least 75 percent of students meeting or exceeding standards in AIMS math | 19 | 20 | 21 |
| Percent of students in grade 3 meeting or exceeding state academic standards in AIMS reading | 76 | 77 | 78 |
| Percent of students in grade 3 meeting or exceeding state academic standards in AIMS writing | N/A | N/A | N/A |
| Percent of students in grade 3 meeting or exceeding state academic standards in AIMS math | 68 | 70 | 72 |
| Percent of students in grade 5 meeting or exceeding state academic standards in AIMS reading | 79 | 81 | 83 |
| Percent of students in grade 5 meeting or exceeding state academic standards in AIMS writing | 55 | 57 | 59 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of students in grade 5 meeting or exceeding state academic standards in math | 63 | 65 | 67 |
| Percent of students in grade 8 meeting or exceeding state academic standards in reading | 71 | 73 | 75 |
| Percent of students in grade 8 meeting or exceeding state academic standards in writing | 36 | 38 | 40 |
| Percent of students in grade 8 meeting or exceeding state academic standards in math | 54 | 56 | 58 |
| Percent of students in grade 10 meeting or exceeding state academic standards in reading* | 78 | 80 | 82 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |
| Percent of students in grade 10 meeting or exceeding state academic standards in writing* | 68 | 70 | 72 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |
| Percent of students in grade 10 meeting or exceeding state academic standards in math* | 60 | 62 | 64 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |
| Percent of students in grade 12 meeting or exceeding state academic standards in reading | 28 | 30 | 32 |
| Percent of students in grade 12 meeting or exceeding state academic standards in writing | 17 | 19 | 21 |
| Percent of students in grade 12 meeting or exceeding state academic standards in math | 16 | 18 | 20 |
| Percent of students in grade 2 performing at or above the 50th percentile on norm-referenced reading test | 41 | 42 | 43 |
| Percent of students in grade 2 performing at or above the 50th percentile on norm-referenced math test | 57 | 58 | 59 |
| Percent of students in grade 9 performing at or above the 50th percentile on norm-referenced reading test | 58 | 59 | 60 |
| Percent of students in grade 9 performing at or above the 50th percentile on norm-referenced math test | 71 | 72 | 73 |

◆ **Goal 2** To provide accurate and helpful information to the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| External customer overall satisfaction rating* | 3.00 | 3.20 | 3.40 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |
| Percent of all State and Federal reports released by September 1, 2011* | 100 | 100 | 100 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |

| EDA 3.3 | Subprogram Summary |
|---------|--|
| | SCHOOL IMPROVEMENT AND STATE INTERVENTION |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-241, 15-741.01, 15-809, P.L. 107-110 |

Mission:

To provide quality and consistent support and technical assistance to all schools engaged in the process of continuous school improvement.

Description:

"SCHOOL IMPROVEMENT"

The School Improvement subprogram integrates Education Technology with the school support components of state and federal accountability measures, A.R.S. § 15-241 (AZ LEARNS) and the No Child Left Behind Act of 2002 (NCLB).

The School Improvement subprogram supports all schools by: Providing access to the Arizona Standards and Rubrics for School Improvement as a framework for conducting a comprehensive, evidence-based needs assessment; Providing access to the online Arizona School Improvement Plan; Providing, upon request, the services of a Solutions Team; Providing access to teacher and student resources through the IDEAL web portal; Promoting the integration of technology by teachers in core content areas to increase student achievement; Promoting technological literacy by the end of eighth grade, so all students have the skills to access information and resources to support their learning needs.

The School Improvement subprogram supports schools designated as needing improvement by: Providing Technical Assistance in the development of an Arizona School Improvement Plan required by A.R.S. § 15-241 (K) and NCLB 1116 (b), Assigning a Solutions Team as outlined in A.R.S. § 15-241 (Q) and NCLB 1116 (c) to: Review school operations using the Arizona Standards and Rubrics for School Improvement, and provide the school recommendations for improvement through a Statement of Findings.

Assigning an ADE School Improvement Coach to assist the school in creating capacity for sustained improvement by: Providing technical assistance and support in implementing the Arizona School Improvement Plan and the recommendations of the Solutions Team; Assisting in the coordination of all education resources, specifically those available through the Arizona Department of Education; Documenting school progress and improvement plan implementation in relation to increasing academic achievement for all students; Assisting each Title 1 school and district identified for improvement in applying for a Title I School and District Improvement Grant; Ensuring that each Title I school and district identified for improvement complies with the requirements of NCLB and the School and District Improvement Grant.

"SCHOOL INTERVENTION"

This subprogram collaborates with school administrators for training and support that creates school environments in which all students achieve at high levels. This subprograms also analyze schools designated as "Failing to Meet Academic Standards" to determine how best to improve the schools to a performing level and to sustain the improvements after the withdrawal of state support. Further, this subprogram supports schools designated as "Failing" by providing the following: Technical assistance; Financial support; Highly qualified Turnaround Personnel; and Assignment of a School Intervention Specialist from ADE. The School Intervention Specialist provides support that will allow the school to be better equipped to implement effective system changes that will lead to increased student achievement at the school level. The Arizona Standards and Rubrics for School Improvement to provide schools with recommendations for their improvement. Further, there is an Academic and Instructional Support unit, which has established a series of academies that help teachers and

administrators understand how academic achievement is tied to research based best practices and which methods and techniques incorporate best practices. The topics for these best practices academies include discussions of data from the field, AIMS test scores, and trends in Solution Team data.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | -2.7 | 500.0 | 500.0 |
| Other Non Appropriated Funds | 21,973.4 | 34,352.1 | 34,352.1 |
| Program Total | 21,970.7 | 34,852.1 | 34,852.1 |
| FTE Positions | 29.4 | 30.3 | 30.3 |

- ◆ **Goal 1** To provide technical assistance and training for districts and schools to improve effectiveness.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| External customer overall satisfaction rating* | 3.49 | 3.65 | 3.80 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |
| Percent of students in SI schools meeting/exceeding AIMS minimum standards* | 55 | 58 | 60 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |

| EDA 4.0 | Program Summary |
|---|------------------------|
| EDUCATION SERVICES | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § Title 15 et seq., P. L. 107-110 | |

Mission:

To promote the development and the implementation of quality education for all learners by providing quality services and resources to schools, parent groups, government agencies, and community groups to enable them to achieve their goals.

Description:

The Education Services program provides funding, technical assistance, and resource coordination to local education agencies and public/private organizations in their administration of preschool to adult programs. It also provides development opportunities to teachers and administrative professionals and supports local efforts focused on parental and community involvement. This program includes efforts aimed at: (1) Assisting adult learners to develop and improve skills needed in community, family, and workplace environments; (2) Coordinating services for a seamless transition of students to postsecondary education and employment; (3) Addressing the needs of youth and adults who face barriers to employment; (4) Fostering educational excellence for students with disabilities between the ages of 3 years and 22 years; (5) Serving children whose economic, cultural, or intellectual situations create the need for alternatives offered through support programs that improve academic achievement; (6) Ensuring children are adequately fed using the U.S. Dietary Guidelines; (7) Providing support to schools, families, and communities in implementing early childhood programs that assist all children from birth to become successful lifelong learners; (8) Giving funding, technical assistance, and resource coordination to assist schools in implementing effective behavior, health, and safety programs; (9) Offering enrichment opportunities to help students further their academic achievements; and (10) Using available opportunities to recognize the achievement of excellence by students or educational professionals.

This Program Contains the following Subprograms:

- ▶ Exceptional Student Services
- ▶ English Acquisition Services
- ▶ Early Childhood Programs
- ▶ Title I
- ▶ Career and Technical Education
- ▶ Adult Education and GED
- ▶ Standards Based Best Practices
- ▶ Nutrition
- ▶ Family Literacy
- ▶ Outreach Programs
- ▶ Innovative Exemplary Programs

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 61,183.5 | 57,484.3 | 62,072.9 |
| Other Appropriated Funds | -2,859.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,237,523.1 | 1,144,197.4 | 1,144,197.4 |
| Program Total | 1,295,847.3 | 1,201,681.7 | 1,206,270.3 |
| FTE Positions | 347.1 | 376.0 | 378.0 |

| | |
|---|---------------------------|
| EDA 4.1 | Subprogram Summary |
| EXCEPTIONAL STUDENT SERVICES | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S.§15-236, 15-761-15-774, 15-881, 15-1181-15-1205, IDEA | |

Mission:

To promote the development and the implementation of quality education for students with disabilities.

Description:

The Exceptional Student Services (ESS) subprogram fosters educational excellence for students with disabilities between the ages of 3 years and 22 years by promoting program improvement to support the achievement of individual student goals, state education standards, and compliance with Arizona and federal government requirements for special education. The initiatives that support this mission are: (1) Administrative Support, which includes conflict resolution, office management, assistive technology, and school-to-adult-life transition; and (2) Program Support, which includes accountability and technical assistance, "Child Find" and family involvement, a comprehensive system of personnel development, and secure care education (education of special educational needs children who are in correctional facilities).

The intent of "Child Find" is that all children from birth through age 21 years with delays or disabilities are identified, located, and evaluated to receive the supports and services they need. Public schools and the Arizona Early Intervention Program are responsible for "finding" eligible children and providing services needed for them to reach their developmental milestones or meet their educational needs. When children are "found", they are referred to a specialist to screen their development. The screening helps identify any areas of concern that need to be evaluated further. In order to receive early intervention or special education services, a child must be evaluated to confirm they have a delay or disability that falls under state definitions.

The comprehensive system of personnel development in this subprogram includes Special Education Learning Experiences for Competency in Teaching (SELECT). Select courses provide training to persons seeking to expand their skills in working with children with disabilities and are recommended for regular and special education teachers, related service personnel, paraeducators, and other interested individuals. Participants take SELECT courses to receive academic credit that can be applied towards teacher certification if the class matches the certification requirement or for professional growth (for those working towards teacher re-certification).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 35,268.6 | 33,242.1 | 33,242.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 263,707.2 | 267,172.4 | 267,172.4 |
| Program Total | 298,975.8 | 300,414.5 | 300,414.5 |
| FTE Positions | 102.2 | 112.7 | 112.7 |

◆ Goal 1 To ensure that all students with disabilities have access to an excellent education

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of children evaluated within 60 days of receiving parental request for initial evaluation* | 96 | 97 | 98 |
| Percent of students with disabilities graduating high school with a regular diploma* | 64.9 | 66 | 68 |

Explanation: *New measure, FY 2011 establishes baseline

◆ Goal 2 To ensure compliance with State and Federal statutes and regulations along with other contractual obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of students with disabilities with proficient performance in reading in grade 3 | 42 | 44 | 46 |
| Percent of students with disabilities with proficient performance in reading in grade 5 | 41 | 43 | 45 |
| Percent of students with disabilities with proficient performance in reading in grade 8 | 28 | 29 | 30 |
| Percent of students with disabilities with proficient performance in reading in grade 10 | 38 | 40 | 42 |
| Percent of public education agencies demonstrating compliance with monitoring deficiencies within two years | 100 | 100 | 100 |

◆ Goal 3 To provide timely and reliable customer service that includes technical assistance, training, and professional development

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| External customer overall satisfaction rating* | 3.61 | 3.70 | 3.80 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |

| | |
|--|---------------------------|
| EDA 4.2 | Subprogram Summary |
| ENGLISH ACQUISITION SERVICES | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-241, 15-751-756.01-.13, 15-910, 41-1279.03, P.L. 107-110 | |

Mission:

To assist schools in providing services that support high academic success for English Language Learning (ELL) students.

Description:

The English Acquisition Services was established by Arizona Revised Statutes. This subprogram is authorized under the federal No Child Left Behind Act of 2001 (NCLB) and the federal Civil Rights Act to provide technical assistance to local educational agencies for their English Language Learner (ELL) students. In addition, pursuant to state laws A.R.S. § 15-751 through A.R.S. § 15-756.01, each school with enrolled ELL students must provide programs that allow these students to develop their skills in the English language and to give them the opportunity to meet Arizona Academic Standards. English Acquisition Services was formally established as the Office of English Language Acquisition Services on September 21, 2006, pursuant to A.R.S. 15-756.07.

The assistance that the English Acquisition sub-program provides to LEAs consists of the following: (1) Providing notification to local educational agencies of their requirements/responsibilities for compliance under federal and state statutes; (2) Providing notification to local educational agencies of their requirements/responsibilities in regards to Arizona Department of Education policy and as described under the Flores lawsuit; (3) Providing methods/technical assistance to local education agencies for identifying, assessing, re-assessing, re-classifying, and reporting on ELL students; (4) Providing information, materials, resources, and strategies for Structured English Language Immersion models; and (5) Providing professional development opportunities for teachers and administrators to ensure ELL student attainment of English language proficiency and the academic achievement through the use of Structured English Language Immersion (SEI) models, the state Compensatory Instruction Fund, Title III funding, and providing technical assistance for SEI budget calculation and submission.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 13,026.6 | 12,749.5 | 12,749.5 |
| Other Appropriated Funds | -2,859.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 21,875.8 | 34,073.8 | 34,073.8 |
| Program Total | 32,043.1 | 46,823.3 | 46,823.3 |
| FTE Positions | 30.7 | 35.9 | 35.9 |

◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| Percent of local education agencies (with ELL students receiving state/federal funding) in full compliance with federal, state and ADE policy issues | 48* | 50 | 40 |
| Explanation: | *Numbers represent number of LEAs monitored, not percent | | |

◆ **Goal 2** To provide timely and reliable customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|-------------------------|-------------------------|
| External customer overall satisfaction rating* | 3.45 | 3.65 | 3.85 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |
| External customer satisfaction rating on professional development and technical assistance* | 4.61 | 4.6 | 4.6 |
| Explanation: | *based on 5 point scale | | |

◆ **Goal 3** To increase academic gains of students reclassified as FEP

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Percent of students reclassified as FEP* | 30 | 32 | 34 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |
| Percent of students achieving targeted gains in AIMS reading scores within two years of reclassification as FEP* | 79** | 81 | 83 |
| Percent of students achieving targeted gains in AIMS math scores within two years of reclassification as FEP* | 62** | 64 | 66 |
| Percent of students achieving targeted gains in AIMS writing scores within two years of reclassification as FEP* | 68** | 70 | 72 |
| Explanation: | *New measure **2011 is estimate, data available fall 2011 | | |

| EDA 4.3 | Subprogram Summary |
|---|--------------------|
| EARLY CHILDHOOD PROGRAMS | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-715, 15-771, 15-901.02, 15-1251, P.L. 107-110 | |

Mission:

To provide leadership and support to schools, organizations, educators, families, and communities in implementing programs that assist all children from birth through age 8 years to become successful lifelong learners.

Description:

The Early Childhood subprogram includes multiple collaborative partnerships, Preschool Special Education for 3 year to 5 year old children with disabilities, and the federal Early Childhood Block Grant for public school districts and charter schools who serve children in kindergarten programs, as well as in grades one, two and three. This subprogram supports school readiness and early learning success by encouraging the implementation of high quality program guidelines and educational standards. Local community programs offer resources, on-site support, funding, and opportunities for professional development to promote developmentally appropriate learning environments.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 12,587.3 | 12,381.6 | 12,381.6 |
| Program Total | 12,587.3 | 12,381.6 | 12,381.6 |
| FTE Positions | 9.6 | 13.7 | 13.7 |

- ◆ **Goal 1** To ensure compliance with the Office of Special Education Programs requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Percent of Early Childhood Special Education students demonstrating improved outcomes in taking appropriate action to meet needs. | N/A** | 77.95 | 78.45 |
| Percent of Early Childhood Special Education students demonstrating improved outcomes in the area of social and emotional development. | N/A** | 76.88 | 77.38 |
| Percent of Early Childhood Special Education students demonstrating improved outcomes in the area of knowledge and skills. | N/A** | 69.47 | 69.97 |
| Explanation: | *Estimate based on FY 2009 data sample and solely on students with disabilities.**Data not available until fall 2011 | | |

- ◆ **Goal 2** To provide technical assistance, training, and professional development to improve the effectiveness of early childhood programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| External customer overall satisfaction rating* | 3.83 | 4.00 | 4.23 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |
| Customer satisfaction rating for Professional Development* | 93.02 | 95 | 96 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |

| EDA 4.4 | Subprogram Summary |
|---|--------------------|
| TITLE I | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| P.L. 107-110 | |

Mission:

To support the implementation of the Federal Title I Grant for Arizona's System of School Support in order to impact teaching and learning in Kindergarten through 12th grade classrooms so that educationally disadvantaged students achieve high academic success.

Description:

Title I, under the Elementary and Secondary Education Act, provides financial assistance to local educational agencies to meet the needs of educationally deprived children at preschool, elementary, and secondary school levels who are in low income areas. The purpose of this Title I funding is to help all children achieve the state's academic standards. This is accomplished through supplemental programs that consist of instructional services, instructional support services, school wide reform efforts, and increased involvement of parents in their children's education.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 506,948.7 | 387,959.3 | 387,959.3 |
| Program Total | 506,948.7 | 387,959.3 | 387,959.3 |
| FTE Positions | 39.4 | 40.6 | 40.6 |

- ◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percent of districts out of compliance in (Cycle 1) Federal indicator* | 60 | 55 | 50 |
| Percent of districts out of compliance in (Cycle 2) Federal indicator* | 80 | 78 | 74 |
| Percent of districts out of compliance in (Cycle 3) Federal indicator* | 25 | 20 | 15 |
| Percent of districts out of compliance in (Cycle 5) Federal indicator* | 20 | 18 | 15 |
| Percent of districts out of compliance in (Cycle 6) Federal indicator* | 65 | 60 | 55 |
| Explanation: | *New measures, FY 2011 establishes baseline | | |

- ◆ **Goal 2** To provide technical assistance, training, and professional development to improve Title 1 school efforts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| External customer overall satisfaction rating* | 3.45 | 3.50 | 3.55 |
| Customer satisfaction rating on Technical Assistance* | 85 | 90 | 93 |
| Explanation: | *New measure, FY 2011 establishes baseline | | |
| Percent of Title 1 schools that meet adequate yearly progress (AYP) | 49 | 51 | 52 |

EDA 4.5 Subprogram Summary

CAREER AND TECHNICAL EDUCATION

Pat Childress, Director of Strategic Planning

Phone: (602) 542-3069

A.R.S. § 15-781-15-790, P.L. 109-270

Mission:

To prepare Arizona students for workforce success and continuous learning.

Description:

The Career and Technical Education (CTE) subprogram at the Arizona Department of Education oversees all State and Federal funding specifically earmarked for all secondary and postsecondary CTE programs designed to prepare individuals for postsecondary education and transition to employment in current or emerging careers. This subprogram directs and is responsible for the quality of all CTE programs under secondary and postsecondary districts, all CTE programs under Joint Technical Education Districts (JTED), as well as programs under the Workforce Investment Act (WIA). This includes oversight of over \$26.5 million of Carl Perkins and Learn and Serve Federal funding, \$11 million of State Block Grant funding, \$80 million of JTED funding and WIA funds. The subprogram is responsible for assuring quality and compliance with all associated Federal and State legislation for CTE funding, including budgeting and directing funds to specific programs, providing reports to Federal and State entities, collecting, analyzing and reporting related data, including performance measures, and establishing fiscal accountability for funds.

The CTE subprogram is also responsible for directing the development and approval of quality CTE programs in 38 program career areas leading to placement of students in postsecondary education and/or into employment. The subprogram directs development of occupational standards which not only meets occupational needs and employability skills but in particular also focuses on related academic skills and standards. Leadership is provided for curriculum, assessment development, and dissemination of materials, professional development, including pedagogy, and articulation of secondary to postsecondary education through Tech Prep and other strategies.

The CTE subprogram directs CTE research and assessment, which supports the need for specific programs based on labor market information, and collects, reports and analyzes data for districts and other entities in order to provide accurate information and industry evaluation for continuous improvement of CTE programs. The CTE subprogram also supports implementation of new and emerging programs such as those in the Science, Technology, Engineering and Math (STEM) cluster, and the Bioscience areas, based on research in Arizona services workforce strategy by Battelle. The subprogram works with stakeholder groups and establishes partnerships with agencies and business and industry to develop quality initiatives and goals through WIA and other partners in carrying out programs which will articulate with secondary and postsecondary education. The subprogram gives direction to identification of priorities, such as specific occupations or work-based learning, to align with labor market and business and industry needs into the future.

The subprogram oversees and conducts all Federal compliance reviews for CTE programs through Office of Civil Rights, as well as Service Learning programs through a Federal Learn and Serve grant. The co-curricular CTE student organizations, such as FFA and Skills USA, also function under this subprogram to provide students with leadership and community development skills. Technical assistance in implementation and continuous improvement of quality CTE programs including the previously described initiatives is provided to all districts offering approved CTE programs.

This subprogram includes the Workforce Development Unit, which is responsible for the administration of comprehensive education, and training programs that address the needs of youths and adults who face barriers to employment. These programs include occupational and workplace skills training, related academic and support services, and provide employment

preparation opportunities that support career goals. The education, employment and training programs also promote partnerships among service providers to increase linkages and provide a comprehensive and meaningful approach to workforce preparation by facilitating coordination of education and training services between education, employment, and training.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 11,503.9 | 11,492.7 | 11,492.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 29,141.7 | 28,291.4 | 28,291.4 |
| Program Total | 40,645.6 | 39,784.1 | 39,784.1 |
| FTE Positions | 56.3 | 58.6 | 58.6 |

◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of career and technical education students graduating high school* | 98.82 | 98.9 | 98.9 |
| Percent of career and technical education program concentrators passing Arizona CTE Assessment aligned with industry-recognized standards* | NA | 80 | 81 |
| Explanation: * | | | |
| Percent of Career and Technical Education concentrators passing AIMS reading | N/A*** | N/A*** | N/A*** |
| Percent of Career and Technical Education concentrators passing AIMS math | N/A*** | N/A*** | N/A*** |
| Explanation: **As of 8/11/2010 and subject to change. **Administrative adjustment per recommendation of the Office of Vocational and Adult Education; Arizona levels are adjusted to align with No Child Left Behind N/A*** data not available until Fall 2011 | | | |

◆ **Goal 2** To provide timely and reliable customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| External customer overall satisfaction rating* | 3.78 | 3.98 | 4.18 |
| Explanation: *New measure, FY 2011 establishes baseline | | | |

| EDA 4.6 | Subprogram Summary |
|---|--------------------|
| ADULT EDUCATION AND GED | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-234, 15-702, P.L. 105-220 | |

Mission:

To be the catalyst for increasing the quality of Adult Education in Arizona by raising expectations and providing leadership, support, and resources that enable service providers and students to excel.

Description:

The Adult Education subprogram ensures that adult learners who are at least 16 years of age have access to quality educational opportunities that will support them in their employment, job training, and higher education aspirations. This subprogram also assists adult learners in acquiring the knowledge and skills necessary for effective participation in society.

The adult learners are not enrolled nor required to be enrolled in secondary school when they participate in instruction in one or more of the following areas: 1) English Language Acquisition, 2) Adult Basic Education, 3) Adult Secondary Education, including GED Preparation, 4) Civics, and 5) Basic computer literacy skills.

Adult Education is a learner-centered, interactive process which values and supports the individual in defining and achieving personal goals through improvement in basic reading, writing, language and mathematics skills. Content is delivered through life skills so they can better function in their community, family and workplace environments.

The General Education Development (GED) Testing subprogram ensures equitable access to the GED examination for adult learners in pursuit of an Arizona High School Equivalency Diploma. The GED exam has been developed and validated by the General Educational Development Testing Service, a subdivision of the American Council of Education, and is administered by the Arizona Adult Education Services/GED Testing Office.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 4,588.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 12,180.4 | 13,975.1 | 13,975.1 |
| Program Total | 12,180.4 | 13,975.1 | 18,563.7 |
| FTE Positions | 18.0 | 21.0 | 23.0 |

- ◆ **Goal 1** To increase academic achievement of learners age 16 and over

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of learners age 16 and over increasing academic skills by two years* | 55 | 61 | 62 |
| Percent of learners age 16 and over achieving their goal of earning a High School Equivalency diploma | 62 | 78 | N/A** |
| Percent of learners age 16 and over achieving their goal of transitioning to post-secondary education* | 60 | 80 | N/A** |

Explanation: *New measure FY 2011 **establishing new baseline FY 2013

- ◆ **Goal 2** To provide technical assistance and professional development to improve coordination between Adult Education programs and GED testing centers.*

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of professional development sessions receiving rating of 4.5 or above* | 95 | 95 | N/A** |

Explanation: *New measure FY 2011 **establishing new baseline FY 2013

| EDA 4.7 | Subprogram Summary |
|--|--------------------|
| STANDARDS BASED BEST PRACTICES | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-154-15-155, 15-345, 15-712, P.L. 107-110 | |

Mission:

To enhance academic achievement for Arizona youth by providing resources for safe and healthy learning environments and positive character traits training. To provide assistance to schools in the use of research-based strategies and support services for the advancement of student achievement.

Description:

The Best Practices Section assures that Arizona schools have access to the finest tools and knowledge needed to deal with critical issues by providing research-based support for schools, including technical assistance, professional development, resources, and oversight. The Best Practices subprogram consists of the following components:

The AZ Academic Standards unit provides leadership in the development of the state's academic standards as well as support and assistance to schools in implementing them. Currently, Arizona's Academic Standards are articulated by grade level in Reading, Writing, Mathematics, Science, and Social Studies. State-sponsored professional development in implementing these content standards is offered regularly for school/district teams. This unit delivers professional development in the areas of mathematics, science, and social studies in addition to administering the Mathematics and Science Partnerships Program which focuses on improving teacher content and pedagogical content knowledge in mathematics and science.

The Academic and Instructional Support unit establishes a series of academies that help teachers and administrators understand how academic achievement is tied to research based best practices, as well as provides methods and techniques to address these topics and increase teacher content knowledge. The topics for these academies encompass data from the field, extensive national research regarding underperforming schools, AIMS scores, and trends in Solutions Team data. Due to major state budget cuts, the Academic and Instructional Support Unit was dissolved in 2010.

The focus within the School Safety and Prevention Unit is on the enhancement of academic achievement through the provision of resources for safe and healthy learning environments. Two grants assist in this focus - the state funded School Safety Program and the federally funded HIV/Sexuality Education Program.

The Best Practices subprogram provides support for school-based programs that actively promote learning to develop and practice healthy behaviors and positive character traits in schools and communities. This subprogram includes safety programs for reducing violence and the use of drugs, alcohol, and tobacco through education and prevention activities in schools. Initiatives are supported that promote school environments that are free from drugs and violence and the unauthorized presence of firearms and alcohol. This subprogram also includes funding to provide voluntary education and training on the core values of trustworthiness, respect, responsibility, fairness, caring, and citizenship to educators, leaders of youth nonprofit organizations, and children and their families in Arizona. The goal is to instill in youth the traits of positive character. In addition, this subprogram supports programs to prevent the spread of HIV/AIDS. There is federal funding to increase the number of schools that adopt and enforce HIV prevention policies that are medically accurate and consistent with state and federal guidelines. The federal funding also is for increasing parental and community involvement in educating youth about HIV and pregnancy prevention.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,291.5 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 9,299.1 | 14,007.1 | 14,007.1 |
| Program Total | 10,590.6 | 14,007.1 | 14,007.1 |
| FTE Positions | 7.2 | 8.2 | 8.2 |

- ◆ **Goal 1** To provide training and professional development to improve the effectiveness of standards based teaching and learning.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| Percent of standards implementation | 99 | 99 | 99 |
| Professional Development sessions receiving 4.5 or above rating* | | | |
| Explanation: | *New measure, FY 2011 establishes new baseline | | |

- ◆ **Goal 2** To provide technical assistance, training, and professional development for schools to improve the effectiveness of schools.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| Percent of standards implementation | 99 | 99 | 99 |
| Technical Assistance sessions receiving 4.5 or above rating* | | | |
| Explanation: | *New measure, FY 2011 establishes new baseline | | |

| EDA 4.8 Subprogram Summary |
|--|
| NUTRITION |
| Pat Childress, Director of Strategic Planning |
| Phone: (602) 542-3069 |
| Nat. School Lunch and Child Nutrition Acts, P.L. 108-265 |

Mission:

To assist schools and organizations toward improving the health and the nutrition of students so they may benefit from the educational process and achieve their full potential.

Description:

The Health and Nutrition subprogram provides cash assistance and donated foods to serve nutritionally adequate meals to children in schools, preschools, day care centers and homes. Over two-thirds of the children served are low income, based on free and reduced-income eligibility status. The free and reduced status is based on the federal poverty guidelines and is an indicator of a child's at-risk status. Training, technical assistance compliance reviews are conducted to ensure nutrition integrity and fiscal accountability as prescribed by the United States Department of Agriculture.

The Health and Nutrition subprogram includes various programs and the meals served in these programs are planned to meet the U.S. Dietary Guidelines for Americans. These Guidelines provide advice about food choices that promote health and prevent disease, encouraging an increased intake of fruits, vegetables and grains, while limiting fat, salt and sugar. These programs include: the National School Lunch Program, the After School Snack Program, the School Breakfast Program, the Child and Adult Care Food Program, the Summer Food Service Program, the Food Distribution Program, the Special Milk Program, and the Fresh Fruit and Vegetable Program

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 92.9 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 349,827.2 | 353,506.3 | 353,506.3 |
| Program Total | 349,920.1 | 353,506.3 | 353,506.3 |
| FTE Positions | 63.8 | 64.3 | 64.3 |

- ◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| Percent of National School Lunch Sponsors in nutritional compliance* | 41 | 42 | 43 |
| Percent of National School Lunch Sponsors that pass Performance Standards 1 and 2* | 71 | 72 | 73 |
| Percent of Child and Adult Food Care Program Sponsor reviews with no serious deficiencies* | 91 | 91 | 92 |
| Explanation: | *New measure, FY 2011 establishes new baseline | | |

- ◆ **Goal 2** To provide technical assistance, training, and professional development to improve the effectiveness of health and nutrition programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|-------------------------|-------------------------|
| External customer overall satisfaction rating* | 3.76 | 3.96 | 4.16 |
| Participant comprehension rating post-Nutrition Professional Development Session* | 80 | 81 | 82 |
| Participant comprehension rating post-Health Professional Development Session* | 80 | 81 | 82 |
| Explanation: | *New measure, FY 2011 establishes new baseline | | |

| EDA 4.9 | Subprogram Summary |
|---------|---|
| | FAMILY LITERACY |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-191-15-191.01, P. L. 107-110 |

Mission:

To break the intergenerational cycle of illiteracy and its impacts on families with young children.

Description:

The Family Literacy subprogram brings parents and their young children together in an interactive learning setting that holistically addresses their educational needs. Children participate in age appropriate activities tailored to improve their language and literacy skills and to prepare them for success in school. Parents gain academic preparation in basic skills, language acquisition, workforce readiness, and parenting skills. Through intensive, intergenerational activities, families make sustainable changes and learn to value the legacy of literacy.

This subprogram uses state funds, to increase the basic academic literacy skills of undereducated low income parents and their preschool children. It also uses federal grant monies, to further support family literacy services for low income parents lacking basic education or having limited English proficiency and their children ages birth through seven years.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,143.2 | 527.6 | 527.6 |
| Program Total | 1,143.2 | 527.6 | 527.6 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide technical assistance, training, and professional development for schools and organizations to improve the effectiveness of family literacy programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of parents achieving educational gains* | N/A | N/A | N/A |
| Percent of children demonstrating language gains* | N/A | N/A | N/A |

Explanation: *Funding for this subprogram has been cut

| EDA 4.10 | Subprogram Summary |
|----------|--|
| | OUTREACH PROGRAMS |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-1241, P.L. 89-329, P.L. 101-610, P. L. 107-110 |

Mission:

To provide assistance aimed at enriching regular educational services for the advancement of student achievement and to recognize educational excellence.

Description:

The Outreach Programs subprogram provides support and assistance for enrichment opportunities that focus learning in one particular subject, achieve higher levels of education through financial support, achieve higher student academic achievement through opportunities outside the regular school day or school classroom, or allow students to compete in national level academic contests. This subprogram includes a variety of programs, including: Arts Education, Academic Contests, Arizona Geographic Alliance, Arizona School Services through Educational Technology (ASSET), Arizona Humanities Council, Arizona Academic Decathlon, Arizona Principals' Academy, Project Citizen, Economic Academic Council, U.S. Senate Youth Program, National Science Camp, National History Teacher of the Year Award, Robert C. Byrd Scholarship Program, Close-Up Foundation, Milken-Tap-Advancement, 21st Century Community Learning Centers, and Learn and Serve America.

This subprogram consists of a combination of state and federal monies. As an example, the federal 21st Century Community Learning Centers Grant is for supporting the creation of community learning centers which provide academic enrichment opportunities to students and their families during non-school hours (before or after school) or periods when school is not in session (including holidays, weekends or summer recess). A second example is the federal Learn and Serve America Grant, which is for projects that use a service-learning approach to education. This service-learning approach recognizes that working with local community organizations is a way to obtain academic achievement and develop civic skills. The grant monies are to allow schools to work in partnership with local organizations to create, develop, and offer service-learning opportunities for school-age youth from age five years to 17 years. A third example is federal funds to provide a variety of tools and resources for schools, teachers, and administrators interested in learning how to create quality, comprehensive, and sequential arts learning for their students.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 21,612.1 | 22,911.4 | 22,911.4 |
| Program Total | 21,612.1 | 22,911.4 | 22,911.4 |
| FTE Positions | 11.3 | 11.3 | 11.3 |

- ◆ **Goal 1** To provide timely and reliable customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| 21st Century Community Learning Centers external customer overall satisfaction rating* | 3.62 | 4.0 | 4.0 |

Explanation: *New measure, FY 2011 establishes new baseline

- ◆ **Goal 2** To provide technical assistance, training, and professional development to improve school effectiveness

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of regular attending students (30 days or more) passing AIMS Reading tests* | 49.82 | 52.82 | 54.82 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Percent of regular attending students (30 days or more) passing AIMS Math tests* | 54.22 | 56.22 | 58.22 |
| Percent of regular attending students (30 days or more) improving Reading grades* | 48.45 | 50.45 | 52.45 |
| Percent of regular attending students (30 days or more) improving Math grades* | 45.86 | 47.86 | 49.86 |
| Percent of regular attending students who increase achievement from basic to proficient in Reading AIMS scores* | 46.32 | 48.32 | 50.32 |
| Percent of regular attending students who increase achievement from basic to proficient in Math AIMS scores* | 45.36 | 47.36 | 49.36 |
| Percent of Arts Education Professional Development sessions receiving satisfaction rating 4.5 or above | 90 | 95 | 95 |
| Percent of districts and charter schools with curriculum aligned to revised Arts Standards* | 56 | 65 | 85 |
| Explanation: | *New measures, FY 2011 establishes new baseline | | |

| EDA 4.11 | Subprogram Summary |
|---|--------------------|
| INNOVATIVE EXEMPLARY PROGRAMS | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-770, 15-772, P. L. 107-110, P.L. 96-212 | |

Mission:

To assist Local Education Agencies in accessing quality innovative and exemplary educational programs, reflective of Arizona's diverse school populations through technical assistance, and proper allocation, distribution, and monitoring of funding so that migrant students, American Indian students, homeless youth, gifted students, refugee students, and low-income students reach their potential levels of academic achievement, workplace skills, and effective participation in society.

Description:

The Innovative Exemplary Programs subprogram serves children whose cultural, economic, or intellectual situation challenges the educational system. This subprogram includes the Migrant Education Program for supplemental program services to the children, ages three years through 21 years of age, of seasonal or temporary agricultural workers. It also includes state and federal funds for the Indian Education Program to maximize teaching and learning levels while validating the culture and linguistic identity of American Indian students. In addition, this subprogram includes federal funds: (1) to provide equal access to education for homeless children; (2) to offer activities that will lead to the effective integration and education of refugee children; and (3) to give low-income students the opportunity to take more advanced placement courses and to pay their advanced placement test fees.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 9,200.4 | 9,391.4 | 9,391.4 |
| Program Total | 9,200.4 | 9,391.4 | 9,391.4 |
| FTE Positions | 8.6 | 9.7 | 9.7 |

- ◆ **Goal 1** To provide technical assistance, training, and professional development to improve school effectiveness.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of Native American students graduating high school in 4-5 years* | 70 | 72 | 74 |
| Percent of Native American students dropping out of high school* | 6.5 | 6.1 | 5.9 |
| Percent of Native American students meeting or exceeding Arizona Academic Standards in reading | 59 | 64 | 69 |
| Percent of Native American students meeting or exceeding Arizona Academic Standards in mathematics | 39 | 44 | 49 |
| Percent of migrant students graduating high school compared with non-migrant students* | 81 | 82 | 83 |
| Number of students identified and recruited for migrant program* | 7,503 | 6,978 | 6,559 |
| External customer overall satisfaction rating on Migrant Education* | 3.35 | 3.50 | 3.65 |
| External customer overall satisfaction rating on Education for Homeless Children and Youth | 4.71 | 4.75 | 4.79 |

Explanation: *New measures, FY 2011 establishes new baseline

| EDA 5.0 | Program Summary |
|---|-----------------|
| PROFESSIONAL DEVELOPMENT | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-531-15-551, 15-704, 15-919-15-920, P.L. 107-110 | |

Mission:

To promote careers in public education and to ensure that all Arizona educators are highly qualified and highly effective while embracing excellent internal and external customer service.

Description:

The Highly Qualified Professional subprogram: Implements Title IIA and Title IIC of the NCLB federal legislation for achieving the goal of having a highly qualified teacher in every classroom; Offer prospective educators positive avenues and standards of obtaining certification through established programs; Works collaboratively with stakeholders to design and implement a rigorous professional preparation program approval process and rigorous educator assessments based on the AZ professional educator standards; Ensures educators meet the Highly Qualified and State Board requirements evaluating and issuing certificates in a timely manner by exceeding customers' expectations; Delivers and provides assistance to Arizona educators, LEAs, and other ADE divisions in the design, implementation, and evaluation of high quality professional development with the goal of increasing student achievement.

This Program Contains the following Subprograms:

- ▶ Highly Qualified Professional
- ▶ K-12 Literacy

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.5 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,931.9 | 2,715.0 | 2,715.0 |
| Other Non Appropriated Funds | 65,097.5 | 80,118.8 | 80,118.8 |
| Program Total | 67,029.9 | 82,833.8 | 82,833.8 |
| FTE Positions | 54.7 | 72.3 | 72.3 |

| EDA 5.1 | Subprogram Summary |
|---|--------------------|
| HIGHLY QUALIFIED PROFESSIONAL | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-531-15-551, 15-919-15-920, P.L. 107-110 | |

Mission:

To promote careers in public education through recruitment and retention of highly qualified teachers and administrators while embracing internal and external customer service.

Description:

The Highly Qualified Professional subprogram implements: Title IIA of the NCLB federal legislation for achieving the goal of having a highly qualified teacher in every classroom. It offers prospective educators positive avenues and standards of obtaining certification through established programs, works collaboratively with stakeholders to design and implement a rigorous professional preparation program approval process and rigorous educator assessments based on the AZ professional educators standards, ensures educators meet the Highly Qualified and State Board requirements evaluating and issuing certificates in a timely manner by exceeding customers' expectations, delivers and provides assistance to Arizona educators, LEAs, and other ADE divisions in the design, implementation, and evaluation of high quality professional development with the goal of increasing student achievement.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,931.9 | 1,915.0 | 1,915.0 |
| Other Non Appropriated Funds | 51,591.4 | 72,772.5 | 72,772.5 |
| Program Total | 53,523.3 | 74,687.5 | 74,687.5 |
| FTE Positions | 40.8 | 50.4 | 50.4 |

◆ **Goal 1** To provide timely and reliable customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Maximum number of days to process complete certification applications | 28.52 | 25.67 | 23.10 |
| Percent of files returned to applicants as incomplete* | 12.62 | 11.37 | 10.23 |
| External customer overall satisfaction rating* | 3.37 | 3.50 | 3.75 |
| Certification Counter Satisfaction Survey rating* | 4.85 | 4.867 | 4.880 |

Explanation: *New measures, FY 2011 establishes new baseline

◆ **Goal 2** To ensure the quality of Arizona’s educators through evaluation and certification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of principals indicating teacher was "well-prepared" by the teacher preparation program* | 43.4 | 50 | 55 |
| Number of principals indicating beginning teacher preparedness "exceeds expectations" in incorporating English Language Development (ELD) standards* | 19.6 | 25 | 30 |

Explanation: *New measures, FY 2011 establishes new baseline

◆ **Goal 3** To offer professional development opportunities to educators and administrators.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of PDLA teams meeting Annual Team Learning outcomes (transfer of learning)* | 100 | 100 | 100 |
| Percent of ESAs providing evidence of growth in targeted instructional practice* | 60 | 73 | 80 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| External customer overall satisfaction rating on AZLEADS development workshops* | 3.30 | 3.80 | 4.00 |
| Explanation: | *New measures, FY 2011 establishes new baseline | | |

| | |
|---|---------------------------|
| EDA 5.2 | Subprogram Summary |
| K-12 LITERACY | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3069 | |
| A.R.S. § 15-704, P.L. 107-110 | |

Mission:

To provide educators with support that promotes high academic achievement of all students.

Description:

The K-12 Literacy subprogram oversees programs aimed at giving teachers the professional skills necessary to ensure Arizona Academic Standards are implemented. This subprogram oversees funding for partnerships to improve teacher content and pedagogical content knowledge in literacy and after school learning opportunities. Partners are expected to develop and deliver rigorous literacy professional development that is aligned with state academic achievement standards, Arizona Professional Teaching Standards, and state/national professional development standards. The subprogram also uses funding for ensuring all children in Arizona learn to read well by establishing scientifically based reading programs for students enrolled in kindergarten through grade three. These funds support increased professional development to ensure that all teachers have the skills they need to teach these programs effectively. The monies also support the use of screening and diagnostic tools and classroom-based instructional reading assessments to measure how well students are reading. The vision is that every Arizona child will learn to read proficiently by third grade and remain a proficient reader.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 0.5 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 800.0 | 800.0 |
| Other Non Appropriated Funds | 13,506.1 | 7,346.3 | 7,346.3 |
| Program Total | 13,506.6 | 8,146.3 | 8,146.3 |
| FTE Positions | 13.9 | 21.9 | 21.9 |

- ◆ **Goal 1** To provide training and professional development to improve the effectiveness of standards based teaching and learning.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent increase in number of ELA targeted professional presentations conducted* | 12 | 30 | 20 |
| Percent of ELA Standards professional presentation receiving 4.5 rating or above* | 70 | 75 | 80 |
| Percent of AZRTI professional presentations receiving 4.5 rating or above* | 70 | 75 | 80 |
| Percent increase in number of online IDEAL courses (to include a variety of literacy topics)* | 5 | 50 | 30 |
| External customer overall satisfaction rating * | 3.30 | 3.65 | 3.95 |

Explanation: *New measures, FY 2011 establishes new baseline

| EDA 6.0 | Program Summary |
|---------|---|
| | ADMINISTRATION |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-231-15-272, P.L. 107-110 |

Mission:

To ensure the efficient and the effective operation of the Department of Education through the Superintendent's leadership and the exchange and dissemination of information that promotes academic excellence and ensures fiscal and academic accountability in public education.

Description:

The Administration program provides the support for efficient and effective operations through Administrative Services and Management Information Systems in the Arizona Department of Education. This subprogram provides the infrastructure, guidance and supplies necessary to accomplish the daily operations of the agency. Its duties involve obtaining and managing a competent workforce and overseeing a high level of customer service to ensure the accomplishment of the overall agency mission.

This Program Contains the following Subprograms:

- ▶ Administrative Services
- ▶ Information Technology

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 5,923.6 | 7,591.2 | 7,591.2 |
| Other Appropriated Funds | 110.4 | 1,488.5 | 6,638.5 |
| Other Non Appropriated Funds | 5,420.6 | 8,844.3 | 8,844.3 |
| Program Total | 11,454.6 | 17,924.0 | 23,074.0 |
| FTE Positions | 126.8 | 165.6 | 171.6 |

| EDA 6.1 | Subprogram Summary |
|---------|---|
| | ADMINISTRATIVE SERVICES |
| | Pat Childress, Director of Strategic Planning |
| | Phone: (602) 542-3069 |
| | A.R.S. § 15-251-15-272, P.L. 107-110 |

Mission:

To provide exceptional customer support in a safe work environment through a commitment to continual process improvements with timely, efficient, and cost effective distribution, facility, human resources, payroll, printing and procurement services to the Arizona Department of Education and its customers ensuring compliance with Federal, State and Agency laws, regulations and policies.

Description:

The Administrative Services subprogram is the information channel for the Arizona Department of Education. It provides the agency with insight into the educational concerns of the statewide community. This subprogram is responsible for generating and disseminating information to the general public, parents, the media, government, the private sector, and the education community regarding the Arizona Department of Education, the Superintendent of Public Instruction, and Arizona's schools and education services.

The Administrative Services subprogram also is responsible for providing financial, procurement, building operations and distribution, and human resource support services to the agency. Financial services include budgeting, accounting, grants management, and audit functions. Procurement services include contracts management and purchasing. Building operations and distribution include facilities, print shop, and central mail distribution functions. Human resource services include personnel and payroll functions. These administrative functions are centralized to ensure efficient and effective operational support to the agency, and consistent application of state, federal and agency rules, regulations, guidelines, and procedures.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 5,923.6 | 7,591.2 | 7,591.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 4,313.7 | 5,376.0 | 5,376.0 |
| Program Total | 10,237.3 | 12,967.2 | 12,967.2 |
| FTE Positions | 112.3 | 151.1 | 151.1 |

◆ Goal 1 To provide accurate and helpful information to the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of individuals participating on the Superintendent's advisory committees | 167 | 167 | 167 |
| Number of Department of Education website "unique visitors" | 825,852 | 1.65 mil | 1.85 mil |
| Explanation: Number represents tracking Jan thru July 2011 when Administration changed, FY 12 will include entire fiscal year | | | |
| Number of constituent emails responded to within fiscal year | 4287 | 4500 | 4750 |
| Explanation: *new measure | | | |
| Number of formal constituent complaints resulting in action request form created and resolved by district | 78 | 80 | 80 |
| Explanation: *new measure | | | |

◆ Goal 2 To improve employee and customer satisfaction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Overall external customer satisfaction rating* | 2.99 | 3.15 | 3.30 |
| Overall employee satisfaction rating* | 3.50 | 3.65 | 3.80 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Percent of employees rating ADE as "Outstanding"* | 18 | 25 | 35 |
| Explanation: | *New measures, FY 2011 establishes new baseline | | |

- ◆ **Goal 3** To provide technical assistance and training to internal customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Human Resources internal customer rating on position and personnel actions* | 3.57 | 3.72 | 3.87 |
| Human Resources internal customer rating on hiring process* | 3.30 | 3.45 | 3.60 |
| Human Resources internal customer rating on payroll* | 4.29 | 4.34 | 4.39 |
| Building Operations internal customer rating on mail delivery* | 4.10 | 4.15 | 4.20 |
| Building Operations internal customer rating on print shop orders* | 4.00 | 4.05 | 4.10 |
| Building Operations internal customer rating on facilities maintenance* | 3.50 | 3.65 | 3.80 |
| Budget and Finance internal customer rating on procurement services* | 3.25 | 3.40 | 3.55 |
| Budget and Finance internal customer rating on purchasing* | 3.43 | 3.58 | 3.73 |
| Budget and Finance internal customer rating on travel processing* | 3.69 | 3.84 | 3.99 |
| IT internal customer rating on system accessibility* | 3.31 | 3.46 | 3.61 |
| IT internal customer rating on network availability* | 3.61 | 3.76 | 3.91 |
| IT internal customer rating on help desk* | 3.48 | 3.63 | 3.78 |
| IT internal customer rating on systems development and enhancement* | 2.72 | 2.92 | 3.12 |
| Office of Communication and Innovation internal customer rating on website development and maintenance* | 3.33 | 3.48 | 3.63 |
| Government Relations internal customer rating on promoting ADE legislative agenda* | 4.11 | 4.16 | 4.21 |
| Government Relations internal customer rating on communication and updates regarding new/changes to legislation and policies* | 3.28 | 3.43 | 3.58 |
| Research and Evaluation internal customer rating on data collection and analysis* | 3.45 | 3.60 | 3.75 |
| Research and Evaluation internal customer rating on data reporting* | 3.21 | 3.36 | 3.51 |
| Strategic Planning internal customer rating on training, guidance and/or facilitation in development of Division, Section, Unit Plans* | 4.00 | 4.10 | 4.20 |
| Explanation: | *New measures, FY 2011 establishes baseline | | |

- ◆ **Goal 4** To promote a positive and productive work environment that cultivates teamwork and motivates employees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Percent of employees who agree or strongly agree that the agency supports their participation in training opportunities to improve job skills | 53.9 | 59 | 64 |
| Explanation: | *Not measured after 1st half of FY10 due to budget crisis, no FY11 estimate available | | |
| Percent of employees who agree or strongly agree that they have the proper tools and equipment to do their work | 72.8 | 78 | 83 |
| Percent of employees who agree or strongly agree that they receive recognition for their work when they deserve it | 73.8 | 79 | 84 |

| EDA 6.2 | Subprogram Summary |
|---|--------------------|
| INFORMATION TECHNOLOGY | |
| Pat Childress, Director of Strategic Planning | |
| Phone: (602) 542-3139 | |
| A.R.S. § 15-251-15-272, P.L. 107-110 | |

Mission:

To support access to the varied technologies that empower ALL of Arizona's learners to realize their social and economic potential through quality educational experiences.

Description:

The Information Technology (IT) division manages the agency's overall Information Management Initiatives. As the agency's data steward, IT sets and implements guidelines for safe, effective, and efficient information usage including collection, use, security, storage, integration, and reporting. To that end, IT maintains internal and external networks for the exchange of information. IT provides technical assistance to enable all of Arizona's educational stakeholders to effectively utilize ADE's offered services and information. IT guides and supports schools and districts in their use of technology to improve both administration and instruction. IT collaborates with strategic partners to provide the information needed to support reporting to and decision-making by education stakeholders (educators, the Arizona legislature, State government, Federal government, business groups, researchers, parents, students, etc.).

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 110.4 | 1,488.5 | 6,638.5 |
| Other Non Appropriated Funds | | 1,106.9 | 3,468.3 | 3,468.3 |
| Program Total | | 1,217.3 | 4,956.8 | 10,106.8 |
| FTE Positions | | 14.5 | 14.5 | 20.5 |

- ◆ **Goal 1** To improve the quality of the Student Accountability Information System (SAIS) data submission process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of data marts used as management tools by agency units | 0 | 1 | N/A |
| Percent of errors due to transaction failures | 8.7 | 6 | 4 |
| Percent of errors due to system failures | .82 | .5 | .25 |

- ◆ **Goal 2** To provide timely and reliable customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Percent of calls that are resolved by the Support Center | 85 | 85 | 85 |
| Overall external customer rating on SAIS availability* | 1.98 | 2.18 | 2.38 |
| Overall external customer rating on technical and software application support* | 2.80 | 3.00 | 3.20 |
| Overall external customer rating on information and data management* | 2.38 | 2.58 | 2.78 |
| Explanation: | *New measures, FY 2011 establishes baseline | | |

- ◆ **Goal 3** To ensure the quality, integrity, and security of data moving to the agency's integrated data delivery systems, by establishing and acculturating a broad-based, agency-wide operational framework of Data Governance, incorporating standardized data definitions and formal Data Stewardship.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Data Governance Board and Data Management Team established | 0 | 1 | 1 |
| Number of Data Stewards put in place and operational | 25 | 25 | 25 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|---------------------|---------------------|
| Percent of data definitions standardized across the data domain | 20 | 50 | 90 |
| Explanation: | *Implementation began FY 2010. **Data elements build from inception of data warehouse. | | |

◆ **Goal 4** To establish and acculturate uniformity of data assets across the entire agency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|---------------------|---------------------|
| Percent of data processes standardized, repeatable, and auditable | 5 | 30 | 70 |
| Explanation: | *Goal 7 & 8 newly established FY 2011-12. Implementation meetings began FY 2010. Data elements build from inception of data warehouse. | | |

MAA 0.0 Agency Summary

DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

Major General Hugo E. Salazar, Adjutant General

Phone: (602) 267-2717

A.R.S. §§ 26-101, 26-111

Mission:

To promote, protect, and defend the health, safety, peace, and quality of life of the citizens of our communities, state, and nation.

Description:

The Department of Emergency and Military Affairs is divided into three programs: Administration, Emergency Management, and Military Affairs. The Administration program provides overall financial, contracting, personnel, and property management actions. Emergency Management prepares and coordinates emergency response plans for the State. Military Affairs contains the Army National Guard and Air National Guard, each of which develop, train, and sustain a military force for the protection of life and property, preservation of peace, maintenance of order, and public safety. It also administers Project Challenge for training at-risk youth and the Joint Counter Narcotics Task Force.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---------------------------|-------------------|---------------------|--------------------|
| ➤ ADMINISTRATION | 1,627.9 | 1,711.3 | 1,711.3 |
| ➤ EMERGENCY MANAGEMENT | 19,201.3 | 14,962.9 | 14,874.7 |
| ➤ MILITARY AFFAIRS | 65,568.2 | 40,413.7 | 32,710.7 |
| Agency Total: | 86,397.4 | 57,087.9 | 49,296.7 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 9,079.7 | 8,815.3 | 8,815.3 |
| Other Appropriated Funds | 7.4 | 132.7 | 132.7 |
| Other Non Appropriated Funds | 77,310.3 | 48,139.9 | 40,348.7 |
| Program Total | 86,397.4 | 57,087.9 | 49,296.7 |
| FTE Positions | 465.9 | 462.9 | 461.9 |

Strategic Issues:

Issue 1 Employee retention and quality of employees

The Department is built on quality employees capable of responding during a natural disaster or civil disturbance. In order to provide a work environment that promotes job satisfaction, growth opportunities, and a sense of value and pride, funding for training, salaries and personnel services must be increased.

Issue 2 Customer demand for products/services exceeds our capacity to deliver to their needs

Expanding legislative responsibility and increased demand for disaster prevention and preparedness from Arizona's political subdivisions have exceeded the Department's capabilities. Domestic Preparedness (terrorism) and the increased threat in our schools for emergency and disaster plans are just two examples. Local government requests exceed current staff capability.

Issue 3 Agency wide communications/information management capability

The Department currently has five separate information networks that are not linked with one another. In order to provide better communications and information management the Department needs to develop an Agency-wide network that includes connectivity to the State's mainframe.

Issue 4 Community integration and visibility.

The Department's objective is to integrate all of its activities into the communities of the state. A new armory construction program needs to be

developed to meet community and state needs. Emergency Services must receive additional funding to further develop the disaster resistant community program in order to prevent loss of property and life. Funding must be maintained in order to support valuable community enhancing programs such as Project Challenge, Joint Counter Narcotics Task Force and the Freedom Academy.

Issue 5 Maintenance of viable, optimally located training areas/ranges and facilities.

In order to maintain viable training areas/ranges, adequate funding must be provided to support mandated cultural and natural resource studies. Operations and maintenance dollars currently are not sufficient to maintain all facilities at minimum OSHA standards. Due to significant demographic changes in the past decade, facilities are no longer strategically located and there is a one-half million square foot shortfall in required work space.

| MAA 1.0 | Program Summary |
|---|-----------------|
| ADMINISTRATION | |
| Edward L. Flinn, Director of State Activities | |
| Phone: (602) 267-2732 | |
| A.R.S. § 26-102 C-8 | |

Mission:

To provide leadership and support resources to all elements of the Department.

Description:

The Administration program provides agency-wide direction, oversight and support services. The Administration program is responsible for providing resource management, accounting, personnel and procurement functions for the Department. In addition, it provides oversight of Project Challenge, Army Facilities Maintenance and State Active Duty. It is also responsible for the coordination of Federal Funds with the United States Property and Fiscal Officer.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,627.9 | 1,711.3 | 1,711.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,627.9 | 1,711.3 | 1,711.3 |
| FTE Positions | 9.4 | 14.9 | 14.9 |

- ◆ **Goal 1** To provide quality and timely support services to our customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of weeks to process personnel actions | 1 | 1 | 1 |

| MAA 2.0 | Program Summary |
|------------------------|-----------------|
| EMERGENCY MANAGEMENT | |
| Lou Trammell, Director | |
| Phone: (602) 231-6245 | |
| A.R.S. § 26-305 | |

Mission:

To coordinate emergency services and the efforts of governmental agencies to reduce the impact of disasters on persons and property in Arizona.

Description:

The program directs and coordinates a statewide Comprehensive Emergency Management program to minimize personal and property losses caused by natural and technological disasters. This is accomplished through numerous preparedness, response, recovery, and mitigation activities and programs.

This Program Contains the following Subprograms:

- ▶ Mitigation and Preparedness
- ▶ Response and Recovery

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,209.6 | 4,608.6 | 4,608.6 |
| Other Appropriated Funds | 7.4 | 132.7 | 132.7 |
| Other Non Appropriated Funds | 15,984.3 | 10,221.6 | 10,133.4 |
| Program Total | 19,201.3 | 14,962.9 | 14,874.7 |
| FTE Positions | 54.5 | 54.5 | 54.5 |

| MAA 2.1 | Subprogram Summary |
|---------|------------------------------------|
| | MITIGATION AND PREPAREDNESS |
| | John Dirickson, Assistant Director |
| | Phone: (602) 231-6264 |
| | A.R.S. § 26-305 |

Mission:

To reduce or eliminate the loss of life and loss of property due to disaster and to prepare state agencies and local emergency management organizations to respond to, recover from, and mitigate disasters through planning, training and exercise activities.

Description:

The mitigation element integrates several funding programs that reduce repetitive losses caused by disaster by managing structural and non-structural projects that eliminate losses. The mitigation group provides technical assistance to political subdivisions to develop mitigation plans, analyze vulnerabilities and to assess risks to support land use decisions. The preparedness element serves three main functions; technical assistance for the development of state and local emergency operations plans; training for emergency managers, elected officials and first responders; and exercising the capabilities of state and local government. These activities will increase the overall capability to respond to, recover from, and mitigate disasters and thereby reduce the impact of disasters.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,495.4 | 1,538.2 | 1,538.2 |
| Other Appropriated Funds | 7.4 | 132.7 | 132.7 |
| Other Non Appropriated Funds | 9,441.4 | 7,373.1 | 8,174.8 |
| Program Total | 10,944.2 | 9,044.0 | 9,845.7 |
| FTE Positions | 52.5 | 52.5 | 52.5 |

◆ **Goal 1** To reduce loss of life and loss of property from all hazards.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of communities with sustained Disaster Resistant Community Programs | 115 | 117 | 117 |

◆ **Goal 2** To increase local emergency management capability through training assistance programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of requests for contingency exercise assistance supported | 100 | 100 | 100 |

| MAA 2.2 | Subprogram Summary |
|---------|---------------------------------------|
| | RESPONSE AND RECOVERY |
| | Wendy Smith-Reeve, Assistant Director |
| | Phone: (602) 464-6357 |
| | A.R.S. § 26-306 |

Mission:

To coordinate the actions of federal, state and local jurisdictions to respond to and recover from disasters.

Description:

This subprogram coordinates the response of state agencies to emergency incidents; administers the Governor's Emergency Fund; and manages post-response recovery efforts to include the acquisition and disbursement of special state appropriations and federal disaster funds, and allocation of resources.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,714.2 | 3,070.4 | 3,070.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 6,542.9 | 2,848.5 | 1,958.6 |
| Program Total | 8,257.1 | 5,918.9 | 5,029.0 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

◆ **Goal 1** To reduce human suffering during disasters and enhance community recovery after disaster strikes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average number of months of community recovery time from declaration of emergency to termination of emergency | 19.3 | 20 | 20 |
| Customer satisfaction rating for communities served during disasters (Scales 1 - 8) | 7.68 | 7 | 7 |

| MAA 3.0 | Program Summary |
|---------|--|
| | MILITARY AFFAIRS |
| | BG Alberto Gonzalez, Brigadier General, Asst Adj General, Army |
| | Phone: (602) 267-2717 |
| | A.R.S. § 26-113, 26-102 c-8 |

Mission:

To provide the support functions for the Army and Air National Guard to develop, train and sustain a military force capable of supporting national, state, and community interests for the protection of life and property, preservation of peace, maintenance of order and public safety.

Description:

The division of Military Affairs has a dual role of providing the support functions (personnel, resource management, procurement and facilities) and leadership and direction to the Army National Guard, Air National Guard and Project Challenge.

This Program Contains the following Subprograms:

- ▶ Army National Guard
- ▶ Air National Guard
- ▶ Project Challenge

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 4,242.2 | 2,495.4 | 2,495.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 61,326.0 | 37,918.3 | 30,215.3 |
| Program Total | 65,568.2 | 40,413.7 | 32,710.7 |
| FTE Positions | 402.0 | 393.5 | 392.5 |

| MAA 3.1 | Subprogram Summary |
|---------|--|
| | ARMY NATIONAL GUARD |
| | BG Matthew J. Brown, Brigadier General, Assistant, Adjutant General, Arm |
| | Phone: (602) 267-2717 |
| | A.R.S. § 26-111 |

Mission:

To develop, train, and sustain a military land force capable of supporting national, state and community interests for the protection of life and property, preservation of peace, maintenance of order and public safety.

Description:

The Army National Guard serves a dual mission provided for by the United States Constitution and the A.R.S. as the militia for Arizona. The Governor is the Commander-in-Chief until mobilized by the President of the United States. During emergency operations, the Army National Guard provides logistical and personnel support to other government agencies in response to civil disturbances and natural disasters. When federalized by the President of the United States, the Army National Guard provides trained and ready units in support of any active Army contingency.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,001.2 | 1,819.0 | 1,819.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 52,121.9 | 31,184.1 | 23,790.4 |
| Program Total | 54,123.1 | 33,003.1 | 25,609.4 |
| FTE Positions | 267.0 | 267.0 | 266.0 |

◆ **Goal 1** To recruit and retain highly qualified personnel.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Army National Guard soldiers re-enlisted | 85 | 85 | 85 |

| MAA 3.2 | Subprogram Summary |
|---------|--|
| | AIR NATIONAL GUARD |
| | Brigadier General Michael Colangelo, Commander, Arizona Air National Guard |
| | Phone: (602) 267-2712 |
| | A.R.S. § 26-113,26-102-c-8 |

Mission:

To provide our nation's total force with highly trained expeditionary airmen supporting national security objectives through combat readiness and training.

Description:

The Air National Guard Air Operations program consists of the 161st Air Refueling Wing (ARW), 162nd Fighter Wing (FW) and the 107th Air Control Squadron (ACS). The 161st ARW is a refueling tanker task force flying KC-135E aircraft providing aerial refueling support. The 162nd FW trains fighter pilots for the Air National Guard and international student pilots. The 107th ACS provides Air Battle Management training for active duty and reserve components.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 678.3 | 676.4 | 676.4 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 8,164.2 | 5,079.0 | 5,071.7 |
| Program Total | | 8,842.5 | 5,755.4 | 5,748.1 |
| FTE Positions | | 106.5 | 106.5 | 106.5 |

◆ **Goal 1** To recruit and retain highly qualified personnel.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of Air National Guard soldiers re-enlisted | 90 | 90 | 90 |

| MAA 3.3 | Subprogram Summary |
|---------|---|
| | PROJECT CHALLENGE |
| | Edward L. Flinn, Director, State Activities |
| | Phone: (602) 267-2732 |
| | A.R.S. § 26-111 |

Mission:

To provide a military-based, in residence educational program for high school dropouts who desire to succeed.

Description:

Project Challenge is a 17-month program for youth at risk who come from various backgrounds that can include drug addiction, gang activity, dysfunctional families and at-risk parents. Conducted in a quasi-military environment, participants attend classes to complete requirements for a General Equivalency Diploma (GED); and receive guidance and counseling in leadership development, life-coping skills, career exploration and planning, health and hygiene, physical training and conflict resolution. Project Challenge inspires each participant to academically, physically, psychologically, and emotionally excel so that they can function productively in our community.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 1,562.7 | 0.0 | 0.0 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 1,039.9 | 1,655.2 | 1,353.2 |
| Program Total | | 2,602.6 | 1,655.2 | 1,353.2 |
| FTE Positions | | 28.5 | 20.0 | 20.0 |

◆ **Goal 1** To integrate the Arizona National Guard in the youth at risk programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of Project Challenge graduates annually | 120 | 150 | 150 |
| Percentage of Project Challenge graduates either employed or in school within One year of graduation. | 95 | 95 | 95 |

EVA 0.0 Agency Summary

DEPARTMENT OF ENVIRONMENTAL QUALITY

Henry R. Darwin, Director

Phone: (602) 771-2204

A.R.S. §§ 49-101 et seq.

Mission:

To protect and enhance public health and the environment in Arizona.

Description:

The Arizona Department of Environmental Quality protects public health and the environment by establishing and ensuring compliance with standards of quality for Arizona's air, land, and water; advancing public policy; and encouraging participation through statewide outreach.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|----------------------|-------------------|---------------------|--------------------|
| ➤ ADMINISTRATION | 12,607.6 | 13,583.9 | 13,583.9 |
| ➤ AIR | 35,823.3 | 42,015.7 | 42,015.7 |
| ➤ WASTE | 46,735.4 | 53,527.6 | 53,527.6 |
| ➤ WATER | 288,395.3 | 242,483.1 | 242,483.1 |
| Agency Total: | 383,561.6 | 351,610.3 | 351,610.3 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 7,000.0 | 7,000.0 | 7,000.0 |
| Other Appropriated Funds | 54,097.4 | 64,926.7 | 64,926.7 |
| Other Non Appropriated Funds | 322,464.2 | 279,683.6 | 279,683.6 |
| Program Total | 383,561.6 | 351,610.3 | 351,610.3 |
| FTE Positions | 715.0 | 714.0 | 714.0 |

Strategic Issues:

Issue 1 To protect and enhance public health and the environment

The Department will protect public health and the environment through a wide range of programs that reduce risks associated with exposure to environmental contamination, air pollution and water pollution, and through a variety of public education and outreach programs. The Department will enhance public health and the environment by assessing environmental conditions in our state and their potential impact to public health, and developing integrated approaches that balance environmental concerns with the state's rapid growth and economic development needs. The Department will lead efforts to respond to emerging environmental issues and pollutants and develop strategic partnerships to promote consensus on innovative solutions to Arizona's environmental challenges.

Issue 2 Public education, involvement and outreach

The Department recognizes the inherent value of working with coalitions and partners to achieve a sustainable economy and a high quality environment for Arizona citizens. To that end, the Department is committed to developing and strengthening relationships at all levels with federal, state and local officials as well as members of the business community, trade associations, non-profit organizations, environmental groups and universities to develop collaborative, science-based solutions to the many complex environmental challenges facing our state. The Department is committed to openness, honesty and transparency among its employees and with members of the public and communities affected by the Department's decisions.

Issue 3 Children's environmental health

The Department will provide focus and leadership on children's environmental health issues. In partnership with the Department of Health Services, medical and research communities as well as non-profit groups, the Department will coordinate efforts to assess and reduce exposure to environmental contamination and pollution that affects the health of Arizona

children. The Department will lead efforts to educate the public about threats posed to children by exposure to environmental contamination and promote ways to lessen exposure to those risks.

Issue 4 Professional, efficient service to Arizona

The Department is committed to developing a motivated, well-trained staff supported by efficient business processes that serve the needs of Arizona citizens and businesses. The Department will leverage training opportunities provided by Arizona Government University, in-house training resources and other agencies to develop cost-effective career training programs that support its goals and objectives. The Department will maximize the use of technology to integrate and improve its services statewide with internal and external customers.

| EVA 1.0 | Program Summary |
|---------|-----------------------------|
| | ADMINISTRATION |
| | Henry R. Darwin, Director |
| | Phone: (602) 771-2204 |
| | A.R.S. §§ 49-101 to 49-1106 |

Mission:

To provide executive leadership for the agency to protect and enhance public health and the environment in Arizona through support of the Department's mission, goals, programs and employees.

Description:

This program establishes overall agency policies and direction and manages administrative and business activities of the agency.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 11,705.5 | 12,961.3 | 12,961.3 |
| Other Non Appropriated Funds | 902.2 | 622.6 | 622.6 |
| Program Total | 12,607.6 | 13,583.9 | 13,583.9 |
| FTE Positions | 125.0 | 125.0 | 125.0 |

- ◆ **Goal 1** To enhance relationships with the public, regulated community and agency partners

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percentage of statutorily set permit timelines met through License Time Frame rule. | 99.0 | 100.0 | 100.0 |

- ◆ **Goal 2** To provide value to all of Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Customer satisfaction rating for citizens (scale of 1-8) | 7.6 | N/A | N/A |
| Administration as a percentage of total cost | 3.1 | 3.3 | 3.3 |
| Percent of citizens expressing overall satisfaction with ADEQ services | 94.4 | 96.25 | 96.25 |
| Percentage of citizens expressing overall satisfaction with Administrative Program Services | 96.4 | 90.0 | 90.0 |
| Percentage of invoice payables paid within thirty (30) calendar days. | 99.3 | N/A | N/A |
| Percentage of agency staff turnover | 12.5 | 12.0 | 12.0 |
| Percent of notice of administrative hearings issued within 3 working days of receiving all necessary documentation | 98.4 | 90.0 | 90.0 |
| Percentage (annual) of agency budget and strategic plan consistent with Governor's issues and strategic plan for the state | 100.0 | 100.0 | 100.0 |

- ◆ **Goal 3** To provide leadership on children's environmental health

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Continue to implement the action plan to integrate children's environmental health issues into ADEQ programs. | 100.0 | 100.0 | 100.0 |

| EVA 2.0 | Program Summary |
|---------|--|
| | AIR |
| | Eric Massey, Air Quality Division Director |
| | Phone: (602) 771-2288 |
| | A.R.S. §§ 49-401 to 49-593 |

Mission:

To protect and enhance public health and welfare and the environment by controlling present and future sources of air pollution.

Description:

The Air Quality Division is responsible for controlling sources of air pollution and assuring compliance with federal and state environmental laws. The control strategies designed to improve air quality are a key component of the State Implementation Plan. Major activities relied upon for protecting air quality include planning and program development, monitoring and research, industrial emissions permitting, compliance and enforcement, and vehicle emissions inspections.

This Program Contains the following Subprograms:

- ▶ Air Quality Management and Analysis
- ▶ Vehicle Emissions Control

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 31,737.9 | 37,873.5 | 37,873.5 |
| Other Non Appropriated Funds | 4,085.5 | 4,142.2 | 4,142.2 |
| Program Total | 35,823.3 | 42,015.7 | 42,015.7 |
| FTE Positions | 140.6 | 140.5 | 140.5 |

| EVA 2.1 | Subprogram Summary |
|---------|--|
| | AIR QUALITY MANAGEMENT AND ANALYSIS |
| | Eric Massey, Air Quality Division Director |
| | Phone: (602) 771-2288 |
| | A.R.S. §§ 49-401 to 49-593 |

Mission:

To bring non-attainment areas into attainment and maintain good air quality throughout the state while providing quality information to ensure sound air quality regulatory decision-making.

Description:

This subprogram provides management and administrative services to the program; plans, controls, and monitors expenditures of staff and budgetary resources; provides for staff training and employee evaluations; develops policies and procedures; provides input on legislative issues; assists in development of agency strategic plans and action plans for their implementation; develops, implements and monitors workplans; evaluates program effectiveness; and oversees delegation agreements with local jurisdictions. Air quality monitoring and assessment of permitted and non permitted sources are performed to gauge emissions. Compliance activities performed by the Air Quality Program ensure that facilities remain in compliance with all statutes, rules, and permit conditions; activities out of compliance are returned to compliance in a timely and appropriate manner. The Permitting section regulates various sources of air pollution using a system of permits to ensure that the air pollutants do not cause harm to the public health or welfare.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,632.2 | 13,555.2 | 13,555.2 |
| Other Non Appropriated Funds | 4,085.5 | 4,142.2 | 4,142.2 |
| Program Total | 12,717.6 | 17,697.4 | 17,697.4 |
| FTE Positions | 111.6 | 111.5 | 111.5 |

◆ **Goal 1** To provide value to all of Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of customers satisfied with Air Quality Programs | 95.9 | 92.5 | 92.5 |

◆ **Goal 2** To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Annual number of State Implementation Plans (SIP) (new or revisions) submitted to the Environmental Protection Agency (EPA) per fiscal year | 1.0 | 2.0 | 2.0 |
| Number of days per year exceeding National Ambient Air Quality Standards (NAAQS) for Ozone (O3), Carbon Monoxide (CO), or Particulates (PM10). | 0.0 | 9.0 | 9.0 |
| Achieve 90 percent air quality sample data recovery | 94.4 | 90.0 | 90.0 |
| Within 45 days after receipt of a SIP from Maricopa, Pima or Pinal counties or other designated planning agencies, complete processing and submit it to EPA. | 100.0 | 100.0 | 100.0 |
| Number of non-attainment areas exceeding national ambient air quality standards. | 0 | 5 | 5 |
| Maintain compliance with Licensing Time Frames for all air quality permit applications tracked by AZURITE. | 100.0 | 99.0 | 99.0 |

| EVA 2.2 | Subprogram Summary |
|---------|--|
| | VEHICLE EMISSIONS CONTROL |
| | Eric Massey, Air Quality Division Director |
| | Phone: (602) 771-2288 |
| | A.R.S. §§ 49-401 to 49-593 |

Mission:

To protect public health by ensuring regulated facilities and pollution-generating activities meet air emission standards through equitable and efficient permitting, inspection, enforcement, assessment and monitoring.

Description:

This subprogram has implemented and maintains an enhanced and basic vehicular inspection and maintenance program. The maintenance and repair program emphasizes the importance of maintaining vehicle performance to lower emissions and to extend the life of vehicles.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 23,105.7 | 24,318.3 | 24,318.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 23,105.7 | 24,318.3 | 24,318.3 |
| FTE Positions | 29.0 | 29.0 | 29.0 |

◆ **Goal 1** To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of vehicles that have failed inspection and later brought into compliance (in thousands) | 125.8 | 145.0 | 145.0 |

| EVA 3.0 | Program Summary |
|---------|--|
| | WASTE |
| | Amanda Stone, Waste Programs Division Director |
| | Phone: (602) 771-4567 |
| | A.R.S. §§ 49-701 to 49-973 |

Mission:

To protect and enhance public health and the environment by reducing the risk associated with waste management, regulated substances and contaminated sites.

Description:

The Waste Program carries out its mission by regulating solid and hazardous waste management and facilities, hazardous waste generators, waste tire management and facilities and underground storage tanks. The program issues permits; conducts inspections; approves closure activities; conducts or oversees remediation of contaminated sites; administers funds; provides grants; and encourages recycling, reuse and other forms of pollution prevention.

This Program Contains the following Subprograms:

- ▶ Waste Control and Management
- ▶ Underground Storage Tank
- ▶ Remediation

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 7,000.0 | 7,000.0 | 7,000.0 |
| Other Appropriated Funds | 2,102.7 | 3,775.2 | 3,775.2 |
| Other Non Appropriated Funds | 37,632.7 | 42,752.4 | 42,752.4 |
| Program Total | 46,735.4 | 53,527.6 | 53,527.6 |
| FTE Positions | 212.8 | 211.5 | 211.5 |

| EVA 3.1 | Subprogram Summary |
|---------|--|
| | WASTE CONTROL AND MANAGEMENT |
| | Amanda Stone, Waste Programs Division Director |
| | Phone: (602) 771-4567 |
| | A.R.S. §§ 49-701 to 49-973 |

Mission:

To protect public health and the environment by assuring the proper handling, storage, treatment, and disposal of wastes; by promoting pollution prevention and recycling; and by responding to customer needs in a timely manner by effectively monitoring and administering the laws and regulations for the storage, treatment, disposal and reduction of solid and hazardous wastes and hazardous materials.

Description:

This subprogram provides management and administrative services to the program; plans, controls and monitors staff and budgetary expenditures; provides for staff development; develops rules, policies and procedures; provides input on legislative issues; assists in developing agency strategic plans and action plans; develops, implements and monitors workplans; evaluates program effectiveness; oversees delegation agreements with local jurisdictions; implements the state waste tire program; implements the state and federal hazardous waste laws pursuant to delegation from U.S. Environmental Protection Agency (EPA); maintains an inventory of hazardous waste generators, as well as hazardous and solid waste management facilities; reviews applications for licenses, permits and plan approvals, modifications and amendments and takes appropriate action; encourages community involvement; conducts inspections, collects and maintains compliance data, provides compliance assistance and pursues enforcement actions for significant noncompliance for hazardous and solid waste management and facilities and waste tire management facilities; promotes and encourages pollution prevention, reviews and approves pollution prevention plans and reports; advocates for solid waste reduction, reuse, and recycling; and provides grant monies to selected demonstration projects.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,102.7 | 3,753.2 | 3,753.2 |
| Other Non Appropriated Funds | 2,860.6 | 2,864.9 | 2,864.9 |
| Program Total | 4,963.3 | 6,618.1 | 6,618.1 |
| FTE Positions | 81.2 | 84.1 | 84.1 |

◆ Goal 1 To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of contaminated sites in Waste Programs Division closed requiring no further action (cumulative) versus known universe of contaminated sites in the Waste Programs Division (cumulative) | 89.8 | 84.5 | 84.5 |

◆ Goal 2 To provide value to all of Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percentage of customers satisfied with Waste Programs Division | 100.0 | 92.5 | 92.5 |

◆ Goal 3 To enhance relationships with the public, regulated community and agency partners

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Make final decision on one Treatment Storage and Disposal (TSD) permit application annually. | 1.0 | 1.0 | 1.0 |

| EVA 3.2 | Subprogram Summary |
|---------|--|
| | UNDERGROUND STORAGE TANK |
| | Amanda Stone, Waste Programs Division Director |
| | Phone: (602) 771-4567 |
| | A.R.S. §§ 49-1001 to 49-1093 |

Mission:

To protect public health and the environment by preventing regulated substance releases and reducing the risk associated with contaminated sites.

Description:

The subprogram assures the proper operation and maintenance of underground storage tank (UST) systems in the state of Arizona and maintains an inventory of these systems. This program is also responsible for overseeing the cleanup of soil and groundwater contamination from leaking underground storage tanks. In addition, the subprogram provides outreach and compliance assistance to owners and operators of USTs to keep them aware of current compliance requirements. The subprogram responds to complaints regarding UST sites and fully investigates any potential violations of Arizona’s underground storage tank laws. The subprogram also administers the State Assurance Fund, which covers costs associated with removal and remediation of leaking underground storage tank sites.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 22.0 | 22.0 |
| Other Non Appropriated Funds | 24,948.1 | 24,627.6 | 24,627.6 |
| Program Total | 24,948.1 | 24,649.6 | 24,649.6 |
| FTE Positions | 77.0 | 75.2 | 75.2 |

◆ **Goal 1** To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of site characterization reports, corrective action plans, workplans, closure requests, and determination or confirmation of a release responded to within 120 calendar days. | 97.9 | 90.0 | 90.0 |

| EVA 3.3 | Subprogram Summary |
|---------|--|
| | REMEDIATION |
| | Amanda Stone, Waste Programs Division Director |
| | Phone: (602) 771-4567 |
| | A.R.S. §§ 49-701 to 49-973 |

Mission:

To ensure cleanup of contamination where it has occurred by responding to and controlling, mitigating, or eliminating all historic hazardous substance sites, overseeing and expediting voluntary remediation activities; and undertaking multimedia environmental emergency responses at a minimum impact to taxpayers and the public.

Description:

This subprogram evaluates potentially contaminated sites; reviews plans for and oversees privately-funded clean up activities; investigates and remediates WQARF priority sites using state funds; identifies responsible parties; negotiates settlements with potentially responsible parties; develops evidence and data needed for cost recovery and settlement actions by the Attorney General's Office; provides funding to the Attorney General's Office, Arizona Department of Water Resources, and other governmental and political subdivisions for the purpose of assisting ADEQ with its remediation efforts; oversees remediation of RCRA sites; assists, oversees, and expedites voluntary remediation of contaminated sites; administers the state's Greenfields and Brownfields initiatives; supports Waste Program recruitment, training, data management, strategic planning, budgeting and resolution of cross programmatic issues; and responds to environmental emergencies.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 7,000.0 | 7,000.0 | 7,000.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 9,824.0 | 15,259.9 | 15,259.9 |
| Program Total | 16,824.0 | 22,259.9 | 22,259.9 |
| FTE Positions | 54.7 | 52.2 | 52.2 |

◆ **Goal 1** To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Reduce the number of contaminated sites in the Waste Program by initiating response actions at Water Quality Assurance Revolving Fund (WQARF) sites. | 3.0 | 2.0 | 2.0 |

| EVA 4.0 | Program Summary |
|---------|--|
| | WATER |
| | Mike Fulton, Water Quality Division Director |
| | Phone: (602) 771-2303 |
| | A.R.S. §§ 49-201 to 49-391 |

Mission:

To protect and enhance public health and the environment by ensuring safe drinking water and reducing the impact of pollutants discharged to surface and ground water.

Description:

This program ensures the safety of drinking water from public water systems, develops water quality management plans, establishes water quality standards, anticipates problems through ongoing monitoring and assessment, and responds to emergencies. It regulates discharges from wastewater treatment plants, landfills, mining operations, industrial facilities, irrigated agriculture, urban runoff, contractors, etc. It also promotes voluntary programs to protect aquifers for drinking water.

This Program Contains the following Subprograms:

- ▶ Underground Water Regulation
- ▶ Surface Water Regulation
- ▶ Drinking Water Regulation
- ▶ Water Infrastructure Finance Authority
- ▶ Greater Arizona Development Authority

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,551.4 | 10,316.7 | 10,316.7 |
| Other Non Appropriated Funds | 279,843.9 | 232,166.4 | 232,166.4 |
| Program Total | 288,395.3 | 242,483.1 | 242,483.1 |
| FTE Positions | 236.6 | 237.0 | 237.0 |

| EVA 4.1 | Subprogram Summary |
|---------|--|
| | UNDERGROUND WATER REGULATION |
| | Mike Fulton, Water Quality Division Director |
| | Phone: (602) 771-2303 |
| | A.R.S. §§ 49-201 to 49-391 |

Mission:

To protect and enhance public health and the environment by ensuring safe drinking water and reducing the impact of pollutants discharged to surface and ground water.

Description:

The Underground Water Regulation program protects groundwater which is essential to Arizona's safe drinking water supplies. The Aquifer Protection Permit program is designed to protect groundwater quality in Arizona's aquifers through the issuance of permits to discharging facilities. This program also registers dry wells, issues reclaimed water permits, conducts compliance inspections, enforces permit conditions, manages the pesticide program, monitors groundwater, and provides technical assistance to industry and the public.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,089.4 | 6,076.8 | 6,076.8 |
| Other Non Appropriated Funds | 1,130.1 | 1,000.0 | 1,000.0 |
| Program Total | 5,219.4 | 7,076.8 | 7,076.8 |
| FTE Positions | 63.9 | 69.3 | 69.3 |

◆ Goal 1 To provide value to all of Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of customers satisfied with Water Quality Division. | 98.6 | 92.5 | 92.5 |

◆ Goal 2 To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of permit actions for existing groundwater protection permits for mining facilities during each fiscal year. | 1.0 | 1.0 | 2.0 |
| Annually, attain significant compliance rate of 80 percent for discharge limitations for APP permitted groundwater facilities as determined by monitoring data and physical inspection. | 90.3 | 80.0 | 80.0 |
| Percent reduction in Aquifer protection permit processing time. | N/A | N/A | N/A |

Explanation: FY2009 Measure Only.

| EVA 4.2 | Subprogram Summary |
|---------|--|
| | SURFACE WATER REGULATION |
| | Mike Fulton, Water Quality Division Director |
| | Phone: (602) 771-2303 |
| | A.R.S. §§ 49-201 to 49-391 |

Mission:

To protect and enhance public health and the environment by ensuring safe drinking water and reducing the impact of pollutants discharged to surface and ground water.

Description:

The Surface Water Regulation program protects surface water quality by controlling point source discharges from wastewater treatment plants, concentrated animal feeding operations, storm water, industrial, commercial and other facilities. The program also regulates surface water discharges of non-point source pollution from irrigated agriculture, livestock grazing, silviculture, urban runoff, construction, mining, and recreation activities. ADEQ's surface water program accomplishes its goals by the following: (1) administering the Arizona Pollutant Discharge Elimination System (AZPDES) program, including issuing federally enforceable discharge permits, (2) reviewing engineering design plans and issuing construction approvals, (3) conducting compliance inspections of discharging facilities, (4) conducting outreach and education activities to build awareness of regulatory requirements; (5) offering technical and compliance assistance to facilities; (6) conducting enforcement actions, (7) implementing a statewide watershed management program, (8) awarding grants to eliminate or mitigate nonpoint source pollution, (9) developing surface water quality standards, (10) monitoring and assessing surface waters to provide critical water quality information that will enable the Department to maintain the quality of our lakes, rivers, streams, and wetlands.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,793.1 | 3,432.4 | 3,432.4 |
| Other Non Appropriated Funds | 5,580.1 | 8,577.5 | 8,577.5 |
| Program Total | 8,373.2 | 12,009.9 | 12,009.9 |
| FTE Positions | 79.8 | 99.7 | 99.7 |

◆ **Goal 1** To improve the quality of Arizona's air, land, and water.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Annually, attain significant compliance rate of 90 percent for discharge limitations among major surface water dischargers as determined by monitoring data and physical inspection. | 94.0 | 90.0 | 90.0 |
| Annually, ADEQ will reissue AZPDES permits within 180 days of receipt of a completed and timely AZPDES application. | 33.0 | 70.0 | 70.0 |

| EVA 4.3 | Subprogram Summary |
|---------|--|
| | DRINKING WATER REGULATION |
| | Mike Fulton, Water Quality Division Director |
| | Phone: (602) 771-2303 |
| | A.R.S. §§ 49-201 to 49-391 |

Mission:

To ensure the delivery of safe drinking water to users of public water systems through regulatory oversight, technical assistance, and public education in facility planning, design, construction, operation and compliance monitoring, and to preserve and protect drinking water sources.

Description:

The Drinking Water program is federally mandated to ensure safe drinking water supplies for the public. The program regulates public water systems based on state drinking water rules that are continually updated to conform to federally promulgated regulations. Staff reviews water system construction plans, conducts compliance inspections on drinking water systems, reviews water quality monitoring data, initiates enforcement actions in response to continued or significant noncompliance, and conducts outreach to educate stakeholders on regulatory requirements. The program also evaluates source waters to ascertain their susceptibility to contamination, promotes voluntary community programs aimed at protecting aquifers for drinking water use, and administers the monitoring assistance program to assist public water systems in complying with monitoring requirements under the federal safe drinking water act.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,668.9 | 807.5 | 807.5 |
| Other Non Appropriated Funds | 4,755.1 | 5,480.1 | 5,480.1 |
| Program Total | 6,424.0 | 6,287.6 | 6,287.6 |
| FTE Positions | 73.9 | 49.0 | 49.0 |

◆ **Goal 1** To improve the quality of Arizona's air, land and water

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Annually, percentage of population serviced by community water systems (CWS) providing drinking water with no health-based violations will remain at 95 percent. | 96.0 | 95.0 | 95.0 |
| Annually, the percentage of school children serviced by non-transient, non-community water systems providing drinking water with no health-based violations will remain at 95 percent. | 95.0 | 95.0 | 95.0 |
| Percentage of facilities from Drinking Water Priority Log assigned to enforcement staff. | 100.0 | 100.0 | 100.0 |
| Percent reduction in drinking water plan review processing time. | N/A | N/A | N/A |
| Explanation: FY2008 & FY2009 Measure Only. | | | |

| EVA 4.4 | Subprogram Summary |
|--|--------------------|
| WATER INFRASTRUCTURE FINANCE AUTHORITY | |
| Sandy Sutton, Interim Director | |
| Phone: (602) 364-1310 | |
| A.R.S. §§ 49-1201 to 49-1269 | |

Mission:

To maintain and protect water quality and to ensure the affordability of basic community infrastructure.

Description:

The Water Infrastructure Finance Authority of Arizona (WIFA) is an independent entity authorized to finance the construction, rehabilitation and/or improvement of drinking water, waste water, waste water reclamation, and other water quality facilities/projects. As a "Bond Bank", WIFA is authorized to issue water quality bonds on behalf of communities for basic water infrastructure. Generally, WIFA offers borrowers below market interest on loans for 100% of eligible project costs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 268,167.1 | 217,062.8 | 217,062.8 |
| Program Total | 268,167.1 | 217,062.8 | 217,062.8 |
| FTE Positions | 19.0 | 19.0 | 19.0 |

- ◆ **Goal 1** To ensure WIFA's resources are awarded in conformance with Arizona's goals.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of recipients moving from non-compliance to compliance | 3.0 | 4.0 | 4.0 |

- ◆ **Goal 2** To maintain the fiscal integrity of the Funds administered by WIFA and ensure continuous enhancement for future generations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of total available funds invested | 99.7 | 99.5 | 99.5 |
| Interest income (in thousands) | 6311.4 | 5680.2 | 5680.2 |

- ◆ **Goal 3** To facilitate access to and efficiently deliver financial and technical assistance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|----------------|------------------|------------------|
| Number of weeks to process a loan | 1.6 | 3.0 | 3.0 |

- ◆ **Goal 4** To coordinate with other funding sources, technical resources, and regulatory authorities

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------|----------------|------------------|------------------|
| Number of co-financings | 5.0 | 4.0 | 4.0 |

| EVA 4.5 | Subprogram Summary |
|---------------------------------------|--------------------|
| GREATER ARIZONA DEVELOPMENT AUTHORITY | |
| Sandra Watson, Asst Deputy Director | |
| Phone: (602) 771-1215 | |
| A.R.S. § 41-1554 | |

Mission:

To provide technical assistance and low-cost financing solutions to assist Arizona communities and tribal governments with development of public infrastructure projects that enhance communities and economic development.

Description:

The Greater Arizona Development Authority assists local communities and tribal governments in developing and financing public infrastructure projects.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 211.5 | 46.0 | 46.0 |
| Program Total | 211.5 | 46.0 | 46.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To increase development of public infrastructure projects.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Amount of financial assistance (in millions) loaned to cities, towns, counties, and special districts. | 0 | 0 | 0 |
| GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding. | | | |
| Amount of savings (in millions) for cities, towns, counties, tribes, and special districts from participation in the GADA program over private financing. | 0 | 0 | 0 |
| GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding. | | | |

| AFA 0.0 | Agency Summary |
|--|----------------|
| GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY | |
| Carolyn Pitre Wright, Director | |
| Phone: (602) 542-3716 | |
| A.R.S. § 41-101 | |

Mission:

To administer and enforce state and federal laws prohibiting discrimination for several thousand state employees to ensure there are no discriminatory practices in State government.

Description:

The Governor's Office of Equal Opportunity (GOEO) provides information and technical assistance to state agencies to ensure nondiscrimination and equal opportunity access to employment, state contracts, and appointments. The GOEO assists state agencies/divisions in promoting equal opportunity in employment, appointments, and procurement practices conducted on behalf of the State.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 193.6 | 187.9 | 187.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 68.0 | 68.0 | 68.0 |
| Program Total | 261.6 | 255.9 | 255.9 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

Strategic Issues:

Issue 1 *Reduce the State of Arizona's risk of loss due to exposure to lawsuits relating to discrimination, sexual harassment, and non-compliance with State and Federal equal opportunity and civil rights laws.*

The Governor's Office of equal Opportunity (GOEO) will analyze agency Equal Opportunity Plans and monitor EEO complaints to determine what assistance agencies need in complying with federal and state equal opportunity laws. All agencies will receive information regarding federal and state equal opportunity laws and have the option for further coaching, education and training.

Issue 2 *Increase the ability of minorities to participate in state employment and on state Boards and Commissions.*

The GOEO will contact appropriate community organizations regarding state employment and state Board and Commission appointments. Organizations will receive information about the state employment website and the process for applying for state employment and Board and Commission appointments. The GOEO will also provide information about external outreach and community organizations to state agencies to assist in recruitment efforts.

Issue 3 *Provide accurate and timely EEO-4 reports to the federal government.*

The GOEO will work with the Department of Administration and state agencies to provide the Federal Government with an accurate and timely EEO-4 report.

Issue 4 *Provide coordination of alternative dispute resolution and facilitative discussion services to state agencies.*

The GOEO will work with appropriate state agencies to coordinate facilitative discussion or alternative dispute resolution sessions for current or former state employees. These non-financial facilitative discussions will review internal discriminatory workplace behavior in order to resolve complaints based on factual circumstances.

Goal 1 To ensure state agencies comply with Equal Employment Opportunity rules, regulations, policies, and procedures; and to assist other non-state government entities with related Information and Referral Services

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| | | | |
|---|-----|-----|-----|
| Number of state agency Equal Employment Opportunity plans submitted. | 82 | 105 | 105 |
| Number of state agencies assisted in the preparation of agency-level Equal Employment Opportunity Plans, and in efforts to reach workforce parity | 117 | 70 | 70 |
| Number of calls answered providing information and assistance regarding Equal Opportunity rules and regulations | 180 | 200 | 200 |

Goal 2 To avoid/reduce the State's exposure to employment related disputes and lawsuits through training of State Equal Opportunity Liaisons and Administrative Managers; and coordination with Equal Employment Opportunity Commission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of diversity training classes provided | 7 | 6 | 6 |
| Total training hours provided to state employees | 337 | 350 | 350 |
| Number of EEOC charge notices received and monitored for organizational trends and follow-up. | 104 | 100 | 100 |

Goal 3 To achieve and maintain a culturally diverse state government workforce and ensure diverse representation on state Boards and Commissions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of community organizations contacted by the Governor's Office for Equal Opportunity to help facilitate the dissemination of information regarding employment opportunities | 183 | 200 | 200 |
| Number of community organizations contacted by GOEO to help facilitate the dissemination of information regarding positions on State Boards and Commissions | 107 | 100 | 100 |
| Contact with tribes, tribal members and off-reservation native Americans regarding employment, appointment and procurement opportunities with the state | 183 | 200 | 200 |

Goal 4 To enhance the growth and development of minority and women-owned business enterprises.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of minority/women-owned businesses contacted and provided with information regarding state contracting opportunities | 92 | 40 | 60 |
| Number of minority/women-owned businesses referred to DOA procurement | 88 | 40 | 60 |

Goal 5 To provide alternative dispute resolution services to state agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of persons trained in mediation | 1 | 1 | 2 |
| Number of presentations concerning mediation services | 1 | 2 | 2 |
| Number of mediation sessions conducted as a result of Governors Office of Equal Opportunity | 0 | 4 | 4 |

EQA 0.0 Agency Summary

STATE BOARD OF EQUALIZATION

Harold Scott, Chairperson

Phone: (602) 364-1601

A.R.S. §§ 42-16152 et al.

Mission:

To provide an independent appeal process for taxpayers, the county assessors, and the Department of Revenue in disputes relating to the valuation and classification of property for ad valorem tax purposes.

Description:

The State Board of Equalization (SBOE) is comprised of thirty-three members, thirteen appointed by the Governor, including the Chairman, and ten members from both Maricopa and Pima counties. The Board's jurisdiction is primarily over locally assessed real and personal property in Maricopa and Pima counties. Under A.R.S. §§ 42-14001 et al, the Board's authority extends to centrally assessed property statewide. The State Board of Equalization also can provide hearing officer services for outlying counties. Currently, the SBOE provides services to La Paz, Mohave, Navajo, Pinal and Yavapai counties. The Board, formerly Division I of the State Board of Tax Appeals, was created on August 1, 1995 through a consolidation of the appeals process.

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 565.3 | 625.8 | 625.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 565.3 | 625.8 | 625.8 |
| FTE Positions | 7.0 | 7.0 | 7.0 |

- ◆ **Goal 1** To restore sufficient funding in order for the State Board of Equalization to be prepared for a rapidly increasing caseload. This will also ensure that the SBOE is able to adequately staff all hearings in Maricopa and Pima Counties and meet statutory deadlines.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------|-------------------|---------------------|---------------------|
| Cost per parcel (in dollars) | 0 | 0 | 0 |
| Parcels appeals received | 0 | 0 | 0 |
| Cost per parcel (dollars) | 0 | 0 | 0 |
| Default performance measure | 0 | 0 | 0 |

- ◆ **Goal 2** To reduce the cost attributed to petitions and hearings.

- ◆ **Goal 3** To enhance the Board's computer system to handle the greatly increased caseloads and computerize tasks that are still done manually. To continue the growth in electronic filing and transmit a statement of changes made to the valuation of any property in Maricopa or Pima County. In addition, expand our electronic capabilities to include the "client" counties (currently, La Paz, Navajo, Mohave, Pinal, and Yavapai Counties).

- ◆ **Goal 4** To update and obtain necessary approvals of the State Board of Equalization's Rules

- ◆ **Goal 5** To obtain legislation that will reduce the number of unnecessary appeals by, among other things, encouraging resolution of disputes at the assessor level, to insure taxpayers will receive competent representation by tax agents and to insure prompt, thorough and fair treatment of taxpayers by the Board by obtaining adequate resources.

| | |
|--|-----------------------|
| PPA 0.0 | Agency Summary |
| BOARD OF EXECUTIVE CLEMENCY | |
| Duane Belcher, Chairman/Executive Director | |
| Phone: (602) 542-5656 | |
| A.R.S. §§ 31-401 et. seq. | |

Mission:

To ensure public safety by considering and granting parole, work furlough, home arrest, and absolute discharge to inmates certified eligible by the Department of Corrections and who appear not to pose a threat to society, and by recommending to the Governor only those executive clemency actions which are in the best interest and safety of the citizens of Arizona.

Description:

Each month the Board conducts parole hearings for inmates who have committed offenses prior to January 1994. Hearings include consideration for home arrest, work furlough, parole release, absolute discharge, rescission, modification, revocation (of both parole and community supervision), and absolute discharge from parole supervision. The Board also conducts clemency hearings which include commutation, pardon, and reprieve.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 854.1 | 790.5 | 1,005.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 854.1 | 790.5 | 1,005.6 |
| FTE Positions | 11.0 | 14.0 | 17.0 |

Strategic Issues:

Issue 1 Agency's Hearings Issues

The FY2 003 cuts to the Board's budget has had devastating effects to the total hearing process. The reduction of three case analysts has totally suspended the use of Structured Decision Making (SDM) as a risk assessment tool in assisting the Board in their decision making process. SDM not only provided an indicator of risk, but also provided the Board with guidelines when a release would be appropriate. The second critical area in which these staff positions were important to the hearing process was their expertise in producing a document to the Board that was extensively researched and often times highlighted areas that were of serious concern. These important documents were not only used in the release decision process, but also in Executive Clemency actions where recommendations are made to the Governor in pardons, commutations, and in reprieve actions where a death-row inmate is scheduled to be executed.

Issue 2 Victim and Official Notifications of Board Hearings and Results

The Arizona Board of Executive Clemency is mandated to notify both victims and officials of any Board hearings that are scheduled and the results of those hearings. The work load in this critical area continues to grow, just as the number of felony commitments to our prison system grows. Although parole was abolished, effective January 1, 1994, all clemency applications have escalated drastically, necessitating the same victim issues be addressed. Due to the severe budget cuts experienced by the Board in our FY 2003 budget, the Board was forced to lay-off a number of employees, two of which performed the previously indicated duties. The only people who receive notification are those already in the system and those who request notification through the post conviction notification form. Unfavorable publicity and possible litigation could be the result of inadequate funding to staff this unit. The following statutes control the notification process for Victims and Officials: A.R.S. § 31-402 [C] [2] (Commutation); A.R.S. § 31-411[H] (Commutation, Absolute Discharge, and Parole); A.R.S. § 13-4414 [B] & [C] [Post Conviction Release]; A.R.S. § 1604.11 [E] (Work Furlough); and A.R.S. § 41-1604.13 (Home Arrest).

Issue 3 Legal Representation for Inmates

In the lawsuit of Gagnon V. Scarpelli, 411 U.S. 778 (1973), the United States Supreme Court held that the State is not constitutionally required to provide counsel for ALL indigents in revocation proceedings, but rather the decision as to the need for counsel must be made on a case-by-case basis, and a record must be made of the grounds for refusal. In order to effectively comply with this requirement, the State of Arizona should have a mechanism in place through which legal counsel can be appointed in appropriate cases. The Legislature should strongly consider the legal ramifications of not having a mechanism in place to comply with this United States Supreme Court decision. This issue has been neglected and needs to be addressed. All released inmates currently under state supervision could potentially utilize this resource. Cost estimates based on studies of other states show an approximately annual cost of \$100,000. Through meetings with the Governor's Office, the Arizona Department of Corrections, the Attorney Generals Office, and the Arizona Board of Executive Clemency, it appears that this responsibility will fall upon the Board. Therefore, adequate funding needs to be provided to properly address this issue.

- ◆ **Goal 1** To ensure quality Board decisions by monitoring the use of Structured Decision Making (SDM) guidelines.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Measure: Percent of research compiled/percent of written study completed. | 0/0 | 100/50 | 100/50 |

The Board will research the benefits of Structured Decision Making (SDM) methodology, a risk assessment tool, beginning FY 2010 to start of its implementation date.

The Board will also conduct a survey of those Executive Clemency Boards throughout the U.S. of the use of SDM or a comparable method.

- ◆ **Goal 2** To continually monitor Board and administrative workload information seeking the most efficient and effective methods of fulfilling the agency mission while reducing costs where possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of parole hearings scheduled | 442 | 800 | 800 |
| Parole hearings held | 313 | 425 | 425 |
| Percent of parole grants | 26 | 37 | 37 |
| Commutations | 291 | 800 | 800 |
| Pardons | 64 | 70 | 70 |
| Number of revocations | 2,570 | 2,600 | 2,600 |
| Percent revoked | 74 | 90 | 90 |
| Video hearings held | 730 | 750 | 750 |
| Telephonic hearings held | 1,724 | 1,900 | 1,900 |
| Personal hearings held | 79 | 500 | 500 |
| In Absentia hearings held | 292 | 1,500 | 1,500 |
| Total board hearings held | 2,885 | 4,450 | 4,450 |
| Hearing officer probable cause hearings held | 107 | 200 | 200 |
| Probable Cause Hearings Requested | 161 | 200 | 200 |
| Measure: % Equipment purchased/% of total process initiated. | 100/50 | 100/90 | 100/95 |

The Board will implement a Document Management System to increase performance efficiencies of staff. Although agency has been faced with decrease in headcount, agency must continue same proficient levels of its operations

| | | | |
|------------------------------------|----|----|----|
| Agency appropriated FTE | 11 | 17 | 17 |
| -Includes FTE Funding Issues | | | |
| 1 FTE Security System | | | |
| 2 FTE reinstate Board to full-time | | | |

- ◆ **Goal 3** To ensure that victims, law enforcement agencies, judges, prosecutors, and other concerned individuals and entities are notified of the offenders hearing date with or without an official notification request. (NOTE: Per A.R.S. 13-4401 et.

seq., notification is only required when requested.) This position was granted funding in FY07 by legislation, however, due to budget cuts this funding was eliminated in FY 07 and FY 08.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------|-------------------|---------------------|---------------------|
| Number of victims notified | 1,327 | 2,500 | 2,500 |
| Officials Notified | 10,940 | 23,000 | 23,000 |
| Courtesy Notifications | 74 | 100 | 100 |
| Inmates Notified | 381 | 800 | 800 |
| Total Notifications Sent | 12,722 | 26,400 | 26,400 |

- ◆ **Goal 4** To access, automate, and manage electronic information now maintained on the Department of Correction's Adult Information Management System (AIMS) onto a secure database for agency dissemination. Also increase the agency's technological abilities through the development and support of necessary programming to compensate for loss of staff resulting from reduction in force in 2003. Lack of staff puts the agency in danger of being unable to maintain its current IT system as well as its ability to keep current with ever changing technology that would help fulfill its mission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Measure: Percent of research completed/ Percent of development completed | 100/99 | 100/99 | 100/99 |

The Board will perform research, development, implementation, and maintenance of a website for informational and notification purposes.

| | | | |
|---|------|--------|---------|
| Measure: Percent of research completed/Percent of development completed | 50/0 | 100/80 | 100/100 |
|---|------|--------|---------|

The Board will perform research, development, implementation, and maintenance of database for compilation of PC-based statistical reporting.

- ◆ **Goal 5** To provide a safe environment for all employees, visitors which include victims and or their families, criminal justice, and law enforcement personnel entering our agency. The Agency seeks to obtain security equipment and onsite trained security personnel for our agency during business hours.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Measure: The actual number of incidences recorded | 0 | 0 | 0 |

To record zero incidents of a security breach into our agency boardroom.

| CLA | 0.0 | Agency Summary |
|---------------------------------|-----|----------------|
| EXPOSITION AND STATE FAIR BOARD | | |
| Don West, Executive Director | | |
| Phone: (602) 252-6771 | | |
| A.R.S. § 3-1001 | | |

Mission:

To provide unlimited opportunity to celebrate Arizona's heritage, youth, industry, traditions, and future by bringing the entire community together.

Description:

The Arizona Exposition and State Fair (AESF) is a 96-acre entertainment facility that showcases a variety of events, including one of the preeminent state fairs in the country. The AESF, which owns the property and buildings it occupies, rents its facilities to a variety of tenants and promoters, such as the Arizona National Livestock Show and the Maricopa County Fair. The AESF provides a location to showcase industry, agriculture, education, and entertainment for the enjoyment of Arizona citizens.

Agency Summary: (\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|----------------------|-------------------|---------------------|--------------------|
| ➤ INTERIM EVENTS | 3,311.5 | 3,781.7 | 3,904.7 |
| ➤ STATE FAIR | 6,134.0 | 7,314.5 | 7,396.5 |
| Agency Total: | <u>9,445.5</u> | <u>11,096.2</u> | <u>11,301.2</u> |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 9,445.5 | 11,096.2 | 11,301.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | <u>9,445.5</u> | <u>11,096.2</u> | <u>11,301.2</u> |
| FTE Positions | <u>184.0</u> | <u>184.0</u> | <u>184.0</u> |

Strategic Issues:

Issue 1 *The need to maximize current revenue sources and create new revenue opportunities to fund the Arizona Exposition and State Fair (AESF), as AESF receives no monies from the General Fund.*

Given the growing amount of competition statewide, AESF is aggressively researching other fair, entertainment, and event industry trends to maximize existing revenue potential, identify new revenue streams, and determine methods for improving the quality of current service offerings.

| CLA | 1.0 | Program Summary |
|---|-----|-----------------|
| INTERIM EVENTS | | |
| Wanell Costello, Special Projects Manager | | |
| Phone: (602) 252-6771 | | |
| A.R.S. §§ 3-1001 to 3-1013, 5-113 | | |

Mission:

To maximize incremental income during the non-fair period by providing quality facilities and services.

Description:

The Arizona Exposition and State Fair provides rental opportunities during the non-fair period for events such as antique markets, gun shows, livestock shows, youth activities, sporting events, and community activities.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,311.5 | 3,781.7 | 3,904.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | <u>3,311.5</u> | <u>3,781.7</u> | <u>3,904.7</u> |
| FTE Positions | <u>70.8</u> | <u>70.8</u> | <u>70.8</u> |

◆ **Goal 1** To increase the number of non-fair rental days.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Non-fair rental days over previous year | 1 | 5 | 5 |
| New promoters requesting space | 9 | 5 | 5 |
| Repeat promoters annually | 38 | 35 | 35 |

◆ **Goal 2** To maximize the use of existing parking space.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Parking lot rentals | 78 | 80 | 80 |
| New strategic partners renting parking lots | 0 | 2 | 2 |

| CLA 2.0 | Program Summary |
|---------|---|
| | STATE FAIR |
| | Wanell Costello, Special Projects Manager |
| | Phone: (602) 252-6771 |
| | A.R.S. §§ 3-1003 to 3-1013, 11-258 |

Mission:

To produce the preeminent state fair in the country, showcasing industry, business, entertainment, and agriculture.

Description:

AESF produces the annual Arizona State Fair which brings together a wide range of participants representing industry, business, and agriculture. The Fair showcases a variety of activities including agriculture, 4-H, and educational and community exhibits. The Fair also features entertainment such as motorized events, rodeos, midway rides, attractions, community groups, and national entertainers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 6,134.0 | 7,314.5 | 7,396.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 6,134.0 | 7,314.5 | 7,396.5 |
| FTE Positions | 113.2 | 113.2 | 113.2 |

- ◆ **Goal 1** To develop partnerships with business, industry, community, and volunteer groups.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| New partners acquired | 33 | 16 | 7 |
| Exhibit space used by partners for business showcase (square feet) | 75,600 | 45,000 | 45,000 |

- ◆ **Goal 2** To maximize all fair revenue sources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| New revenue streams identified | 6 | 3 | 3 |
| New revenue received from alternative sources (in dollars) | 465,352 | 15,000 | 15,000 |

- ◆ **Goal 3** To increase midweek fair attendance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------|-----------------------|-------------------------|-------------------------|
| Increase Wednesday attendance | 11,993 | 10,000 | 10,000 |
| Fair attendance (in thousands) | 1,041.0 | 1,000.0 | 1,000.0 |

- ◆ **Goal 4** To maximize the satisfaction of fair guests.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|-----------------------|-------------------------|-------------------------|
| Number of guest service contacts | 337 | 354 | 372 |
| Improvements implemented | 22 | 18 | 15 |

Agency Summary

STATE DEPARTMENT OF FINANCIAL INSTITUTIONS

Lauren W. Kingry, Superintendent of Financial Institutions

Phone: (602) 771-2800

A.R.S. §§ 6-110 et. seq.

Mission:

To license, examine, and supervise Financial Institutions, in compliance with State law, to ensure safety for the Arizona consumer and soundness for the Arizona business.

Description:

The Department of Financial Institutions licenses, supervises, and regulates state chartered financial institutions and enterprises to ensure the safety and soundness of state chartered financial entities, and verify compliance with state and federal laws. The Department also investigates complaints that are filed by consumers against licensed entities and directs appropriate remedial action if the violations are substantiated.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------|-------------------|---------------------|--------------------|
| ➤ OFFICE OF SUPERVISION | 2,223.3 | 2,367.5 | 3,029.4 |
| ➤ OFFICE OF REGULATORY AFFAIRS | 1,435.6 | 1,639.9 | 1,756.1 |
| ➤ RECEIVERSHIPS | 1,300.4 | 947.5 | 28.5 |
| Agency Total: | 4,959.3 | 4,954.9 | 4,814.0 |

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 2,794.9 | 2,726.6 | 3,179.3 |
| Other Appropriated Funds | 412.2 | 733.3 | 1,058.7 |
| Other Non Appropriated Funds | 1,752.2 | 1,495.0 | 576.0 |
| Program Total | 4,959.3 | 4,954.9 | 4,814.0 |
| FTE Positions | 56.1 | 56.1 | 59.1 |

Strategic Issues:**Issue 1** *Ongoing funding shortfall for meeting statutorily required examination schedule for banks, credit unions, and non-depository licensees.*

The Department is facing a significant funding shortfall for FY12 and beyond, based on the resources required to perform the number of examinations and other regulatory activities required by Arizona statute.

Due to budget reductions in FY08, FY09, and FY10, the number of filled examiner positions is down 50% from the number that existed before budget cuts began. This at a time when distress among banks, credit unions, and non-depository licensees affected by the credit crisis, housing collapse, and prolonged economic downturn has had a significant impact on the Department, as more frequent examinations become even more critical. In fact, since the Department is unable to meet acceptable examination frequency guidelines for its state-chartered Banks and Credit Unions, its accreditation with the Conference of State Bank Supervisors (CSBS) and the National Association of State Credit Union Supervisors (NASCUS) has been suspended. These national associations act as our Washington representative, assuring minimum standards of examination and disciplines are in place for state-chartered Banks and Credit Unions. Arizona is the only state on accreditation suspension, deferring our state voice to the Federal regulators.

Effective regulation and enforcement actions against both licensed and unlicensed entities who do not comply with Arizona statutes is a fundamental expectation of the regulated community and their customers. Since all of the Department's revenue streams come exclusively from industry sources (i.e., licensing, examination, and annual assessments), the

monies generated from banks, credit unions, and licensees' fees and assessments should be used to underwrite the Department's operations.

Issue 2 *State legislation requiring the licensure of Loan Originators went into effect on July 1, 2010; however, no monies have been appropriated for ongoing Supervision.*

State legislation mandating the licensure of Loan Originators in Arizona went into effect on July 1, 2010. This new professional license brings accountability and professionalism to the people who advise consumers on residential mortgage loans. While the Department has received funding for the Licensing and IT costs associated with this new program, no monies have been appropriated for ongoing Supervision (i.e., examinations and investigations).

According to the statutory examination schedule, licensed loan originators - whose population exceeded 4,800 at the end of FY11 - must be examined at least every five years. In addition, this new licensing program is expected to generate a significant number of new complaints (including complaints of unlicensed activity) that must be investigated. In order to provide oversight of these individuals - to help prevent a repeat of the bad real estate loans that contributed to the housing crash - the Department must receive an appropriation to fund the ongoing cost of supervision.

Issue 3 *The Department's Information Technology system is outdated and must be modernized.*

The lack of adequate IT funding in past years has prevented the Department from modernizing its outdated IT system. In FY11, the Department received funding to implement a newly mandated Loan Originator Licensing program. This new funding included monies for IT costs associated with the additional workload that this new program will generate. Despite receiving this critical funding, the Department still faces significant challenges - due to reduced staff size - in its efforts to:

A) Implement an IT program that supports the Department's and the Government Information Technology Agency's (GITA) objectives and meets statewide and Federal IT requirements.

B) Implement a newly mandated Loan Originator Licensing Program, including:

- The implementation of a National Web-based licensing system for mortgage bankers, mortgage brokers, and loan originators

- The migration of data from the Department's existing licensing system to a new licensing database that is compatible with the Nationwide Mortgage Licensing System (NMLS).

c) Provide staff, consumers, and licensees, accurate and timely information through the latest technology and software that streamlines the agency's business processes.

Issue 4 *The Department's ability to accomplish its mission of protecting Arizona consumers and the integrity of the state's financial community will be compromised if key personnel cannot be retained.*

The Department's effectiveness as a regulator is directly related to the competence of its examiners in the field. Without adequate compensation and career path, our best examiners are hired by our licensees, banks, credit unions, and other state and federal agencies that can offer higher salaries and more opportunity. Retention of trained and experienced examiners is essential to the overall effectiveness of the Department's supervisory program.

The Department has been unsuccessful in its efforts to obtain additional funding in order to offer examiners, and other key personnel, promotional opportunities and a more competitive salary. If key employees cannot be retained, the Department's ability to accomplish its mission of protecting Arizona consumers and the integrity of the state's financial community will be compromised.

| BDA 1.0 | Program Summary |
|--|-----------------|
| OFFICE OF SUPERVISION | |
| Lauren W. Kingry, Superintendent of Financial Institutions | |
| Phone: (602) 771-2800 | |
| A.R.S. §§ 6-101 et. seq. | |

Mission:

To provide a regulatory program that fosters efficient, safe, sound, and lawful operations of state-regulated financial institutions and enterprises.

Description:

This area is primarily responsible for administering the general program of examination, supervision, and financial analysis of over 7,900 licensees (including approximately 5,000 loan originators) spread among 18 different types of regulated entities. Responsibilities include scheduling examinations (pursuant to statutory requirements), reporting results of examinations, and taking appropriate formal or informal regulatory enforcement action where necessary.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,756.6 | 1,720.3 | 2,111.8 |
| Other Appropriated Funds | 0.0 | 73.4 | 343.8 |
| Other Non Appropriated Funds | 466.7 | 573.8 | 573.8 |
| Program Total | 2,223.3 | 2,367.5 | 3,029.4 |
| FTE Positions | 31.8 | 33.8 | 36.8 |

- ◆ **Goal 1** To conduct a professional, efficient and effective examination program, meeting statutory requirements and ensuring licensees operate in a safe and sound manner and comply with all applicable laws.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of licensees scheduled to be examined annually that are examined | 100 | 100 | 100 |
| Percent of licensees scheduled to be examined biannually that are examined | 51 | 40 | 40 |
| Percent of licensees scheduled to be examined every third year that are examined | 0 | 5 | 5 |
| Percent of licensees scheduled to be examined every fifth year that are examined | 8 | 5 | 5 |
| Percent of licensees examined with no examination schedule requirement | 1.6 | 1.6 | 1.6 |
| Percent of examinations receiving a satisfactory composite rating | 88 | 80 | 80 |

- ◆ **Goal 2** To respond in a timely manner and take appropriate remedial and/or enforcement action to resolve supervisory concerns and protect the public from illegal conduct by licensees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Supervisory actions taken based on examination findings | 36 | 35 | 35 |
| Formal/informal supervisory actions taken | 140 | 100 | 100 |

- ◆ **Goal 3** To improve relations with licensees through the examination process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of examination reports mailed within 25 days of completion of all examination procedures | 85 | 85 | 85 |
| Percent of licensees indicating they receive good or better service from the Department | 100 | 98 | 98 |

| BDA 2.0 | Program Summary |
|--|-----------------|
| OFFICE OF REGULATORY AFFAIRS | |
| Lauren W. Kingry, Superintendent of Financial Institutions | |
| Phone: (602) 771-2800 | |
| A.R.S. §§ 6-101 et. seq. | |

Mission:

To ensure qualified entities are licensed in accordance with statute and to promote high standards of compliance, quality, and ethical behavior among entities licensed by the Department.

Description:

The primary function of this area is to license entities to conduct business in this State based on statutory requirements. In addition, the program receives and investigates complaints against licensees and issues administrative orders to those found who have violated statutes or administrative code. Regulatory Affairs is also charged with educating consumers, licensees, and other government agencies on statutory provisions relating to state-regulated financial entities. The program is divided among two units: Licensing and Consumer Affairs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,023.4 | 980.0 | 1,041.2 |
| Other Appropriated Funds | 412.2 | 659.9 | 714.9 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,435.6 | 1,639.9 | 1,756.1 |
| FTE Positions | 23.8 | 21.8 | 21.8 |

- ◆ **Goal 1** To administer a licensing program that ensures licenses/permits are only granted to competent professionals who meet the criteria set by statute for each license type.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Applications processed (home office and branch) | 3,081 | 2,350 | 2,400 |
| Total applications processed (including renewals) | 9,394 | 10,550 | 11,650 |
| Licenses/renewals issued | 10,469 | 10,550 | 11,650 |

- ◆ **Goal 2** To implement a new licensing program to license all loan originators by July 1, 2010, as mandated by HB 2143.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|----------------|------------------|------------------|
| Number of licensed loan originators | 4,821 | 5,800 | 6,800 |
| Total number of all licensees | 7,682 | 8,700 | 9,800 |

- ◆ **Goal 3** To expedite licensing of qualified applicants in accordance with licensing time frames approved by the Governor's Regulatory Review Council and Title 20 of the Arizona Administrative Code, while maintaining applicant satisfaction levels.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average days from receipt to approval of license applications (Excluding Banks and Credit Unions) | 31 | 35 | 35 |
| Percent of license applications approved within 45 days of receipt (excluding Banks and Credit Unions) | 61 | 60 | 60 |
| Percent of surveyed applicants who respond they received 'good' or better overall service | 93 | 95 | 95 |

- ◆ **Goal 4** To receive and investigate consumer complaints/unlicensed activity and resolve disputes in a prompt and professional manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Average number of calendar days | 318 | 45 | 45 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| from receipt to resolution of regular complaint | | | |
| Regular complaints filed | 654 | 650 | 675 |
| Complaints received and forwarded | 302 | 300 | 300 |
| Complaints closed (reg and forwarded) | 1,475 | 1,100 | 1,125 |
| Unlicensed activity identified | 131 | 60 | 60 |
| Percent of complainants indicating they receive good or better overall service from the Department | 70 | 75 | 75 |

| BDA 3.0 | Program Summary |
|---------|--|
| | RECEIVERSHIPS |
| | Lauren W. Kingry, Superintendent of Financial Institutions |
| | Phone: (602) 771-2800 |
| | A.R.S. §§ 6-101 et. seq. |

Mission:

To administer and ultimately liquidate all court ordered receiverships in a professional and effective manner.

Description:

This area is responsible for the management, orderly liquidation, and closure of all receiverships where the Superintendent of Financial Institutions has been named by the Court as Receiver.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 14.9 | 26.3 | 26.3 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 1,285.5 | 921.2 | 2.2 |
| Program Total | | 1,300.4 | 947.5 | 28.5 |
| FTE Positions | | 0.5 | 0.5 | 0.5 |

- ◆ **Goal 1** To promptly marshal and liquidate the assets of assigned receiverships.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Open receiverships (at any point in fiscal year) | 1 | 1 | 0 |
| Receiverships closed in period | 0 | 1 | 0 |

- ◆ **Goal 2** To expedite the closure of all assigned receiverships while maximizing the recovery dollars for injured parties.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Close 'Landmarc Capital' receivership in FY 2012 | 0 | 1 | N/A |

Explanation: Receivership action against Landmarc Capital commenced in June 2009

| BFA 0.0 | Agency Summary |
|------------------------------------|----------------|
| BOARD OF FINGERPRINTING | |
| Dennis Seavers, Executive Director | |
| Phone: (602) 265-0135 | |
| A.R.S. § 41-619.52 | |

Mission:

To fairly, expeditiously, and responsibly determine good cause exceptions for applicants who have been denied a fingerprint clearance card.

Description:

The Arizona Board of Fingerprinting determines good cause exceptions from eligible people who require a fingerprint clearance card and whose fingerprint clearance card has been denied or suspended by the Department of Public Safety.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 439.3 | 483.0 | 483.0 |
| Program Total | 439.3 | 483.0 | 483.0 |
| FTE Positions | 4.8 | 4.8 | 4.8 |

Strategic Issues:

Issue 1 Timeliness of decisions

Applicants who are awaiting the outcome of a good cause exception determination often are unable to work in regulated professions that require a fingerprint clearance card. In addition, certain students are unable to continue their studies while awaiting a decision from the Board. The Board is aware, especially during economic downturns, of the impact this wait can have on an applicant's livelihood and financial health.

The Board had made significant strides toward improving its processing time. It had eliminated a backlog that existed in 2006 and 2007. It had reduced the time within which it made expedited-review decisions. It also had adapted to new statutory time frames. However, a February 2010 reduction in force, authorized to avoid a cash-flow shortage that resulted from fund sweeps, has severely impacted the Board's ability to meet statutory time frames and to provide timely decisions. Returning to the original staffing level would be an important step toward improving timeliness and assuring that the Board meets its statutory time frames.

Issue 2 Consistency and correctness of good cause exception determinations

Under A.R.S. § 41-619.55, the Board is responsible for determining whether applicants with criminal histories are rehabilitated or recidivists. Successful applicants may work with vulnerable citizens: children, the elderly, and the developmentally disabled. It is important that the Board make good judgments, keeping in mind that the Board must protect vulnerable citizens while recognizing that applicants with criminal histories can successfully rehabilitate themselves and serve a useful role in society.

The Board consistently reviews its application of the statutory criteria in A.R.S. § 41-619.55(E) to particular cases to ensure that the Board is consistent and correct in its decisions. The Board has developed performance measures to ensure that its decisions are consistent. The Board has reviewed and revised its hearing process to make sure that applicants receive due process. Finally, the Board reviews reports of new arrests for previously approved applicants to determine whether the Board should revise its guidelines for applying the statutory criteria.

Goal 1 To make fair and consistent determinations on good-cause-exception applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of investigator recommendations for expedited | 96.36 | 95 | 95 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| reviews accepted. | | | |
| Percent of applications approved. | 94.49 | 94 | 94 |
| Explanation: Excludes applications that are closed administratively. | | | |
| Percent of approvals by expedited review. | 93.49 | 90 | 90 |
| Percent of approvals by administrative hearing. | 6.51 | 10 | 10 |

Goal 2 To provide applicants with timely decisions on their good-cause-exception applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of good-cause-exception applications received. | 2,308 | 2,300 | 2,300 |
| Number of applications disposed. | 2,318 | 2,300 | 2,300 |
| Ratio of cases opened to cases closed. | 1:1 | 1:1 | 1:1 |
| Average number of days to dispose. | 61.76 | 65 | 65 |
| Average number of days spent processing application. | 30.84 | 35 | 35 |
| Average number of days spent processing application from receipt to expedited review. | 15.2 | 17 | 17 |
| Percent of applications that undergo an expedited review within 20 days (processing time). | 95.38 | 95 | 95 |
| Average days from expedited review to hearing. | 48.25 | 50 | 50 |
| Percent of applications heard within 60 days of expedited review. | 79.73 | 100 | 100 |
| Percent of applications decided within 80 days of hearing. | 58.23 | 70 | 70 |

Goal 3 To develop fair and comprehensible rules, policies, and procedures for determining good cause exceptions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of applications complete on initial submission. | 59.49 | 60 | 60 |

MMA 0.0 **Agency Summary**

DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

Gene Palma, Director

Phone: (602) 364-1003

A.R.S. § 41-2141

Mission:

To provide consumer protection and public safety by maintaining and enforcing standards of quality and safety for manufactured/mobile homes, factory-built buildings, and by reducing hazards to life and property through enforcement of the State Fire Code.

Description:

The Department of Fire, Building and Life Safety enforces safety standards for public buildings, manufactured homes, mobile homes, and factory-built buildings. The Department is comprised of the Office of Manufactured Housing and the State Fire Marshal.

The Office of Manufactured Housing licenses and regulates the production and ownership of manufactured housing; administers funds paid by manufacturers, mobile home park owners and residents; and administers funds reserved for claims filed against the payers or for involuntary relocation. Additionally, it acts on behalf of the Federal Department of Housing and Urban Development in the implementation and enforcement of regulations regarding manufactured and mobile homes in Arizona.

The State Fire Marshal enforces the State Fire Code through the inspections of schools and public buildings and enforces the Fire Safety Complaint Cigarettes and Fireworks Sales laws.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------|-------------------|---------------------|--------------------|
| ➤ ADMINISTRATION | 1,353.2 | 918.8 | 918.8 |
| ➤ MANUFACTURED HOUSING | 1,286.4 | 921.5 | 921.5 |
| ➤ STATE FIRE MARSHAL | 572.1 | 608.9 | 608.9 |
| Agency Total: | 3,211.7 | 2,449.2 | 2,449.2 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 1,989.5 | 1,693.3 | 1,693.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,222.2 | 755.9 | 755.9 |
| Program Total | 3,211.7 | 2,449.2 | 2,449.2 |
| FTE Positions | 30.0 | 29.1 | 29.1 |

Strategic Issues:

Issue 1 Federal partnership

The Department's continued partnership with the United States Housing and Urban Development Department (HUD) ensures consumers safe and affordable housing constructed to federal standards. An absence of the Department's inspection oversight will result in decreased inspections; thereby, increasing the potential for unsafe construction of homes, and increased costs to consumers through the involvement of 3rd party inspections.

Issue 2 Service levels

The Department's plan review and inspection processes for the Office of the State Fire Marshal and the Office of Manufactured Housing will increase significantly due to the resumption of statutory requirements previously completed under voluntary agreements between the State and local jurisdictions. Increased resumption of requirements will extend the Department's timelines for plan review and inspections resulting in decreased levels of service to the citizens of Arizona.

Issue 3 Automation

The Department increasingly relies on technology to provide mandated services. Reductions in staffing and funding have delayed the implementation of new technology and the support and maintenance of existing technology. Increasingly outdated technology will negatively impact the efficiency of the Department's service delivery.

| MMA 1.0 | Program Summary |
|--|-----------------|
| ADMINISTRATION | |
| MaryAnn Knight, Deputy Director Administration | |
| Phone: (602) 364-1003 | |
| A.R.S. § 41-2171 to 41-2196 | |

Mission:

To provide administrative services necessary to support the operations of the Office of Manufactured Housing and the Office of the State Fire Marshal.

Description:

The purpose of the Office of Administration is to provide the administrative services necessary to facilitate the operation of the Office of Manufactured Housing and the Office of the State Fire Marshal, including procedures to ensure compliance with laws and rules relating to the offices.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 747.6 | 482.1 | 482.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 605.6 | 436.7 | 436.7 |
| Program Total | 1,353.2 | 918.8 | 918.8 |
| FTE Positions | 10.0 | 9.1 | 9.1 |

- ◆ **Goal 1** To be responsive and accurate in response to internal and external requests for administrative services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Relocation forms received | 23 | 30 | 30 |
| Relocation claims paid | 37 | 30 | 30 |
| Customer satisfaction rating (Scale 1-5) | 0 | 0 | 0 |

- ◆ **Goal 2** To expedite licensing of qualified applicants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average days from receipt of complete application to granting of license | 2 | 2 | 2 |
| Licenses issued | 172 | 172 | 172 |
| Renewals issued | 875 | 877 | 877 |
| Total individuals or facilities licensed | 1,328 | 1,050 | 1,050 |
| Tests administered | 31 | 31 | 31 |

- ◆ **Goal 3** To rapidly and accurately investigate alleged illegal conduct within the manufactured housing industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total number of licenses revoked or suspended | 100 | 60 | 60 |
| Total investigations conducted | 574 | 530 | 530 |
| Percent of licensees with disciplinary action | 30 | 20 | 20 |
| Average calendar days per investigation from start to final adjudication | 45 | 45 | 45 |
| Percent of investigations resulting in convictions | 0 | 0 | 0 |
| Percent of investigations resulting in disciplinary enforcement action | 22 | 20 | 20 |
| Trust account audits | 77 | 75 | 75 |
| Background investigations | 235 | 235 | 235 |
| Cease and desist orders issued | 14 | 10 | 10 |
| Administrative hearings held | 22 | 28 | 28 |
| Citations and complaints issued | 289 | 250 | 250 |

| MMA 2.0 | Program Summary |
|-------------------------------------|-----------------|
| MANUFACTURED HOUSING | |
| Debra Blake, Deputy Director of OMH | |
| Phone: (602) 364-1003 | |
| A.R.S. § 41-2151 to 41-2157 | |

Mission:

To protect the public while maintaining and enforcing standards of quality and safety.

Description:

The purpose of the Office of Manufactured Housing is to maintain standards of quality and safety for manufactured/mobile homes, and accessory structures and factory-built buildings. The standards are maintained by ensuring that the responsibilities for the Office of Manufactured Housing are conducted consistently with minimum standards of the U.S. Department of Housing and Urban Development so as to be designated the "state inspector" for manufactured homes and related industries. The Office implements all existing laws and regulations mandated by the federal government, its agencies and the State for such purposes.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 698.4 | 632.1 | 632.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 588.0 | 289.4 | 289.4 |
| Program Total | 1,286.4 | 921.5 | 921.5 |
| FTE Positions | 12.0 | 12.0 | 12.0 |

- ◆ **Goal 1** To ensure safe products for consumers of manufactured/mobile homes and factory-built buildings.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Percent of complaints closed vs. complaints filed | 86 | 80 | 80 |
| Explanation: | Lower percentages due to change in definition and process | | |

| MMA 3.0 | Program Summary |
|-----------------------------------|-----------------|
| STATE FIRE MARSHAL | |
| Robert Barger, State Fire Marshal | |
| Phone: (602) 364-1003 | |
| A.R.S. § 41-2161 to 41-2169 | |

Mission:

To protect the public while reducing hazards to life and property through enforcement of the State Fire Code.

Description:

The Office of the State Fire Marshal establishes a regularly scheduled fire safety inspection program for state and county owned buildings, public and private schools and other occupancies, as well as the review of plans and specifications for construction or remodeling.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 543.5 | 579.1 | 579.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 28.6 | 29.8 | 29.8 |
| Program Total | 572.1 | 608.9 | 608.9 |
| FTE Positions | 8.0 | 8.0 | 8.0 |

- ◆ **Goal 1** To increase life safety and property conservation through fire code enforcement.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of enforcement inspections for new construction | 1174 | 1200 | 1200 |
| Scheduled - State, County, DOC, school buildings inspections | 692 | 750 | 750 |

- ◆ **Goal 2** To ensure public safety by the review of plans for construction, permitting, and the removal of petroleum tanks under DEQ requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average days from request for inspection to actual inspection of tank removal | 14 | 14 | 14 |
| Explanation: Increase in workload combined with staffing. | | | |
| Total tank inspections | 104 | 200 | 200 |
| Explanation: OFM will be required to increase inspections | | | |
| Average number of days from receipt of plan submittal to initial plan review | 38 | 40 | 40 |
| Explanation: An increase in turnaround time is expected. | | | |

- ◆ **Goal 3** To reduce hazards to life and property through firefighter training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of persons trained in fire and life safety issues | 0 | 0 | 0 |

| FOA 0.0 | Agency Summary |
|---------|----------------------------|
| | STATE FORESTER |
| | Scott Hunt, State Forester |
| | Phone: (602) 771-1412 |
| | A.R.S. §§ 37-621 to 37-644 |

Mission:

To manage and reduce wildfire risk to Arizona's people, communities, and wildland areas and provide forest resource stewardship through strategic implementation of forest health policies and cooperative forestry assistance programs.

Description:

The Forestry Division provides for the prevention and suppression of wildfires on state and private lands, located outside incorporated municipalities, through the use of cooperative agreements with local fire departments, other state and federal agencies and persons organized to prevent and suppress wildfires. The division also maintains in-house overhead and firefighting capabilities through the qualifications of its own employees. Through the division's programs, 22,400,000 acres of state and private land are protected.

Agency Summary:

| | (\$ Thousands) | | |
|--|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ STATE FORESTER | 20,870.4 | 29,939.6 | 31,584.6 |
| ➤ EASTERN COUNTIES ENVIRONMENT GRANTS | 75.0 | 75.0 | 75.0 |
| Agency Total: | 20,945.4 | 30,014.6 | 31,659.6 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 5,822.0 | 6,052.0 | 7,697.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 15,123.4 | 23,962.6 | 23,962.6 |
| Program Total | 20,945.4 | 30,014.6 | 31,659.6 |
| FTE Positions | 112.0 | 126.0 | 130.0 |

Strategic Issues:

Issue 1 *Fire threat is ever-present and Arizona has wildland fire risk year-round. Expansion of the wildland/urban interface has placed more residents in jeopardy and more of a burden on responders and already strained rural fire departments.*

Effective mitigation of the wildfire hazards in the wildland/urban interface will require a cooperative effort of Federal, state, local, Tribal and private landowners. In addition to meeting the State's own stewardship responsibilities, the State Forestry Division is the lead agency for providing wildland fire and forestry assistance to private landowners and rural communities to improve forest landscapes and in rural areas and the urban interface.

| FOA 1.0 | Program Summary |
|---------|----------------------------|
| | STATE FORESTER |
| | Scott Hunt, State Forester |
| | Phone: (602) 771-1412 |
| | A.R.S. §§ 37-621 to 37-644 |

Mission:

To provide for the prevention and suppression of wildland fires on state and private lands located outside incorporated municipalities, primarily through the use of cooperative agreements with local fire departments, other state and Federal agencies and persons organized to prevent and suppress wildfires.

Description:

The Forestry Division provides for the prevention and suppression of wildfires on state and private lands located outside incorporated municipalities through the use of cooperative agreements with local fire departments, state, Federal and Tribal agencies and persons organized to prevent and suppress wildfires. The division also maintains in-house overhead and firefighting capabilities through the qualifications of its own employees. Through the division's State and Private Forestry programs, 22,400,000 acres of state and private land are protected and the forestry landscapes improved.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 5,747.0 | 5,977.0 | 7,622.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 15,123.4 | 23,962.6 | 23,962.6 |
| Program Total | 20,870.4 | 29,939.6 | 31,584.6 |
| FTE Positions | 112.0 | 126.0 | 130.0 |

- ◆ **Goal 1** To provide technical fire, forest health, and forestry management assistance to urban and rural private land owners.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Forestry Division assists private forest landowners in preparing management plans annually | 1361 | 1,300 | 1,300 |
| Total acres of private forest land under management (1,000 acres) | 1,781 | 1,781 | 1,781 |
| Acres treated on private forest and range lands each year | 4,573 | 5,000 | 4,500 |
| Acres of land treated, including prescribed burning, to reduce hazardous fuels; and to protect and improve Trust land and private properties | 4,573 | 6,100 | 6,100 |

- ◆ **Goal 2** To improve forestry landscapes and prevent and suppress wildfires on Trust and private lands, including urban interface safely, effectively and efficiently by assisting 85% of rural fire departments, and containing 93% of forest fires to less than 100 acres.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Percent of fires controlled at 100 acres or less | 98 | 97 | 97 |
| Rural firefighters assisted with training and equipment | 1,455 | 1,500 | 1,500 |
| Percent of fire departments under cooperative agreement to provide fire control support | 90 | 87 | 89 |
| Percent of fire bills processed for payment within 30 days of a clean invoice. | 96 | 95 | 95 |
| Trust land treated to reduce wildland fire danger to improve forest and range land condition | 897 | 1,000 | 1,000 |
| Percent of rural fire departments assisted with training and equipment | 98 | 91 | 91 |

| FOA 2.0 | Program Summary |
|--|-----------------|
| EASTERN COUNTIES ENVIRONMENT GRANTS | |
| Scott Hunt, State Forester | |
| Phone: (602) 771-1412 | |
| Ch 255, HB 2781, 48th Legislature, 1st Session, 2007, An Act | |

Mission:

To approve and distribute funds for implementation and planning of environmental programs.

Description:

The Division is instructed to distribute funding equally to Greenlee, Graham, Gila, Navajo, and Apache Counties for planning and implementation of specific environmental programs impacting economic development in these counties.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 75.0 | 75.0 | 75.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 75.0 | 75.0 | 75.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To represent and advocate for Greenlee, Graham, Gila, Navajo and Apache Counties in terms of environmental issues

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------|---|------------------|------------------|
| Representation Requests | 35 | 40 | 41 |
| Explanation: | Number of forest health/environmental policy groups requesting representation from members of five eastern counties | | |
| Environmental Impact Statement | 5 | 5 | 5 |
| Explanation: | Number of invitations rendered to assist assessment of Environmental Impact Statements | | |

- ◆ **Goal 2** To represent and advocate for Greenlee, Graham, Gila, Navajo, and Apache Counties in planning and regulatory endeavors with federal partners

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|---|------------------|------------------|
| Regional Meetings | 35 | 35 | 35 |
| Explanation: | Number of meetings with District Rangers and Forest Supervisors | | |
| Requests for Comment | 10 | 10 | 10 |
| Explanation: | Requests for review and comment of forest health policy documents | | |

| FDA 0.0 | Agency Summary |
|--|----------------|
| BOARD OF FUNERAL DIRECTORS AND EMBALMERS | |
| Rodolfo R. Thomas, Executive Director | |
| Phone: (602) 542-3095 | |
| A.R.S. §§ 32-1301 et. seq. | |

Mission:

To maintain and enforce a set of standards that provides protection for the health, safety, and welfare of Arizona citizens by educating the consumer and by actively and impartially regulating those licensed to provide funeral goods and services.

Description:

The Board of Funeral Directors and Embalmers examines and licenses individuals that provide funeral goods and services. The Board also receives complaints against licensees, investigates allegations, and administratively adjudicates complaints. The Board oversees approximately 1,700 licensees practicing in the state and serves all Arizona citizens who receive funeral goods and services.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 284.7 | 339.6 | 339.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 284.7 | 339.6 | 339.6 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

Strategic Issues:

Issue 1 Technology Funding

Technology funding had been planned based upon the prior fund balances anticipated by the Board. Prior to recent fund sweeps the Board had scheduled to update existing computer equipment. The board will continue to update technology as the budget permits.

Issue 2 Common Licensing system

Currently, the Common Licensing system does not appear to be cost-effective for this agency. The Agency renews licenses in June of each year and dedicates one FTE to complete this task. Renewals are completed within a three-week period. To add on costs for credit card processing and an additional system is not cost effective or efficient. If in the future the numbers applications exceed the Board's ability to process them in a reasonable and timely manner, then this activity will be reevaluated.

Issue 3

- ◆ **Goal 1** To ensure that licenses are only granted and renewed to competent individuals with high standards of professional and ethical conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Applications received | 1670 | 1690 | 1,700 |
| Licenses issued | 1669 | 1,670 | 1,700 |
| Average days to process license | 30 | 30 | 30 |
| Number of investigations | 20 | 20 | 200 |
| Number of complaints received | 35 | 25 | 25 |
| Average number of days to investigate | 30 | 30 | 30 |
| Average number of days to renew license | 5 | 5 | 5 |

- ◆ **Goal 2** To ensure and enforce that information is made available to both the consumer and the licensee that educates them to the standards of practice relating to providing funeral goods and services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------|----------------|------------------|------------------|
| Percent of consumers receiving | 99 | 99 | 99 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| pamphlet determined through information received through complaint investigations. | | | |
| Number of complaints received as a measure to determine the effectiveness of boards education efforts for both licensee and consumer. | 12 | 20 | 20 |

- ◆ **Goal 3** To actively and impartially investigate allegations and complaints and provide enforcement to protect the public from incompetent services and unprofessional, unethical, and illegal conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------------|----------------|------------------|------------------|
| Complaints processed | 6 | 7 | 7 |
| Average days to renew license | 1 | 1 | 1 |
| Average days to investigate complaint | 30 | 30 | 30 |
| Number of licenses | 1669 | 1,670 | 1,700 |

GFA 0.0 Agency Summary

GAME AND FISH DEPARTMENT

Larry Voyles, Director
 Phone: (623) 236-7279
 A.R.S. §§ 17-101 et seq

Mission:

To conserve, enhance, and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs; and to provide wildlife resources and safe watercraft and off-highway vehicle recreation for the enjoyment, appreciation, and use by present and future generations.

Description:

The Arizona Game and Fish Department is the state agency charged with the conservation, enhancement and restoration of Arizona's wildlife resources and habitats, and with the regulation and enforcement of watercraft and off-highway vehicles. The Department manages Arizona wildlife populations through the operation of hunting and fishing license programs, enforcement actions for the unlawful taking of game, and wildlife habitat protection and development.

Agency Summary:

| | (\$ Thousands) | | |
|------------------------------------|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ CENTRAL ADMINISTRATIVE SERVICES | 5,263.6 | 5,023.5 | 4,948.5 |
| ➤ GAME MANAGEMENT | 33,312.4 | 31,213.2 | 31,541.8 |
| ➤ SPORTFISH MANAGEMENT | 23,424.0 | 25,325.9 | 25,388.9 |
| ➤ NONGAME AND ENDANGERED WILDLIFE | 24,998.0 | 28,660.8 | 29,033.4 |
| ➤ OFF-HIGHWAY VEHICLE / WATERCRAFT | 7,418.1 | 10,048.0 | 9,308.9 |
| Agency Total: | 94,416.1 | 100,271.4 | 100,221.5 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 34,985.5 | 39,020.9 | 40,582.0 |
| Other Non Appropriated Funds | 59,430.6 | 61,250.5 | 59,639.5 |
| Program Total | 94,416.1 | 100,271.4 | 100,221.5 |
| FTE Positions | 637.7 | 637.7 | 637.7 |

Strategic Issues:

Issue 1 Wildlife management in a constantly changing physical environment

Issues listed above (wildlife habitats) are intrinsically tied to wildlife species abundance. Wildlife stressors associated with habitat loss or fragmentation, and continued threats to the health and diversity of habitats through development associated with population growth, introduction and expansion of invasive species, increased demands from the public, wildland fires, illegal immigration traffic, increased off-highway vehicle use, and long-term drought are some of the issues that create challenges for the Department's wildlife management efforts. The above-mentioned factors can markedly change species abundance. Keeping common species common in a changing environment will be a challenge. Moreover, the Department lacks sufficient funding to develop and implement projects needed to recover less common, or extremely rare (endangered and threatened species), and to conserve others that are imperiled or at risk of imperilment. As a result, the rate at which species are recovered and then dropped from the federal endangered species list is below potential, and new species are propose for addition to the threatened and/or endangered species list.

Issue 2 Recruitment and retention of hunters and anglers

Recent data from the National Survey of Fishing, Hunting, and Wildlife Associated Recreation has revealed that across the nation, participation in our cherished traditions of hunting and fishing has declined at alarming rates from 1990. Moreover, the American Sportfishing Association in partnership with the Association for Fish and Wildlife Agencies recently completed research into license buying habits of anglers, and revealed that loyal anglers are not buying licenses as frequently as thought. Together, the data suggest that people are increasingly turning to alternative forms of recreation. Changing lifestyles, urbanization, competition for time and alternative recreational activities are factors in those declines. Hunting and fishing traditions have long promoted family values, and it was hunters and anglers that comprised the driving force for massive and historic wildlife conservation efforts in North America over the past century. During the past 15 years in which participation in hunting and fishing has declined, more people have engaged in wildlife watching activities, which validates that wildlife and appreciation for the natural world still has immense intrinsic value. It will be hunters and anglers that continue to promote the model of wildlife conservation into the future. Thus, the Department has made recruitment and retention of hunters and anglers a top priority. The Department has made hunter education programs more convenient with an online option for classes, as well as a newly developed Hunting Awareness and Appreciation class designed to give Department employees, students, and the public a chance to be exposed to the tradition of hunting. Based on recent survey research, the Department is increasing hunting opportunity where biologically feasible. The Department continues to expand the Urban Fisheries Program, creating more opportunities for fishing in urban areas across the state. Fishing education has also remained a focal point by hosting dozens of fishing clinics throughout the state on an annual basis. The Department has created additional license categories which offer greater values to families. Additional marketing and education is needed to continue promoting hunting and fishing traditions, a worthwhile investment for our future.

Issue 3 Invasive species

Invasive species in Arizona are a serious and growing problem that is affecting our economy, environment, quality of life, and may additionally pose risks to human health. Invasive species have expanded their range into Arizona from neighboring areas or from afar, either intentionally or accidentally. Invaders can have devastating impacts on native ecosystems by outcompeting native wildlife and plants for space and resources to survive, or prey directly upon native wildlife and plants. These invasive organisms cause a variety of environmental and financial problems, including the loss of wildlife habitat, decreased agricultural productivity, degraded watershed health, decreased land values, increased fire danger, loss of biodiversity, impeded access to recreational lands, introduction of human and wildlife or agricultural diseases, and degraded urban areas and right-of-ways. Invasive species often undesirable and not planned for, and have negative impacts as a result of expansion. These foreign species did not evolve to coexist with Arizona's ecosystems, and they usually have few or no natural predators or competitors. They often generate harm beyond their value. The Department has committed to funding a term Invasive Species Coordinator position, but the threats are perpetual and additional funding will be needed for continued multi-agency coordination and for implementing large-scale efforts to manage invasive species now and far into the future.

Issue 4 Long-term, stable funding for the future

The Department's continuing efforts to improve customer service, reduce turnover, meet diversity goals, and maintain or expand upon existing programs, has been hampered by changing revenue patterns and increasing costs. While some sources of revenue have increased, others have decreased, but overall costs have increased dramatically for health care benefits, fuel, trout production, etc. Funding shortfalls must be covered from other operating funds (the Department does not receive money from the State's General Fund); the Department must investigate and pursue new sources of revenue to ensure that the Department can remain solvent into the future. A reduction in management, educational programs, or enforcement may cause a decline in public satisfaction with ongoing work efforts. It is therefore critical that we maintain and/or increase our funding alternatives. Hence, alternative methods of funding

wildlife management efforts will need to be explored in detail.

Issue 5 *Maintain and improve wildlife habitats*

With limited precipitation in Arizona, there are extensive demands on natural resources. The State is not out of its long-term drought yet, and severe wildfires this year have significantly impacted wildlife habitats. Arizona is also still one of the fastest growing states, and urban sprawl, leap frog development, and associated infrastructure is negatively impacting wildlife. This trend is expected to continue. Invasive species are increasingly causing problems (quagga mussels in the Colorado River Lakes and Lake Pleasant; bufflegrass; and other invasives). Habitat loss, fragmentation, and continued threats to the health and diversity of these habitats create challenges for the Department's wildlife management efforts. The Department must use its limited resources efficiently to maintain and improve habitats for Arizona's wildlife through habitat enhancements, sustainable land-use, water catchment development, wildlife translocations, and other means. Partnerships and cooperation with federal, state, tribal and local governments, conservation and recreational organizations, private landowners, and individual citizens will be crucial to future success.

Issue 6 *Wildlife management in a culturally diverse and demographically changing state.*

Our Department is in the process of developing and implementing a plan to promote acceptance of diverse values regarding wildlife. To help effect this desired outcome we have and will continue to sponsor multi-cultural training events for employees, as well as promoting outreach and education to culturally diverse communities and audiences. Wildlife values often differ among user groups and/or demographic units. As society changes, peoples perceptions and values associated with wildlife change too. Recent studies have indicated a potentially significant shift in peoples values associated with wildlife from that of utilitarian to protectionist. This shift is related to societal factors such as urbanization, education, income levels, cultural diversity, and other factors. Unfortunately, the Department relies on the sales of licenses to hunt and/or fish to fund wildlife management; and as utilitarian values decrease the funding for wildlife programs could also decrease. Thus, the Department must be continually prepared to meet the needs of a changing society.

Issue 7 *Impaired operation of watercraft and loss of funds*

The 2007 Arizona Boating Safety Report indicates that 25% of all fatal watercraft accidents are a direct result of alcohol use. Half of the fatalities were directly related to alcohol use. Additionally, in nearly 7% of all reported watercraft accidents alcohol is a contributing factor. Many minor accidents are not reported to the Department. Public awareness is not sufficient regarding impaired operation of watercraft to sufficiently deter violations. Thus, the Department has embarked on a marketing and outreach campaign to raise awareness of the issue of alcohol-related watercraft accidents on Arizona waterways. Messages will be used in a variety of media delivery methods including television, radio, billboards, print, web, and direct mailings in addition to the Boating Safety Education Program. The overall goal is to effect change in public attitude about the inappropriateness of drinking and boating. The Department also established two grant programs to address this issue. The Operating Under the Influence (OUI) Law Enforcement Grant Program is intended to facilitate expansion of boating enforcement and public safety efforts statewide through a funding mechanism specifically aimed at discouraging, preventing, and removing impaired boat operators from Arizona waterways. This grant program will allow other agencies to expand their operational OUI enforcement efforts. The second program, the Boating Safety Grant Program, is intended to facilitate expansion of boating safety and education efforts statewide through proactive projects aimed at reducing boat accident rates, with an emphasis on identified problem areas.

Issue 8 *Shooting range development*

According to the National Shooting Sports Foundation, more than 19 million Americans safely participate in target shooting with handguns, shotguns and rifles. If you add special-interest shooters such as muzzleloader enthusiasts and archers, the total number of active shooters jumps even higher. Target shooting varies from a leisure activity to competitive sporting events involving leagues and collegiate athletics, and even to the world stage of the Olympic Games. Our Ben Avery Shooting Facility (BASF) near Phoenix has received a five-star rating from the National Association of

Shooting Ranges, meaning that it is the best of the best at providing a quality recreation experience. BASF was the first government-managed facility to receive this designation and has also been noted as a city of Phoenix Point of Pride. BASF also hosted the 2008 U.S. Archery Team Olympic trials.

BASF and other shooting facilities, provide a safe and friendly environment for customers to practice to become more proficient shooters, and offer venues shooting competitions and events. Shooting facilities promote safe weapons handling and support law enforcement training. The Department promotes participation by youth in shooting programs including the scholastic clay target program, and Archery in the Schools programs. These activities are made possible through development of shooting ranges, something the Arizona Game and Fish Commission has promoted through a Shooting Range Development Grant program since 1996. The Department has been working closely with community leaders and is in the initial process of finding a suitable site for another shooting facility (Northern Arizona Regional Shooting Facility) near Flagstaff. This site will provide a much needed shooting facility to the region.

| GFA 1.0 | Program Summary |
|---------------------------------|-----------------|
| CENTRAL ADMINISTRATIVE SERVICES | |
| Gary Hovatter, Deputy Director | |
| Phone: (623) 236-7288 | |
| A.R.S. Title 17, A.R.S. Title 5 | |

Mission:

To effectively manage the Department, and ensure accountability for all Department activities.

Description:

Under the provisions of A.R.S. § 17-211 the Arizona Game and Fish Director is responsible for the supervision and control of all activities, functions, and employees of the Department and shall enforce all provisions of this title including all Commission rules and orders.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 5,020.7 | 4,196.6 | 4,121.6 |
| Other Non Appropriated Funds | 243.0 | 826.9 | 826.9 |
| Program Total | 5,263.6 | 5,023.5 | 4,948.5 |
| FTE Positions | 27.2 | 27.2 | 27.2 |

- ◆ **Goal 1** To be the recipient of the Governor's Award for Quality (State Quality Award Program) while maintaining and improving employee satisfaction, have employees that perceive themselves as being valued at work, value the work they are doing, and are satisfied with the opportunities for career advancement within the Department.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of employees that feel that the job they do is important. | 88 | 0 | 0 |
| Explanation: % of employees answering "agree" or "strongly agree" in annual survey. | | | |
| Overall job satisfaction. | 75 | 0 | 0 |
| Explanation: % of employees answering "agree" or "strongly agree" in annual survey. | | | |

| GFA 2.0 | Program Summary |
|---|-----------------|
| GAME MANAGEMENT | |
| Larry Riley, Acting Asst. Director Wildlife Management Division | |
| Phone: (623) 236-7301 | |
| A.R.S. Title 17 | |

Mission:

To manage game wildlife populations and their habitats to maintain the natural diversity of Arizona, while providing game wildlife-oriented recreation opportunities for present and future generations.

Description:

Arizona is host to many species of wildlife. Those mammals and birds which are actively hunted are considered game animals. Hunting can be a management tool for the Department and is an important recreational past-time and valued heritage for those who participate. Management of game includes inventory of game populations and regulation of harvest to provide sustained recreational opportunities. Management also includes assessing habitat conditions, evaluating formerly occupied habitat for potential re-introduction of species, enforcing regulations, and providing input on land management actions that potentially impact game habitats. The Department has focused efforts in education to recruit and retain hunters to maintain this cherished tradition, and also to provide a driving force in conservation efforts. We work closely with government and non-government partners to ensure access to hunting areas, and the Department is moving to increase opportunity or create new opportunity for all hunters where possible. This includes efforts to recruit new and retain existing hunters.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 12,503.0 | 11,889.1 | 12,445.5 |
| Other Non Appropriated Funds | 20,809.3 | 19,324.1 | 19,096.3 |
| Program Total | 33,312.4 | 31,213.2 | 31,541.8 |
| FTE Positions | 242.0 | 242.0 | 242.0 |

- ◆ **Goal 1** To maintain the natural diversity of game populations in Arizona, while providing sustainable recreational opportunities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Hunter recreation days (millions) | 1.6 | 0 | 0 |
| Explanation: This includes both big and small game hunting days. | | | |
| Ratio of number of big game permit tags to the number of people applying | .56 | 0 | 0 |
| Number of hunting licenses sold. | 187,811 | 0 | 0 |
| Explanation: Data reflect all hunting licenses and combination licenses. | | | |
| Number of habitat improvements by AGFD. | 117 | 0 | 0 |
| Number of Hunter Education graduates. | 3,716 | 0 | 0 |
| Explanation: Number of Hunter Education graduates. | | | |

| GFA 3.0 | Program Summary |
|---------|--|
| | SPORTFISH MANAGEMENT |
| | Larry Riley, Acting Asst Director Wildlife Management Division |
| | Phone: (623) 236-7301 |
| | A.R.S. Title 17 |

Mission:

To protect, maintain or enhance the distribution, abundance, availability and diversity of cold and warm water sportfishes and their habitats; and to disseminate information about Arizona's sportfish and recreational opportunities for present and future generations.

Description:

Arizona has many species of fish, many of which are not native to Arizona but have become established. Some non-native warmwater sport fish were, and still are brought in from other places to meet Arizona's angling demands; however, most species have self-sustaining populations. Most coldwater sport fish species such as trout are produced within Department hatchery system and distributed to various waters in order to meet public demand. Management of sport fish is accomplished through population inventories, regulation of harvest, and propagation and distribution to maintain diversity and enhance angling opportunities. Additionally, the Department enforces fishing regulations and enhances fish habitat through the placement of artificial structures. In addition to acting as a catalyst for conservation efforts, recruitment and retention of anglers is crucial to continue this valued and family-oriented tradition. Working closely with numerous partners, we strive to enhance Arizona's sport fishing opportunities and make those opportunities accessible to many people.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,197.7 | 10,037.7 | 10,704.8 |
| Other Non Appropriated Funds | 15,226.3 | 15,288.2 | 14,684.1 |
| Program Total | 23,424.0 | 25,325.9 | 25,388.9 |
| FTE Positions | 167.1 | 167.1 | 167.1 |

- ◆ **Goal 1** To increase public awareness of Arizona's sportfishing resources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of anglers satisfied with angling information products and services. | 74 | 0 | 0 |

- ◆ **Goal 2** To provide recreational opportunities for sportfishing.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Angler Recreation Days (millions) | 5.3 | 0 | 0 |
| Explanation: Angler Recreation Days (millions) | | | |
| Percent of anglers satisfied with their angling experiences. | 71 | 0 | 0 |
| Number of urban lake fishing angler days. | 683,300 | 0 | 0 |
| Number of urban fishing licenses sold | 30,998 | 0 | 0 |
| Explanation: Reports prior to FY2009 included all urban fishing related licenses sold. This number includes only Class U licenses. | | | |
| Total number of fishing licenses sold. | 328,308 | 0 | 0 |
| Explanation: Includes all fishing licenses. | | | |
| Pounds of fish produced in Department hatcheries. | 453,000 | 0 | 0 |

| GFA 4.0 | Program Summary |
|---------|--|
| | NONGAME AND ENDANGERED WILDLIFE |
| | Larry Riley, Acting Asst Director Wildlife Management Division |
| | Phone: (623) 236-7301 |
| | A.R.S Title 17 |

Mission:

To enhance nongame and watchable wildlife and fish (nongame wildlife) populations and their habitats to restore the natural diversity of Arizona, to increase public awareness of nongame wildlife, and to provide nongame wildlife and fish-oriented recreation opportunities for present and future generations.

Description:

Most of the wildlife species in Arizona are nongame. Nongame wildlife includes all reptiles, amphibians, mollusks and crustaceans, some of which can be legally harvested. Additionally, nongame includes those fish, birds and mammals which cannot be legally harvested. Management of nongame includes inventory of nongame populations, recovery efforts to restore populations of extirpated species, and coordination of efforts to develop endangered species recovery plans. Nongame management also includes assessing habitat conditions, distributing information about nongame and watchable wildlife species, and providing input on land management actions that potentially impact wildlife habitats, has an outdoor recreation impact, or has potential for economic impact.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 6,158.4 | 8,120.8 | 8,698.4 |
| Other Non Appropriated Funds | 18,839.6 | 20,540.0 | 20,335.0 |
| Program Total | 24,998.0 | 28,660.8 | 29,033.4 |
| FTE Positions | 160.9 | 160.9 | 160.9 |

- ◆ **Goal 1** To maintain and restore the natural diversity of Arizona's nongame and watchable wildlife.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of Landowner Incentive Projects (LIP) that were signed. | 4 | 0 | 0 |
| Explanation: This program lost federal funding in 2009. There are several landowner relation programs that achieve similar results. | | | |
| Number of Safe Harbor Agreements and Conservation Agreements signed. | 0 | 0 | 0 |
| Explanation: 9 new properties were added to two existing SHA's in FY11 | | | |
| Number of Department-sponsored or Department-involved watchable wildlife events. | 55 | 0 | 0 |
| Explanation: Includes festivals, expos, and workshops | | | |

| GFA 5.0 | Program Summary |
|--|-----------------|
| OFF-HIGHWAY VEHICLE / WATERCRAFT | |
| Leonard Ordway, Assistant Director Field Operations Division | |
| Phone: (623) 236-7293 | |
| A.R.S. Title 17, 28, and 5 | |

Mission:

To protect wildlife resources and public safety by promoting responsible use of watercraft and off-highway vehicles; through information, education, regulation, and enforcement.

Description:

The Off-Highway segment of this program is responsible for developing an informational and educational program on Off-Highway vehicle recreation and administering off-road vehicle law enforcement pursuant to Title, 17, Chapter 4, Article 3 and Title 28, Chapter 3, Article 20. The Watercraft segment of this Program makes the rules required to carry out all provisions of A.R.S. Title 5, Chapter 3. The Department regulates the registration and operation of watercraft; provides law enforcement, boating-safety education, boating access, and has jurisdiction for a uniform waterway-marking system; and through partners oversees the use of aids-to navigation, hazard and regulatory markers on the waters of Arizona.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,105.6 | 4,776.7 | 4,611.7 |
| Other Non Appropriated Funds | 4,312.4 | 5,271.3 | 4,697.2 |
| Program Total | 7,418.1 | 10,048.0 | 9,308.9 |
| FTE Positions | 40.5 | 40.5 | 40.5 |

- ◆ Goal 1 To provide law enforcement needed to ensure the boating public is provided a safe/enjoyable experience.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Number of Arizona Game and Fish Department watercraft enforcement hours | 12,554 | 0 | 0 |
| Explanation: | Decrease may be due to vacant positions and fewer recreation days (economy). | | |
| Number of observed watercraft violations | 2,461 | 0 | 0 |
| Explanation: | Decrease may be due to vacant positions and fewer recreation days (economy). | | |
| Number of watercraft Operation Under Influence of alcohol (OUI) arrests by Department officers. | 51 | 0 | 0 |
| Explanation: | Number of watercraft Operation Under Influence of alcohol (OUI) arrests by Department officers. | | |
| Number of watercraft accidents in which alcohol was a contributing factor. | 17 | 0 | 0 |
| Explanation: | Number of watercraft accidents in which alcohol was a contributing factor. | | |

- ◆ Goal 2 To provide excellent customer service to all individuals registering a watercraft in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Number of watercraft registered in Arizona | 136,925 | 0 | 0 |
| Explanation: | Number of watercraft registered in Arizona | | |
| Watercraft registration renewal processing time by mail (in days) | 5 | 0 | 0 |
| Explanation: | Watercraft registration renewal processing time by mail (in days) | | |
| Percent of watercraft registration handled through the internet. | 28.2 | 0 | 0 |

- ◆ Goal 3 To provide boaters with safety-training education and information materials to maximize boater safety and enjoyment on the State's waterways.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| | | | |
|--|--|---|---|
| Number of students completing Arizona Game and Fish Department sponsored watercraft safety classes | 1,166 | 0 | 0 |
| Explanation: | Number of students completing Arizona Game and Fish Department sponsored watercraft safety classes | | |
| Dollars available through boating safety grants. | 500,000 | 0 | 0 |

- ◆ Goal 4 To provide the public and land management agencies with information on habitat protection, safe OHV use, and available OHV use areas.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Number of off-highway user contacts by Arizona Game and Fish Department field officers | NA | 0 | 0 |
| Explanation: | The Arizona Game and Fish Department does not currently record contacts in its Spillman© database system. However, we are currently building a database that will capture contacts and anticipate reporting this data for State FY12. | | |
| Number of off-highway vehicle violations observed | 638 | 0 | 0 |
| Number of full time employees who are assigned to OHV duties. | 10 | 0 | 0 |

| | |
|-------------------------|-----------------------|
| GMA 0.0 | Agency Summary |
| DEPARTMENT OF GAMING | |
| Mark Brnovich, Director | |
| Phone: (602) 771-4263 | |
| A.R.S. § 5-601 | |

Mission:

To protect the public, enforce Arizona's gambling laws, ensure compliance with the gaming compacts, and regulate the gaming industry.

Description:

The Department of Gaming is responsible for enforcing Arizona's gambling laws. This includes enforcement of Arizona's laws prohibiting illegal gambling (A.R.S. Section 5-602.J) and regulating and monitoring tribal compliance with the Tribal-State gaming compacts including their responsibilities concerning the nature, extent, and conduct of gaming activities; public health, safety, and welfare; and other operational requirements. The Department also conducts background investigations of all prospective gaming employees, management contractors, providers of gaming services, and manufacturers and distributors of gaming devices in order to ensure that unsuitable individuals or companies are not involved in Arizona's gaming industry.

| | | | |
|------------------------|-----------------|-----------------|-----------------|
| Agency Summary: | (\$ Thousands) | | |
| | FY 2011 | FY 2012 | FY 2013 |
| Program | Actual | Estimate | Request |
| ➤ ENFORCEMENT | 9,964.7 | 9,875.9 | 10,587.1 |
| ➤ CERTIFICATION | 1,592.7 | 1,998.3 | 1,998.3 |
| Agency Total: | 11,557.4 | 11,874.2 | 12,585.4 |

| | | | |
|---------------------------------|-----------------|-----------------|-----------------|
| Funding and FTE Summary: | FY 2011 | FY 2012 | FY 2013 |
| (Thousands) | Actual | Estimate | Request |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 11,557.4 | 11,874.2 | 12,585.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 11,557.4 | 11,874.2 | 12,585.4 |
| FTE Positions | 123.0 | 123.0 | 123.0 |

Strategic Issues:

Issue 1 *Maintain the unique regulatory relationships between the tribal, state, and federal governments*

The Legislature established the Arizona Department of Gaming in 1995 to act on behalf of the State in enforcing Arizona's gambling laws and providing State regulatory oversight of Indian gaming operations. The State and the Arizona Indian tribes that sought to conduct gaming activities negotiated formal agreements required by federal law. Those formal agreements are known as Tribal-State gaming compacts. The Tribal-State compacts provide a regulatory framework whereby the State and tribes share responsibility for regulating gaming operations. Each compact is unique due to the State's co-regulatory role set forth in the compacts.

Issue 2 *Enforce Arizona's illegal gambling laws*

The Department of Gaming is authorized to enforce Arizona's laws concerning illegal gambling. To that end, the Department coordinates with State and local law enforcement agencies throughout the state to investigate and prosecute violations of Arizona's gambling laws.

Issue 3 *Improve the Department's ability to employ and retain qualified personnel*

The Arizona Department of Gaming is a regulatory agency positioned in a rapidly changing technology-based industry. As in the case with other dynamic organizations, the need to attract the right people at the right time is both perpetual and costly. The challenge to the Department is to have effective recruitment activities that contribute directly to organizational productivity, quality of work life, and legal compliance. At the same time, the Department seeks to ensure that its current staff have or are given the

opportunity to develop the skills necessary to meet the job demands in this ever changing industry. The Department also endeavors to ensure that its employees will not only effectively and efficiently perform their work but that they will stay with the Department for the long term. Thus, the agency strives to attain a match between each employee's skill set and needs to the rewards that the job qualities and organizational opportunities provide.

Issue 4 *Adapt to the rapid changes in technology in the industry*

Developments in gaming technology are transforming the gaming industry and, consequently, the way the Department regulates gaming. In the last two years, it has been clear that the rate of change in the public gaming industry has increased substantially. The cycle time between major and minor software upgrades for gaming device technology has decreased from a 12 to 24 month cycle to less than six months in many cases. Another aspect of this change is the increased complexity of the technology itself resulting from the sophisticated algorithms coupled with digital microprocessor technology.

| GMA 1.0 | Program Summary |
|---------|-----------------------------|
| | ENFORCEMENT |
| | Dan Bergin, Deputy Director |
| | Phone: (602) 771-4263 |
| | A.R.S. § 5-601 |

Mission:

To enforce Arizona's gambling laws, assure compliance with the provisions of the tribal-state gaming compacts, support and provide programs for the prevention and treatment of and education concerning problem gambling.

Description:

The Department of Gaming enforces the State's gambling laws including ensuring Tribal compliance with the compact provisions, including those governing the nature, extent and conduct of gaming activities. This is accomplished through coordination with State and local law enforcement agencies and through inspections of the gaming facilities and records, surveillance, monitoring of card games, testing of gaming devices during both scheduled and random inspections, and testing internal controls. The Department of Gaming's enforcement functions are funded by tribal contributions established in Proposition 202, codified in A.R.S. § 5-601.02, and the Tribal-State Compacts. The Department's Office of Problem Gambling contracts with a helpline provider and with treatment providers to provide services concerning problem gambling.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 9,964.7 | 9,875.9 | 10,587.1 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 9,964.7 | 9,875.9 | 10,587.1 |
| FTE Positions | 95.0 | 95.0 | 95.0 |

- ◆ **Goal 1** To enforce Arizona's gambling laws and assure compliance with compact provisions and internal control requirements

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total number of compact compliance reviews accomplished | 15 | 15 | 15 |
| Percentage of facilities reviewed for compact compliance reviews | 100 | 100 | 100 |

- ◆ **Goal 2** To maintain communication with tribal officials

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|---|-------------------------|-------------------------|
| Average visits per casino each month | 10 | 10 | 10 |
| Explanation: | Goal is to visit each gaming facility at least twice per month. | | |

- ◆ **Goal 3** To monitor and enforce technical standards for gaming devices

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total number of machines inspected and certified | 13,908 | 14,000 | 14,000 |
| Percent of all gaming devices certified | 100 | 100 | 100 |

- ◆ **Goal 4** To provide treatment and education regarding problem gambling

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of individuals receiving treatment services | 823 | 850 | 875 |
| Number of awareness materials distributed | 7,768 | 8,000 | 8,000 |

| GMA 2.0 | Program Summary |
|---------|-----------------------------|
| | CERTIFICATION |
| | Dan Bergin, Deputy Director |
| | Phone: (602) 771-4263 |
| | A.R.S. § 5-601 |

Mission:

To investigate and evaluate the suitability of applicants for state certification within time frames set by Tribal-State Compacts.

Description:

The Department of Gaming receives applications of persons seeking state certification or a tribal gaming license. Within 20 days of receiving a completed application for state certification of a non-tribal member, the Department issues temporary certification, unless there is evidence of criminal history sufficient to disqualify the applicant. Following the completion of a background investigation, if the applicant is found suitable, permanent state certification is granted. At the conclusion of the background investigation of a tribal member, a recommendation is made to the Tribe as to whether the person should receive a tribal license. The Department also conducts background investigations and audits to certify corporations or other entities that provide gaming services to tribal gaming facilities in an amount that exceeds \$10,000 per month. This program is funded through certification fees and investigative costs established in Section 5(l) of the Tribal-State compacts.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,592.7 | 1,998.3 | 1,998.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,592.7 | 1,998.3 | 1,998.3 |
| FTE Positions | 28.0 | 28.0 | 28.0 |

- ◆ **Goal 1** To Ensure the Suitability of Individuals Employed by the Tribal Casinos

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Total number of individual applications received | 8,569 | 10,000 | 10,000 |
| Total number of days elapsed from receipt of completed application to the issuance of temporary certification | 4 | 6 | 6 |
| Percentage of applicants granted certification or renewal | 99 | 98 | 98 |
| Percentage of applicants who had their certification, denied, revoked or suspended | 1 | 2 | 2 |

- ◆ **Goal 2** To Ensure the Suitability of Businesses that Provide Goods and Services to the Tribal Casinos

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-------------------------|-------------------------|
| Total number of new or initial applications received | 109 | 115 | 115 |
| Total number of permanent certifications issued | 102 | 110 | 110 |
| Explanation: | The number of issued certifications decreased because the department waived the certification requirement for 20 vendors that the department determined certification was not necessary to protect the public interest. | | |
| Total number of renewals issued | 196 | 200 | 200 |
| Total number of denials, revocations, and suspensions | 2 | 2 | 2 |
| Percent of temporary certifications issued within 20 days | 94 | 95 | 95 |
| Level of satisfaction by applicants regarding process (percent) | 99 | 99 | 99 |

| | |
|---|-----------------------|
| GSA 0.0 | Agency Summary |
| GEOLOGICAL SURVEY | |
| M. Lee Allison, Ph.D., Director and State Geologist | |
| Phone: (520) 770-3500 | |
| A.R.S. § 27-151 | |

Mission:

To inform and advise the public about the geologic character of Arizona to help meet societal needs for water, energy, and mineral resources and assist in prudently managing the state's land and natural resources.

Description:

Arizona Geological Survey (AZGS) staff perform several important functions for their customers who include governmental agencies, elected officials and staff, environmental and engineering geology firms, hydrologists, energy and mineral resource exploration and production companies, consultants, planners, property owners and potential buyers, attorneys, realtors, insurance companies, tourists, teachers, students, book dealers, professional societies, citizen groups, and interested individuals. First, they inform and advise the public by answering questions, selling maps and reports, maintaining a geology library and databases, giving talks, and leading field trips. Second, they map and characterize rock formations, surficial materials, and mineral and energy resources. Third, they describe and monitor potential hazards and limitations to land and resource management (e.g. earthquakes, flooding, land subsidence and earth fissures, landslides, debris flows, and rock solution). Fourth, they provide support for the Arizona Oil and Gas Conservation Commission.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 789.0 | 865.1 | 1,997.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 5,100.8 | 6,560.2 | 6,560.2 |
| Program Total | 5,889.8 | 7,425.3 | 8,558.1 |
| FTE Positions | 24.5 | 24.4 | 34.4 |

Strategic Issues:

Issue 1 *To characterize geologic hazards and resources in urban-fringe and developing areas*

Land and resource planners and managers, developers, businesses, and property buyers need information about the character of the land and resources to prudently manage them. For example, known and potential geologic hazards that could negatively impact development should be identified in early stages of planning, before construction begins. In addition, local sources of construction aggregate, which are essential for development, should be identified and set aside for future use.

Issue 2 *To identify areas that have potential for discovery of mineral or energy resources*

Parts of Arizona have potential for discovery of mineral or energy resources. Little is known about rocks and resources in the subsurface because few wells have been drilled. Areas with resource potential should be identified. This information should be used to encourage discovery and prudent development of the resources, and, in turn, create jobs and generate revenue.

Issue 3 *To prepare non-technical information for those who've had no training in geology*

Geologists and other professionals routinely use technical geologic maps, reports, and data that the Arizona Geological Survey (AZGS) produces. Most Arizonans, however, have had no training in geology and are unable to comprehend or use technical information. Even so, they periodically make decisions that involve natural resources and geologic hazards, including where to buy property and how to vote intelligently on natural resource and related issues. In addition, they have a strong curiosity about how landforms, rocks, and minerals form. Little information has been produced for non-technical readers. Effective marketing of such

information is necessary because, unlike the professional geologic community, members of the public do not routinely use information from the AZGS and may not be aware that the agency exists.

Issue 4 *To provide administrative and staff support for the Arizona Oil and Gas Conservation Commission*

The Arizona Geological Survey (AZGS) provides administrative and staff support for the Arizona Oil and Gas Conservation Commission (OGCC), which has no staff. The OGCC determines policy and establishes regulations needed to conserve and prudently develop Arizona's oil, natural gas, helium, geothermal, carbon dioxide, and related subsurface resources. AZGS staff conduct activities to carry out policies and enforce regulations established by the Commission.

◆ **Goal 1** To serve as the primary source of information about Arizona geology.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| New maps/reports released by AZGS staff | 23 | 18 | 18 |
| Number of geologic and related maps of Arizona | 20 | 15 | 15 |
| Number of reports that describe geologic hazards and resources in Arizona | 5 | 6 | 6 |
| Number of reports released to inform citizens not trained in geology (Down-to-Earth Series) | 1 | 2 | 2 |
| Number of reports published by other groups | 4 | 10 | 8 |
| Number of talks given or fieldtrips led | 53 | 45 | 50 |
| Number of state agencies and bodies for whom AZGS serves as a science support provider | 15 | 15 | 15 |

◆ **Goal 2** To inform the public about geologic processes, natural hazards, and natural resources in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of reports released to inform citizens not trained in geology (Down-to-Earth Series) | 1 | 2 | 2 |
| Number of seminars and workshops presented to non-technical audiences | 5 | 5 | 5 |
| Number of interviews and presentations through the news media | 44 | 60 | 60 |

◆ **Goal 3** To distribute geologic maps, reports, and data efficiently with high customer satisfaction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-------------------------|-------------------------|
| Percent increase (decrease) in number of publications sold | 13 | 10 | 10 |
| Explanation: | More info is available via the internet and, less of the technical and topographic maps are needed in hard copy. We will adjust to this change in the market. | | |
| Total number of geologic maps and reports and topographic maps sold | 4048 | 4,000 | 4,000 |
| Explanation: | Hard copy maps are less popular because people use internet downloads | | |
| Technical maps and reports sold | 1068 | 2,300 | 2,300 |
| Explanation: | More information is available online now. | | |
| Percent increase (decrease) in sales of technical maps and reports | -64 | 10 | 10 |
| Explanation: | The market is changing as more things are available to be downloaded. | | |
| Number of non-technical reports sold | 3005 | 3,000 | 3,000 |
| Explanation: | We carry more general interests books on Arizona now. | | |
| Percent increase (decrease) in sales of non-technical reports | 15 | 8 | 8 |
| Explanation: | Less technical things are selling, more interest in general use/recreation | | |
| Quality of products sold, 1-5 (highest) scale | 4.8 | 4.8 | 4.8 |
| Numbers of products released or Number of digital maps/reports downloaded | 110,000 | 125,000 | 125,000 |
| Explanation: | 4mb = 400 updates to databases. 5000 = # of files downloaded | | |
| Percent of orders filled the same day received | 95 | 0 | 0 |
| Satisfaction with mail order service provided, 1-5 (highest) scale | 4.9 | 0 | 0 |

◆ **Goal 4** To effectively assist the Arizona Oil and Gas Conservation Commission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Average days to issue a permit | 4 | 5 | 5 |
| Number of Permits issued to drill a well | 77 | 26 | 26 |
| Compliance and safety inspections made | 31 | 28 | 28 |
| Number of gas-storage wells | 14 | 14 | 14 |
| Number of deficiencies found during inspections | 0 | 2 | 2 |

| | |
|------------------------|-----------------------|
| GVA 0.0 | Agency Summary |
| OFFICE OF THE GOVERNOR | |
| , | |
| Phone: | |

Mission:

To provide leadership for the State of Arizona and to manage the Executive branch of state government to ensure that it efficiently and effectively serves Arizona's citizens.

Description:

The Governor serves as the Chief Executive Office of the Arizona state government. The Constitution provides that the Governor shall be the Commander-in-Chief of Arizona's military forces and authorizes the Governor to grant reprieves, commutations, and pardons, pursuant to law. The Governor is also responsible for making appointments to positions in state government pursuant to law, representing Arizona in official dealings with other governmental entities, taking action on bills approved by the Legislature, and informing the public on issues affecting the state.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 5,657.6 | 6,601.9 | 6,601.9 |
| Other Appropriated Funds | 0.0 | 186.7 | 186.7 |
| Other Non Appropriated Funds | 294,676.8 | 219,410.6 | 219,410.6 |
| Program Total | 300,334.4 | 226,199.2 | 226,199.2 |
| FTE Positions | 131.8 | 141.0 | 141.0 |

OSP 0.0 **Agency Summary**
GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING
,
Phone:

Mission:

To facilitate the effective and efficient allocation of resources in accordance with fiscally sound principles that will enable the Governor and state government to provide quality services to the citizens of Arizona.

Description:

This office provides a central Executive branch resource for the compilation, analysis, and investigation of state fiscal matters. It advises the Governor in preparation of the Executive budget and advocates for that budget through the legislative process. The office assists and advises all entities of state government in budget development and execution. It also coordinates the process of defining state government programs, development and execution. It also coordinates the process of defining state government programs, developing strategic plans, and measuring program performance to achieve desired results. The office is also responsible for fulfilling constitutionally and legislatively mandated reporting requirements related to the state budget.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,816.9 | 1,874.2 | 1,874.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,816.9 | 1,874.2 | 1,874.2 |
| FTE Positions | 22.0 | 22.0 | 22.0 |

- ◆ **Goal 1** To advocate for the adoption of a balanced, fiscally prudent state budget which reflects the priorities and programs of the Governor.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of consecutive years without statewide mid-year reductions | 0 | 0 | 0 |

- ◆ **Goal 2** To monitor the execution of the state budget to ensure that expenditures are in accordance with the adopted budget, actual revenues, and intent of the Governor and Legislature.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of state agencies loading budgets into the Arizona Financial Information System (AFIS). | 0 | 0 | 0 |
| Percent of non-technical supplemental appropriations compared to original appropriations. | 0 | 0 | 0 |

- ◆ **Goal 3** To improve the efficiency and effectiveness of the state strategic planning and budgeting processes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of participants rating budget and planning training as excellent or good. | 0 | 0 | 0 |
| Percent of agencies submitting budget information electronically. | 0 | 0 | 0 |
| Percent of agencies submitting Master List of State Government Programs information electronically. | 0 | 0 | 0 |

| | |
|-------------------------------|----------------|
| HSA 0.0 | Agency Summary |
| DEPARTMENT OF HEALTH SERVICES | |
| Will Humble, Director | |
| Phone: (602) 542-1140 | |
| A.R.S. §§ 36-101 et seq. | |

Mission:

To set the standard for personal and community health through direct care delivery, science, public policy, and leadership.

Description:

The Arizona Department of Health Services is responsible for Public Health Services, including the Arizona State Laboratory, epidemiology & disease control, emergency medical services/trauma, public health emergency preparedness & response, public health statistics, vital records, border health, children with special health care needs, health systems development, minority health, chronic disease prevention & nutrition, oral health, tobacco education, and women's & children's health; Behavioral Health Services, including general mental health services, substance abuse treatment & prevention services, services for the seriously mentally ill, title XIX/XXI adults and children, non-Title XIX/XXI adults and children, contract compliance, consumer rights, and quality management; the Arizona State Hospital, including adult civil services, adult forensic services, and the Arizona Community & Protection Treatment Center; and the licensing and certification of health and child care facilities.

Agency Summary:

| | (\$ Thousands) | | |
|------------------------------|--------------------|--------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADMINISTRATION | 22,115.7 | 139,985.5 | 139,985.5 |
| ➤ LICENSING SERVICES | 14,456.8 | 0.0 | 0.0 |
| ➤ BEHAVIORAL HEALTH SERVICES | 1,804,220.1 | 1,685,052.2 | 1,720,037.9 |
| ➤ ARIZONA STATE HOSPITAL | 63,862.5 | 2,281.4 | 2,281.4 |
| ➤ PUBLIC HEALTH SERVICES | 415,058.5 | 311,154.1 | 311,154.1 |
| Agency Total: | <u>2,319,713.6</u> | <u>2,138,473.2</u> | <u>2,173,458.9</u> |

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|--------------------|--------------------|--------------------|
| General Funds | 428,305.8 | 494,294.8 | 511,236.3 |
| Other Appropriated Funds | 73,160.9 | 88,753.3 | 88,753.3 |
| Other Non Appropriated Funds | 1,818,246.9 | 1,555,425.1 | 1,573,469.3 |
| Program Total | <u>2,319,713.6</u> | <u>2,138,473.2</u> | <u>2,173,458.9</u> |
| FTE Positions | <u>2,140.5</u> | <u>2,140.5</u> | <u>2,140.5</u> |

Strategic Issues:

Issue 1 *Promoting recovery, resiliency, psychosocial rehabilitation, safety, and hope for persons receiving services from the Arizona State Hospital and the community based behavioral health system.*

The recognition that individuals who suffer from mental illness can actually recover from the devastating effects of that illness has been around since the 1980s. Research has confirmed that the belief that recovery is possible is a major factor affecting the quality of life of persons diagnosed with mental illness. Traditionally, the belief in recovery was not embraced as a critical component in the treatment provided in the Arizona State Hospital or the community based behavioral health system. Psychosocial rehabilitation has been the driving philosophy for many years in the treatment of mental illness and substance abuse. While this approach has had some success, its effectiveness can be greatly enhanced by incorporating the recovery and resiliency principles into the treatment provided. The Department is committed to identifying and establishing mechanisms to

promote and institutionalize a unified vision of recovery and resiliency for the entire behavioral health system, across all populations served. This vision will be embedded within the Department's organizational culture and will guide decision making, provide focus for staff, guide the prioritization of initiatives, and promote strategies that are aligned with the vision including. Key strategies includes self and family directed services, choice, empowering individuals and families, respecting diversity, expanding opportunities for integration and community involvement, instilling hope and encouragement, building on strengths, and celebrating successes. By establishing a unified vision, the Department can better facilitate collaboration and partnerships within the behavioral health system and the community and, most importantly, with both the individuals and families that are served.

Issue 2 *Responding to threats and emergencies that place the health of Arizona's populations at risk.*

Over its history, the Department of Health Services has played a critical role in responding to emergencies, including infectious disease epidemics, chemical spills, and fires. Diverse threats, such as chemical, biological, and radiological terrorism, now provide new challenges to the Department. As the lead agency responsible for the health of Arizona's residents, the Department is responsible for developing an operable statewide public health system able to prepare for, detect, and respond to large-scale natural or intentional disease events and other public health emergencies. The Department also has a critical role to play in prevention of injury and the development of a trauma system, which can respond to both the every day emergency needs of the public as well as to large-scale events. Critical to success is the working partnerships developed with federal, county, and tribal health agencies, community-based organizations, public safety agencies, the media, the military, behavioral health providers, emergency medical service providers, hospitals, and Arizona/Sonora border agencies. Maintaining systems in communication and information technology is critical to ensuring that emergency preparedness efforts can respond through early warning systems, rapid communication, mobilization, and coordinated response.

Issue 3 *Promoting optimal health and wellness.*

The Department of Health Services is committed to prevention and health promotion as the path to optimal health and wellness for all Arizonans. The profile of diseases contributing most heavily to death, illness, and disability among Americans has changed dramatically during the last century. Today, chronic diseases—such as cardiovascular disease (primarily heart disease and stroke), cancer, and diabetes—are among the most prevalent, costly, and preventable of all health problems (CDC, 2004). The Department is working with health care providers, employees, and organizations to place greater emphasis on the importance of prevention and health promotion activities. By providing leadership and state-of-the-art health information to professionals and consumers alike, the Department can promote healthier lifestyles and reduce the incidence of chronic and degenerative diseases.

Issue 4 *Enhancing data collection, public health surveillance, and health information technology.*

The health of Arizonans depends in large part on the capability of the Public Health System of Arizona to monitor and identify the diseases, health risks, and populations at risk and to share organized electronic data between public health and health care. This information needs to be accessible, accurate, and timely enough to allow for the appropriate public health response whether it is primary, secondary or tertiary prevention. The effective application of disease prevention strategies is heavily dependent on the quality of surveillance and intelligence information. Standards in the collection, processing, analysis and summarization of health-related data are essential to meeting the needs of the Department. In addition, with migration to electronic medical records and soon-to-be developed regional health information organizations (RHIO--specifically designed for the purpose of sharing electronic medical records and other electronic health information between health care entities), public health data systems need to be coordinated from the outset to ensure not only participation in RHIOs, but also to help set the stage for organized electronic data sharing. This is especially true with public health preparedness activities and the need for near real-time data.

Issue 5 *Pursuing proactive regulation, with an emphasis on timely licensing, investigation, enforcement and technical assistance by a well-trained and adequately staffed workforce.*

The Department of Health Services is committed to working effectively with licensed providers. While statutorily mandated to license, inspect, monitor and take appropriate enforcement action for non-compliance, the Department is also committed to a proactive regulation model. Such a model includes training assistance to providers and educating providers about required standards. By providing training and improved technical assistance, the Department can better protect the health and safety of Arizonans.

Issue 6 *Prioritizing Tribal Issues.*

The mission of the Arizona Department of Health Services is to ensure the delivery of comprehensive public health services to the general population of Arizona including behavioral health services for the Medicaid eligible and seriously mentally ill populations. The Department and Indian Tribes and Nations in the State of Arizona share the common goal of decreasing health disparities and maximizing access to critical health services. The Department will embark on a six point initiative to enhance the working relationship between the Department and Indian Tribes and Nations. The six point initiative consist of: 1) the development of a tribal consultation policy, 2) the review and response to public health issues raised at the Governor's Tribal Leaders summits and other Indian tribal conferences such as the DHHS Region IX Tribal Consultation Sessions, 3) the initiation of a process for feedback to the Department regarding interaction with tribal, Indian Health Service, Inter Tribal Council of Arizona, and Urban Indian Health Program leadership, 4) the initiation of strategic planning for data collection, prevention services, emergency preparedness, and behavioral health, 5) the initiation of Native American cultural knowledge training for Department staff, and 6) the initiation of site visits to reservation, urban Indian, and Indian Health Service sites by the Director. The Department is committed to working with Indian Tribes to improve the quality, availability, and accessibility to public health services and behavioral health care for American Indians in Arizona.

Issue 7 *Recognizing, involving, collaborating and communicating with public health constituencies.*

The Department's public health efforts depend on strong relationships with its public health partners. Such partners include other state agencies, the universities, county health departments, federal and bi-national health entities, public health associations, non-profit organizations, and advocacy organizations. The Department is committed to improving these relationships by involving such constituencies in planning and resource allocation efforts. The Department is working to foster collaborative efforts with cross-border agencies to identify, monitor, prevent, control, and evaluate public health issues and efforts. The Department is also working with academic institutions to identify and collaborate on current and future public health issues, such as public health workforce recruitment, training, and retention. Similarly, the Department needs to support and foster public health research by partnering with the universities, since academic institutions are often leaders in identifying promising public health practices.

Issue 8 *Improving customer services through E-Business solutions.*

The Department is committed to increasing customer service to internal and external customers. As part of this effort, the Department is pursuing an E-Business strategy that allows both internal and external customers to access, manipulate, and use agency information.

The Department is assessing current business processes, defining present and future needs, and developing browser-based technological solutions to meet these needs. Such browser-based solutions will allow integration and manipulation of data from numerous data sources. Once solutions have been identified and implemented, the Department will move forward in providing both internal and external customers access to data so that health trends can be assessed and health outcomes monitored. The Department is also developing its Intranet, to allow internal information to be shared and managed more easily among Health Services employees. Finally, the Department is making strides to provide critical business partners access to specific internal information resources. The Department is developing an Extranet that will allow outside partners to access and provide information

to the Department in a secure manner. For example, current efforts to provide hospitals and funeral homes with an Extranet solution will allow them to send birth and death information to the Department in a timelier, secure, and efficient manner.

| HSA 1.0 | Program Summary |
|---------|-----------------------|
| | ADMINISTRATION |
| | Will Humble, Director |
| | Phone: (602) 542-1140 |
| | A.R.S. § 36-132 |

Mission:

To provide the leadership, direction and resources to ensure the Agency's mandated responsibilities, mission, and goals are met.

Description:

The program provides overall management and direction to the Department; develops and administers policy; responds, investigates and resolves consumer complaints; coordinates and promotes various health-related activities for information and educational consumer needs; and maintains and supports relationships with the legislature, community, and other health agencies. In addition, the program ensures fiscal integrity and adequate resources to conduct business; coordinates all internal and external activities through comprehensive strategic planning; and promotes service excellence through staff training and process improvement.

This Program Contains the following Subprograms:

- ▶ Director's Office
- ▶ Business and Financial Services
- ▶ Information Technology Services

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 12,608.1 | 76,422.4 | 76,422.4 |
| Other Appropriated Funds | 9,514.5 | 42,007.4 | 42,007.4 |
| Other Non Appropriated Funds | -6.9 | 21,555.7 | 21,555.7 |
| Program Total | 22,115.7 | 139,985.5 | 139,985.5 |
| FTE Positions | 213.6 | 1,661.5 | 1,661.5 |

| HSA 1.1 | Subprogram Summary |
|---------|---|
| | DIRECTOR'S OFFICE |
| | Janet A. Mullen, PhD, MBA, Deputy Director for Health Services Operations |
| | Phone: (602) 542-1025 |
| | A.R.S. § 36-132 |

Mission:

To provide the leadership, direction and support the Agency requires to operate effectively and efficiently.

Description:

The office provides policy development; strategic planning and process improvement; monitoring and oversight of the Agency's budget; legislative services; agency legal counsel; administrative rules development; investigation and resolution of consumer complaints; coordination and promotion of health-related activities to inform and educate consumers; partnering with various state, federal, and local stakeholders to improve the coordination of health services and exchange of information on current and emerging health issues. The office also assures contracted services have been satisfactorily delivered; investigates possible personnel misconduct and criminal activity to safeguard the integrity of the Department and its contractors; provides agency-wide training to a staff that is reflective of the culturally diverse population it serves; manages ADA projects; and manages agency facilities, capital building renewal, risk management, fixed asset inventory control, and management services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,088.8 | 2,020.8 | 2,020.8 |
| Other Appropriated Funds | 901.3 | 843.4 | 843.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,990.1 | 2,864.2 | 2,864.2 |
| FTE Positions | 56.1 | 56.1 | 56.1 |

◆ Goal 1 To ensure a diverse, motivated and well trained staff.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of agency staff turnover | 15.8 | 15.9 | 16 |
| Percent of DHS workforce who are minorities | 35 | 35 | 35 |
| Number of EEO complaints | 17 | 12 | 10 |
| Number of EEO complaints dismissed | 13 | 10 | 8 |
| Number of agency training hours delivered by DHS | 15,673 | 16,000 | 16,000 |

◆ Goal 2 To provide legal services to the Department and review the recommended decisions from the Office of Administrative Hearings and Administrative Law Judges and revise or reverse, as necessary.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of scheduled administrative hearings | 689 | 575 | 575 |

◆ Goal 3 To ensure the proper release of records requested for Human Subjects Research.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| HSRB/IRB research projects/studies requests for submission packet processed | 24 | 30 | 30 |
| HSRB/IRB final determinations by Board on projects/studies submitted | 24 | 30 | 30 |

◆ Goal 4 To ensure that services and programs are administered efficiently.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Administration as a percent of total cost | 1 | 1 | 1 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of warehouse requests processed per fiscal year | 1,512 | 1,500 | 1,500 |
| Number of Facilities Request Forms and Work Orders processed | 2,891 | 2,500 | 2,500 |

| HSA 1.2 | Subprogram Summary |
|---------|--|
| | BUSINESS AND FINANCIAL SERVICES |
| | Jim Humble, Assistant Director - Chief Financial Officer |
| | Phone: (602) 542-1030 |
| | A.R.S. § 36-132 |

Mission:

To provide meaningful financial information and business and consulting services in partnership with ADHS customers.

Description:

The subprogram monitors financial expenditures, purchases, and contract requisitions for the procurement of goods and services to ensure compliance.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 5,543.5 | 69,587.9 | 69,587.9 |
| Other Appropriated Funds | 8,251.5 | 40,825.5 | 40,825.5 |
| Other Non Appropriated Funds | -6.9 | 21,555.7 | 21,555.7 |
| Program Total | 13,788.1 | 131,969.1 | 131,969.1 |
| FTE Positions | 81.1 | 1,529.0 | 1,529.0 |

- ◆ **Goal 1** To improve services by developing mutually beneficial relationships with our customers through partnerships.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of procurement and business related training sessions conducted | 15 | 3 | 3 |
| Number of customers trained | 150 | 75 | 75 |

- ◆ **Goal 2** To implement and continually enhance a business system that satisfies and anticipates customer needs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average days to process purchase and contract requisitions (PR/CR): - \$0-1,000 | 20 | 20 | 20 |
| Average days to process (PR/CR)- \$1,001-5,000 | 20 | 20 | 20 |
| Average days to process (PR/CR)- \$5,001-50,000 | 32 | 30 | 30 |
| Average days to process (PR/CR)- over \$50,001 | 40 | 40 | 40 |
| Average working days to pay claims | 7.88 | 9 | 9 |
| Average working days to pay travel claims | 3.45 | 3 | 3 |
| Average number of days to pay vendors from the date of invoice | 7.88 | 9 | 9 |
| Percent of invoices paid within 30 days | 96.62 | 95 | 95 |

| HSA 1.3 | Subprogram Summary |
|-------------------------------------|--------------------|
| INFORMATION TECHNOLOGY SERVICES | |
| Paula Mattingly, Assistant Director | |
| Phone: (602) 364-1560 | |
| A.R.S. § 36-132 | |

Mission:

To provide information technology leadership and solutions to improve the effectiveness and efficiency of the Arizona Department of Health Services' program operations.

Description:

Information Technology Services provides applications, programming services, computer operations, statewide communications through the use of local area networks and wide area networks, computer security, and internet access for the Department's operations, reporting, and planning.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 4,975.8 | 4,813.7 | 4,813.7 |
| Other Appropriated Funds | 361.7 | 338.5 | 338.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 5,337.5 | 5,152.2 | 5,152.2 |
| FTE Positions | 76.4 | 76.4 | 76.4 |

- ◆ **Goal 1** To enhance the agency's ability to further the State's e-Government initiative through the implementation of internet technology.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of visits to the ADHS Web site (per year) | 2,325,711 | 1,800,000 | 1,800,000 |
| # of new e-Government applications created | 10 | 3 | 3 |

- ◆ **Goal 2** To provide and maintain high quality, current and standardized systems for ADHS and its customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of computer hardware and software replaced per agency replacement plan | 12 | 5 | 5 |

| HSA 2.0 | Program Summary |
|--------------------------------|-----------------|
| LICENSING SERVICES | |
| Mary Wiley, Assistant Director | |
| Phone: (602) 364-3064 | |
| A.R.S. Title 36 | |

Mission:

To protect the health and safety of Arizonans that utilize child and health care facilities by providing information and establishing standards for licensure and regulation.

Description:

The program ensures public health and safety through certification, inspection, licensure, complaint investigation, training, quality improvement, technical assistance and enforcement activities. The Division also licenses audiologists, speech-language pathologists, speech-language pathology assistants, hearing aid dispensers, and midwives.

This Program Contains the following Subprograms:

- ▶ Child Care Licensing
- ▶ Health Care Licensing
- ▶ Administration

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,806.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 5,650.5 | 0.0 | 0.0 |
| Program Total | 14,456.8 | 0.0 | 0.0 |
| FTE Positions | 239.1 | 0.0 | 0.0 |

| HSA 2.1 | Subprogram Summary |
|---------|---|
| | CHILD CARE LICENSING |
| | Lourdes Ochoa, Program Manager |
| | Phone: (602) 364-2542 |
| | A.R.S. § 36-881 to 895; 36-897 to 36-897.12 |

Mission:

To ensure the health, safety and well being of children in child care facilities and child care group homes throughout Arizona by licensing and certifying child care facilities and group homes; establishing appropriate rules; providing technical assistance and training to care givers; and providing consumer education.

Description:

The subprogram ensures that statute is enforced with respect to the licensure and certification of Arizona's child care facilities, child care group homes, parks and recreation programs, and school-based programs. The subprogram also monitors facilities for compliance, investigates complaints, establishes appropriate rules, offers technical assistance, and is responsible for enforcement actions when necessary, including civil penalties, suspension, intermediate sanctions, revocation and denial of licensure. Lastly, the subprogram provides training to providers and education to consumers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,022.2 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.7 | 0.0 | 0.0 |
| Program Total | 2,022.9 | 0.0 | 0.0 |
| FTE Positions | 52.2 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the health and safety of Arizonans through licensing, monitoring and technical assistance of all child care facilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of child care license renewals granted within licensing timeframes | 100 | 0* | 0* |
| Explanation: Per S.B. 1315 Child Care licenses are perpetual. No renewals in FY 2012 and FY 2013 | | | |
| Percent of child care complaint investigations initiated within investigative guidelines | 100 | 99 | 99 |
| Percent of priority two complaint investigations initiated within 10 days | 100 | 100 | 100 |
| Number of licensed providers | 2,634 | 2,600 | 2,650 |
| Number of complaints received | 723 | 730 | 737 |

| HSA 2.2 | Subprogram Summary |
|---------|--------------------------------|
| | HEALTH CARE LICENSING |
| | Mary Wiley, Assistant Director |
| | Phone: (602) 364-3064 |
| | A.R.S. Title 36, 8-504A-B |

Mission:

To ensure the health, safety and well-being of the public in health care facilities throughout Arizona by licensing and certifying health care facilities; establishing appropriate rules; providing technical assistance and training to licensees; and providing consumer education.

Description:

The subprogram ensures that statute is enforced with respect to the licensure and certification of Arizona's assisted living facilities, adult day health care centers, long-term nursing care institutions, intermediate care facilities for persons with an intellectual disability, medical facilities (including hospitals, hospices, recovery care centers, outpatient treatment centers and outpatient surgery centers, abortion clinics and home health agencies), behavioral health facilities (such as inpatient/residential, outpatient, and crisis services), facilities providing screening and education and treatment programs to those convicted of driving under the influence (DUI), facilities providing misdemeanor domestic violence offender treatment programs, opioid treatment agencies, group homes for the developmentally disabled. The subprogram also monitors facilities for compliance, investigates complaints, establishes appropriate rules, offers technical assistance, and is responsible for enforcement actions when necessary, including civil penalties, suspension, intermediate sanctions, revocation and denial of licensure. In addition to regulating facilities, the subprogram also licenses professional audiologists, speech-language pathologists, speech-language pathology assistants, hearing aid dispensers, and midwives, and conducts quality improvement and staff and provider education.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,299.2 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 5,252.6 | 0.0 | 0.0 |
| Program Total | 9,551.8 | 0.0 | 0.0 |
| FTE Positions | 158.1 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the health and safety of Arizonans through licensing, monitoring and technical assistance of health care facilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of health care licensure renewals granted within licensing timeframes | 99.98 | 99 | 99 |
| Percent of health care complaint investigations initiated within investigative guidelines | 50.64 | 53 | 58 |
| Percent of priority two complaint investigations initiated within 10 days | 44.12 | 60 | 75 |
| Number of licensed providers | 4,871 | 4,920 | 5,067 |
| Number of complaints received | 2,379 | 2,403 | 2,426 |

| HSA 2.3 | Subprogram Summary |
|---------|--------------------------------|
| | ADMINISTRATION |
| | Mary Wiley, Assistant Director |
| | Phone: (602) 364-3064 |
| | A.R.S. Title 36 |

Mission:

To be recognized for providing valuable resources through technical assistance, training, effective communication and collaboration.

Description:

The subprogram provides administrative services to the six programs of the Division of Licensing Services that protect the health and safety of residents and clients of health and child care facilities. The subprogram accomplishes this through rules promulgation, training, information systems, enforcement, and business systems.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 2,484.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 397.2 | 0.0 | 0.0 |
| Program Total | | 2,882.1 | 0.0 | 0.0 |
| FTE Positions | | 28.8 | 0.0 | 0.0 |

- ◆ **Goal 1** To improve the effectiveness of the enforcement process by ensuring any enforcement action is appropriate and timely with a focus on training and customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|----------------|------------------|------------------|
| Number of enforcement actions closed | 608 | 575 | 547 |

| HSA 3.0 | Program Summary |
|---------|-------------------------------------|
| | BEHAVIORAL HEALTH SERVICES |
| | Laura Nelson, M.D., Deputy Director |
| | Phone: (602) 364-4566 |
| | A.R.S. § 36-3402 |

Mission:

To ensure a comprehensive, unified behavioral health system for Arizonans.

Description:

Behavioral Health Services coordinates, plans, administers, regulates, and monitors all facets of the public behavioral health prevention and treatment systems, and contracts with four Regional Behavioral Health Authorities (RBHAs) to ensure the availability of and accessibility to an adequate provider network to meet the needs of people with behavioral health problems. Additionally, the program monitors financial viability of RBHAs and ensures compliance with contract standards through review of financial statements and the annual independent certified audit, and review of medical records to identify areas where quality of service could be improved.

This Program Contains the following Subprograms:

- ▶ Administration
- ▶ General Mental Health Services
- ▶ Substance Abuse Services
- ▶ Services for Persons with Serious Mental Illness
- ▶ Child and Adolescent Services
- ▶ Prevention

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 324,319.7 | 411,423.4 | 428,364.9 |
| Other Appropriated Funds | | 36,643.5 | 37,017.0 | 37,017.0 |
| Other Non Appropriated Funds | | 1,443,256.9 | 1,236,611.8 | 1,254,656.0 |
| Program Total | | 1,804,220.1 | 1,685,052.2 | 1,720,037.9 |
| FTE Positions | | 270.1 | 81.3 | 81.3 |

| HSA 3.1 | Subprogram Summary |
|---------|------------------------------|
| | ADMINISTRATION |
| | Melissa Thomas, Bureau Chief |
| | Phone: (602) 364-4651 |
| | A.R.S. § 36-3402 |

Mission:

To provide effective oversight of RBHA services and contract compliance.

Description:

The subprogram provides administration to the division and reviews various areas of RBHAs to identify where quality of service could be improved; and ensures compliance with contract program and financial standards.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 14,539.8 | 2,131.4 | 2,131.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 41,961.7 | 1,510.7 | 1,510.7 |
| Program Total | 56,501.5 | 3,642.1 | 3,642.1 |
| FTE Positions | 234.9 | 46.1 | 46.1 |

- ◆ **Goal 1** To ensure that the behavioral health needs of Arizonans are met through standards set in ADHS/RBHA contracts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Title XIX/XXI clients receiving a routine appointment within 23 days of initial assessment | 92 | 95 | 95 |
| Percent of eligible Title XIX population enrolled in behavioral health treatment programs | 15 | 15 | 15 |

- ◆ **Goal 2** To ensure the fiscal and financial accountability of the RBHAs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of encounters received no later than 210 days after the end of the month which service is rendered | 99 | 99 | 99 |

- ◆ **Goal 3** To strengthen the quality of publicly funded behavioral health services to clients through continued enhancement of a comprehensive quality management program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of RBHA T-XIX adult clients satisfied with services, as measured through an annual satisfaction survey | 85 | 85 | 85 |

| HSA 3.2 | Subprogram Summary |
|---------|-------------------------------------|
| | GENERAL MENTAL HEALTH SERVICES |
| | Laura Nelson, M.D., Deputy Director |
| | Phone: (602) 364-4566 |
| | A.R.S. § 36-2907.02 |

Mission:

To provide leadership, policy direction and administration for a statewide system of behavioral health care services for persons who are Title XIX and Title XXI eligible, and for prioritized persons who are not eligible for Title XIX or Title XXI funded services.

Description:

The subprogram contracts with the RBHAs to offer a comprehensive continuum of mental health intervention and treatment services to meet the general mental health service needs of prioritized Title XIX and Non-Title XIX adults.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 50,759.6 | 65,028.2 | 67,719.7 |
| Other Appropriated Funds | 4,723.6 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,080.8 | 1,608.7 | 1,635.7 |
| Program Total | 57,564.0 | 66,636.9 | 69,355.4 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

- ◆ **Goal 1** To provide general mental health services to Title XIX and Title XXI eligible adults and prioritized adults who are not eligible for Title XIX or Title XXI funded services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of Title XIX/XXI General Mental Health Adults enrolled | 71,380 | 72,000 | 72,000 |
| Number of Non-Title XIX/Non-Title XXI General Mental Health Adults enrolled | 11,845 | 10,000 | 10,000 |
| Total number of General Mental Health Adults enrolled | 83,232 | 83,000 | 83,000 |
| Number of older adults (age 65+) served by the behavioral health system | 5,305 | 6,000 | 6,000 |

- ◆ **Goal 2** To strengthen the quality of publicly funded behavioral health services to clients through continued enhancement of a comprehensive quality management program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of RBHA Title XIX adult clients satisfied with services, as measured through an annual satisfaction survey | 87 | 90 | 90 |

| HSA 3.3 | Subprogram Summary |
|-------------------------------------|--------------------|
| SUBSTANCE ABUSE SERVICES | |
| Laura Nelson, M.D., Deputy Director | |
| Phone: (602) 364-4566 | |
| A.R.S. § 36-2001 | |

Mission:

To provide leadership, policy direction, and administration for a statewide system of behavioral health care services for persons who are Title XIX and Title XXI eligible, and for prioritized persons who are not eligible for Title XIX or Title XXI funded services.

Description:

The subprogram contracts with the RBHAs to offer a comprehensive continuum of substance abuse intervention and treatment services to meet the needs of prioritized Title XIX and Non-Title XIX individuals and families involved in substance use and abuse.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 25,916.6 | 29,226.6 | 30,436.4 |
| Other Appropriated Funds | 2,250.0 | 2,250.0 | 2,250.0 |
| Other Non Appropriated Funds | 324,722.0 | 255,246.2 | 259,222.8 |
| Program Total | 352,888.6 | 286,722.8 | 291,909.2 |
| FTE Positions | 13.0 | 13.0 | 13.0 |

- ◆ **Goal 1** To reduce/eliminate use of alcohol and other drugs among clients who complete substance abuse treatment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of clients with eliminated or reduced use of alcohol or drugs | 38 | 40 | 40 |

- ◆ **Goal 2** To increase paid employment among clients who complete substance abuse treatment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of clients employed or involved in work related activities | 44 | 40 | 40 |

- ◆ **Goal 3** To reduce criminal activity among clients who complete substance abuse treatment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of clients with decreased arrest rate | 31 | 30 | 30 |

- ◆ **Goal 4** To provide substance abuse services to Title XIX and Title XXI eligible adults and prioritized adults who are not eligible for Title XIX or Title XXI funded services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Title XIX/XXI clients with substance abuse disorders enrolled | 58,242 | 55,000 | 55,000 |
| Number of Non-Title XIX/Non-Title XXI (Subvention) clients with substance abuse disorders enrolled | 10,592 | 10,000 | 10,000 |
| Total clients with substance abuse disorders enrolled | 68,834 | 69,000 | 69,000 |

| HSA 3.4 | Subprogram Summary |
|--|--------------------|
| SERVICES FOR PERSONS WITH SERIOUS MENTAL ILLNESS | |
| Laura Nelson, M.D., Deputy Director | |
| Phone: (602) 364-4566 | |
| A.R.S. § 36-503.02 | |

Mission:

To provide leadership, policy direction and administration for a statewide system of behavioral health care services for persons who are Title XIX and Title XXI eligible, and for prioritized persons who are not eligible for Title XIX or Title XXI funded services.

Description:

The subprogram contracts with the RBHAs to offer a comprehensive continuum of mental health intervention and treatment services to meet the needs of prioritized Title XIX and non-Title-XIX individuals with a serious mental illness.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 163,964.9 | 197,270.9 | 205,436.4 |
| Other Appropriated Funds | 4,921.1 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 619,414.0 | 521,002.8 | 529,182.6 |
| Program Total | 788,300.0 | 718,273.7 | 734,619.0 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

- ◆ **Goal 1** To provide behavioral health services to Title XIX, Title XXI, and non-Title XIX individuals with a serious mental illness (SMI).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of Title XIX/XXI clients enrolled with a SMI | 29,953 | 30,000 | 30,000 |
| Number of Non-Title XIX/Non-Title XXI (Subvention) clients enrolled with a SMI | 11,537 | 12,000 | 12,000 |
| Total clients enrolled with a SMI | 41,490 | 42,000 | 42,000 |
| Percent of SMI clients on anti-psychotics receiving new generation psychotropic medications | 57 | 50 | 50 |
| Number of dual eligible, seriously mentally ill enrolled clients receiving medication as prescribed | 7,443 | 8,000 | 8,000 |

- ◆ **Goal 2** To increase the number of adult clients who are or have moved to either independent or supportive settings who were homeless.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of adult SMI clients who have moved to independent or supportive settings who were homeless | 1,090 | 1,000 | 1,000 |

- ◆ **Goal 3** To increase the number of adult SMI clients who obtain employment as a result of services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of clients employed or involved in work related activities | 63 | 60 | 60 |

| HSA 3.5 | Subprogram Summary |
|---------|------------------------------------|
| | CHILD AND ADOLESCENT SERVICES |
| | Sara Salek, M.D., Medical Director |
| | Phone: (602) 364-4626 |
| | A.R.S. Title 36, Ch. 29, 34 |

Mission:

To provide leadership, policy direction and administration for a statewide system of behavioral health care services for children who are Title XIX and Title XXI eligible and for prioritized persons who are not eligible for Title XIX or Title XXI funded services.

Description:

The subprogram contracts with the RBHAs to offer a comprehensive continuum of intervention and treatment services to meet the needs of prioritized Title XIX and non-Title-XIX individuals under the age of 18.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 69,138.8 | 117,766.3 | 122,641.0 |
| Other Appropriated Funds | 24,748.8 | 34,767.0 | 34,767.0 |
| Other Non Appropriated Funds | 447,205.0 | 449,432.8 | 455,290.0 |
| Program Total | 541,092.6 | 601,966.1 | 612,698.0 |
| FTE Positions | 8.2 | 8.2 | 8.2 |

- ◆ **Goal 1** To provide behavioral health services to Title XIX, Title XXI and non-Title-XIX children and adolescents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Title XIX/XIX children enrolled | 58,158 | 60,000 | 60,000 |
| Number of Non-Title XIX/Non-Title XXI (Subvention) children enrolled | 2,522 | 2,500 | 2,500 |
| Total children enrolled | 60,680 | 62,500 | 62,500 |

- ◆ **Goal 2** To strengthen the quality of publicly funded behavioral health services to children and their families through continued enhancement of comprehensive quality management programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of RBHA Title XIX families (with children ages 0-17) satisfied with services, as measured through an annual satisfaction survey | 85 | 85 | 85 |

| HSA 3.6 | Subprogram Summary |
|---------|-----------------------------------|
| | PREVENTION |
| | Lisa Shumaker, Prevention Manager |
| | Phone: (602) 364-4594 |
| | A.R.S. § 36-3433.B1 |

Mission:

To provide preventative behavioral health services that will increase the health and productivity of Arizonans.

Description:

The subprogram is responsible for developing a statewide plan that will identify the priorities for a comprehensive prevention approach for children and adults, which coincides with the Federal Center for Substance Abuse Prevention initiatives required in grant funding, including early intervention, community mobilization, parent-family community education, mentoring, peer leadership and life skills development.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 7,873.4 | 7,810.6 | 7,814.2 |
| Program Total | 7,873.4 | 7,810.6 | 7,814.2 |
| FTE Positions | 6.0 | 6.0 | 6.0 |

- ◆ **Goal 1** To provide behavioral health prevention services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of persons receiving prevention services | 1,000,000 | 1,000,000 | 1,000,000 |

| HSA 4.0 | Program Summary |
|---------|--------------------------------------|
| | ARIZONA STATE HOSPITAL |
| | Cory Nelson, Chief Executive Officer |
| | Phone: (602) 220-6000 |
| | A.R.S. § 36-202 |

Mission:

To provide specialized psychiatric services to support people in achieving mental health recovery in a safe and respectful environment.

Description:

The Arizona State Hospital, a component of the statewide continuum of behavioral health services, provides inpatient treatment and rehabilitation services for the most severely mentally disabled citizens of Arizona, including individuals referred under the provisions of the judicial system. Therefore, the Hospital must provide a comprehensive range of intensive interventions in a secure and safe environment.

This Program Contains the following Subprograms:

- ▶ Clinical Support Services
- ▶ Clinical and Program Services
- ▶ Arizona Community Protection & Treatment Center
- ▶ Psychiatric Review Board

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 54,453.9 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,257.4 | 1,130.7 | 1,130.7 |
| Other Non Appropriated Funds | 1,151.2 | 1,150.7 | 1,150.7 |
| Program Total | 63,862.5 | 2,281.4 | 2,281.4 |
| FTE Positions | 748.9 | 0.0 | 0.0 |

| HSA 4.1 | Subprogram Summary |
|---------|--------------------------------------|
| | CLINICAL SUPPORT SERVICES |
| | Cory Nelson, Chief Executive Officer |
| | Phone: (602) 220-6000 |
| | A.R.S. § 36-202 |

Mission:

To provide specialized psychiatric services to support people in achieving mental health recovery in a safe and respectful environment.

Description:

The Arizona State Hospital, a component of the statewide continuum of behavioral health services, provides inpatient treatment and rehabilitation services for the most severely mentally disabled citizens of Arizona, including individuals referred under the provisions of the judicial system. Therefore, the Hospital must provide a comprehensive range of intensive interventions in a secure and safe environment.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 18,258.4 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,909.2 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 922.6 | 922.1 | 922.1 |
| Program Total | 23,090.2 | 922.1 | 922.1 |
| FTE Positions | 157.7 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure facilities meet modern day treatment, environmental and security standards.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of IT calls resolved within 7 days. | 94 | 95 | 95 |
| Percent of patient care and emergency work orders completed with 24 hours | 97.2 | 95 | 95 |
| Number of staff attending new forensic hospital planning | 25 | 5 | 0 |
| Number of safety risk analysis conducted annually | 17 | 12 | 12 |
| Percent of contractors receiving a satisfactory or above annual rating | 90 | 90 | 90 |
| Percent of new security officers successfully completing the academy | 100 | 95 | 95 |

- ◆ **Goal 2** To maintain a stable and competent work force.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of staff turnover during the first 12 months of employment | 5.28 | 7 | 7 |
| RN vacancy rate percentage | 15.8 | 10 | 8 |

| HSA 4.2 | Subprogram Summary |
|--------------------------------------|--------------------|
| CLINICAL AND PROGRAM SERVICES | |
| Cory Nelson, Chief Executive Officer | |
| Phone: (602) 220-6000 | |
| A.R.S. § 36-202 | |

Mission:

To provide specialized psychiatric services to support people in achieving mental health recovery in a safe and respectful environment.

Description:

The Arizona State Hospital, a component of the statewide continuum of behavioral health services, provides inpatient treatment and rehabilitation services for the most severely mentally disabled citizens of Arizona, including individuals referred under the provisions of the judicial system. Therefore, the Hospital must provide a comprehensive range of intensive interventions in a secure and safe environment.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-----------------|------------------|-----------------|
| General Funds | 28,707.9 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,612.3 | 1,130.7 | 1,130.7 |
| Other Non Appropriated Funds | 226.2 | 226.2 | 226.2 |
| Program Total | 31,546.4 | 1,356.9 | 1,356.9 |
| FTE Positions | 424.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide effective and patient-centered treatment and rehabilitation services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Adult forensic patients year-end census | 122 | 125 | 125 |
| Civil adult patients year-end census | 112 | 115 | 115 |
| Percent of Restoration to Competency adults discharged within 90 days of admission | 33 | 50 | 50 |
| Seclusion incidents per 1,000 patient days | 0.42 | 1 | 1 |
| Restraint incidents per 1,000 patient days, including brief physical holds | 4.1 | 5 | 5 |
| Percent of patients receiving new generation atypical anti-psychotic medication | 87 | 85 | 85 |
| Percent of staff trained in recovery orientation module | 100 | 100 | 100 |
| Percent of direct care staff trained in advanced recovery training module | 24 | 25 | 25 |
| Percent of adult civil clients successfully placed in the community who return for another stay within one year of discharge | 6.38 | 6 | 6 |
| Percent of target population tested positive for Hepatitis C receiving Pegylated Interferon treatment | 0.3 | 1 | 1 |

| HSA 4.3 | Subprogram Summary |
|--|--------------------|
| ARIZONA COMMUNITY PROTECTION & TREATMENT CENTER | |
| Cory Nelson, Chief Executive Officer | |
| Phone: (602) 220-6000 | |
| A.R.S. §§ 36-3701 et. seq. (formerly A.R.S. 13-4601) | |

Mission:

To protect the community from sexually violent offenders while providing a safe environment for those individuals. ACPTC provides Sexually Violent persons referred by the Courts with comprehensive treatment and supervision with the goal of community reintegration. The ACPTC offers residents the opportunity to gain the knowledge, skills and personal growth necessary to assist in their journey towards community reintegration.

Description:

The Arizona State Hospital is the responsible entity for operating a program for the treatment, care and control of sexually violent persons. The sexually violent persons subprogram is licensed separately as a Secured Residential Level I facility. This subprogram is staffed and funded separately from the psychiatric hospital.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 7,413.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,735.9 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2.4 | 2.4 | 2.4 |
| Program Total | 9,151.6 | 2.4 | 2.4 |
| FTE Positions | 166.2 | 0.0 | 0.0 |

- ◆ **Goal 1** To deliver residential housing and treatment services that reflect the individualized needs of residents in accordance with the court orders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of residents in pre-trial program | 17 | 17 | 17 |
| Number of residents in treatment | 16 | 16 | 16 |
| Number of residents in less restrictive alternative | 51 | 51 | 51 |
| Percent of residents in treatment status participating in the designed treatment program | 80 | 80 | 80 |
| Percent of population classified as special needs and requiring special programming and higher staff to patient ratio. | 47 | 47 | 47 |
| SVP program year end census | 84 | 84 | 84 |

HSA 4.4 Subprogram Summary

PSYCHIATRIC REVIEW BOARD

Cory Nelson, Chief Executive Office
 Phone: (602) 220-6000
 A.R.S. § 13-3994

Mission:

To ensure public safety by maintaining jurisdiction and properly monitoring persons who are committed to a secure state mental health facility.

Description:

The Psychiatric Review Board, which adopts rules to carry out the purposes of A.R.S. § 31-4 and 13-38.14 has the following duties: maintaining jurisdiction over persons who are committed to a secure state mental health facility pursuant to A.R.S. § 13-3994; holding hearings to determine if a person committed to a secure state mental health facility is eligible for conditional release; determining if conditions of release should be continued, modified, or terminated, in conjunction with the secure state mental health facility and other appropriate community agencies or persons; devising plans for any conditional release; confidentially maintaining all medical, social and criminal history records of persons who are committed to its jurisdiction; and meeting notification requirements specified in A.R.S. § 31-502.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 74.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 74.3 | 0.0 | 0.0 |
| FTE Positions | 1.0 | 0.0 | 0.0 |

◆ **Goal 1** To monitor and maintain jurisdiction over persons who are committed to a secure state mental health facility pursuant to A.R.S. 13-3994.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| Number of persons monitored | 85 | 85 | 85 |

HSA 5.0 Program Summary

PUBLIC HEALTH SERVICES

Don Herrington, Assistant Director
 Phone: (602) 542-1023
 A.R.S. 36-132

Mission:

To promote and protect the health of Arizona's children and adults

Description:

The program ensures public safety through public health policy and leadership, public health preparedness services, and public health prevention services. These subprograms enhance collection, analysis, and dissemination of public health data; build and protect public health infrastructures that detect, control, and protect Arizonans from infectious and environmental threats and enhance the state's ability to respond to emergencies; improve Arizonans' health outcomes by preventing disease, reducing disability, and increasing access to care; strengthen the family and community by promoting and improving health status through leadership, collaboration and partnership; and recognize, involve, and communicate with public health constituencies.

- This Program Contains the following Subprograms:**
- ▶ Administration and Local, Border and Native American Health Offices
 - ▶ Public Health Statistics
 - ▶ Vital Records
 - ▶ Emergency Medical Services
 - ▶ Arizona Poison Control
 - ▶ State Laboratory Services
 - ▶ Epidemiology and Disease Control
 - ▶ Public Health Emergency Preparedness and Response
 - ▶ Tobacco and Chronic Disease
 - ▶ Health Systems Development
 - ▶ Oral Health
 - ▶ Women's and Children's Health
 - ▶ Children with Special Health Care Needs
 - ▶ Nutrition and Physical Activity
 - ▶ Biomedical Research Commission
 - ▶ Medical Marijuana

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 36,924.1 | 6,449.0 | 6,449.0 |
| Other Appropriated Funds | 9,939.2 | 8,598.2 | 8,598.2 |
| Other Non Appropriated Funds | 368,195.2 | 296,106.9 | 296,106.9 |
| Program Total | 415,058.5 | 311,154.1 | 311,154.1 |
| FTE Positions | 668.8 | 397.7 | 397.7 |

HSA 5.1 Subprogram Summary
ADMINISTRATION AND LOCAL, BORDER AND NATIVE AMERICAN HEALTH OFFICES

Will Humble, Director

Phone: (602) 542-1140

A.R.S. §§ 36-132, 36-110, 36-189A

Mission:

To provide leadership, coordination and support for statewide public health and to strengthen the family and community by recognizing, involving, and communicating with public health constituencies.

Description:

The subprogram consists of the Offices of the Deputy and Assistant Directors of the Division of Public Health Services, the Public Health Services Office of Financial Services, the Preventive Health and Health Services Block Grant Administration, the Governor's Council on Physical Fitness, the Office of Border Health, and the liaisons for local health, minority health, healthy aging, and Native American health. The subprogram coordinate internal programs and resources, provides accountability, and develops and maintains linkages with private, federal, state, and local organizations and agencies. The Office of Border Health coordinates and integrates public health program efforts to identify, monitor, control, and prevent adverse health events in border communities, and strengthens cross-border public health collaboration with Mexico. The Local Health liaison provides consultation, technical assistance and advocacy for local health departments and other agencies to develop and maintain programs that improve the public's health. The Minority Health liaison works to promote and improve the health status of racial and ethnic minority populations in Arizona by incorporating social, economic, and behavioral factors. The purpose of the Healthy Aging Liaison is to serve as an advocate, resource, and communication link between the Department and other agencies and entities providing direct or indirect public health services to Arizona's older adults in communities across the state. The Native American liaison serves as an advocate, resource, and communication link between the Department and the Native American health care community for the purpose of enhancing health care services.

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 2,529.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 225.7 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,909.7 | 3,573.0 | 3,573.0 |
| Program Total | 4,664.7 | 3,573.0 | 3,573.0 |
| FTE Positions | 53.6 | 0.0 | 0.0 |

- ◆ **Goal 1** To develop community-based systems for data collection, surveillance, and analysis of health status in border communities

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Number of border community health assessments | 2 | 2 | 2 |
| Number of sentinel surveillance sites | 3 | 3 | 3 |

- ◆ **Goal 2** To provide technical assistance, continuing health education and dissemination of health-related information to border communities

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Number of presentations to health professionals | 12 | 5 | 5 |
| Number of public meetings | 16 | 8 | 8 |
| Number of information/educational materials distributed | 2,000 | 2,000 | 2,000 |
| Number of issues of border health newsletter | 2 | 3 | 3 |
| Percent of attendees expressing satisfaction with program | 85 | 85 | 85 |

- ◆ **Goal 3** To enhance and expand collaborative efforts in the areas of research, education and services with Mexican public health and academic institutions

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Number of border health epidemiological studies | 1 | 1 | 1 |
| Number of border health conferences | 2 | 2 | 2 |
| Number of border health projects | 5 | 5 | 5 |

- ◆ **Goal 4** To serve as a resource and communication link with the Native American health care community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Number of meetings held with Tribal, Urban and IHS Health | 113 | 103 | 103 |
| Number of projects receiving technical assistance | 18 | 29 | 29 |

- ◆ **Goal 5** To increase the physical activity of children and adults.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-----------------------------|-----------------------------|
| Number of community events that promote physical activity to children and/or adults | 59 | 0* | 0* |
| Explanation: | The funding for community physical activity promotion & training ends in April 2011 | | |
| Number of schools provided assistance in policies promoting physical activity | 79 | 80 | 80 |

- ◆ **Goal 6** To serve as a resource and communication link to enhance and expand collaborative efforts in the areas of research, education, and health promotion for older adults.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Number of community/agency presentations | 10 | 10 | 10 |
| Number of health projects for older adults | 10 | 12 | 14 |

| | |
|--|---------------------------|
| HSA 5.2 | Subprogram Summary |
| PUBLIC HEALTH STATISTICS | |
| Richard S. Porter, Bureau Chief | |
| Phone: (602) 542-7330 | |
| A.R.S. §§ 36-132, 36-136, 36-301 to 36-347 | |

Mission:

To collect, analyze and report public health statistics and information that guide actions and policies to improve the health of Arizonans.

Description:

This subprogram provides epidemiological and statistical public health data to support the Department and public. In addition, the subprogram provides health registries, vital statistics reporting, tobacco primary care evaluation, hospital cost reporting, statistical evaluation and epidemiological technical assistance.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 849.2 | 125.0 | 125.0 |
| Other Appropriated Funds | 69.0 | 1,000.0 | 1,000.0 |
| Other Non Appropriated Funds | 1,167.1 | 1,165.6 | 1,165.6 |
| Program Total | 2,085.3 | 2,290.6 | 2,290.6 |
| FTE Positions | 32.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To collect, manage and provide patient level hospital emergency department and inpatient data to the Department of Health Services and other stakeholders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of records processed (in millions) | 2.7 | 2.8 | 2.8 |
| Number of inpatient reports | 186 | 220 | 221 |
| Number of emergency room reports | 136 | 138 | 138 |
| Number of requests for public release answered | 50 | 50 | 52 |

- ◆ **Goal 2** To collect, manage and maintain rate documentation and financial reports for hospitals, nursing homes, home health agencies, hospices and outpatient treatment centers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of rate comparison reports (Schedule 13) | 106 | 108 | 108 |
| Number of charge master reviews | 885 | 950 | 950 |
| Number of Uniform Accounting Reports received | 359 | 365 | 365 |
| Number of financial audits received | 106 | 108 | 108 |
| Number of Medicare cost reports received | 359 | 365 | 365 |
| Number of referrals/consultations | 1,225 | 1,500 | 1,500 |
| Number of complaints reviewed | 20 | 25 | 25 |
| Number of investigations conducted | 10 | 15 | 15 |

- ◆ **Goal 3** To collect and maintain accurate and complete data related to the incidence of cancer in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of case reports received | 38,995 | 40,945 | 42,992 |
| Percentage of cases reported within 1 year of the close of diagnosis year | 65 | 70 | 70 |
| Number of data requests/inquiries completed | 23 | 40 | 40 |
| Number of audits | 0 | 9 | 9 |
| Audit error rate (percent) | N/A | 5 | 5 |

- ◆ **Goal 4** To collect and maintain accurate and complete statistical data relating to the occurrence of birth defects among infants born in Arizona to Arizona residents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
|-----------------------------|-----------------------|-------------------------|-------------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of medical records (charts) reviewed | 1,050 | 1,000 | 1,000 |
| Number of cases registered | 520 | 760 | 760 |
| Number of data requests/inquiries completed | 10 | 10 | 10 |
| Number of children referred for services | 67 | 65 | 65 |

- ◆ **Goal 5** To conduct quality surveys of behavioral risk factors affecting the health of Arizonans and report findings.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------|-----------------------|-------------------------|-------------------------|
| Survey response rate (percent) | 75 | 75 | 75 |
| Percent of calls completed | 50 | 50 | 50 |
| Number of interview completed | 6,000 | 6,000 | 6,000 |

- ◆ **Goal 6** To provide information on health status of residents of the State through publication of Arizona Health Status and Vital Statistics annual report, other statistical reports and direct requests.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of birth, death, fetal death, marriage, divorce and abortion records processed into population-wide health status information (in thousands) | 304 | 306 | 310 |
| Requests for health status data and information answered | 2,500 | 2,500 | 2,500 |
| Number of annually updated reports on the health status of Arizona residents prepared and published | 12 | 12 | 12 |

| HSA 5.3 | Subprogram Summary |
|---------|----------------------------|
| | VITAL RECORDS |
| | Pat Adams, Office Chief |
| | Phone: (602) 364-1225 |
| | A.R.S. §§ 36-301 to 36-347 |

Mission:

To collect, preserve, protect, and provide the records of birth and death events occurring in Arizona which touch the lives of every Arizonan and their descendants.

Description:

This subprogram is responsible for timely and accurate creation of all Arizona birth and death records, as required under Vital Record statutes and rules. The subprogram provides certified copies of birth and death records, as well as authorized amendments to those records, to over 300,000 customers each year.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 1,066.4 | 0.0 | 0.0 |
| Other Appropriated Funds | 575.7 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 894.0 | 353.9 | 353.9 |
| Program Total | 2,536.1 | 353.9 | 353.9 |
| FTE Positions | 45.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To decrease waiting time for Vital Records' customers for counter services in the Vital Records' lobby.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer wait time in Vital Records' lobby (in minutes) | 11 | 11 | 11 |

- ◆ **Goal 2** To decrease the number of business days to process a customer mail-in request to Vital Records for birth and death records.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of business days to process an application for birth and death certificates by mail | 9 | 9 | 9 |

| HSA 5.4 | Subprogram Summary |
|---------|------------------------------|
| | EMERGENCY MEDICAL SERVICES |
| | Terry Mullins, Bureau Chief |
| | Phone: (602) 364-3149 |
| | A.R.S. §§ 36-2201 to 36-2246 |

Mission:

To protect the health and safety of people requiring emergency medical and trauma services (EMS), and promote improvements in Arizona's EMS and trauma system through research and education of the public and EMS providers.

Description:

The subprogram provides direction for all statutorily mandated components of Arizona's EMS and trauma system including certification of Emergency Medical Technicians (EMT), certification and auditing of EMT training programs; testing of EMT applicants; certification and auditing of advanced life support base hospitals; inspection and registration of air and ground ambulances operating in Arizona; issuance of Ambulance Certificates of Necessity and determination of rates for certified ambulance services; licensing of air ambulance services; and investigation of complaints against individuals and entities regulated by the Bureau of EMS. EMS operations include the funding for EMS Special Projects, EMS Regional Coordinating Systems, EMS Provider Assistance, and EMS Communications and Dispatch. Through this subprogram, funding is provided to rural EMS providers to assist with the purchase of training and equipment required to administer safe and efficient emergency medical services in the rural areas of Arizona. Community needs are identified through an application process for the purchase of durable equipment, capital equipment and repair, original and continued education and system development. Technical assistance including funding designations, purchases of equipment and assessment of the resulting changes are provided. The subprogram has developed a statewide EMS/trauma system including a trauma registry and trauma center designation and continues to build a system of data linkages between hospitals and the trauma registry. This subprogram provides administrative support for three statutorily mandated bodies, EMS Council, Medical Direction Commission, and State Trauma Advisory Board, and subcommittees of these bodies.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,602.2 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1.4 | 1.4 | 1.4 |
| Program Total | 2,603.6 | 1.4 | 1.4 |
| FTE Positions | 35.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure the health and safety of Arizonans through licensing, monitoring, and technical assistance of ambulance services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Number of ambulances registered | 950 | 960 | 970 |

- ◆ **Goal 2** To ensure the health and safety of Arizonans through the designation of trauma centers and the development, review, and distribution of quarterly trauma registry data reports.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of trauma centers granted designation within the timeframes established in administrative rule | 100 | 100 | 100 |

| HSA 5.5 | Subprogram Summary |
|---------|-----------------------------|
| | ARIZONA POISON CONTROL |
| | Terry Mullins, Bureau Chief |
| | Phone: (602) 364-3149 |
| | A.R.S. § 36-1163 |

Mission:

To provide a 24-hour, seven day-a-week statewide poison and drug information system for doctors, medical institutions, and citizens.

Description:

The subprogram, made up of the Arizona Poison and Drug Information Center at the University of Arizona (UA) and the Banner Poison Control Center, is a statewide system of poison information, education and treatment services. The call centers provide general information about poisons or specific information when there is a certain or suspected exposure to poison to callers throughout the state. Both centers follow-up on human exposures and track medical outcomes.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 756.3 | 990.0 | 990.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 756.3 | 990.0 | 990.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide 24-hour, seven day-a-week statewide poison and drug information to doctors, medical institutions and citizens.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of follow up calls received (University of Arizona) | 50,000 | 53,000 | 55,000 |
| Number of follow up calls received (Banner Poison Control center) | 156,417 | 159,546 | 162,366 |
| Number of calls made (U of Arizona) | 53,000 | 56,000 | 59,000 |
| Number of calls made (Banner Poison Control Center) | 104,278 | 106,364 | 108,491 |

- ◆ **Goal 2** To treat citizens exposed to life threatening poisoning incidents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of people receiving scorpion anti-venom | 293 | 500 | 500 |

| HSA 5.6 | Subprogram Summary |
|---------|---|
| | STATE LABORATORY SERVICES |
| | Victor Waddell, Bureau Chief |
| | Phone: (602) 364-0609 |
| | A.R.S. §§ 36-451 to 36-479, 36-495, 36-15 |

Mission:

To ensure that essential laboratory services are available to support public health activities in Arizona.

Description:

The State Laboratory provides environmental, clinical and reference analytical lab services to diagnose, prevent, and treat infectious and communicable diseases, epidemics, and biological and chemical threats. Conditions caused by environmental contamination, chronic conditions, and inherited disorders are also priority services. The State Laboratory monitors and evaluates the quality of statewide environmental and clinical laboratories, and enhances environmental and clinical capabilities through training and consultation.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,539.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 5,600.4 | 6,248.2 | 6,248.2 |
| Other Non Appropriated Funds | 2,058.1 | 2,016.9 | 2,016.9 |
| Program Total | 11,197.6 | 8,265.1 | 8,265.1 |
| FTE Positions | 128.7 | 58.3 | 58.3 |

- ◆ **Goal 1** To monitor all microbiological and chemical laboratory analyses in the State Laboratory for accuracy, reliability and compliance with approved standard methodologies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of micro performance testing (PT) samples | 425 | 350 | 350 |
| Percent of micro PT samples correct | 99 | 99 | 99 |
| Number of chemical PT samples | 1,260 | 1,280 | 1,280 |
| Percent of chemical PT samples correct | 98 | 100 | 100 |
| Number of Newborn Screening (NBS) PT tests | 1,200 | 1,200 | 1,200 |
| Percent of tests correct | 100 | 100 | 100 |

- ◆ **Goal 2** To protect the health and quality of life of Arizona's newborns by evaluating the accuracy, reliability and compliance of analytical testing for metabolic and genetic disorders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of newborns screened under the Newborn Screening Program | 84,139 | 82,000 | 79,950 |
| Number of secondary screens | 74,453 | 72,500 | 70,600 |
| Number of infants with confirmed metabolic disorders | 111 | 125 | 125 |
| Number of hearing screens performed | 84,962 | 82,800 | 80,700 |
| Number of infants identified with confirmed hearing loss | 115 | 125 | 125 |
| Percent of unsatisfactory specimens | 1 | 1 | 1 |

- ◆ **Goal 3** To ensure ongoing support for existing and expanded public health services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of new cases of TB identified | 181 | 150 | 150 |
| Number of encephalitis positive mosquito pools | 72 | 70 | 70 |
| Number of animals identified positive for rabies | 49 | 50 | 50 |
| Number of people exposed to rabid animals | 27 | 40 | 40 |
| Number of tests negative for rabies: vaccine not required | 570 | 550 | 550 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of bacterial cultures performed | 4,145 | 4,000 | 4,000 |
| Number of significant isolates | 1,822 | 1,800 | 1,800 |
| Number of serological tests performed | 5,152 | 5,000 | 5,000 |
| Number of significant findings | 605 | 600 | 600 |
| Number of respiratory viral cultures | 1,899 | 1,500 | 1,500 |
| Number of positive influenza cultures | 401 | 400 | 400 |
| Number of Influenza PCR tests performed | 2,611 | 2,500 | 2,500 |
| Number of positive cases of seasonal influenza | 1,576 | 1,200 | 1,200 |
| Number of positive cases of novel H1N1 influenza virus | 428 | 400 | 400 |
| Number of human specimens tested for West Nile Virus | 203 | 200 | 200 |
| Number of human specimens testes positive for West Nile Virus | 56 | 50 | 50 |

- ◆ **Goal 4** To protect the public's health from environmental hazards by providing both routine and emergency surveillance and analytical services (food, surface water (SW), drinking water (DW), lead, etc).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of samples for environmental lead | 71 | 50 | 50 |
| Percent of samples identified with lead | 21 | 15 | 15 |
| Water samples (DW & SW): Chemical parameters tested | 129 | 140 | 140 |
| Water samples (DW & SW): Positive chemical results | 129 | 140 | 140 |
| Number of water tests - microbiology | 161 | 150 | 150 |
| Percent of samples violating standards (SW) | 0 | 5 | 5 |
| Percent of samples violating standards (DW) | 7 | 7 | 7 |
| Number of food tests | 135 | 135 | 135 |
| Percent of samples containing contaminants | 14 | 10 | 10 |

- ◆ **Goal 5** To assist environmental and testing laboratories in meeting all applicable regulatory requirements through licensing surveys, enforcement actions, training and consultation for correction of deficiencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of environmental labs licensed | 138 | 138 | 138 |
| Number of Clinical Laboratory Improvement Act labs surveyed | 150 | 148 | 148 |
| Number of labs with condition level deficiencies | 9 | 9 | 9 |

| HSA 5.7 | Subprogram Summary |
|----------------------------------|--------------------|
| EPIDEMIOLOGY AND DISEASE CONTROL | |
| Cara Christ, Bureau Chief | |
| Phone: (602) 364-1889 | |
| A.R.S. §§ 36-132, 36-136 | |

Mission:

To monitor, investigate, prevent, and control diseases in Arizona through programs in infectious disease control, environmental health, HIV/AIDS prevention, and immunizations.

Description:

Provides epidemiological and medical support, guidance, and evaluation to program areas within the Bureau and to other State and local agencies and the general public. Collects, maintains, and analyzes data to monitor and assess the impact of diseases in Arizona; conducts routine and epidemic disease investigations; coordinates disease prevention and control activities within the State; and maintains a statewide epidemic detection and response capability. Programs reduce morbidity, disability and premature death due to communicable diseases; prevent and control adverse health effects due to environmental factors including sun, lead exposure, pesticide poisoning, infectious agents in food and water, and exposure to unsanitary conditions; monitor and reduce HIV/AIDS; and prevent and control the occurrence of human disease and disability due to infectious agents by the administration of vaccines.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 2,338.6 | 1,590.7 | 1,590.7 |
| Other Appropriated Funds | 43.7 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 37,445.0 | 37,445.0 | 37,445.0 |
| Program Total | 39,827.3 | 39,035.7 | 39,035.7 |
| FTE Positions | 117.2 | 85.1 | 85.1 |

- ◆ **Goal 1** To collect and maintain accurate and complete data relating to the occurrence of diseases in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Summary of all communicable disease cases tracked by disease surveillance system | 54,756 | 45,200 | 45,200 |
| Number of animals detected that have diseases transmittable to humans (rabies, plague, hantavirus, etc.) | 145 | 200 | 250 |
| Number of non-infectious diseases (lead poisoning, pesticide exposure, etc.) | 98 | 96 | 94 |

- ◆ **Goal 2** To prevent and control communicable diseases through early detection and response to disease threats.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of public health officials, health care providers and community members receiving education and training on how to promptly recognize, report and control communicable diseases | 23,130 | 20,000 | 20,000 |
| Percent of outbreak investigations initiated within 48 hours of reporting to ADHS | 96 | 90 | 90 |

- ◆ **Goal 3** To control incidence of tuberculosis by monitoring compliance with recommended guidelines for treatment of tuberculosis cases and their contacts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Patients reported with active tuberculosis disease per 100,000 population | 4.4 | 4 | 4 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of contacts to active tuberculosis cases who complete prophylaxis | 85 | 64 | 75 |
| Percentage of TB patients receiving directly observed therapy | 91 | 95 | 95 |

- ◆ **Goal 4** To monitor the magnitude of Hepatitis C viral (HCV) disease in Arizona and provide HCV prevention and education services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of HCV cases reported | 0 | 0 | 0 |
| Number of healthcare and service providers serving at-risk populations trained | 400 | 450 | 500 |
| Number of participants at health fairs | 25,000 | 30,000 | 35,000 |

- ◆ **Goal 5** To provide STD-related technical assistance to improve communication and collaboration, ensure contract compliance and (within resource limits) assist laboratories, providers, county health departments, correctional institutions and Indian Health Service hospital and service units.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------------|-------------------|---------------------|---------------------|
| Number of technical assistance visits | 100 | 100 | 100 |

- ◆ **Goal 6** To increase compliance of health provider reports and laboratory findings by actively following positive syphilis, chlamydia, and gonorrhea lab results with corroborating morbidity reports.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|-------------------|---------------------|---------------------|
| Number of positive results received | 31,000 | 31,500 | 31,500 |
| Percent of results that are accurate | 90 | 92 | 93 |

- ◆ **Goal 7** To provide Arizonans with a variety of timely and effective health assessments related to releases of hazardous substances and contaminants into the environment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------------|-------------------|---------------------|---------------------|
| Number of risk assessments | 0 | 1 | 1 |
| Number of epidemiological studies | 0 | 1 | 1 |
| Number of ADHS/DEQ consultations | 4 | 5 | 5 |
| Number of emergency response/requests | 3 | 3 | 3 |
| Number of inquiries for information | 1,200 | 1,200 | 1,200 |
| Number of health consultations | 4 | 5 | 5 |

- ◆ **Goal 8** To maintain a registry of children with reported blood lead levels 10 ug/dL or greater and environmental investigation in cases with levels of 20 ug/dL or greater.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|-------------------|---------------------|---------------------|
| Number of reports in registry | 97 | 95 | 93 |
| Number of follow-up consultations | 280 | 270 | 270 |
| Number of investigations | 5 | 5 | 5 |

- ◆ **Goal 9** To investigate reports of pesticide-related illness to determine circumstances of exposure and maintain a registry of reports.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|-------------------|---------------------|---------------------|
| Number of investigations | 1 | 1 | 1 |
| Number of reports in registry | 2 | 2 | 2 |

- ◆ **Goal 10** To reduce risk associated with foodborne disease transmission at all Arizona Department of Corrections (ADC) prisons, private prison complexes, Arizona juvenile correction facilities, county jails and ADC food service facilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of ADC facilities inspected | 392 | 405 | 405 |
| Percent of ADC facilities in compliance | 90 | 90 | 90 |

- ◆ **Goal 11** To reduce risk associated with foodborne illness by performing environmental health inspections of BHS treatment centers, schools, food processors, DHS licensed children's camps and requests from other state agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|-------------------|---------------------|---------------------|
| Number of facilities inspected | 132 | 140 | 140 |
| Percent of facilities in compliance | 95 | 95 | 95 |

- ◆ **Goal 12** To increase assistance to and responsibilities of County Health Departments by conducting joint sanitarian inspections, standardization, program evaluation, and needs assessments.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of joint inspections/trainings | 10 | 10 | 10 |
| Number of sanitation standardizations | 1 | 2 | 2 |
| Number of county health department program evaluations | 0 | 2 | 2 |
| Number of program areas delegated to county health departments | 12 | 12 | 12 |

- ◆ **Goal 13** To provide Arizonans with health consultations and community health education activities relating to potential human exposures to hazardous materials.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of health consultations | 4 | 5 | 5 |
| Number of environmental education presentations | 4 | 5 | 5 |
| Number of community consultations | 35 | 25 | 25 |
| Number of technical assistance consultations | 12 | 10 | 10 |

- ◆ **Goal 14** To educate Arizona children about the importance of sun safety by developing school-based learning programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------|-------------------|---------------------|---------------------|
| Number of SunWise schools | 1,100 | 1,100 | 1,100 |

- ◆ **Goal 15** To provide HIV prevention, education and counseling services to persons at risk and provide technical assistance, professional guidance and training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of persons receiving HIV-related services | 17,000 | 16,500 | 16,500 |
| Number of HIV-related training workshops | 45 | 35 | 35 |
| Number of counties funded | 14 | 14 | 14 |

- ◆ **Goal 16** To monitor the magnitude of the trends in the HIV/AIDS epidemic to assist in targeting prevention, care and support services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of timely completions from initial report through case investigation (within 12 months) | 100 | 100 | 100 |
| Number of cases identified - AIDS | 225 | 230 | 235 |
| Number of cases identified - HIV | 404 | 410 | 415 |

- ◆ **Goal 17** To rapidly and accurately respond to medical provider requests for medications provided by the DHS AIDS Drug Assistance Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of medications shipped within 48 hours | 100 | 100 | 100 |
| Percent of medications that are the correct product and dose | 100 | 100 | 100 |
| Number of clients receiving HIV medication through Arizona Drug Assistance Program (average per month) | 1,100 | 1,500 | 1,900 |

- ◆ **Goal 18** To assure the immunization levels within the state, licensed child care facilities (CCFs), and schools are maintained at appropriate levels.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Immunization rate among 2-year old children | 85 | 86 | 86 |
| Percent of children in compliance with ADHS prescribed vaccination levels at CCFs | 96 | 96 | 96 |
| Percent of kindergarten children in compliance with ADHS prescribed vaccination levels | 96 | 96 | 96 |
| Percent of adolescents (7th grade) in compliance with ADHS prescribed vaccination levels | 94 | 94 | 94 |

- ◆ **Goal 19** To assure pregnant women are screened for HBsAg and the newborns receive appropriate prophylactic treatment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of pregnant women identified as HBsAg positive | 193 | 193 | 193 |
| Percent of newborns who receive appropriate prophylactic treatment at birth | 85 | 90 | 92 |

- ◆ **Goal 20** To assure county health department (CHD) immunization clinics in Arizona are compliant with National Vaccine Advisory Committee recommended "Standards for Pediatric Immunization Practices."

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of CHDs in compliance (per calendar year) | 100 | 100 | 100 |

- ◆ **Goal 21** To enroll providers in the Vaccines for Children Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of eligible provider sites enrolled | 89 | 90 | 90 |
| Number of provider sites enrolled | 909 | 910 | 915 |

- ◆ **Goal 22** To maintain a state immunization information system to act as a central registry of immunization data on children under 19 years of age.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of enrolled provider sites submitting data to the registry | 97 | 97 | 97 |
| Percent of resident children under 19 years of age in the registry with an immunization event | 96 | 97 | 97 |
| Percent of enrolled provider sites submitting data to the registry within 30 days | 83 | 84 | 84 |
| Percent of resident children < 6 years of age with two or more immunization events in the registry | 89 | 89 | 89 |
| Percent of resident children aged 6 years to under 18 years of age with at least one immunization event in the registry | 96 | 97 | 97 |

- ◆ **Goal 23** To educate, gain compliance and enforce the Arizona Smoke-Free Act

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of routine inspections | 63,882 | 60,000 | 60,000 |
| Number of complaint inspection/actions | 1,450 | 1,400 | 1,300 |
| Number of enforcement actions | 18 | 15 | 10 |

- ◆ **Goal 24** To monitor compliance to regulations with the Federal Tobacco Control Act

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of inspections (undercover buys / advertising & labeling) | 1,000 | 1,500 | 1,500 |

| HSA 5.8 | Subprogram Summary |
|---|--------------------|
| PUBLIC HEALTH EMERGENCY PREPAREDNESS AND RESPONSE | |
| Teresa Ehnert, Bureau Chief | |
| Phone: (602) 364-3751 | |
| A.R.S. § 36-787 | |

Mission:

To prepare for, detect, and respond to public health emergencies.

Description:

The Bureau of Emergency Preparedness and Response was created to prepare for, detect, and respond to public health emergencies. The Bureau is responsible for emergency preparedness, which includes planning, education, and exercises, and emergency response, which includes electronic disease surveillance, risk communication, public information, and logistics. The Bureau's activities focus on developing an operable statewide public health system that includes the counties, tribes, hospitals, long term care facilities, ambulatory services, health care providers, and health plans.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 68.3 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 27,333.5 | 24,703.2 | 24,703.2 |
| Program Total | | 27,401.8 | 24,703.2 | 24,703.2 |
| FTE Positions | | 56.9 | 56.9 | 56.9 |

- ◆ **Goal 1** To develop and implement a statewide health alert network communication system.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of public health and emergency response professionals on Health Alert Network | 6,100 | 6,300 | 6,400 |

- ◆ **Goal 2** To conduct training and education programs on bioterrorism and public health emergency response activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of persons who have received training | 4,000 | 4,200 | 4,300 |

- ◆ **Goal 3** To ensure trained volunteers statewide are trained to assist in dispensing clinics and other operations during a public health emergency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of trained volunteers to assist in state and local public health emergency operations | 13,250 | 13,500 | 13,700 |

- ◆ **Goal 4** To develop an electronic disease surveillance system (MEDSIS).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of user from agencies, organizations, and other entities reporting to MEDSIS | 2,500 | 2,750 | 3,000 |

| HSA 5.9 | Subprogram Summary |
|-----------------------------|--------------------|
| TOBACCO AND CHRONIC DISEASE | |
| Wayne Tormala, Bureau Chief | |
| Phone: (602) 364-0834 | |
| A.R.S. § 36-132 | |

Mission:

To decrease morbidity and mortality associated with chronic disease and the use of commercial tobacco.

Description:

Tobacco and Chronic Disease manages programs and provides technical assistance to promote healthy lifestyle choices to prevent chronic disease and reduce tobacco use in Arizona. Recently a program announcement by the CDC supported a recurrent and central guiding principle in public health, i.e. the linking of tobacco and chronic disease, with an increased emphasis on partnerships and collaboration for the purpose of leveraging CDC and state resources to achieve common goals shared by these programs. To promote integration at the state level, CDC has combined under one announcement their funding of tobacco education, diabetes prevention, healthy communities and surveillance. By emphasizing a community-based approach, the office addresses tobacco use among all Arizonans through statewide media campaigns and public relations promotions; support of local coalitions; a Smoker's Helpline; promotion of tobacco-free school policies; and establishment and maintenance of youth coalitions. In addition, programs such as: comprehensive cancer control; diabetes; and heart disease and stroke prevention address the prevention and early detection of those related chronic diseases.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 18,407.3 | 21,285.7 | 21,285.7 |
| Program Total | 18,407.3 | 21,285.7 | 21,285.7 |
| FTE Positions | 16.0 | 16.0 | 16.0 |

◆ **Goal 1** To reduce tobacco use among Arizonans.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of cessation clients who receive complete service from the ASHline | 17,364 | 19,000 | 19,500 |
| Average quit rate for ASHline cessation clients in the last seven months for at least 24 hours | 37 | 37 | 39 |
| Percent of adults who smoked in the last month | 13.5 | 13.5 | 12 |
| Percent of high school youth who smoked in the last month | 20 | 17 | 17 |
| Percent of middle school youth who smoked in the last month | 5 | 4 | 4 |

◆ **Goal 2** To reduce the incidence of secondary disease and disability in people with chronic disease through effective behavior

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of health professionals trained on accepted standards of care for people with diabetes | 261 | 300 | 320 |
| Percent of adults reporting diabetes | 11.4 | 10 | 8.5 |
| Number of lay health workers trained on diabetes in non-steps communities | 334 | 400 | 400 |

| HSA 5.10 | Subprogram Summary |
|--------------------------------|--------------------|
| HEALTH SYSTEMS DEVELOPMENT | |
| Patricia Tarango, Bureau Chief | |
| Phone: (602) 542-1436 | |
| A.R.S. §§ 15-1721, 36-2921 | |

Mission:

To optimize the health of Arizona residents by developing and strengthening systems and services to expand access to primary care and other services with emphasis on the health needs of underserved people and areas and by promoting and protecting the health and well-being of Arizona's minority and vulnerable populations

Description:

Health Systems Development was established in 1995 and is the Primary Care Office for the state of Arizona. Health Systems Development administers the Arizona Department of Health Services Primary Care Program, Well Woman Healthcheck Program and the Colorectal Cancer Control Program and provides a complementary focus on improving access to primary health care through workforce recruitment, retention programs and the designation of medically underserved areas. The overarching goal is to improve access to primary care, particularly among vulnerable and underserved populations. Health Systems Development also host the Arizona Health Disparities (AHDC) for the State of Arizona. AHDC is the Federal designee for the state. The AHDC serves as Arizona's central source of information and resources related to minority health and health disparities. AHDC provides leadership by building networks and community capacity to reduce health disparities. Health disparities are avoidable differences in the incidence, prevalence, mortality, and burden of disease within specific population groups.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 1,256.9 | 1,544.7 | 1,544.7 |
| Other Appropriated Funds | 107.5 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 4,612.2 | 4,557.7 | 4,557.7 |
| Program Total | 5,976.6 | 6,102.4 | 6,102.4 |
| FTE Positions | 13.5 | 13.5 | 13.5 |

◆ **Goal 1** To update primary care area profiles annually, including appropriately redesignating currently underserved areas as required.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of areas redesignated in a timely manner | 100 | 100 | 100 |

◆ **Goal 2** To assist in recruitment of primary care providers to underserved areas.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of J-1 Visa Waivers supported | 25 | 30 | 30 |
| Number of National Health Service Corp new contracts | 103 | 85 | 85 |
| Number of Health Professional Shortage Act designations obtained | 17 | 54 | 24 |

◆ **Goal 3** To grant loan repayment awards to ensure all available state and federal funds are encumbered by the end of the program year.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of new loan repayment contracts awarded | 18 | 20 | 20 |

◆ **Goal 4** To improve the delivery of breast and cervical cancer screening for underserved women.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|----------------|------------------|------------------|
| Number of women screened through | 7,356 | 8,500 | 8,500 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

the Well Woman HealthCheck program.

- ◆ **Goal 5** To improve the delivery of colorectal cancer screening for all Arizonans.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

Number of people screened through the Fit at Fifty HealthCheck Program (New 2010)

| | | | |
|--|-------|-------|-------|
| | 1,450 | 1,450 | 1,450 |
|--|-------|-------|-------|

- ◆ **Goal 6** To improve the health outcomes for racial and ethnic populations in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

| | | | |
|--|-------|-------|-------|
| Number of health disparities-related training/presentations | 20 | 25 | 30 |
| Number of health professionals trained on health disparities-related activities | 539 | 500 | 600 |
| Number of health profession students trained on health disparities-related activities including CLAS standards | 33 | 100 | 100 |
| Number of community members educated on health disparities-related issues | 1,142 | 1,200 | 2,000 |
| Number of health equity activities implemented (New 2010) | 4 | 4 | 6 |

| HSA 5.11 | Subprogram Summary |
|-----------------------------|--------------------|
| ORAL HEALTH | |
| Julia Wacloff, Office Chief | |
| Phone: (602) 542-1866 | |
| A.R.S. § 36-132 | |

Mission:

To promote oral health for the well-being of all Arizona residents.

Description:

The Office of Oral Health provides assistance to communities in assessing dental needs and resources; provides assistance in the development of community dental clinics and other dental care delivery models; provides technical assistance and consultation for developing oral health care standards, policies and systems; conducts oral health assessments of communities; monitors oral health workforce issues; provides training on oral health issues; promotes the use of dental sealants and optimally fluoridated water; provides preventive services to eligible, high risk persons including dental sealant placement and fluoride mouth rinses.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 136.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 940.5 | 940.5 | 940.5 |
| Program Total | 1,076.6 | 940.5 | 940.5 |
| FTE Positions | 8.5 | 8.5 | 8.5 |

- ◆ **Goal 1** To prevent oral diseases in children and adults.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| The percent of high-risk children in second grade who never had tooth decay | 23 | 25 | 26 |
| The percent of high-risk children who receive preventative dental care annually | 38 | 40 | 40 |
| The number of children receiving preventative dental sealants through the Arizona Dental Sealant Program | 6,945 | 7,000 | 7,000 |
| Explanation: Estimate based on FY 08 Actual. | | | |
| The percent of the population served by community water systems with optimally fluoridated water | 56 | 56 | 56 |
| The number of children participating in the Arizona Fluoride Mouthrinse Program | 24,875 | 24,900 | 24,900 |

- ◆ **Goal 2** To increase access to dental care for children and adults.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| The percent of adults who receive dental care annually | 70 | 70 | 70 |
| The percent of high-risk children who receive dental care annually | 43 | 45 | 45 |
| Explanation: Estimate based on FY 08 Actual. | | | |
| The percent of high-risk children through age 5 years who receive dental care annually | 29 | 30 | 30 |
| Explanation: Estimate based on FY 08 Actual. | | | |

- ◆ **Goal 3** To assist communities in solving their own oral health problems.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of communities supported by the Office of Oral Health to assess health needs and resources; develop oral health action plans; and/or implement oral health improvement efforts | 39 | 40 | 40 |
| Number of professionals and paraprofessionals trained in emerging oral health issues | 175 | 200 | 200 |

| | |
|--------------------------------|---------------------------|
| HSA 5.12 | Subprogram Summary |
| WOMEN'S AND CHILDREN'S HEALTH | |
| Sheila Sjolander, Bureau Chief | |
| Phone: (602) 364-1419 | |
| A.R.S. § 36-132 | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Older adult death rates (ages 65-84) per 100,000 as a result of a serious fall | 37.8 | 38 | 38 |
| Older adult death rates (ages 85+) per 100,000 as a result of a serious fall | 368.5 | 375 | 375 |

Mission:

To strengthen the family and the community by promoting and improving the health and safety of women and children.

Description:

The Bureau of Women's and Children's Health supports efforts to improve the health of Arizona's women and children. Activities focus on assessment of health status and identification of health issues, development of partnerships and planning to address health issues, and provision of "safety net" services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 1,665.0 | 2,093.4 | 2,093.4 |
| Other Appropriated Funds | 464.6 | 450.0 | 450.0 |
| Other Non Appropriated Funds | 12,798.2 | 13,412.8 | 13,412.8 |
| Program Total | 14,927.8 | 15,956.2 | 15,956.2 |
| FTE Positions | 46.6 | 43.6 | 43.6 |

- ◆ **Goal 1** To reduce mortality and morbidity of the maternal and child population.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Reduction in the rate of deaths to under age 15 children caused by motor vehicle crashes | 2.1 | 2 | 2 |
| Reduction in rate of hospitalizations for nonfatal injuries and poisonings per 100,000 adolescents ages 15 through 19 | 558.9 | 550 | 525 |
| Reduction in rate of hospitalizations due to violence against women per 100,000 women ages 18 and older | 26.3 | 25 | 25 |
| Number of child care health consultation service units provided | 300 | 300 | 300 |
| Number of Community Health Nurse visits to High Risk Perinatal Program enrolled at risk infants within the first year of life | 7,490 | 7,500 | 7,500 |

- ◆ **Goal 2** To increase access to health care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of low-income women (150 percent of the Federal Poverty Level) who receive reproductive health/family planning services funded by the Office of Women's and Children's Health | 5,060 | 5,060 | 5,060 |
| Number of children (ages 1 through 14) hospitalized for ambulatory care sensitive conditions per 100,000 | 732.4 | 732.4 | 732.4 |
| Percent of Health Start women enrolled in the program in the first trimester of pregnancy | 43 | 43 | 43 |
| Number of Health Start participants | 2,018 | 2,000 | 2,000 |

- ◆ **Goal 3** To reduce the number of child fatalities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of cases reviewed by local teams | 100 | 100 | 100 |

- ◆ **Goal 4** To reduce the rate of occurrence of the ten leading causes of injury.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Unintentional injury-related deaths of children ages 1-14 (per 100,000) | 6.7 | 6.5 | 6.3 |

| HSA 5.13 | Subprogram Summary |
|---|--------------------|
| CHILDREN WITH SPECIAL HEALTH CARE NEEDS | |
| Marta Urbina, Office Chief | |
| Phone: (602) 542-2528 | |
| A.R.S. §§ 36-132 | |

Mission:

To continuously improve comprehensive systems of care which enhance the health, future, and quality of life for children and youth with special health care needs, their families, and the communities in which they live.

Description:

The Office for Children with Special Health Care Needs (OCSHCN) oversees systems, programs and policies related to children and youth with special health care needs and their families. These responsibilities are carried out through direct serve programs, community development, systems development, education, advocacy, data analysis, quality improvement activities, and public/private partnerships. OCSHCN seeks to develop systems of care for these children/youth and their families and communities that are family-focused, comprehensive, timely and responsive, culturally competent, and directed toward allowing a child/youth to achieve their fullest potential.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 22,787.2 | 105.2 | 105.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 73,518.5 | 1,001.5 | 1,001.5 |
| Program Total | 96,305.7 | 1,106.7 | 1,106.7 |
| FTE Positions | 40.0 | 36.5 | 36.5 |

- ◆ **Goal 1** To provide families of children and youth with special health care needs (CYSHCN) and other individuals information and referral on access to care, treatment and community-based services, understanding their rights and responsibilities regarding their health insurance coverage, the importance of partnering and communicating effectively with their medical home provider.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of people provided information and referrals for CYSHCN: | 320 | 400 | 475 |
| Number of letters sent to SSI applicants and families of children born with birth defects on the potential resources for which they may be eligible | 1,300 | 1,400 | 1,475 |
| Number of informational/ educational materials distributed | 600 | 700 | 800 |

- ◆ **Goal 2** To provide family-centered services to all CYSHCN programs to assure increased family participation and improved satisfaction of care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Arizona families partnering in decision making and satisfied with services per the SLAITS survey | 56 | 56 | 56 |

- ◆ **Goal 3** To provide outreach, education and training to individuals and organizations/agencies regarding CYSHCN and their families.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of events, presentations and trainings | 50 | 100 | 125 |
| Number of participants | 2,200 | 2,600 | 3,200 |
| Number of educational/ informational materials distributed | 1,900 | 2,500 | 3,000 |

| HSA 5.14 | Subprogram Summary |
|---------------------------------|--------------------|
| NUTRITION AND PHYSICAL ACTIVITY | |
| Karen Sell, Bureau Chief | |
| Phone: (602) 364-0687 | |
| A.R.S § 36-132 | |

Mission:

To improve health and well-being through nutrition education and promotion of physical activity along with passionate support for people and programs to reduce hunger, increase breastfeeding, and decrease obesity throughout Arizona.

Description:

This subprogram directs the continued promotion, planning, implementation, assurance and evaluation of nutrition and physical activity program and services. The subprogram collaborates with the public and private sectors and coordinates community education activities on risk factors for general and high-risk population groups. It responds to inquiries and referrals from the public and community resources. Nutrition services are made available through contractual agreements. The subprogram oversees several federal nutrition programs and surveillance systems.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 182.1 | 400.0 | 400.0 |
| Other Non Appropriated Funds | 176,932.3 | 174,932.0 | 174,932.0 |
| Program Total | 177,114.4 | 175,332.0 | 175,332.0 |
| FTE Positions | 75.3 | 75.3 | 75.3 |

- ◆ **Goal 1** To Promote healthier eating habits and lifestyles

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of adult population eating five or more servings of fruits and vegetables daily | 25.2 | 25.7 | 26.2 |
| Percent of adult low-income population eating five or more servings of fruits and vegetables daily (<or=185% FPL) | 22.4 | 23.0 | 23.5 |
| Percent of WIC infants breastfed at birth | 65 | 66 | 67 |
| Number of women of child bearing age receiving folic acid education and multivitamins | 7,875 | 8,000 | 8,000 |
| Number of women of child bearing age receiving multivitamins | 12,000 | 10,000 | 10,000 |
| Number of nutrition education contacts through media | 161681672 | 75,000,000 | 75,000,000 |
| Social marketing campaigns | 7 | 7 | 7 |
| Number of food stamp nutrition education contacts | 14,072,148 | 7,500,000 | 7,500,000 |
| Number of food stamp participants reached by nutrition education | 260,958 | 530,000 | 530,000 |
| Number of Arizona Nutrition Network Contributing Partners | 27 | 24 | 24 |
| Number of nutrition education materials distributed | 1,140,000 | 765,000 | 765,000 |

- ◆ **Goal 2** To ensure access to nutritious food

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of people served by WIC program per month | 177,426 | 174,960 | 183,700 |
| Annual WIC food benefits distributed at point of purchase (in thousands) | 114,214 | 123,651 | 137,692 |
| Annual WIC fruit and vegetables benefits distributed (dollars) | 11,879,048 | 12,000,000 | 12,000,000 |
| Number of senior participants receiving Farmers Market coupons | 4,873 | 5,000 | 5,000 |
| Number of WIC participants receiving Farmers Market coupons | 4,981 | 6,496 | 6,496 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Average number of monthly participants (seniors, women, children) in the Commodity Supplemental Food Program | 11,780 | 12,965 | 12,965 |
| Annual Commodity Supplemental Food Program food benefits distributed (dollars) | 2,394,726 | 2,500,000 | 2,500,000 |

- ◆ **Goal 3** To improve nutrition assistance program management and customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Training services provided (Instructor Led) | 6,658 | 4,500 | 4,500 |
| Number of students trained | 28 | 25 | 25 |
| Training services provided (Online) | 4,496 | 1,600 | 1,600 |
| Total training hours | 68,338 | 40,000 | 40,000 |

| HSA 5.15 | Subprogram Summary |
|--------------------------------|--------------------|
| BIOMEDICAL RESEARCH COMMISSION | |
| Cara Christ, Bureau Chief | |
| Phone: (602) 364-1889 | |
| A.R.S. 36-271 to 36 -278 | |

Mission:

To advance medical research within the State of AZ.

Description:

The Biomedical Research Commission awards contracts for medical research projects studying the causes of disease, epidemiology and diagnosis of disease, the formulation of cures, medically accepted treatment, and prevention of diseases. The Commission oversees research projects to ensure contract compliance, and serves as the technology transfer agent for discoveries made using State funding. The Commission also administers special projects and awards and manages contracts designed to advance biotechnology in the academic, nonprofit, and for-profit sectors in Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 500.0 | 500.0 |
| Other Non Appropriated Funds | 9,521.7 | 9,217.7 | 9,217.7 |
| Program Total | 9,521.7 | 9,717.7 | 9,717.7 |
| FTE Positions | 0.0 | 3.5 | 3.5 |

- ◆ **Goal 1** To monitor the contribution of ABRC investigators to medical research by reviewing the scientific literature.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of scientific articles published | 47 | 55 | 55 |
| Number of abstracts published | 39 | 18 | 18 |

- ◆ **Goal 2** To advance biotechnology by combining the expertise and resources of the Commission with that of other non-profit and for-profit institutions to remove impediments to interinstitutional biomedical research collaborations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of jointly funded projects with the non-profit and for-profit sectors | 1 | 0 | 0 |

- ◆ **Goal 3** To provide assistance to new and established researchers by offering a biannual workshop addressing timely information on research issues.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of biannual workshop participants | 150 | 0 | 0 |
| Number of multi-investigator multidisciplinary projects submitted as a function of the total number of projects received. | 50/100 | 50/100 | 50/100 |

- ◆ **Goal 4** To inform medical researchers and others involved in health care

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of requests for proposals (RFP) mailed | 986 | 0 | 0 |

| | |
|---|--------------------|
| HSA 5.16 | Subprogram Summary |
| MEDICAL MARIJUANA | |
| Cara Christ/Richard Porter, Bureau Chief(s) | |
| Phone: (602) 364-1889 | |
| A.R.S. 36-2801 to 2819 | |

Mission:

To oversee the Arizona Medical Marijuana Act that allows for qualifying patients with certain debilitating medical conditions to obtain and engage in the medical use of marijuana.

Description:

This program registers and issues registry identification cards to qualifying patients, designated caregivers, and dispensary agents, and registers and certifies nonprofit medical marijuana dispensaries. In addition, this program monitors compliance with and enforces the provisions of the Arizona Medical Marijuana Act in nonprofit medical marijuana dispensaries through certification and inspections.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 655.7 | 1,500.0 | 1,500.0 |
| Program Total | 655.7 | 1,500.0 | 1,500.0 |
| FTE Positions | 0.5 | 0.5 | 0.5 |

- ◆ **Goal 1** To review patient and caregiver applications to the Medical Marijuana Program and make timely determination of program eligibility.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| The average number of working days from receipt of a patient application to approval or notification of insufficiency | 1.3 | 2 | 2 |
| The average number of workings days from receipt of a caregiver application to approval or notification of insufficiency | 1.3 | 2 | 2 |
| The average number of working days from receipt of a replacement request for a caregiver registry identification card to approval. | 2 | 2 | 2 |

- ◆ **Goal 2** To certify nonprofit medical marijuana dispensaries (via registration certificate and approval to operate)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Number of nonprofit medical marijuana dispensaries | 0 | N/A | N/A |
| Explanation: | The dispensaries portion of the Medical Marijuana program is suspended | | |

| GHA 0.0 | Agency Summary |
|-------------------------------------|----------------|
| GOVERNOR'S OFFICE OF HIGHWAY SAFETY | |
| Alberto C. Gutier, Director | |
| Phone: (602) 255-3200 | |
| A.R.S. § 28-602 | |

Mission:

To be the focal point for highway safety issues in Arizona, to provide leadership by developing, promoting, and coordinating programs relating to highway safety, to influence public and private policy regarding highway safety, and to increase public awareness of highway safety.

Description:

The Governor's Office of Highway Safety (GOHS) develops the Arizona Highway Safety Plan (HSP) through annual problem identification and analysis of traffic records, citations, convictions, judicial outcome, incarcerations, assessments, screening, treatment, prevention, and surveys. The HSP serves as a means for the reduction of traffic crashes, deaths, injuries, and property damage resulting from accidents on public roads. GOHS develops, promotes, and implements effective education and enforcement programs geared towards ending preventable crashes and reducing economic costs associated with vehicle use and highway travel.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 11,704.1 | 6,869.5 | 6,869.5 |
| Program Total | 11,704.1 | 6,869.5 | 6,869.5 |
| FTE Positions | 12.5 | 12.5 | 12.5 |

Strategic Issues:

Issue 1 Development of Highway Safety Plan

The Arizona Governor's Office of Highway Safety (GOHS) produces an annual Highway Safety Plan (HSP) to serve as the guide for the implementation of highway safety projects throughout Arizona and as the application for funding through the National Highway Traffic Safety Administration (NHTSA). Projects are funded to meet specific highway safety goals and performance measures as enumerated in this document, and are based on state and national traffic safety data, including data on crashes, fatalities, injuries and citations to ensure that projects are focused on areas of greatest need in the state.

- ◆ Goal 1 To decrease the fatality rate per 100 million vehicle miles traveled (VMT) from the base level of 1.52 to 1.37 by December 31, 2011.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Grant Proposals received from jurisdictions. | 178 | 200 | 200 |
| Contracts negotiated, written, and executed. | 263 | 270 | 270 |
| Crashes (prior calendar year). | 106,111 | 105,000 | 105,000 |
| Explanation: | Actual data presents the prior year calendar data. Performance measures will now be calculated using a calendar year base average. | | |
| Miles traveled fatality rate (prior calendar year). | 1.27 | 1.27 | 1.27 |
| Explanation: | Crash data compiled on calendar year | | |
| Total statewide fatalities (prior calendar year). | 762 | 760 | 760 |
| Explanation: | Actual data represents the prior year calendar data. Performance measures will now be calculated using a calendar year base average. | | |
| Total persons injured (prior calendar year). | 50,100 | 50,000 | 50,000 |
| Explanation: | Actual data represents the prior year calendar data. Performance measures will now be calculated using a calendar year base average. | | |

- ◆ Goal 2 To have the percentage of increase of the total number of persons killed be less than the percentage of increase of VMT and population in the base year of 2001.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Placement/contracts for DUI enforcement vehicles. | 12 | 10 | 10 |
| Placement/contracts for alcohol-detection devices. | 190 | 195 | 200 |
| Agencies funded for DUI enforcement. | 51 | 50 | 50 |
| DUI enforcement patrols. | 230 | 230 | 235 |
| Officers receiving standardized field sobriety/horizontal gaze nystagmus/drug recognition expert/phlebotomy training. | 761 | 800 | 800 |
| Alcohol-related fatalities (prior calendar year). | 219 | 219 | 219 |
| Explanation: | Actual represents prior calendar year actual. Performance measures will now be calculated using a calendar year base average. | | |
| Officers, prosecutors, and judges attending GOHS Summit training on DUI, Speed, Seat Belt, etc. | 300 | 300 | 300 |

- ◆ Goal 3 To decrease serious traffic injuries 10 percent from the 2008-2010 calendar year base average of 52,474 injuries to 47,226 injuries by December 31, 2011.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Agencies participating in public information & education/enforcement projects. | 84 | 86 | 88 |
| Public information & education campaigns developed each calendar quarter. | 4 | 4 | 4 |
| Enforcement/training/public information & education events. | 10 | 10 | 10 |
| Percent of seat belt use (prior calendar year). | 82.9 | 83.0 | 83.1 |
| Explanation: | Actual data represents prior calendar year actual. Performance measures will now be calculated using a calendar year base average. | | |
| Percent of child safety belt use. | 79.1 | 79.1 | 80.1 |
| Explanation: | Actual data represents prior calendar year actual. Performance measures will now be calculated using a calendar year base average. | | |

| HIA 0.0 | Agency Summary |
|---|----------------|
| ARIZONA HISTORICAL SOCIETY | |
| Anne I. Woosely, Ph. D., Executive Director | |
| Phone: (520) 628-5774 | |
| A.R.S. § 41-821(A) | |

Mission:

To collect, preserve, interpret, and disseminate the history of Arizona, the West, and northern Mexico, as it pertains to Arizona.

Description:

The Arizona Historical Society (AHS) is a membership and government supported, nonprofit, state agency. It is governed by a membership-elected board representing each county in the state. Museums are located in Flagstaff, Tempe, Tucson, and Yuma. The Society museums maintain extensive library and archival collections used by a diverse general audience. The Society produces the Journal of Arizona History and various historical books. The AHS Board develops the biennial budget and authorizes and approves all expenditures. The Administrative Division provides finance, budget, personnel, and management support to each of the divisions. AHS certifies and supports 63 local historical societies in preserving and disseminating Arizona history. The Society also supports other board-approved community activities.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 5,264.5 | 4,151.1 | 4,476.4 |
| Other Appropriated Funds | 430.8 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,541.7 | 1,257.0 | 1,255.8 |
| Program Total | 7,237.0 | 5,408.1 | 5,732.2 |
| FTE Positions | 44.8 | 60.9 | 63.9 |

Strategic Issues:

Issue 1 Customer Service

To become recognized for our high quality public programs and courteous and efficient service to a diverse statewide, national, and international audience.

Issue 2 Collections Management

Acquiring, accessioning, cataloging, conserving, researching, storing, and de-accessioning historical materials (objects, photographs, and documentary materials).

Issue 3 Facilities

To continually upgrade and maintain AHS public facilities.

Issue 4 Development/Marketing/Public Relations

To develop, manage and implement a fully integrated, high quality, professional development, public relations/marketing program that serves Society-wide fund-raising and public awareness needs in support of the overall AHS mission.

Issue 5 Automation

To provide high quality, efficient information technology for the AHS in order to better serve the public

- ◆ Goal 1 To collect and preserve the physical materials pertaining to the history of Arizona from A.D. 1540 to the present.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total number of linear feet of archives processed sufficiently to provide public access in the fiscal year | 19436 | 19,636 | 19,836 |
| Percent of three dimensional collections available to the public | 97 | 97 | 97 |

- ◆ Goal 2 To interpret and disseminate the history of Arizona for a broad general audience.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| | | | |
|--|-----------|-----------|-----------|
| Number of public programs | 310 | 325 | 325 |
| Public program attendance | 167,500 | 137,500 | 237,500 |
| Number of public inquiries | 3,200,000 | 3,600,000 | 4,100,000 |
| On-site public attendance at local certified historical societies and museums. | 550,000 | 550,000 | 550,000 |
| Number of museum visitors and researchers | 108.400 | 85,000 | 185,000 |
| Number of volunteer hours | 45,000 | 47,500 | 47,500 |
| Administration as a percent of total cost | 8.0 | 7.7 | 7.7 |

| PHA 0.0 | Agency Summary |
|-----------------------------|----------------|
| PRESCOTT HISTORICAL SOCIETY | |
| John Langellier, Director | |
| Phone: (928) 445-3122 | |
| A.R.S. § 41- 831 | |

Mission:

To: serve as an educational and cultural center, which fosters public and community understanding and appreciation of historical, social, and natural aspects of Arizona, with emphasis on the Central Highlands, and which promotes involvement in and support for research, collections, conservation, exhibits, and related programs.

Description:

The Prescott Historical Society operates the Sharlot Hall Museum, which was founded in 1928 and is located on the grounds of the first territorial governor's residence and offices. The nearly 4 acre landscaped campus includes seven restored historic structures, featuring the territorial Governor's Mansion (1864) and the Victorian-era Bashford House (1877). A modern Museum Center (1977) hosts changing exhibits, historic theater, artifacts storage of extensive historic and prehistoric objects,. A large Archive- Library, in an adjacent state of the art structure built in 1993 houses approximately 100,000 images and documents. A branch museum at the VA Center interprets the history of Ft. Whipple. Public programs include the Folk Arts Fair, Prescott Indian Art Market, Folk Music Festival, Day of the Dead (Dia De Los Muertos), Territorial Christmas, Blue Rose Theater historical productions, historical reenactments in both indoor and outdoor settings, heritage gardens, lecture series, and education tour as well as outreach opportunities for children and adults. All these activities contribute significantly to cultural tourism enhancing the quality of life for the local community and contributing to the economic well being of the local area and the state.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 618.3 | 652.6 | 934.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 852.0 |
| Other Non Appropriated Funds | 803.6 | 1,760.1 | 1,760.1 |
| Program Total | 1,421.9 | 2,412.7 | 3,546.4 |
| FTE Positions | 19.0 | 20.0 | 26.0 |

Strategic Issues:

Issue 1 Short-term: Understaffed

To address the Prescott Historical Society's operation of the Sharlot Hall Museum acquisition of new property and existing property that will transform from rental space to museum space, and a small staff already challenged to keep up with existing buildings (14) and grounds (+/- 4 acres), requires the following actions to reinstate three FTE positions lost from past reductions in force and to rehire two FTE positions left vacant by retirement as well as add two positions: FY2009 hire a museum education curator, a museum custodial supervisor, and an administrative assistant III at an estimated increased budget allocation of \$100,000 per annum; (salary/benefits) ; FY2010 to reinstate two state FTEs a building maintenance tech III and a museum registrar position left vacant by a required internal reorganization, and add 1 FTE state accountant I at an estimated increased budget allocation of \$70,000 per annum (salary/benefits); FY2011 to add an FTE state living history coordinator and a PTE assistant custodian in at an estimate \$40,000 (salary/benefits).

Issue 2 Long-term: Cramped facilities

To increase museum spaces by remodeling and utilizing property purchased with state capital appropriations and nonprofit private funds in 2003 and 2004. These additional areas allow the ability for the first facility expansion program since 1978. To build a structure dedicated to use by the trades portion of the staff, and in FY2011 add an entry visitors center to better serve the public, increase admissions efficiency, and provide a rational

campus flow. Estimated costs \$2,500,000.

Issue 3 State employees.

Any investment in human capital is not complete without investing in the people who deliver the services such as the employees of the State of Arizona. The sacrifice that State employees have made over the past years has been enormous. Turnover and vacancies are high, as even the most dedicated staff members find better opportunities elsewhere. A State audit conducted in the 1990s revealed a discrepancy in salaries for Prescott Historical Society staff in comparison to comparable positions in the Arizona Historical Society, but no effort was made to adjust for parity. Moreover, in 2001, a multi-year proposal was put on the table to bring State employees up to within five percent of comparable jobs in the private sector; never came to full fruition. A State audit of salaries and like positions in similar agencies is strongly suggested for FY2010, and adjustments made based on the findings in FY2011.

Issue 4 Deteriorating facilities

To make necessary maintenance, improvements and repairs to existing structures that insure their continued viability as historic buildings and exhibit halls. Lack of adequate staff to perform routine maintenance coupled with a lack of budget to effect this work has caused several of the historic structures to need urgent attention to avoid serious problems occurring. Lack of budget has not allowed the replacement of worn and outdated heating and cooling units in one historic building and two exhibit halls. During FYs 2007, 2008, and 2009 capital improvement funds were sought from the State to address the deterioration of facilities, construction, renovation, or replacement of proper protective fencing, parking lots, and sidewalk replacement for safety , but no funding has been forthcoming. To address these requirements funding is required as follows: Historic Bashford House Renovation Est. Cost \$87,000 FY 2009; Historic Fremont House Renovation Est. Cost \$20,000 FY 2009; Perimeter Fencing and Landscape restoration Est. Cost \$150,000 FY 2010; West Parking Lot Renovation/sidewalk additions Est. Cost \$80,000 FY 2010; Replacement of Gurley St. Sidewalks Est. Cost \$45,000 FY 2011; Sharlot Hall Building Renovation Est. Cost \$470,000 FY 2011

- ◆ **Goal 1** To improve the service of the Sharlot Hall Museum to the museum visitor, the community, and the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Number of people served (includes museum, festival, and theatre attendees; and researchers) | 0 | 0 | 0 |
| Percent of museum clients pleased with service | 0 | 0 | 0 |
| Number of volunteer hours | 0 | 0 | 0 |
| Number of museum researchers | 0 | 0 | 0 |
| Explanation: | In FY2008 Library closed for one month to relocate to new facility | | |
| Number of web site unique visitors | 0 | 0 | 0 |

- ◆ **Goal 2** To undergo phased facility expansion, bringing needed square footage for public and non-public uses.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Capital campaign dollars raised to build new square footage (in thousands) | 0 | 0 | 0 |
| Increase in number of dues-paying members | 0 | 0 | 0 |

- ◆ **Goal 3** To increase the private, non-state funding support for expansion and operations

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Dollars of supplemental non-state funds per annum in thousands | 0 | 0 | 0 |

| | |
|---------------------------------|-----------------------|
| HLA 0.0 | Agency Summary |
| DEPARTMENT OF HOMELAND SECURITY | |
| Gilbert M Orrantia, Director | |
| Phone: (602) 542-7013 | |
| A.R.S. § 41-4252 | |

Mission:

To enhance Arizona’s preparedness and provide strategic direction for securing Arizona.

Description:

The Arizona Department of Homeland Security provides strategic direction for enhancing regional capability and capacity to prevent terrorist attacks within Arizona, reduce Arizona’s vulnerability to all critical hazards, and minimize the damage and recover from all critical hazards that affect the safety, well-being and economic security of the citizens of Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 382.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 45,741.9 | 50,785.9 | 50,785.9 |
| Program Total | 45,741.9 | 50,785.9 | 51,168.1 |
| FTE Positions | 16.1 | 18.0 | 23.0 |

Strategic Issues:

Issue 1 *To provide strategic direction to Arizona on Homeland Security issues, to improve regional all-hazard preparedness and response collaboration, and to provide quality management of homeland security grants to Arizona.*

This is the mission of the Arizona Department of Homeland Security

◆ **Goal 1** To improve regional collaboration on homeland security issues within Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Conduct at least four Regional Advisory Council meetings within each region each fiscal year | 20 | 20 | 20 |
| Explanation: 4 Regional Advisory Council Meetings in each of 5 Regions | | | |

◆ **Goal 2** To provide strategic direction for enhancing regional preparedness.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Acknowledge stakeholder inquiries within 1 business day of receipt | 100 | 100 | 100 |
| Explanation: Result expressed as percentage. | | | |
| Obligate funds from federal grants within 45 days of receipt of grant award | 100 | 100 | 100 |
| Explanation: Result expressed as percentage. | | | |
| Process sub-grantee reimbursement requests within 15 days of receipt of a complete reimbursement request packet | 90 | 90 | 90 |
| Explanation: Results expressed as a percentage. | | | |
| Percentage of direct stakeholders reporting satisfaction with Arizona Department of Homeland Security services | N/A | 80 | 80 |
| Explanation: Stakeholder satisfaction surveys were not conducted in 2011 | | | |
| Review and update the State Homeland Security Strategy annually | Y | Y | Y |
| Explanation: Result expressed as yes (Y) or no (N). | | | |

◆ **Goal 3** To effectively manage Federal homeland security funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Comply with all federal mandates for the efficient allocation of federal dollars in advance of suspense dates | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Explanation: Results expressed as a percentage. | | | |
| Conduct 24 sub-grantee site visits per year | 53 | 24 | 24 |
| Explanation: Sub-grantee site visits review equipment, reimbursements, & compliance | | | |
| Total amount of unexpended grant funds reverted to the Federal Government | 305,021 | 0 | 0 |
| Explanation: Results expressed in whole dollars. | | | |

| | |
|--|----------------|
| HEA 0.0 | Agency Summary |
| BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS | |
| Christine Springer, Executive Director | |
| Phone: (602) 542-3095 | |
| A.R.S. 32-2901 | |

Mission:

To protect the public health, safety, and welfare by regulating Allopathic and Osteopathic physicians who apply for a homeopathic medical license and registering homeopathic medical assistants that work under the supervision of licensed homeopathic physicians that practice within the State of Arizona. Beginning January 1, 2015 the Board shall also regulate licensees who graduate from an approved school of homeopathic medicine and who become licensed by the Board to practice as a Doctor of Homeopathy.

Description:

The Board of Homeopathic Medical Examiners regulates the practice of homeopathic medicine in Arizona. Homeopathy is a form of alternative medicine in which the fundamental premise for treatment is the belief that diseases are cured by medicines, given in tiny doses, that create symptoms similar to those the patient is experiencing, triggering the body's natural immune reactions. The Board reviews and examines the education, experience, and background of applicants to determine if they possess the qualifications required by law to practice homeopathic medicine and any of the subspecialties within the scope of practice. Licensees renew their licenses and dispensing permits annually and provide updated information about the nature of their practices. Upon receipt of complaints against licensed homeopathic physicians, the Board conducts investigations and holds hearings, taking disciplinary action as necessary to protect the public safety. The Board also registers homeopathic medical assistants that work under the supervision of licensed homeopathic physicians within Arizona. Homeopathic medical assistants renew their registrations annually every December. Physician licenses are renewed every year on the initial month of licensure.

In 2011 the legislature expanded the Board's scope of regulation to include homeopathic doctors who will practice classical homeopathy and nutrition. The first homeopathic doctors will be licensed in January, 2015.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 100.7 | 105.3 | 107.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 100.7 | 105.3 | 107.3 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

Strategic Issues:

Issue 1 Complete validation of comprehensive written examination for homeopathic physicians

Complete the validation process relating to the new comprehensive written examination. This effort is currently in process.

Issue 2 Amend homeopathic doctor legislation

The original legislation for homeopathic doctors did not require that applicants with past history of discipline wait five years from the date any disciplinary orders have been completely discharged. The agency will pursue legislation to correct this issue.

Issue 3 Implement rules to provide guidance to licensees regarding continuing medical education

This issue is in progress and rulemaking should be completed by October, 2011.

Issue 4 Create new examination for doctors of homeopathy

Legislation in 2011 created regulation for individuals who practice classical

homeopathy and nutrition and who seek to be licensed by the Board as Doctors of Homeopathy. Board will begin process to create a licensing examination for implementation by January, 2015.

Issue 5 Rulemaking related to Dispensing of Drugs by Homeopathic Physicians

Board has been granted an exemption to rulemaking moratorium and will initiate rulemaking docket for Dispensing of Drugs for those homeopathic physicians that dispense from their place of business.

- ◆ **Goal 1** To issue, renew, or deny licenses, permits, and registrations in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Applications received (includes physicians, assistants, dispensing permits and chelation protocol reviews filed with an initial application) | 18 | 21 | 21 |
| Explanation: | FY 2011 : 15 medical assistants, 1 dispensing permit, 2 new physicians | | |
| New licenses issued (physicians and medical assistants) | 8 | 21 | 21 |
| Explanation: | FY 2011 : 8 medical assistants | | |
| Licenses eligible for renewal (physicians, dispensing permits, chelation permits, and medical assistants) | 193 | 191 | 191 |
| Explanation: | FY11 Dispensing=43; Physicians=93; Assistants=27; Chelation=30 | | |
| Number of licenses renewed | 170 | 191 | 191 |
| Explanation: | FY 2011: Total includes 84 physicians, 37 dispensing permits, 19 assistants, and 30 chelation permits renewed. | | |
| Average number of days from receipt of completed application to issuance or denial of certification | 18 | 24 | 24 |
| Explanation: | average of 9 applications divided into a total of 158 work days | | |

- ◆ **Goal 2** To receive, investigate, and adjudicate complaints consistent with the published timeframes of the board.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percent of complaints resolved within 180 days. | 83 | 90 | 95 |
| Explanation: | 5 out of 6 complaints closed in less than 180 days | | |
| Number of complaints or inquiries received | 7 | 11 | 14 |
| Complaints resolved by taking disciplinary action against licensee (includes LOC and Suspension) | 0 | 3 | 3 |
| Suspension | 0 | 2 | 1 |
| Average number of days per investigation from start to final adjudication | 92 | 96 | 96 |
| Explanation: | Based on the total number of calendar days (553) accrued in adjudicating all closed complaints divided by total number of closed complaints (6) | | |
| Percent of licensees with disciplinary action | 1 Percent | 1 Percent | 1 Percent |
| Explanation: | 88 active licenses and of that total 1 on probation; statistic reflects current fiscal year actions | | |
| Total number of investigations conducted | 11 | 15 | 16 |
| Explanation: | Note: statistic reflects both ongoing and closed cases | | |

- ◆ **Goal 3** To collect, update, and deliver information in a timely manner concerning licensees' location, practice modalities, and status for the public record.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Percent of information inquiries responded to within 24 hours | 93 | 96 | 96 |
| Explanation: | Includes email, packet requests, phone messages | | |

| HDA 0.0 | Agency Summary |
|-------------------------------|----------------|
| ARIZONA DEPARTMENT OF HOUSING | |
| Michael Traylor, Director | |
| Phone: (602) 771-1000 | |
| A.R.S. §§ 41-3951 to 41-3953 | |

Mission:

To provide housing and community revitalization to benefit the people of Arizona.

Description:

The Department provides housing and community revitalization to benefit the people of Arizona by addressing the unique and changing housing needs in this state. As Arizona grows and the economic and special needs of its population change, the Department is in a position to recognize those unique and changing needs and to respond throughout the state. Creative solutions are developed to be responsive to rural and urban areas as well as to special populations. The Department is working toward sustaining current initiatives and simultaneously maintaining the flexibility to respond to new demands for affordable housing and smart growth efforts. The Department provides both state and federal funding to promote housing and community development activities as well as expertise and technical assistance to address these issues. The Department works closely with local governments, nonprofit and for-profit housing developers, social service agencies, tribal entities, public housing authorities and others to achieve its mission.

| Agency Summary: | (\$ Thousands) | | |
|------------------------------|----------------|------------------|-----------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ HOUSING DEVELOPMENT AGENCY | 146,502.4 | 97,666.8 | 48,440.9 |
| ➤ HOUSING FINANCE AUTHORITY | 515.7 | 225.1 | 700.2 |
| Agency Total: | 147,018.1 | 97,891.9 | 49,141.1 |

| Funding and FTE Summary: | (Thousands) | | |
|------------------------------|----------------|------------------|-----------------|
| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 895.3 | 916.9 | 297.5 |
| Other Non Appropriated Funds | 146,122.8 | 96,975.0 | 48,843.6 |
| Program Total | 147,018.1 | 97,891.9 | 49,141.1 |
| FTE Positions | 55.0 | 54.0 | 47.0 |

Strategic Issues:

Issue 1 Increase availability and sustainability of safe, decent, affordable housing in Arizona.

The agency's key issue is to ultimately make a difference in the amount of safe, decent, and affordable housing that is available within the state, as such housing is an essential component to improving or sustaining the quality of life for every individual. Access to decent housing impacts every other aspect of life, including education, job security, health, safety, and general welfare.

| HDA 1.0 | Program Summary |
|---|-----------------|
| HOUSING DEVELOPMENT AGENCY | |
| Carol L. Ditmore, Assistant Deputy Director of Operations | |
| Phone: (602) 771-1062 | |
| A.R.S. §§ 41-1505; 41-1512; 41-1518 | |

Mission:

To provide housing and community revitalization to benefit the people of Arizona.

Description:

The Agency was established to provide housing and community revitalization to benefit the people of Arizona, by addressing the unique and changing housing needs in Arizona. As Arizona grows and the economic and special needs of its population change, the Agency will be positioned to recognize those needs and respond throughout the State. Creative solutions will be developed to be responsive to rural and urban areas as well as to special populations. The Agency will work toward sustaining current initiatives and simultaneously respond effectively to new demands for affordable housing.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 895.3 | 916.9 | 297.5 |
| Other Non Appropriated Funds | | 145,607.1 | 96,749.9 | 48,143.4 |
| Program Total | | 146,502.4 | 97,666.8 | 48,440.9 |
| FTE Positions | | 53.5 | 52.5 | 45.5 |

Goal 1 To provide homeownership opportunities and a mix of rental options for Arizonans.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Total number of households assisted with eviction or foreclosure in order to prevent homelessness | 2,952 | 7,605 | 3,375 |
| Explanation: | Number of households assisted with financial assistance to avoid eviction, foreclosure, or re-housing, if homeless due to downturn in economy with economic stimulus funding. Over 7,000 households were also assisted with foreclosure counseling in FY2011. | | |
| Total funds committed to homeownership programs | 13,234.1 | 6,000.0 | 6,000.0 |
| Explanation: | Includes construction and acquisitions, rehabilitation of new and existing units, and first-time buyers. Funds committed to homeownership programs will decline in FY2012 and FY2013 due to conclusion of federal stimulus funding. (figures rounded to thousands). | | |
| Total number of households assisted with homeownership assistance | 457 | 223 | 223 |
| Explanation: | Includes households assisted through down payment and closing cost assistance, acquisition and rehabilitation of units for new homebuyers, construction of new units or rehabilitation of currently occupied units. | | |
| Total funds committed to affordable rental units. | 174,761.8 | 234,578.8 | 156,953.0 |
| Explanation: | Total funds expected to be committed to development of affordable rental units. (Figures rounded to thousands). | | |
| Total number of affordable rental units assisted/produced | 12,317 | 9,095 | 2,633 |
| Explanation: | Total number of affordable rental units expected to be assisted or produced. | | |
| Total number of individuals assisted with information on available affordable rental units through the agency's website | 194,545 | 200,381 | 206,392 |
| Total number of publicly funded rental units monitored for health and safety issues | 22,361 | 21,762 | 17,777 |
| Explanation: | The number of units monitored is expected to decrease slightly beginning in late FY2012 due to loss of federal monitoring contract. | | |

Goal 2 To recruit, retrain and maintain a qualified, professional work force.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Percent of agency turnover | 18 | 20 | 15 |
| Explanation: | Turnover rates have been adversely impacted by budget reductions, requiring the elimination of positions. | | |
| ◆ Goal 3 To maintain and further improve quality working relationships with our partners. | | | |
| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
| Results of customer satisfaction survey (7=excellent; 4=satisfactory; 1=poor) | 5.48 | 5.58 | 5.7 |
| Explanation: | The agency has incrementally seen an increase in its overall customer satisfaction score since 2007. | | |

| HDA 2.0 | Program Summary |
|---|-----------------|
| HOUSING FINANCE AUTHORITY | |
| Carol L. Ditmore, Assistant Deputy Director of Operations | |
| Phone: (602) 771-1062 | |
| A.R.S. §§ 41-3901 through 41-3912 | |

Mission:

To serve as a tool to augment the affordable housing goals of the Arizona Department of Housing for rural Arizona.

Description:

The Arizona Finance Authority serves as a tool to augment the affordable housing goals of the Arizona Department of Housing, primarily through bond issuances to finance the development and sustainability of affordable rental units and promote homeownership opportunities in rural Arizona.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 515.7 | 225.1 | 700.2 |
| Program Total | | 515.7 | 225.1 | 700.2 |
| FTE Positions | | 1.5 | 1.5 | 1.5 |

- ◆ **Goal 1** To augment the programs of the Arizona Department of Housing by further providing homeownership opportunities and a mix of rental options for Arizonans in rural parts of the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|---------------------|---------------------|
| Total funds utilized for homeownership program through bond issuances for Mortgage Revenue Bonds (MRB) and/or Mortgage Credit Certificates (MCC). | 18,740.3 | 19,514.4 | 19,142.7 |
| Explanation: | MCC was only available in FY2010-2011. Figures also include down payment and closing cost assistance used in combination with MRB and MCC. Due to a reduction in resources available to the AzHFA, the amount of downpayment and closing cost assistance provided to homebuyers is expected to be reduced by 2013. The AzHFA intends to utilize the proceeds of an existing \$25 million bond in FY2011 and FY2012 and issue two \$12 million bonds FY2013 to be used for low-interest mortgages for rural homebuyers. (Figures rounded to thousands). | | |
| Total number of low-income households assisted into homeownership through the homeownership program | 195 | 214 | 214 |
| Explanation: | Even though the dollars available (due to reduction in downpayment and closing cost assistance) is expected to go down, the number of households assisted is expected to remain comparable between FY2012 and FY2013. | | |
| Total number of rental projects approved | 0 | 0 | 0 |
| Explanation: | No AzHFA issued multi-family bond-financed mortgages are expected until market conditions improve. | | |
| Total number of rental units created in approved rental projects | 0 | 0 | 0 |

| | |
|--|-----------------------|
| RDA 0.0 | Agency Summary |
| INDEPENDENT REDISTRICTING COMMISSION | |
| Raymond Bladine, Executive Director | |
| Phone: (602) 542-5221 | |
| Arizona Constitution: Article 4, Part 2, Section 1 | |

Mission:

To administer the fair and balanced redistricting of congressional and legislative districts for the State of Arizona.

Description:

The Independent Redistricting Commission was established with the approval of Proposition 106 by voters in November 2000. The Commission has five members, four of whom are selected by the House and Senate majority and minority leadership. The final member is selected by the other four members and cannot be registered with a political party already represented on the Commission. The five-member Commission is responsible for redrawing Arizona's congressional and legislative district boundaries based on the decennial census.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 106.2 | 3,000.0 | 1,700.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 106.2 | 3,000.0 | 1,700.0 |
| FTE Positions | 2.0 | 9.0 | 9.0 |

| | |
|---|-----------------------|
| IAA 0.0 | Agency Summary |
| COMMISSION OF INDIAN AFFAIRS | |
| Kristine M. FireThunder, Executive Director | |
| Phone: (602) 542-4421 | |
| A.R.S. §§ 41-541 to 41-545 | |

Mission:

To enhance communication and build sustainable relationships between tribal entities and the State of Arizona.

Description:

The Arizona Commission of Indian Affairs (ACIA) has a legislative mandate to assist and support state and federal agencies in assisting Indians and Tribal councils to develop mutual goals; design projects for achieving goals and implement their plans; encourage a spirit of cooperation to guide the continuing government-to-government relationship between the State of Arizona and Tribal Nations and communities located in Arizona; ensure meaningful and timely consultation with Tribal Leaders to facilitate better understanding, informed decision making, and intergovernmental cooperation; establish a spirit of cooperation and collaboration among state agency tribal liaisons in order to share ideas, address needs and effectively implement the mandates outlined in EO 2006-14 and; ensure that state services and resources are available to all eligible citizens residing in Arizona tribal communities to the same extent that such services are available to all other eligible citizens.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 62.3 | 54.3 | 54.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 14.5 | 29.1 | 29.1 |
| Program Total | 76.8 | 83.4 | 83.4 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

Strategic Issues:

- Issue 1** *Advise the Governor and the Legislature in Tribal issues, confer and coordinate with other governmental entities and legislative committees regarding Indian needs and goals*
- Issue 2** *Improve relationships between Indians and non-Indians and raise awareness of the needs of Indians in the state.*
- Issue 3** *Collect and provide facts needed by Tribal, State and Federal agencies to work together effectively.*
- Issue 4** *Promote increased participation by Indians in local/state affairs, assist Tribal groups in self-government, and assist urban Indians.*
- Goal 1** To Facilitate communication between tribal entities (both public and private), elected state officials, and other state agencies

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of meetings facilitated between stakeholders, tribal officials and state officials to communicate and/or collaborate on administrative and legislative issues | 24 | 20 | 20 |
| Number of regular reports and formal communications to the Governor, State Legislators and State Officials regarding Indian Affairs | 10 | 6 | 6 |
| Issue an annual report describing Commission activities to state policymakers | 1 | 1 | 1 |
| Number of partnerships pursued for projects that reduce disparities within tribal communities | 6 | 4 | 4 |
| Conduct 10 meetings with the Tribal Liaisons and subcommittees per fiscal year | 5 | 10 | 10 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| Number of projects and activities of each Tribal Liaison subcommittee advertised/publicized | 7 | 8 | 8 |
| Number of legislative bills tracked related to Education, Health, Transportation, Economic Security, Commerce and Tourism | 30 | 20 | 20 |
| Number of legislative updates sent to commissioners during regular session. This data will be an analysis of legislation distributed for informational purposes. | 14 | 24 | 24 |
| Explanation: | Legislative updates include analysis of legislative issues affecting Tribal Nations. | | |

- Goal 2** To establish and maintain relationships between the State of Arizona and the 22 Indian Tribes

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-------------------------|-------------------------|
| Number of structured visits with each tribe on their respective tribal communities to obtain tribal input about state activities. | 0 | 6 | 6 |
| Explanation: | Based on invitations received from tribal communities 6 visits will be planned annually | | |
| Electronic annual reports distributed to tribal leaders | 1 | 1 | 1 |
| Explanation: | Distributed per Executive Order 2006-14 | | |

- Goal 3** To act as an informational clearinghouse and reference desk

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Number of website updates. Update the website at least once a month to ensure relevant data is consistently available. | 61 | 12 | 12 |
| Explanation: | The website enables ACIA to obtain, retain, and share information about: state and federal policies that impact tribes; grants (and other monies available for tribal use) and national Indian issues | | |
| Distribute a Newsletter 4 times a year which highlight tribal-state initiatives | 4 | 4 | 4 |
| Produce and publish a Tribal Resource Directory | 1 | 1 | 1 |
| Phone, walk-in, email and standard mail inquiries processed | 654 | 500 | 500 |

- Goal 4** To promote Economic and Community Development Programs

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|-------------------------|-------------------------|
| Number of tribal members contacted regarding opportunities to serve on boards and commissions | 38 | 8 | 8 |
| Explanation: | Number will fluctuate based on available vacancies on the commission | | |
| Support supplier diversity by conducting three workshops a year to educate Indian small business owners on how to procure state contracts | 3 | 3 | 3 |
| Number of employment opportunities within state and tribal government advertised in ACIA newsletter | 5 | 4 | 4 |
| Number of ACIA Internships offered | 0 | 1 | 1 |
| Explanation: | Internships further the ACIA mission by fostering future Indian liaisons and reducing administrative costs | | |
| Provide one workshop per a year for Indian constituents on the legislative process to create informed voters | 0 | 1 | 1 |
| Number of ACIA memberships in key organizations that specialize in community and economic development projects | 2 | 2 | 2 |
| Partnerships established with the University of Arizona and Northern Arizona University to develop programs for small business development | 2 | 2 | 2 |

| ICA 0.0 | Agency Summary |
|----------------------------------|----------------|
| INDUSTRIAL COMMISSION OF ARIZONA | |
| Laura McGrory, Director | |
| Phone: (602) 542-4411 | |
| A.R.S. § 23-108.01 | |

Mission:

To efficiently administer and effectively enforce all applicable laws, rules, and regulations not specifically delegated to others relative to the protection of life, health, safety, and welfare of employees within the State.

Description:

The Industrial Commission is a regulatory agency that was created in 1925 to oversee the state workers' compensation system. While the Commission is still responsible for its original charge, its role over the years has expanded to include other labor-related issues, including minimum wage laws; occupational safety and health; youth employment laws; resolution of wage related disputes; licensing of employment counseling and talent agencies; vocational rehabilitation; and providing workers' compensation benefits to claimants of uninsured employers, insolvent carriers, and bankrupt self-insured employers.

Agency Summary:

| | (\$ Thousands) | | |
|---|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADMINISTRATIVE SERVICES | 2,884.3 | 3,145.4 | 3,611.3 |
| ➤ WORKERS COMPENSATION CLAIMS ASSURANCE | 3,092.1 | 3,900.3 | 3,900.3 |
| ➤ ADJUDICATION OF DISPUTES | 4,555.0 | 5,308.3 | 5,308.3 |
| ➤ LABOR LAW ADMINISTRATION | 661.6 | 962.7 | 962.7 |
| ➤ OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION | 7,545.0 | 9,539.5 | 9,539.5 |
| ➤ SPECIAL FUND CLAIMS PROCESSING | 732.9 | 901.0 | 901.0 |
| ➤ LEGAL COUNSEL | 777.9 | 1,351.7 | 1,506.7 |
| Agency Total: | 20,248.9 | 25,108.9 | 25,729.8 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 15,461.6 | 19,550.4 | 20,171.3 |
| Other Non Appropriated Funds | 4,787.3 | 5,558.5 | 5,558.5 |
| Program Total | 20,248.9 | 25,108.9 | 25,729.8 |
| FTE Positions | 310.3 | 310.3 | 315.3 |

Strategic Issues:

Issue 1 Privatization of SCF Arizona

In the second regular session of the Forty-ninth Legislature, the Legislature passed SB 1045 which temporarily continues the state compensation fund through January 1, 2013. On that date, the state compensation fund will cease to exist and a successor mutual insurance company will step into its shoes becoming the successor in interest to all of the assets and liabilities of the state compensation fund. To ensure an orderly and smooth transition, SB 1045 also requires that conforming legislative and rule changes be made prior to January 1, 2013.

The state compensation fund is currently the largest workers' compensation insurance carrier in Arizona and plays a critical role in the Arizona Workers' Compensation System. This role includes the processing of insolvent carrier/employer workers' compensation claims on behalf of the Commission

Special Fund under A.R.S. § 23-966 and serving as the "carrier of last resort" in Arizona by providing workers compensation insurance to small employers. Additionally, the calculation of self-insurance premium taxes under A.R.S. § 23-961 are based upon premium plans offered by state compensation fund. The privatization of state compensation fund requires consideration of the following impacts:

1. Decreased collection of premium taxes from State Compensation Fund as, once privatized, SCF may offer premium plans that result in a decrease in taxable premium. A decrease in tax revenue will impact the Commission's budget, its ability to transfer money to General Fund, and the solvency of both its Administrative and Special Funds.

2. Calculation and collection of taxes from self-insured employers (individual and workers' compensation pools) are based on SCF premium plans. See A.R.S. § 23-961. Legislative and/or rule changes will need to be adopted to develop an alternate method for calculating self-insurance taxes. Additional positions will likely be required in the Commission's Tax Section to handle changes in process and to provide the Commission with the necessary in-house expertise to calculate self-insurance taxes under the new tax methodology.

3. Under A.R.S. § 23-966, the State Compensation Fund processes and pays insolvent carrier/employer claims on behalf of the Special Fund. The Special Fund then reimburses the State Compensation Fund on a quarterly basis for benefits paid plus "reasonable administrative costs, necessary expenses and reasonable attorney fees." Since 1975, approximately 7,400 workers' compensation claims have been assigned to State Compensation Fund for processing. There are over 1,000 claims currently being processed by State Compensation Fund. The processing of these claims must continue without interruption of benefits to injured workers. If cost effective to do so, these claims may eventually be processed and paid directly by the Special Fund. Bringing the claims in-house will require a substantial investment of personnel and resources from multiple divisions, including the Special Fund Division, the Accounting Division, the Legal Division and the Management Information Services Division. Presently, the Commission does not have the resources or infrastructure to process these claims in-house. Until such time that it does, the claims will continue to be processed by an outside entity with the costs of such processing being paid by the Special Fund.

4. The State Compensation Fund is considered by many to be Arizona's workers' compensation "insurance carrier of last resort." Having a "carrier of last resort" ensures that small employers, "start-up companies" (new employers), and employers with high-risk employees (employees performing dangerous jobs) have an insurance carrier from whom they can obtain workers' compensation insurance. It is possible that the privatization of the state compensation fund will result in higher premiums and make insurance unaffordable for small employers, new employers, or employers with high-risk employees. It is also possible some of these employers will simply choose to go without insurance. An increase in uninsured employers will substantially increase Special Fund liability for "no insurance" claims and will substantially increase the burden on the Commission by increasing utilization of time and resources of multiple Divisions within the agency.

Issue 2 Worker's Compensation Cost Containment

Although the frequency of workers' compensation claims and payment of total losses are decreasing, medical costs per claim continue to increase. Medical costs now comprise over 70% of benefits paid in Arizona. As a result, there is a continuing effort to manage these costs. Management of these costs is complex and may involve both regulatory and/or legislative efforts. Regardless of the forum in which the issues are addressed, the Commission believes that it will continue to be actively involved in these discussions.

Issue 3 Promoting successful safety and health management systems

The workers compensation process should be viewed as a continuum that begins, not with claims processing, but with safety and health systems that are designed to prevent the injury that subsequently becomes the focus of a workers' compensation claim. The Commission seeks to increase its outreach and to continue to develop relationships with the business

community to promote successful safety and health management systems. This strategy will require increased resources from the ADOSH Division.

| ICA 1.0 | Program Summary |
|--|-----------------|
| ADMINISTRATIVE SERVICES | |
| Michael Hawthorne, Chief Financial Officer | |
| Phone: (602) 542-5380 | |
| A.R.S. § 23-101 | |

Mission:

To provide support services necessary to ensure the efficient and effective operation of the Industrial Commission.

Description:

Provides the following services: budgeting; accounting; data processing; purchasing; facilities management; workers' compensation statistical reporting; ombudsman's office for workers' compensation; printing and mailing services; personnel services; processing and evaluation of applications for self-insured employers; insolvent carrier and bankrupt self insured employers claims payments, reimbursement request to liquidators, bankruptcy trustees and surety bonding companies; procurement services and federal grant administration.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,793.8 | 3,067.4 | 3,533.3 |
| Other Non Appropriated Funds | 90.5 | 78.0 | 78.0 |
| Program Total | 2,884.3 | 3,145.4 | 3,611.3 |
| FTE Positions | 43.0 | 43.0 | 46.0 |

- ◆ **Goal 1** To process all personnel actions in an effective manner on a timely basis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Actions processed | 50512 | 44,506 | 44,506 |
| Percent of Agency staff turnover | 13 | 10.0 | 10.0 |
| Administration as a percent of total cost | 9.6 | 9.6 | 9.6 |

- ◆ **Goal 2** To process all accounting transactions correctly on a timely basis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Claims and invoices processed | 47,647 | 55,000 | 85,000 |
| Warrants issued | 18,349 | 22,000 | 35,000 |
| Average invoices not processed at months end | 155 | 100 | 100 |
| Requisitions processed | 907 | 1,900 | 1,900 |
| *Estimate due to a change to a new purchase order system | | | |
| Purchase orders processed | 907 | 1,000 | 1,000 |
| *Estimate due to a change to a new purchase order system | | | |

- ◆ **Goal 3** To process all self-insurance new applications and renewal applications efficiently and in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Renewals, applications, unpaid liability verified and security deposits processed | 92 | 94 | 96 |

- ◆ **Goal 4** To resolve problems concerning claims of injured workers in an efficient manner on a timely basis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|-----------------------|-------------------------|-------------------------|
| Number of claimants contacted | 1,287 | 2,200 | 2,200 |
| Claimant's cases resolved | 2 | 20 | 20 |

| ICA 2.0 | Program Summary |
|---------------------------------------|-----------------|
| WORKERS COMPENSATION CLAIMS ASSURANCE | |
| Noreen Thorsen, Manager | |
| Phone: (602) 542-4661 | |
| A.R.S. § 23-981 | |

Mission:

To ensure that all workers' compensation claims are processed in accordance with the rules and laws of Arizona.

Description:

The program regulates activities of insurance carriers, third party processors and self-insurers who process industrial injury claims; assesses penalties for bad faith or unfair claims processes; ensures that every injured worker is treated fairly and properly cared for in compliance with the law; and ensures that claims are accepted or denied within 21 days of receipt of notices of claim. Division makes determinations such as issuing awards for facial scarring and loss of teeth, approvals or denials of requests to leave the State, approvals or denials of requests to change physicians, average monthly wage awards and loss of earning capacity awards.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,965.1 | 3,774.4 | 3,774.4 |
| Other Non Appropriated Funds | 127.0 | 125.9 | 125.9 |
| Program Total | 3,092.1 | 3,900.3 | 3,900.3 |
| FTE Positions | 81.0 | 81.0 | 81.0 |

- ◆ **Goal 1** To ensure that permanent disability awards are issued in timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Awards issued | 2,253 | 2,100 | 2,100 |
| Percent of awards issued within 75 days | 92.2 | 90.0 | 90.0 |

- ◆ **Goal 2** To complete employees average monthly wage in most effective, efficient manner possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|----------------|------------------|------------------|
| Number of wage determinations issued | 13,577 | 12,000 | 12,000 |
| Percent determined within 45 days | 88.0 | 90.0 | 90.0 |

- ◆ **Goal 3** To process lump sum settlement requests in the most efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Lump sum requests processed | 22 | 35 | 35 |
| Percent of requests processed within 15 days | 82.0 | 87.0 | 87.0 |

- ◆ **Goal 4** To process initial filing of Workers Compensation Claims on timely basis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of claims for workers' compensation processed | 87,275 | 87,000 | 87,000 |
| Percent processed within five days | 96.0 | 97.0 | 97.0 |

- ◆ **Goal 5** To ensure that workers' compensation claims are processed in a timely and efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer satisfaction rating for workers' compensation program (Scale 1-8) | 7.3 | 7.1 | 7.1 |

| ICA 3.0 | Program Summary |
|-----------------------------|-----------------|
| ADJUDICATION OF DISPUTES | |
| Harriet Turney, Chief Judge | |
| Phone: (602) 542-5247 | |
| A.R.S. § 23-672 | |

Mission:

To adjudicate legal disputes in the areas of workers' compensation, occupational safety and health (OSHA) and youth employment.

Description:

The Division resolves disputes in workers' compensation cases arising out of decisions made by insurance carriers, self-insured employers or the Industrial Commission. The Division also adjudicates appeals by employers in OSHA and youth employment labor cases.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,555.0 | 5,308.3 | 5,308.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 4,555.0 | 5,308.3 | 5,308.3 |
| FTE Positions | 54.0 | 54.0 | 54.0 |

- ◆ **Goal 1** To process and set hearings so that they are heard in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of petitions for hearing received: workers compensation | 6,471 | 6,500 | 6,500 |
| Petitions for hearing received: OSHA | 53 | 50 | 50 |
| Awards issued: Workers' Compensation | 6,474 | 6,500 | 6,500 |
| Average number of days to resolve a case by the administrative law judge division | 112 | 110 | 110 |

- ◆ **Goal 2** To process requests for hearing in the most efficient, cost effective manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Awards issued without hearing | 3,005 | 3,200 | 3,200 |
| Number of hearings conducted by the administrative law judge division | 4,123 | 4,200 | 4,250 |

| ICA 4.0 | Program Summary |
|--------------------------|-----------------|
| LABOR LAW ADMINISTRATION | |
| Randall Maruca, Director | |
| Phone: (602) 542-4515 | |
| A.R.S. § 23-508 | |

Mission:

To enforce and provide administration of labor laws regarding the protection of wage claimants, youth employees and users of employment agencies.

Description:

The program shall enforce all statutes and rules concerning the resolution of wage complaint disputes, the licensing and regulation of private employment agencies, the enforcement of youth employment laws which involve the issuing of penalties for violations, and the enforcement of minimum wage laws.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 661.6 | 962.7 | 962.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 661.6 | 962.7 | 962.7 |
| FTE Positions | 19.0 | 19.0 | 19.0 |

- ◆ **Goal 1** To efficiently enforce the Child Labor Laws in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of injury reports reviewed | 356 | 400 | 400 |
| Child labor law violations investigated | 18 | 25 | 25 |
| Violations confirmed | 1 | 5 | 5 |
| Turnover time (time violations known to Labor to time violation confirmed (in days)) | 40 | 45 | 45 |

- ◆ **Goal 2** To efficiently process and investigate wage claims in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of claims filed | 2,554 | 2,800 | 2,800 |
| Average months to complete investigation | 1.9 | 2.0 | 2.0 |

- ◆ **Goal 3** To efficiently process and monitor the licensing of private employment agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average months to complete investigation | 1.5 | 1.5 | 1.5 |
| Percent of licenses processed within 90 days | 100.0 | 90.0 | 90.0 |
| License applications processed | 11 | 10 | 10 |
| Complaints investigated | 1 | 5 | 5 |

- ◆ **Goal 4** To efficiently process and investigate wage laws claims

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Complaints filed | 24 | 50 | 50 |
| Average months to complete investigation | 2.1 | 2.0 | 2.0 |

| ICA 5.0 | Program Summary |
|---|-----------------|
| OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION | |
| Darin Perkins, Director | |
| Phone: (602) 542-5795 | |
| A.R.S. § 23-405 | |

Mission:

To ensure the safety of employees in the State of Arizona covered by the Arizona Occupational Safety and Health Act.

Description:

The Division administers the Arizona Occupational Safety and Health Act. The Division is responsible for enforcing the occupational safety and health standards in all industries in Arizona except mining, establishments located on Indian reservations, and federal agencies. The division is also responsible for elevator and boiler safety. ADOSH focuses its efforts on both compliance and consultation/training.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 2,975.2 | 4,184.9 | 4,184.9 |
| Other Non Appropriated Funds | 4,569.8 | 5,354.6 | 5,354.6 |
| Program Total | 7,545.0 | 9,539.5 | 9,539.5 |
| FTE Positions | 75.0 | 75.0 | 75.0 |

- ◆ **Goal 1** To effectively enforce all OSHA standard in safety compliance and industrial hygiene.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of health compliance inspections | 324 | 400 | 450 |
| Health violations | 1,036 | 1,200 | 1,300 |
| Number of safety compliance inspections | 571 | 600 | 1,000 |
| Safety violations found | 1,665 | 1,700 | 2,000 |

- ◆ **Goal 2** To provide effective and timely voluntary consultation services to aid employers in recognizing and abating work place hazards.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|----------------|------------------|------------------|
| Safety consultation surveys | 226 | 250 | 400 |
| Hazards | 497 | 550 | 900 |
| Health consultation surveys | 155 | 170 | 200 |
| Hazards | 571 | 600 | 700 |

- ◆ **Goal 3** To provide statewide training programs to employees concerning specific safety related functions that are timely and effective.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
| Programs | 194 | 200 | 225 |
| Employers trained | 1,444 | 1,500 | 2,000 |
| Employees trained | 3,175 | 3,500 | 4,500 |

- ◆ **Goal 4** To ensure that there is no danger to employees or the general public from Arizona boilers or elevators.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------|----------------|------------------|------------------|
| Boilers inspected | 4,291 | 4,300 | 4,300 |
| Deficiencies identified | 1,890 | 2,000 | 2,000 |
| Elevators inspected | 5,790 | 6,000 | 6,000 |
| Deficiencies identified | 2,321 | 2,500 | 2,500 |

| ICA 6.0 | Program Summary |
|----------------------------------|-----------------|
| SPECIAL FUND CLAIMS PROCESSING | |
| David Sosa, Special Fund Manager | |
| Phone: (602) 542-3294 | |
| A.R.S. § 23-1065(B-G) | |

Mission:

To provide benefits to all injured employees not covered by regular workers' compensation insurance coverage or by self-insurance coverage in Arizona.

Description:

The program processes all claims for injured workers where the employer failed to provide workers compensation insurance; provides continual workers' compensation benefits for claimants of insolvent carriers and bankrupt self-insured employers; provides partial coverage of workers' compensation benefits for second injury claims; provides vocational rehabilitation benefits; and provides continuing medical benefits for pre-1973 workers' compensation claimants.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 732.9 | 901.0 | 901.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 732.9 | 901.0 | 901.0 |
| FTE Positions | 18.0 | 18.0 | 18.0 |

- ◆ **Goal 1** To process claims of injured Special Fund claimants in timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average days between receipt of claims notice and issuance of award | 20.5 | 21.0 | 21.0 |
| Supportive care awards issued | 5 | 4 | 4 |
| No insurance awards issued | 882 | 930 | 1,000 |
| Rehabilitation awards issued for scheduled and unscheduled injury types. | 132 | 160 | 185 |

| ICA 7.0 | Program Summary |
|----------------------------|-----------------|
| LEGAL COUNSEL | |
| Andrew Wade, Chief Counsel | |
| Phone: (602) 542-5781 | |
| A.R.S. § 41-192 | |

Mission:

To represent the Industrial Commission of Arizona in all legal matters affecting the Agency.

Description:

The program represents the Special Fund Division, the OSHA Division, and the Labor Department in all legal matters affecting or involving these Divisions. The program promulgates rules for the Agency, provides legal advice as requested by Commission and agency staff, represents the Agency in personnel matters, initiates collection of no-insurance accounts receivables and third party liens, and operates a program for processing and collecting of other delinquent accounts. The program also operates a compliance program that targets by Arizona employers who are operating without workers' compensation insurance.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 777.9 | 1,351.7 | 1,506.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 777.9 | 1,351.7 | 1,506.7 |
| FTE Positions | 20.3 | 20.3 | 22.3 |

- ◆ **Goal 1** To provide quality legal representation to the Agency in contested legal matters.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| No Insurance cases referred for hearing | 122 | 140 | 160 |
| OSHA cases referred for hearing | 51 | 55 | 65 |
| Apportionment/Supportive Care Matters | 87 | 90 | 90 |
| Number of wage claim appeals | 0 | 10 | 10 |
| Litigation investigations completed | 32 | 40 | 50 |
| Civil Penalty Cases referred to hearing | 11 | 20 | 20 |
| Matters related to assignment of claims under ARS 23-966 | 40 | 40 | 40 |
| Legal opinions & other miscellaneous | 56 | 60 | 60 |
| Rulemaking/Regulatory/Compliance/Legislation | 11 | 10 | 10 |
| Writs | 81 | 90 | 90 |
| Mandates | 82 | 90 | 90 |

- ◆ **Goal 2** To effectively collect debts owed to the Industrial Commission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Collection investigations completed | 4 | 10 | 10 |
| Collection files opened | 144 | 160 | 180 |
| Delinquent collection accounts to Attorney General's office | 0 | 0 | 0 |
| Subrogation files opened | 9 | 10 | 10 |

- ◆ **Goal 3** To effectively enforce compliance by Arizona employers with Arizona Workers' Compensation Insurance requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------------|----------------|------------------|------------------|
| Number of compliance referrals | 2,046 | 2,400 | 2,500 |
| Employers identified as uninsured | 911 | 1,000 | 1,400 |
| Compliance investigations completed | 1,067 | 1,200 | 1,600 |
| Civil penalties issued | 126 | 130 | 160 |
| Employers insured through our efforts | 258 | 300 | 400 |
| Injunctive proceeding initiated | 38 | 45 | 60 |

| | |
|---------------------------|-----------------------|
| IDA 0.0 | Agency Summary |
| DEPARTMENT OF INSURANCE | |
| Christina Urias, Director | |
| Phone: (602) 364-3471 | |
| A.R.S. § 20-101 | |

Mission:

To faithfully execute the state insurance laws in a manner that protects insurance consumers and encourages economic development.

Description:

The Department of Insurance licenses and authorizes the transaction of insurance business by insurers, producers, and other insurance-related entities regulated under A.R.S. § 20; monitors and promotes the financial safety and soundness of insurers transacting business in Arizona; oversees the rehabilitation, liquidation and performance of claims obligations of insolvent insurers; develops and makes insurance-related information publicly available; protects insurance consumers against unfair and illegal market practices; assists consumers with insurance-related questions and problems; investigates cases involving fraudulent insurance claims; oversees the development of the captive insurance industry; and annually collects over \$400 million in insurance premium taxes and other revenues that benefit the General Fund.

Agency Summary:

| | (\$ Thousands) | | |
|--|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ POLICY AND ADMINISTRATION | 1,436.8 | 1,455.9 | 1,454.5 |
| ➤ SOLVENCY REGULATION | 5,805.8 | 5,920.8 | 5,919.1 |
| ➤ CONSUMER SUPPORT | 4,445.5 | 4,416.1 | 4,071.3 |
| ➤ FRAUD INVESTIGATION AND DETERRENCE | 586.1 | 579.8 | 579.3 |
| ➤ LICENSING | 671.9 | 626.8 | 625.8 |
| ➤ PREMIUM TAX COLLECTIONS AND ANALYSIS | 279.2 | 317.9 | 317.6 |
| ➤ CAPTIVE INSURER PROGRAM | 144.8 | 192.6 | 192.4 |
| Agency Total: | 13,370.1 | 13,509.9 | 13,160.0 |

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 5,426.0 | 5,184.2 | 5,177.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 7,944.1 | 8,325.7 | 7,982.2 |
| Program Total | 13,370.1 | 13,509.9 | 13,160.0 |
| FTE Positions | 140.1 | 138.6 | 138.1 |

Strategic Issues:

Issue 1 State-based Insurance Regulation

The most critical issue facing Arizona and all other states is the modernization and preservation of state insurance regulation. State officials have successfully regulated the insurance industry for nearly 150 years, promoting the public interest, ensuring competitive markets, facilitating fair and equitable consumer protections and maintaining the financial strength and solvency of the insurance industry. The Obama Administration push for financial regulatory reform includes a proposal to create an Office of National Insurance (ONI) and pending Congressional legislation to provide for some degree of federal insurance regulation, if passed, could drastically change the current state based insurance regulatory landscape (i.e., loss of state insurance premium tax revenues and consumer protection benefits). Other possible federal legislation would allow for an "optional federal charter" affording insurers the option of choosing regulatory authority

between the state and federal government (similar to the current optional banking state/federal charter), which could adversely impact the long-standing comprehensive state-based consumer protections, confuse and disrupt insurance markets and harm insurance consumers. In fact, the state-based system of monitoring insurer financial solvency has kept insurance companies stable, protecting policyholders during the current financial turmoil. It was AIG's financial products division (not its insurers) that caused the bailout crisis last fall. Overall, the insurance business has fared much better than many other financial institutions under the current state insurance regulation system.

Advocates for federal insurance regulation (a federal insurance regulator) question whether the states can provide uniform and efficient insurance regulation on a national scale - to minimize the cost and inconvenience of multi-state licensing and regulation of insurers doing business in various states across the country. Pending federal "NARAB II" legislation would update the current federal National Association of Registered Agents and Brokers law (NARAB I) regarding national uniformity of insurance agent licensing and continuing education (CE) standards. Currently, agents must comply with 50 different licensing requirements in order to do business in each of the 50 states (although many states have similar requirements, they do differ in some respects). The current lack of licensing uniformity supports the argument in favor of nationalization - federal insurance regulation. The pending NARAB II proposal would provide an option for any insurance agent or agency to become a NARAB member and thus, become subject to only one set of licensing and CE standards in order to operate in every state. Except for CE requirements, Arizona is compliant with the proposed NARAB II uniformity requirements.

In a dynamic and competitive global insurance market, US insurers need to introduce new products quickly and advocates for a federal regulator believe state regulation (50 state regulators with 50 different sets of laws and requirements) is an impediment to that objective. State insurance regulation supporters believe that the most crucial consumer protection issues occur at the local level, including public policy and local market and environmental conditions. State policymakers and regulators are more directly accountable to their constituencies (as opposed to federal accountability) and have a greater stake in protecting their own citizens and retaining state insurance premium tax revenues (approximately \$400 million annually that might otherwise go to the federal government in the event of federal insurance regulation). In sum, state insurance departments are better equipped than the federal government to handle individual consumer complaints, local insurance market fluctuations, and the investigation and prosecution of insurance law violations through the State Attorney General's Office, County Attorney's Office, Office of Administrative Hearings and state superior courts.

Indeed, considering the financial crisis this past year, the federal government has a questionable track record when it comes to corporate and financial industry regulation. By contrast, the insurance industry remains solvent and profitable; state regulators have successfully prevented large-scale insurer insolvencies and their potential cascading effects on the economy. Working cooperatively with industry and consumer groups, the Arizona Department of Insurance and other state insurance regulators have continuously improved the efficiency and effectiveness of the state-based regulatory system to foster a sound, competitive and market-responsive insurance industry, both nationally and globally.

Issue 2 Multi-state Regulation and the NAIC

States coordinate their efforts through the National Association of Insurance Commissioners ("NAIC") to efficiently and effectively regulate multi-state insurers, insurance enterprises, products and issues. The NAIC and its affiliates developed numerous products and services that facilitate regulatory transactions and information sharing among states and the insurance industry (licensing, administrative actions, product filings, tax payments, etc.). The NAIC's accreditation program (an audit of every state insurance department once every 5 years) ensures that state insurance departments have the necessary laws and regulations, adequately trained personnel and the performance standards to competently regulate insurer solvency. Ensuring the financial solvency of insurers doing business in Arizona is paramount to the Department's consumer protection

responsibilities. Through the NAIC, insurance regulators and the insurance industry collaborate on model laws and regulations designed to protect insurance consumers and respond to ever-evolving changes in the marketplace (i.e. emerging technology, evolving risks and insurance coverage needs). To protect Arizona's interests, the Department must continue to review, revise and adopt NAIC model laws and regulations, cooperate with other state insurance regulators, maintain its current level of meaningful participation in NAIC committees, working groups and task forces, and remain able to take advantage of NAIC-developed products and services. Doing so will protect insurance consumers, preserve insurer solvency, promote competition and product innovation, and otherwise foster a healthy, vibrant insurance market in Arizona.

Issue 3 Consumer Protection and Assistance

Despite budget constraints and staff reductions, the Department continues to assist consumers in many ways. Since January 2009, the Department helped Arizona consumers recover over \$4.5 million from improper insurance transactions (i.e., claim payments, premium refunds, unsuitable annuity sales, etc.). The Department responds to consumer questions and complaints and investigates possible violations of Arizona insurance law. We offer impartial, up-to-date information (on the phone, over the Internet and in a variety of publications) to help the public make informed decisions about their insurance needs and to make sure consumers receive the benefits and services the law entitles them to receive under their policies. We make sure marketing materials, sales practices, insurance applications and policies are not deceptive, misleading, ambiguous or coercive. We review insurance rates and underwriting practices to assure adequacy and to verify that rates are not excessive or unfairly discriminatory. We make sure that insurers treat policyholders fairly and promptly pay covered claims. We only license insurance professionals and insurance companies that meet Arizona legal standards and make licensee information readily available to the public. The Department also monitors managed health care plans (HMOs or HCSOs) to assure adequate primary and specialty health care provider networks and timely health care provider payments so Arizonans have reasonable access to the health care services covered by their health care insurance policies.

Assuring financial solvency and prompt and reasonable payment of policyholder claims (and providing the safety net afforded by the state's Guaranty Funds in the event of insurer insolvency) are the Department's paramount responsibilities to Arizona consumers. To deter, investigate and facilitate convictions for insurance fraud, the Department's Insurance Fraud Unit conducts undercover investigations, executes search warrants and seizes the evidence necessary to prosecute insurance fraud, thereby reducing fraudulent claim costs and lower insurance rates for everyone. The Department recoups our General Fund appropriation through fees and assessments levied on the insurance industry, thereby minimizing the Department's fiscal impact on Arizona citizens. Continued support from the Governor and Legislature will preserve our continued excellent assistance and protection to Arizona's insurance consumers.

Issue 4 Operational Efficiency and Effectiveness

Despite severely reduced funding, the Department continues to improve efficiency in its operations. With increased fiscal support and operating flexibility, we can do even more. We need to update computerized recordkeeping systems and capitalize on record imaging and indexing technology to facilitate more efficient record storage and make our records more readily accessible to our analysts, the insurance industry and the public. We need to make our insurance continuing education (CE) laws apply to all Arizona-resident insurance producers (not just nonresident producers) so we can focus on important regulatory issues, rather than on details involving potential nonresident CE violations. We need a way to automatically verify a license applicant's lawful presence in the US (an "E-Verify" system, or electronic DMV records access), rather than manual review of hard copy identification documents. During the licensing process, we need to be able to submit electronically scanned fingerprints through the criminal justice system (as many states already do) to immediately receive criminal history reports, rather than waiting weeks or months for this critical information. Subscription to a criminal conviction records service would continually provide criminal conviction records for licensed insurance professionals and principals of licensed businesses would greatly facilitate our ability to deliver the most efficient and effective services possible.

| IDA | 1.0 | Program Summary |
|---|-----|-----------------|
| POLICY AND ADMINISTRATION | | |
| Christina Urias, Director | | |
| Phone: (602) 364-3471 | | |
| A.R.S. Title 20, A.A.C. Title 20, Ch. 6 | | |

Mission:

To provide leadership, direction, coordination and support, enabling the Agency to achieve its mission.

Description:

This program develops and implements administrative and regulatory policies and procedures; advises and supports the Governor's Office; provides technical support and advice to state legislators and the U.S. Congressional delegation; develops, recommends and implements insurance-related legislation; develops and promulgates appropriate rules and substantive policy statements; renders ultimate decisions in administrative proceedings necessary to enforce and administer the Insurance Code; coordinates legal representation provided by the Attorney General's Office; coordinates interaction with other state and federal agencies; coordinates with fellow state insurance regulators through participation in the National Association of Insurance Commissioners; interfaces with and coordinates outreach to major constituencies including the industry, licensees, consumers and the media; coordinates and participates in numerous task forces and advisory groups related to insurance regulation; develops the Agency's Operational Plan, Budget Request, Information Technology Plan, Business Continuity Plan, Efficiency Review and Disaster Preparedness Plan; develops the Agency's operational policies; coordinates and directs the activities of the Agency and its divisions, including continually improving the quality of customer service delivery; oversees the administration of boards and other public bodies within the Agency; oversees the preparation and distribution of regulatory information to the public, including consumer oriented literature, statutorily required reports, the agency newsletter and the agency website; coordinates responses to public records requests and subpoenas; oversees the development of the Agency's workforce; and provides agency accounting, budgeting, payroll, personnel, facilities management, risk management, telecommunication, information technology, mail processing and courier services.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 1,360.0 | 1,384.1 | 1,382.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 76.8 | 71.8 | 71.7 |
| Program Total | 1,436.8 | 1,455.9 | 1,454.5 |
| FTE Positions | 14.9 | 14.9 | 14.9 |

- ◆ **Goal 1** To efficiently and effectively coordinate, facilitate and support accomplishment of department-wide and divisional goals and objectives.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of Insurance Department employees surveyed who agree that agency management efficiently and effectively supports accomplishment of agency-wide and division goals and objectives. | N/A | 75.0 | 75.0 |

- ◆ **Goal 2** To provide a satisfying work environment for agency employees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of employee separations to average filled FTE positions | 12.7 | 5.0 | 5.0 |
| Percentage of Insurance Department employees surveyed who responded they were "satisfied" with their jobs | 76.3 | 80.0 | 80.0 |

- ◆ **Goal 3** To provide quality accounting, budgeting, personnel and

procurement services to internal customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of Insurance Department employees surveyed who responded they were "satisfied" or better with the Business Services Section | 80.0 | 85.0 | 85.0 |

- ◆ **Goal 4** To provide quality information technology support to internal customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of Insurance Department employees surveyed who responded they were "satisfied" or better with the Information Services Division | 80.0 | 70.0 | 70.0 |

- ◆ **Goal 5** To promptly fulfill appropriate public records requests and subpoenas.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average days to fulfill a public records request or respond to a subpoena from date received | 3.6 | 5.0 | 5.0 |

| IDA 2.0 | Program Summary |
|---------|----------------------------------|
| | SOLVENCY REGULATION |
| | Gerrie L. Marks, Deputy Director |
| | Phone: (602) 364-3471 |
| | A.R.S. §§ 20-101 et seq. |

Mission:

To oversee and promote the ability of authorized insurers to perform their financial obligations under insurance policies.

Description:

The program monitors the solvency of insurers doing business in Arizona through field examination and analysis of financial and transactional filings, administers the estates of Arizona insurer receiverships, and pays certain claims owed by insolvent insurers to Arizona residents.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 330.2 | 258.7 | 258.2 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 5,475.6 | 5,662.1 | 5,660.9 |
| Program Total | | 5,805.8 | 5,920.8 | 5,919.1 |
| FTE Positions | | 29.5 | 29.5 | 29.5 |

- ◆ **Goal 1** To efficiently and effectively analyze financial filings of insurers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of priority domestic insurer annual financial reports analyzed by April 30 | 100.0 | 95.0 | 95.0 |
| Percentage of priority domestic insurer supplemental filings analyzed within 45 days after receipt | 100.0 | 95.0 | 95.0 |
| Percentage of non-priority domestic insurer annual financial reports analyzed by June 30 | 100.0 | 95.0 | 95.0 |
| Percentage of non-priority domestic insurer supplemental filings analyzed within 90 days after receipt | 98.4 | 95.0 | 95.0 |

- ◆ **Goal 2** To timely, efficiently and effectively examine domestic insurers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percentage of domestic insurers examined within statutory timeframes | 100.0 | 100.0 | 100.0 |
| Number of new domestic receiverships | 0 | N/A | N/A |
| Explanation: | No one can predict the number or timing of insurance company receiverships. | | |

- ◆ **Goal 3** To efficiently and effectively administer the Guaranty Funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Percentage by which investment earnings of the Guaranty Funds exceeded the 90-day T-bill rate | 0.03 | 0.05 | 0.05 |
| Claims handling audit score for claims handled by the Guaranty Funds office (perfect score = 100) | N/A | N/A | 90.0 |
| Explanation: | Because of the low volume of claims, the small total of loss payments and the small total of loss adjustment expenses, the Agency determined it inefficient to have a claims audit performed in FY 2010. | | |

- ◆ **Goal 4** To maximize the ability of insolvent insurers to pay valid creditor claims.

| IDA 3.0 | Program Summary |
|---------|---|
| | CONSUMER SUPPORT |
| | Gerrie L. Marks, Deputy Director |
| | Phone: (602) 364-3471 |
| | A.R.S. Title 20, A.A.C. Title 20, Ch. 6 |

Mission:

To inform, assist and protect Arizona insurance consumers.

Description:

This program provides information and assistance to the public on a broad range of insurance-related issues; administers health care appeals; and performs investigations, examinations, and market surveillance in furtherance of consumer interests.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 2,347.3 | 2,147.1 | 2,144.1 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 2,098.2 | 2,269.0 | 1,927.2 |
| Program Total | | 4,445.5 | 4,416.1 | 4,071.3 |
| FTE Positions | | 59.6 | 58.1 | 57.6 |

- ◆ **Goal 1** To efficiently and effectively evaluate, and secure corrective action to deficiencies in health care service organization network adequacy, plan management, member services, quality improvement systems, utilization management and timely pay and grievance law compliance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of managed care examination reports filed within one year after exit from company for reports filed during the year | 100.0 | 100.0 | 100.0 |
| Percentage of managed care examination draft reports sent to the company within 60 days after exit | N/A | 100.0 | 100.0 |

- ◆ **Goal 2** To efficiently and effectively evaluate and secure corrective action to deficiencies in prepaid dental plan network adequacy, plan management, member services, and quality improvement systems.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of prepaid dental plan organization quarterly reports reviewed for compliance with laws and regulations | 100.0 | 90.0 | 90.0 |

- ◆ **Goal 3** To efficiently and effectively analyze and examine insurers' marketing, claims, underwriting, and rating practices.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of market conduct examination reports filed within one year after exit from company for reports filed during the year | 100.0 | 90.0 | 90.0 |
| Amount of restitution recovered through market conduct examinations (in thousands of dollars) | 30.4 | 50.0 | 50.0 |
| Percentage of market conduct examination draft reports sent to the company within 60 days after exit | 100.0 | 100.0 | 100.0 |

- ◆ **Goal 4** To efficiently and effectively monitor the competitiveness of the property and casualty insurance markets.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average days to complete market analysis monitoring reports from the date market monitoring surveys are sent to insurers, for market monitoring reports completed during the fiscal year | 81.0 | 135.0 | 135.0 |

◆ **Goal 5** To efficiently and effectively review Property and Casualty rate filings to determine compliance with Arizona law.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percentage of targeted open-competition rate filings (Article 4.1) reviewed within 90 days from date filing received | 100.0 | 95.0 | 95.0 |
| Percentage of file-and-use rate filings (Article 4) reviewed by the effective date of the rates | 100.0 | 95.0 | 95.0 |
| Average days to complete substantive review of file-and-use rate filings | 5.0 | 15.0 | 15.0 |
| Percentage of Property and Casualty rate filings submitted electronically | 92.0 | 90.0 | 90.0 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
| attendees | | | |

◆ **Goal 6** To efficiently and effectively review policies, contracts and related form filings to verify they contain all provisions and coverages required by law and are not misleading or unfairly discriminatory.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percentage of Property and Casualty form filings for which review was completed within the prescribed substantive review period | 100.0 | 95.0 | 95.0 |
| Average calendar days to complete substantive review of Property and Casualty form filings | 5.0 | 20.0 | 20.0 |
| Percentage of Life and Health form filings for which review was completed within the prescribed substantive review period | 94.0 | 90.0 | 90.0 |
| Average days to complete substantive review of Life and Health form filings | 19.7 | 22.0 | 22.0 |
| Percentage of form filings submitted electronically | 97.2 | 97.5 | 97.5 |

Explanation: Includes Life, Health, and Property and Casualty form filings.

◆ **Goal 7** To efficiently and effectively investigate apparent violations of the insurance code by insurers, professional service licensees and unauthorized parties, and to refer apparent violations for prosecution or administrative action.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average calendar days to complete an investigation after receipt of complaint warranting an investigation | 66.6 | 100.0 | 125.0 |

Explanation: The measurement only includes complaints that were investigated and closed and excludes complaints that warrant investigation but cannot be investigated due to resource limitations.

◆ **Goal 8** To efficiently and effectively administer health insurance external appeals process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percentage of health care appeals administered within statute-prescribed timeframes for health care appeal cases completed during the fiscal year | 100.0 | 100.0 | 100.0 |

◆ **Goal 9** To efficiently and effectively render assistance to consumers and other constituents on insurance-related matters.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percentage of success in locating liability coverage for difficult-to-place risks | 100.0 | 99.0 | 99.0 |
| Percent of survey respondents indicating satisfied or better with assistance rendered | 73.1 | 60.0 | 60.0 |
| Average days to resolve request for assistance | 101.5 | 180.0 | 180.0 |

◆ **Goal 10** To efficiently and effectively make insurance-related information available to the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of insurance-related public education events conducted during the fiscal year that had 10 or more | 26 | 20 | 20 |

| IDA | 4.0 | Program Summary |
|---|-----|-----------------|
| FRAUD INVESTIGATION AND DETERRENCE | | |
| Charles Gregory, Special Agent Supervisor | | |
| Phone: (602) 364-2140 | | |
| A.R.S. §§ 20-466 et. seq. | | |

Mission:

To deter, investigate, and facilitate conviction for insurance fraud.

Description:

This program receives investigative referrals from insurers and other sources. It conducts criminal investigations of individuals, businesses and organizations alleged to be involved in submitting intentionally misleading claim-related information to insurers or alleged to be engaged in other forms of insurance fraud. The program also provides education and promotes awareness within the industry, law enforcement and the community concerning the deleterious effects of insurance fraud.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 586.1 | 579.8 | 579.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 586.1 | 579.8 | 579.3 |
| FTE Positions | 14.0 | 14.0 | 14.0 |

◆ Goal 1 To efficiently and effectively investigate fraud referrals.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Number of investigations completed from referrals | 87 | 20 | 20 |
| Explanation: | Excludes proactive cases. Proactive cases are initiated by the Department. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Number of fraud referrals received from insurers | 2,290 | 2,000 | 2,000 |
| Number of insurer-referred cases submitted for prosecution (including citations in lieu of detention) | 52 | 15 | 15 |
| Explanation: | Excludes proactive cases. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Number of convictions from insurer-referred cases | 49 | 10 | 10 |
| Explanation: | Excludes cases previously submitted for prosecution and awaiting judicial procedure. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Average days to complete investigation of insurer-referred cases for cases completed during the year | 169.8 | 350.0 | 350.0 |
| Explanation: | Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Number of citation-in-lieu-of-detention cases submitted for prosecution | 0 | 0 | 0 |
| Explanation: | Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Number of citations in lieu of detention resulting in conviction or consent decree | 0 | 0 | 0 |
| Explanation: | Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Total restitution ordered from investigations of insurer-referred cases (in thousands of dollars) | 729.0 | 20.0 | 20.0 |

◆ Goal 2 To efficiently and effectively conduct targeted, proactive fraud investigations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Number of targeted, proactive investigations completed | 19 | 2 | 2 |
| Explanation: | Proactive cases are initiated by the Department. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Number of targeted, proactive cases submitted for prosecution | 16 | 2 | 2 |
| Explanation: | Proactive cases are initiated by the Department. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Number of convictions from targeted, proactive cases | 20 | 2 | 2 |
| Explanation: | Proactive cases are initiated by the Department. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |
| Total restitution ordered from proactive investigations (in thousands of dollars) | 423.0 | 20.0 | 20.0 |
| Explanation: | Proactive cases are initiated by the Department. Estimates for current and future years assume the Department will not be able to rehire any special agents reduced in force because of FY 2009 budget reductions. | | |

| IDA | 5.0 | Program Summary |
|-----|-----|---|
| | | LICENSING |
| | | Scott B. Greenberg, Chief Operating Officer |
| | | Phone: (602) 364-3764 |
| | | A.R.S. Title 20, A.A.C. Title 20, Ch. 6 |

Mission:

To render efficient, effective and quality insurance licensing services and to restrict license issuance and renewal to qualified candidates.

Description:

This program analyzes applications for licensure by entities regulated under A.R.S. § 20 and grants licenses to those satisfying statutory prerequisites to provide insurance products and services in Arizona. The program also oversees the administration of related activities, such as producer continuing education and pre-license examinations.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 523.2 | 496.6 | 495.8 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 148.7 | 130.2 | 130.0 |
| Program Total | | 671.9 | 626.8 | 625.8 |
| FTE Positions | | 12.9 | 12.9 | 12.9 |

- ◆ **Goal 1** To efficiently and effectively process insurer license applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Average Licensing Time Frames Days from the date an application for initial license is received to the date that the license decision is rendered, for insurers, reinsurers, service corporations, health care services organizations and prepaid dental plan organizations | 14.9 | 20.0 | 20.0 |
| Explanation: | Licensing Time Frames days are the Overall Time Frame days, as defined in A.R.S. § 41-1072(2), minus the days that the Overall Time Frame is suspended in accordance with A.R.S. § 41-1074(B). | | |

- ◆ **Goal 2** To provide quality service to professional service license customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of insurance professionals surveyed who reported they were "satisfied" or better with licensing services | 98.6 | 97.5 | 97.5 |

- ◆ **Goal 3** To efficiently and effectively process professional service license applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Average Licensing Time Frames Days required to render a decision on an insurance professional license application or renewal application from the date it was received | 2.0 | 3.5 | 3.5 |
| Explanation: | Licensing Time Frame Days are the overall time frame days, as defined in A.R.S. § 41-1072(2), minus the days that the overall time frame is suspended in accordance with A.R.S. § 41-1074(B). | | |
| Producer license and renewal applications received | 48,791 | 46,661 | 49,568 |
| Total producers licensed at June 30 | 169,862 | 174,713 | 178,045 |
| Percentage of new license applications and fee payments received electronically | 81.1 | 83.0 | 85.0 |
| Percentage of license renewal applications and fee payments received electronically | 75.7 | 77.0 | 79.0 |

| IDA | 6.0 | Program Summary |
|-----|-----|---|
| | | PREMIUM TAX COLLECTIONS AND ANALYSIS |
| | | Scott B. Greenberg, Chief Operating Officer |
| | | Phone: (602) 364-3764 |
| | | A.R.S. §§ 20-224 et. seq. |

Mission:

To fully collect, efficiently deposit and accurately forecast insurance premium tax revenues.

Description:

This program develops and provides tax report forms and information to taxpayers, collects and deposits premium tax revenues, audits premium tax reports and communicates with taxpayers concerning discrepancies, assesses late payment penalties and interest, and forecasts premium tax revenues.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 279.2 | 317.9 | 317.6 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 279.2 | 317.9 | 317.6 |
| FTE Positions | | 4.4 | 4.4 | 4.4 |

- ◆ **Goal 1** To fully collect the premium tax required by law.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of prior fiscal year premium tax returns audited | N/A | 60.0 | 60.0 |
| Amount of tax, interest and penalties recovered through audits (in millions of dollars) | 0.7 | 0.7 | 0.7 |

- ◆ **Goal 2** To efficiently deposit premium tax revenues.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average work days from date tax payment received to deposit with State Treasurer | 2.5 | 2.5 | 2.5 |
| Percentage of premium tax (installment and annual) reports and payments received electronically | 9.2 | 10.0 | 10.0 |

- ◆ **Goal 3** To accurately forecast premium tax revenues.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Difference (absolute value) between tax revenue forecast and actual fiscal-year tax revenues collected | 6.5 | 2.0 | 2.0 |

- ◆ **Goal 4** To provide quality service to premium taxpayers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of insurance premium taxpayers surveyed who reported they were "satisfied" or better with the Premium Tax Unit. | N/A | 75.0 | 75.0 |

| IDA 7.0 | Program Summary |
|--|-----------------|
| CAPTIVE INSURER PROGRAM | |
| Stephanie Lefkowski, Specialty Insurer Examination Manager | |
| Phone: (602) 364-4490 | |
| A.R.S. Title 20, A.A.C. Title 20, Ch. 6 | |

Mission:

To provide a regulatory environment that enables development of the domestic captive insurance industry, and to oversee the soundness of domestic captive insurers.

Description:

This program licenses Arizona captive insurers. Through analysis and examination as warranted, the program monitors each captive insurer's performance to confirm compliance with applicable laws, to detect potentially hazardous conditions and to appropriately intervene. The program also interacts with public and private stakeholders to foster an environment conducive to the development of a sound domestic captive insurance industry.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 144.8 | 192.6 | 192.4 |
| Program Total | 144.8 | 192.6 | 192.4 |
| FTE Positions | 4.8 | 4.8 | 4.8 |

◆ **Goal 1** To enable growth of the domestic captive insurance industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of new captive insurers licensed | 3 | 5 | 5 |

◆ **Goal 2** To efficiently and effectively process captive insurer license applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of captive insurer license applications reviewed within 30 days of receiving an administratively complete application | 100.0 | 100.0 | 100.0 |

◆ **Goal 3** To efficiently and effectively oversee the soundness of domestic captive insurers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of captive insurer annual reports analyzed within 120 calendar days of receipt | 18.8 | 18.8 | 18.8 |

| | |
|----------------|---|
| COU 0.0 | Agency Summary |
| | JUDICIAL SYSTEM |
| | Hon. Rebecca White Berch, Chief Justice |
| | Phone: (602) 452-3307 |
| | See Individual Programs |

Mission:

To provide Arizona citizens with an independent, accessible, and integrated judicial system that maintains a high degree of public trust and confidence; serves as an asset by dispensing justice, resolving human disputes, and conducting its administrative functions in a fair, equitable, and just manner; and operates efficiently and expeditiously.

Description:

The Arizona Judicial Branch is an integrated, but decentralized, judicial system implementing its constitutional and statutory responsibilities throughout all levels of government - state, county, and city. The Judicial Branch consists of the Supreme Court, Court of Appeals, Superior Court, and limited jurisdiction (municipal and justice of peace) courts. The Arizona Constitution provides for the administrative supervision over all courts to rest with the Chief Justice of the Supreme Court. The Administrative Office of the Courts is charged with assisting the Chief Justice in discharging his/her administrative duties. The Arizona Judicial Council, created in 1990, assists the Supreme Court and the Chief Justice in developing and implementing policies and procedures designed to accomplish the integration of the court system pursuant to the Court's constitutional mandate.

Agency Summary:

| | (\$ Thousands) | | |
|---|------------------|------------------|------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADJUDICATION | 4,525.1 | 4,422.3 | 4,422.3 |
| ➤ ADMINISTRATIVE SUPERVISION (COURTS AND AOC SUPPORT) | 9,577.3 | 5,690.3 | 5,690.3 |
| ➤ REGULATORY ACTIVITIES | 2,733.8 | 3,174.6 | 3,174.6 |
| ➤ COURT ASSISTANCE | 41,081.4 | 53,657.0 | 53,657.0 |
| ➤ FAMILY SERVICES | 6,246.8 | 6,805.4 | 7,405.4 |
| ➤ JUDICIAL NOMINATIONS AND PERFORMANCE REVIEW | 423.1 | 417.2 | 417.2 |
| ➤ COMMISSION ON JUDICIAL CONDUCT | 508.0 | 506.8 | 506.8 |
| ➤ JUDICIAL COMPENSATION | 7,518.4 | 7,591.4 | 8,008.9 |
| ➤ ADULT PROBATION SERVICES | 29,513.2 | 30,875.5 | 30,875.5 |
| ➤ JUVENILE PROBATION SERVICES | 40,973.9 | 54,075.7 | 54,075.7 |
| ➤ COURT OF APPEALS DIVISION I | 10,242.5 | 9,591.2 | 9,626.5 |
| ➤ COURT OF APPEALS DIVISION II | 4,452.1 | 4,195.1 | 4,206.2 |
| ➤ ADULT AND JUVENILE DRUG COURT | 1,150.6 | 1,231.8 | 1,231.8 |
| Agency Total: | 158,946.2 | 182,234.3 | 183,298.2 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---------------------------------|-----------------------|-------------------------|------------------------|
| (Thousands) | | | |
| General Funds | 108,540.7 | 108,785.2 | 109,849.1 |
| Other Appropriated Funds | 32,479.7 | 39,675.7 | 39,675.7 |
| Other Non Appropriated Funds | 17,925.8 | 33,773.4 | 33,773.4 |
| Program Total | 158,946.2 | 182,234.3 | 183,298.2 |
| FTE Positions | 489.1 | 508.3 | 508.3 |

Strategic Issues:

Issue 1 Strengthening the Administration of Justice

The Arizona Judiciary is committed to improving the administration of justice. Every person has the right to a prompt, fair, and impartial hearing. The pursuit of justice thus requires that cases be heard in a timely manner and processed efficiently. To accomplish this goal, the courts require effective case processing and efficient management of information and resources. In this era of dwindling resources, the Arizona judicial system must review and modernize operations and policies to ensure that public resources are used effectively, efficiently, and accountably.

Issue 2 Maintaining a Professional Workforce and Improving Operational Efficiencies

Maintaining a professional workforce and improving operational efficiencies are essential to achieving excellence. Judicial Branch leadership must continually examine and improve not only the systems, processes, and procedures used to deliver justice to Arizonans, but also the competency and professionalism of those who do the courts' work. The courts value and encourage diversity and treat all people with courtesy, respect, fairness, and dignity.

Issue 3 Improving Communications

Public confidence in the judicial system is fostered by understanding the work of the courts. In recent years, the Arizona Judiciary has increased its efforts to educate the public through seminars, outreach programs, and publications. As the public comes to rely on technology to conduct business and obtain information, the Judicial Branch must continue to adapt how it interacts and communicates with the public.

Although the method of delivery is important, the content of communications is more so. Court communications must convey timely, relevant, and meaningful information to court system employees and volunteers, members of the public attempting to access the courts, justice system partners working in collaboration with the courts, and funding entities allocating scarce resources. In every circumstance, success depends upon timely communication of clear, concise information.

Issue 4 Protecting Children, Families, and Communities

The removal of an abused or neglected child from the parents' home and the termination of parental rights involve significant government intrusions into the family and represent a significant use of the court's authority. For such cases, all parties must be assured prompt access to courts and due process. The judicial system must consider the rights of the parents and the safety and well being of the child or children.

On the other end of the age spectrum, the latest estimates from the U.S. Census Bureau indicate that nearly one-quarter of Arizona's population is at least 55 years of age. The ramifications of an aging population on the Judicial Branch include increased filings in the areas of guardianship, conservatorship, elder fraud, and physical abuse. Although significant strides have been made to ensure that fiduciaries are held accountable for the services they provide to their vulnerable clients, much remains to be done to protect our seniors and other vulnerable persons.

Holding those convicted of crimes accountable and reducing their likelihood of re-offending are central to protecting Arizona's communities. Evidence-based sentencing relies on a set of tools designed to offer judicial officials objective, scientific research about criminal behavior to assist them when making probation decisions. Coordinating objective data with the risk level of each probationer allows the judicial officer to tailor a term of probation and supervision that will achieve greater levels of success in rehabilitation

and preventing recidivism. In the criminal process, we must also help ensure that victims are afforded the full panoply of rights available to them.

Issue 5 Improving the Legal Profession

The Arizona Supreme Court regulates the practice of law, ensuring that Arizona attorneys meet the highest standards of professionalism and comply with rules designed to protect the public. During the past decade, the Arizona Supreme Court and the State Bar of Arizona have worked to improve the attorney discipline system. The Court wishes to maintain a fair and impartial discipline system, while decreasing the time and cost to process discipline cases, especially those that proceed to formal charges. Although progress has been made, more can be done to reduce processing times without compromising fairness.

The Court's authority to regulate the practice of law also includes establishing qualifications for admission to practice law in Arizona. New and amended rules of the Supreme Court have modernized Arizona's admission process by allowing "admission on motion" for lawyers who meet Arizona character and fitness standards and are licensed in other states that have substantially similar admission requirements.

Additionally, the Court, through its Committee on Examinations, is identifying opportunities to participate in a uniform bar examination. UBE scores will be portable to other states that give the UBE. The Court is also studying ways to streamline the character and fitness application and reference-check procedure for Arizona State Bar applicants. In addition, the Court is examining the feasibility of putting online the entire application process for admission to the Arizona State Bar.

| Program Summary | |
|---|--------------|
| COU 1.0 | ADJUDICATION |
| Kevin Kluge, Chief Financial Officer | |
| Phone: (602) 452-3395 | |
| AZ Constitution, Article VI, Section 2; A.R.S. § 12-101 | |

Mission:

To dispense justice in a fair and equitable manner and to provide judicial and administrative supervision over the Arizona Judicial Department as mandated by Arizona law and the Constitution.

Description:

The Supreme Court may choose to review decisions of the intermediate appellate courts when a petition for review is filed; hears direct criminal appeals in cases with a death sentence imposed; hears direct appeals in election cases; may accept direct special actions brought in the Supreme Court against state officials; regulates activities of the State Bar of Arizona and oversees admission of new attorneys to the practice of law; reviews charges of misconduct against attorneys, and has authority to suspend or disbar an attorney; serves as the final decision-making body when disciplinary recommendations are filed against Arizona judges by the Commission on Judicial Conduct; adopts rules of procedures for all courts of the state; provides administrative supervision over all courts of the state; and chairs the Commissions on Appellate and Trial Court Appointments.

| Funding and FTE Summary: (Thousands) | FY 2011 | FY 2012 | FY 2013 |
|--------------------------------------|---------|----------|---------|
| | Actual | Estimate | Request |
| General Funds | 4,525.1 | 4,422.3 | 4,422.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 4,525.1 | 4,422.3 | 4,422.3 |
| FTE Positions | 41.1 | 40.5 | 40.5 |

- ◆ **Goal 1** To provide fair and expeditious determination of cases. (Supreme Court activity is difficult to predict; estimates are based on FY 2008 activity level. Cases pending are as of 6/30.)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------|-------------------|---------------------|---------------------|
| All cases on file | 1,412 | 1,400 | 1,400 |
| All cases terminated | 1,022 | 1,100 | 1,100 |
| Cases pending | 390 | 300 | 300 |
| New case filings | 1,018 | 1,100 | 1,100 |
| State Bar matters on file | 137 | 150 | 150 |
| State Bar matters terminated | 135 | 150 | 150 |
| State Bar activity reports | 1,790 | 1,500 | 1,500 |
| All other cases on file | 17 | 17 | 17 |
| All other cases terminated | 14 | 10 | 10 |

| COU 2.0 | Program Summary |
|---|-----------------|
| ADMINISTRATIVE SUPERVISION (COURTS AND AOC SUPPORT) | |
| Dave Byers, Administrative Director | |
| Phone: (602) 452-3307 | |
| AZ Constitution, Article VI, Sections 3, 7 | |

Mission:

To assist the Chief Justice in carrying out the constitutionally prescribed responsibility for providing administrative supervision over the integrated Arizona court system and to support the Chief Justice and the Supreme Court in providing quality administrative leadership and assistance to Arizona's courts.

Description:

Court Administration is responsible, through nine operating divisions and the Office of the Administrative Director, for providing administrative support to the Chief Justice and Supreme Court; for liaison activities with executive and legislative branch agencies and other judicial departments; for coordinating strategic projects that have potential to change the way courts do business; and, for providing internal and external administrative support for the judicial department. The divisions are Administrative Services; Adult Services; Certification and Licensing; Court Services; Dependent Children's Services; Education Services; Human Resources; Information Technology; and Juvenile Justice Services. Court Administration is also responsible for facilities management and security for the Arizona Courts Building.

| | | | |
|---|--------|--------|--------|
| Total Number of Questions/Issues Received | 30,927 | 35,000 | 38,000 |
| Number of Questions/Issues Received - Urgent Priority | 20 | 150 | 170 |
| Percent of Questions/Issues Resolved Within 1 Business Day - Urgent Priority | 85 | 85 | 85 |
| Number of Questions/Issues Received - High Priority | 639 | 400 | 800 |
| Percent of Questions/Issues Resolved Within 2 Business Days - High Priority | 75 | 85 | 85 |
| Number of Questions/Issues Received - Medium Priority | 15,075 | 20,000 | 25,000 |
| Percent of Questions/Issues Resolved Within 3 Business Days - Medium Priority | 88 | 85 | 85 |

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 9,577.3 | 5,690.3 | 5,690.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 9,577.3 | 5,690.3 | 5,690.3 |
| FTE Positions | 41.9 | 42.5 | 42.5 |

- ◆ **Goal 1** To identify operational and administrative problems and recommend solutions and to uphold the integrity and independence of the judiciary.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Operational reviews completed | 6 | 20 | 20 |
| Average days to complete an operational review report | 454 | 180 | 180 |
| Average reviews per specialist | 1.5 | 4 | 4 |

- ◆ **Goal 2** To ensure that automation services are provided that support statewide programs and systems.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Internal and external users connected to the Arizona Judicial Information Network | 7,515 | 7,500 | 7,500 |
| Infrastructure cost per user (dollars) | 757 | 786 | 786 |
| Uptime of network availability during normal operating hours (percentage) | 99 | 99 | 99 |
| Uptime of systems availability during normal operating hours (percentage) | 99 | 99 | 99 |
| % of courts with automated accounting and case management systems | 100 | 100 | 100 |
| % of courts using COT approved and/or standard case management systems | 97 | 97 | 97 |
| % of users with AJIN access (percentage) | 100 | 100 | 100 |

- ◆ **Goal 3** To provide accurate, prompt and professional responses to questions or problems concerning court operations, procedures and/or other technological issues received by the AOC Support Center.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| COU 3.0 | Program Summary |
|---------|---|
| | REGULATORY ACTIVITIES |
| | Nancy Swetnam, Division Director |
| | Phone: (602) 452-3362 |
| | A.R.S. §§ 32-4001; 28-3391 to 28-3399; 14-5651; 8-134 |

Mission:

To train, certify and monitor regulatory activities placed under the oversight of the Arizona Supreme Court.

Description:

The program is responsible for oversight of certification, testing, training, compliance and discipline of regulatory programs under the jurisdiction of the Arizona Supreme Court.

This Program Contains the following Subprograms:

- ▶ Court Reporters
- ▶ Confidential Intermediary
- ▶ Private Fiduciary
- ▶ Defensive Driving School Regulation

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 855.5 | 1,127.0 | 1,127.0 |
| Other Non Appropriated Funds | 1,878.3 | 2,047.6 | 2,047.6 |
| Program Total | 2,733.8 | 3,174.6 | 3,174.6 |
| FTE Positions | 32.6 | 33.2 | 33.2 |

| COU 3.1 | Subprogram Summary |
|---------|-----------------------------|
| | COURT REPORTERS |
| | Linda Grau, Program Manager |
| | Phone: (602) 452-3888 |
| | A.R.S. §§ 32-4001 et. seq. |

Mission:

To certify individuals in the state who engage in the stenographic or voice writing reporting of proceedings in any Court and who take depositions for use in any Arizona court.

Description:

A.R.S. Title 32, Chapter 40, requires individuals who engage in stenographic or voice writing reporting of proceedings for use in any court in this state be certified by the Board of Certified Reporters. The Board administers examinations for the certification of reporters and recommends to the Arizona Supreme Court rules to implement and enforce the provisions of the law. The Board also has authority to investigate alleged violations of certified reporters and to take appropriate disciplinary action. The program began during FY 2000; effective January 1, 2007, voice writer reporters must be certified, in addition to stenographic reporters.

*Funding includes Regulatory Activities from all non appropriated funds in addition to certified reporter.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,878.3 | 2,047.6 | 2,047.6 |
| Program Total | 1,878.3 | 2,047.6 | 2,047.6 |
| FTE Positions | 18.9 | 19.5 | 19.5 |

- ◆ **Goal 1** To promptly process and review certification applications and reports for issuance, renewal or denial of certification

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Applications received (new and renewal) | 20 | 470 | 20 |
| Certifications granted | 18 | 460 | 20 |
| Certifications denied | 2 | 0 | 0 |
| Average number of days from receipt of application to decision regarding certification | 60 | 60 | 60 |
| Number of certified reporters (end of year) | 469 | 480 | 475 |

- ◆ **Goal 2** To investigate and process complaints against certified court reporters to ensure compliance with Arizona law and administrative orders and rules adopted by the Arizona Supreme Court.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Complaints received | 12 | 10 | 10 |
| Complaints closed | 9 | 10 | 10 |
| Disciplinary action | 6 | 1 | 3 |
| Average number of days from receipt of complaint to resolution by dismissal or disciplinary action | 303 | 180 | 300 |
| Complaint closure rate (percent) | 75 | 98 | 100 |
| Percent of cases closed within 22 month standard | 100 | 98 | 98 |

| | |
|-----------------------------|---------------------------|
| COU 3.2 | Subprogram Summary |
| CONFIDENTIAL INTERMEDIARY | |
| Linda Grau, Program Manager | |
| Phone: (602) 452-3888 | |
| A.R.S. § 8-134 | |

Mission:

To train, certify and monitor Confidential Intermediaries to facilitate contact between adoptees or adoptive parents and birth parents and biological siblings while protecting court and agency records and anonymity of those who desire it.

Description:

The Board certifies Confidential Intermediaries (CIs), as specified by the court, to act as a liaison between an adoptive parent, guardian or an adoptee or a birth parent or birth sibling in establishing contact. The CI has statutory authority to access confidential court and agency adoption records to facilitate the search. The program facilitates voluntary contact, while protecting the confidentiality of those who desire their adoption records to remain sealed. The Arizona Supreme Court has adopted rules and procedures to implement and operate the program, and established fees, training, and standards of conduct for CIs with appropriate disciplinary action as necessary. Effective January 1, 2008, CIs have the statutory authority to facilitate contact between siblings who have been separated as the result of dependency/foster care.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 113.4 | 170.0 | 170.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 113.4 | 170.0 | 170.0 |
| FTE Positions | 2.5 | 2.5 | 2.5 |

◆ Goal 1 To promptly process and review applications for initial certification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of applicants for certification | 0 | 10 | 2 |
| Average number of days from receipt of complete application requirements to decision regarding certification | NA | 90 | 90 |
| Explanation: No applications received | | | |
| Number of individuals granted certification | NA | 2 | 2 |
| Explanation: No applications received | | | |
| Number of individuals denied certification | NA | 0 | 0 |
| Explanation: No applications received | | | |
| CIs certified (end of year) | 32 | 30 | 30 |

◆ Goal 2 To promptly process and review applications for biennial renewal of certification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of applications received | 33 | NA | 33 |
| Number of individuals granted recertification | 33 | NA | 30 |
| Number of individuals denied recertification | 0 | NA | 0 |
| Number of days from submission of complete renewal application to decision regarding renewal | 40 | NA | 90 |

◆ Goal 3 To provide initial training to individuals eligible for certification and renewal training for certified CIs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of individuals receiving initial training | 0 | 10 | 0 |
| Explanation: No new certificate holders in FY10 | | | |

◆ Goal 4 To assist CIs to provide high quality service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Cases closed | 73 | 60 | 60 |
| Explanation: As of 1/1/08, CI's no longer required to get permission to open a case | | | |

◆ Goal 5 To investigate and process complaints against certified confidential intermediaries to ensure compliance with Arizona law and administrative orders and rules adopted by the Arizona Supreme Court.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Complaints received | 0 | 1 | 0 |
| Explanation: No complaints received in FY10 | | | |
| Complaints closed | NA | 1 | 0 |
| Explanation: No complaints received in FY11 | | | |
| Disciplinary action | NA | 0 | 0 |
| Number of days from receipt of complaint to resolution by dismissal or disciplinary action | NA | 120 | 0 |
| Explanation: No complaints received in FY11 | | | |
| Complaint case closure rate (percent) | NA | 100 | 0 |
| Explanation: No complaints received in FY11 | | | |
| Percent of cases closed within standard of 22 months | NA | 100 | 0 |
| Explanation: No complaints received in FY11 | | | |

| | |
|----------------|----------------------------------|
| COU 3.3 | Subprogram Summary |
| | PRIVATE FIDUCIARY |
| | Katherine Boots, Program Manager |
| | Phone: (602) 452-3415 |
| | A.R.S. § 14-5651 |

Mission:

To certify, audit and discipline licensed fiduciaries and fiduciary businesses who are court appointed to serve as guardians for incapacitated persons, conservators for persons in need of protection and personal representatives for decedent estates.

Description:

A.R.S. § 14-5651 requires persons, who serve for a fee and are unrelated to a person or not nominated by will, and are appointed by the Superior Court, to be licensed by the Arizona Supreme Court. The program licenses individuals who meet the statutory requirements and serve by court appointment as guardians, conservators, and personal representatives. The program develops and enforces the rules and policies necessary to implement A.R.S. § 14-5651. The program provides initial and renewal licensure for fiduciaries. The program investigates alleged misconduct by fiduciaries and takes appropriate disciplinary action as necessary. The program conducts random compliance audits of licensed fiduciaries.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 196.2 | 308.8 | 308.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 196.2 | 308.8 | 308.8 |
| FTE Positions | 3.6 | 3.6 | 3.6 |

- ◆ **Goal 1** To promptly process and review licensure applications and reports for issuance or denial of initial licensure.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of applications received | 33 | 20 | 40 |
| Number of individuals licensed | 23 | 19 | 35 |
| Number of applications denied | 2 | 1 | 0 |
| Number of days from receipt of complete application requirements to decision regarding licensure | 60 | 60 | 60 |
| Number of fiduciaries licensed at end of year | 299 | 320 | 249 |

- ◆ **Goal 2** To promptly process and review applications for biennial renewal of certification.

*Fiduciaries renew licensure every other year, in the even numbered year. Therefore, there is no renewal in FY11 or FY13.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of applications received | 0 | 249 | 0 |
| Number of individuals granted recertification | 0 | 245 | 0 |
| Number of applications denied recertification | 0 | 4 | 0 |
| Number of days from submission of complete renewal application to decision regarding renewal | 0 | 60 | 0 |

- ◆ **Goal 3** To receive complaints, conduct impartial investigations and take appropriate action, ranging from dismissal of complaint to license revocation, in accordance with Arizona Revised Statutes and the code of conduct, administrative rules and orders adopted by the Arizona Supreme Court.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|-----------------------|-------------------------|-------------------------|
| Number of complaints received | 17 | 23 | 23 |
| Number of complaints closed | 8 | 24 | 10 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of disciplinary actions | 2 | 8 | 4 |
| Number of days from receipt of complaint to resolution by dismissal or disciplinary action | 377 | 250 | 250 |
| Complaint case closure rate (percent) | 47 | 100 | 95 |
| Percent of complaints resolved within 22 month standard | 69 | 98 | 90 |

- ◆ **Goal 4** To conduct audits of licensed fiduciaries and their businesses to insure compliance with statutes, administrative code sections and court orders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of notice of engagement letters | 3 | 3 | 3 |
| Fieldwork completed | 3 | 3 | 3 |
| Corrective Action Plans in Place | 3 | 3 | 3 |
| Number of final reports completed | 2 | 3 | 3 |

COU 3.4 Subprogram Summary

DEFENSIVE DRIVING SCHOOL REGULATION

Katherine Boots, Program Manager

Phone: (602) 452-3415

A.R.S. §§ 28-3391 to 28-3399

Mission:

To train, certify and monitor the use of defensive driving schools and defensive driving instructors by the Arizona courts.

Description:

The program certifies and monitors defensive driving schools and instructors that may be used by the Arizona courts for diversion of traffic offenses and provides information to courts on the operation of the program. A statewide database is maintained to record defensive driving course completion and to verify eligibility for participation in the diversion program.

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 545.9 | 648.2 | 648.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 545.9 | 648.2 | 648.2 |
| FTE Positions | 7.6 | 7.6 | 7.6 |

- ◆ **Goal 1** To ensure defensive driving schools and instructors meet established standards for administrative and educational quality.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Operational reviews of schools completed | 3 | 5 | 0 |
| Percent of instructors rated that are in compliance with Arizona Code of Judicial Administration (ACJA 7-205) and Statutes. | 97 | 95 | 95 |
| Instructors monitored | 68 | 130 | 60 |

- ◆ **Goal 2** To ensure the statewide database provides accurate and timely information for eligibility and fee payment verification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average days to complete error change requests from schools | 1 | 1 | 1 |
| Percent of student completions reported by schools on time | 98.01 | 95 | 98 |
| Court information change requests processed | 6,892 | 5,000 | 5,000 |

- ◆ **Goal 3** To provide continuing training opportunities for instructors to improve the quality of the defensive driving classes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| New instructors completing training | 23 | 40 | 20 |
| Current instructors receiving ongoing training | 168 | 215 | 160 |
| Percent of instructors indicating training programs are responsive to their needs | 99 | 98 | 99 |

- ◆ **Goal 4** To ensure reporting procedures are established and followed for courts and schools to verify accurate fee payment, reporting and processing of defensive driving program traffic dismissals.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of bi-monthly school reports/fee payments reconciled monthly | 100 | 98 | 98 |

- ◆ **Goal 5** To investigate and process complaints against certified defensive driving schools and instructors to ensure

compliance with Arizona law and administrative orders and rules adopted by the Arizona Supreme Court.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Complaints received | 14 | 15 | 15 |
| Complaints closed | 14 | 15 | 15 |
| Complaint case clearance rate (percent) | 100 | 100 | 100 |
| Disciplinary actions | 5 | 2 | 3 |
| Average number of days from receipt of complaint to closure | 310 | 250 | 250 |
| Percentage of complaint cases closed within 22 month standard | 100 | 98 | 100 |

- ◆ **Goal 6** To promptly process and review applications for certification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Applications received | 21 | 186 | 20 |
| Certifications granted | 28 | 181 | 28 |
| Certifications denied | 2 | 5 | 5 |
| Average number of days from receipt of complete application to decision regarding certification (Instructors) | 60 | 60 | 60 |
| Number of certified schools (end of year) | 40 | 29 | 55 |

| COU 4.0 | Program Summary |
|---------|--------------------------------------|
| | COURT ASSISTANCE |
| | Kevin Kluge, Chief Financial Officer |
| | Phone: (602) 452-3395 |
| | See Individual Programs |

Mission:

To aid Arizona courts in protecting children, families, and communities while providing swift, fair access to justice.

Description:

Various divisions within the Administrative Office of the Courts provide support throughout the Arizona Judicial Department by administering and monitoring various statutorily created funds and Arizona Supreme Court established programs to assist in the improvement of Arizona court processes.

This Program Contains the following Subprograms:

- ▶ Judicial Education
- ▶ Domestic Relations
- ▶ State Grand Jury
- ▶ Post Conviction Relief
- ▶ Judicial Assistance
- ▶ State Aid to the Courts
- ▶ Judicial Collection Enhancement
- ▶ Defensive Driving
- ▶ Drug Enforcement
- ▶ Alternative Dispute Regulation
- ▶ Case Processing Assistance

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 978.4 | 997.5 | 997.5 |
| Other Appropriated Funds | 24,707.7 | 28,193.6 | 28,193.6 |
| Other Non Appropriated Funds | 15,395.3 | 24,465.9 | 24,465.9 |
| Program Total | 41,081.4 | 53,657.0 | 53,657.0 |
| FTE Positions | 48.3 | 67.2 | 67.2 |

| COU 4.1 | Subprogram Summary |
|---------|------------------------------------|
| | JUDICIAL EDUCATION |
| | Jeffrey Schrade, Division Director |
| | Phone: (602) 452-3000 |
| | ACJA 1-302, 1-108 |

Mission:

To improve the service the judiciary provides to the public and internal customers by increasing the expertise, skills and abilities of all judicial personnel through a comprehensive, relevant, accessible and high-quality system of judicial education.

Description:

In support of the division's mission, staff have an obligation to provide mandated training for certain categories of court personnel. This includes orientation for new limited and general jurisdiction judges; a certification academy and testing component for new probation officers; and offerings in required programs for judicial staff, including programs on the court system, communication skills, dealing with the public and current issues in the court. In these and other programs, the division strives to involve individuals in the court system in the planning and implementation of programs for their respective positions; to fairly provide programs for all categories of judicial personnel; and to utilize a variety of delivery mechanisms to assure the availability of programs for individuals of all job categories and geographic locations.

This program supports and maintains a statewide system of judicial education and manages oversight of personnel compliance with judicial education standards; maintains, staffs and facilitates a comprehensive system of curriculum and program development committees; maintains a statewide system of local training coordinators to sponsor and monitor local training; conducts and/or facilitates curriculum, program and faculty development programs/processes for statewide judicial education; coordinates and produces conferences, workshops, seminars, videos and broadcasts for judges and non-judge staff; and implements directives of the Committee on Judicial Education and Training and its subcommittees: the Judicial College of Arizona, the Committee on Probation Education, and the Judicial Staff Education Committee and the Court Leadership Institute of Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 158.3 | 169.3 | 169.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 158.3 | 169.3 | 169.3 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

- ◆ **Goal 1** To provide continuing education to all members of the judiciary.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|-------------------------|-------------------------|
| Number of sessions offered to judges (limited, general and appellate jurisdictions) | 246 | 225 | 225 |
| Number of sessions offered to probation, detention and surveillance officers | 410 | 450 | 450 |
| Number of sessions offered to judicial staff | 210 | 200 | 200 |
| Number of judges participating in Education Services Division sponsored programs | 988 | 1,000 | 1,000 |
| Explanation: | These are duplicated counts of judges, probation staff and judicial staff. | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Number of probation, detention and surveillance officers participating Education Services Division sponsored programs | 1,102 | 1,000 | 1,000 |
| Explanation: | Probation participant numbers jumped significantly due to addition of Defensive Tactics, Firearms Training, Officer Safety Train the Trainer, and Faculty Skill Development for Officer Safety Instructors statewide. | | |
| Number of judicial staff participating in Education Services Division sponsored programs | 1,713 | 1,800 | 1,800 |

- ◆ **Goal 2** To assure a comprehensive system of judicial education for all categories of personnel

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of educational hours offered to judges (limited general and appellate jurisdictions) | 350 | 375 | 375 |
| Number of educational hours offered to probation, detention and surveillance officers | 1,157 | 1,250 | 1,250 |
| Number of educational hours offered to judicial staff | 333 | 360 | 360 |
| Percent of judges in compliance with annual continuing education mandate | 99 | 100 | 100 |
| Percent of probation, detention and surveillance officers in compliance with annual continuing education mandate | 98 | 100 | 100 |
| Percent of judicial staff in compliance with annual continuing education mandate | 99 | 100 | 100 |

- ◆ **Goal 3** To assure appropriate use of available resources to support a comprehensive system of judicial education

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of faculty used to train judges | 355 | 300 | 300 |
| Number of faculty used to train probation, detention and surveillance officers | 355 | 355 | 355 |
| Number of faculty used to train judicial staff | 228 | 200 | 200 |
| Percent of total faculty used paid for services to train judges | 5 | 10 | 10 |
| Percent of total faculty used paid for services to train probation, detention and surveillance officers | 5 | 10 | 10 |
| Percent of total faculty used paid for services to train judicial staff | 3 | 10 | 10 |
| Cost per participant hours from total budget to train judges | 16 | 20 | 20 |
| Cost per participant hours from total budget to train probation, detention and surveillance officers | 8 | 15 | 15 |
| Cost per participant hours from total budget to train judicial staff | 8 | 15 | 15 |

- ◆ **Goal 4** To assure the accessibility of judicial education programs through various delivery mechanisms, including seminars/workshops, conferences, residential programs, broadcasts, computer-based and other distance learning formats

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Total number of seminars/workshops | 51 | 50 | 50 |
| Total number of conferences | 6 | 6 | 6 |
| Total number of residential programs | 32 | 24 | 30 |
| Total number of broadcasts | 4 | 5 | 5 |
| Total number of computer based programs | 4,125 | 4,250 | 4,500 |
| Total number of publications | 70,137 | 71,000 | 72,000 |
| Total number of WENDELL website "hits" | 52,757 | 50,000 | 50,000 |
| Total number of materials checked out of resource library | 41 | 100 | 100 |

| COU 4.2 | Subprogram Summary |
|----------------------------------|--------------------|
| DOMESTIC RELATIONS | |
| Theresa Barrett, Program Manager | |
| Phone: (602) 452-3364 | |
| A.R.S. § 25-323.01 | |

Mission:

To provide leadership, coordination, and technical support for the development of domestic relations and child support enforcement programs and policies and to improve the administration of justice in Arizona communities on issues of domestic violence.

Description:

This program coordinates and supports the activities of the legislatively established Child Support Committee and Domestic Relations Committee. These committees address statewide strategic planning for child support and consolidation/revision of domestic relations statutes. In addition, this program provides staff support for the Committee on the Impact of Domestic Violence and the Courts, established by Administrative Order of the Supreme Court.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 632.2 | 640.3 | 640.3 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 632.2 | 640.3 | 640.3 |
| FTE Positions | | 4.9 | 4.9 | 4.9 |

- ◆ **Goal 1** To provide timely, effective administrative and technical support to the legislative co-chairs and committee members.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Percent of time minutes were provided in 10 days & notice at least 24 hours prior to meeting | 100 | 100 | 100 |
| Percent of annual committee reports completed on schedule | NA | NA | 100 |
| Explanation: | Reporting requirement suspended for FY11 and FY12. | | |

- ◆ **Goal 2** To provide timely and effective administrative and technical support to domestic relations education on children's issues program administrators, to review standards and evaluate statewide domestic relations education on children's issues programs in accordance with statute and Supreme Court administrative order.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percentage of annual reports received and analyzed from prior fiscal year | 100 | 100 | 100 |
| Number of alternative format programs reviewed. | 2 | 4 | 4 |

- ◆ **Goal 3** To provide timely, effective administrative and technical support to all judges and court personnel and the Committee on the Impact of Domestic Violence and the Courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of time minutes were provided in 20 days & notice 48 hours prior to meeting | 100 | 100 | 100 |

- ◆ **Goal 4** To provide on site monitoring and assessment of state and local proceedings and services related to domestic violence issues.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| State and local contacts monitored and evaluated for proceedings and services following statutes and court | 61 | 50 | 50 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

rules.

- ◆ **Goal 5** To maintain the competence of judicial officers in the appropriate determination and effective management of domestic violence cases.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

| | | | |
|---|-------|-----|-----|
| Percent of necessary annual updates done for the Bench Book for Orders of Protection and Injunctions Against Harassment in Domestic Violence Cases and related court policies | 100 | 100 | 100 |
| Percent of conducting at least one bi-annual statewide training conference specifically devoted to domestic violence issues | 100 | NA | 100 |
| Appropriate judicial officers and court personnel educated in policies and procedures that help counties effectively address the needs of domestic violence victims | 1,332 | 300 | 300 |

| COU 4.3 | Subprogram Summary |
|---------|--------------------------------------|
| | STATE GRAND JURY |
| | Kevin Kluge, Chief Financial Officer |
| | Phone: (602) 452-3395 |
| | A.R.S. § 21-428(B) |

Mission:

To provide for reimbursement of grand jury expenses as required by law.

Description:

The program provides the mechanism for reimbursement of the direct costs incurred by a county for impaneling a grand jury and the related costs associated with the grand jury's function and duties. Expenses that are reimbursed include juror fees, lodging, meals and mileage, attorneys, interpreters, investigators and expert witnesses appointed to a particular case and transcript preparation.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 97.9 | 97.9 | 97.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 602.3 | 972.5 | 972.5 |
| Program Total | 700.2 | 1,070.4 | 1,070.4 |
| FTE Positions | 0.2 | 0.2 | 0.2 |

- ◆ **Goal 1** To provide for reimbursement of valid grand jury expenses, in accordance with Constitutional mandates.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
| Claims processed | 8 | 8 | 8 |

| COU 4.4 | Subprogram Summary |
|---------|--------------------------------------|
| | POST CONVICTION RELIEF |
| | Kevin Kluge, Chief Financial Officer |
| | Phone: (602) 452-3395 |
| | A.R.S. § 13-4041 |

Mission:

To provide reimbursement to counties for state-funded representation of indigent defendants in first-time capital post conviction relief proceedings.

Description:

Laws 1996, Chapter 7, 7th Special Session provides that all indigent prisoners under a capital sentence are entitled to the appointment of counsel to represent them in the state PCR proceeding and requires the Supreme Court to appoint this counsel after the mandate affirming the defendant's conviction and sentence is issued. This legislation establishes a flat fee of \$7,500 to be paid to appointed counsel in a first state PCR proceeding unless the counsel is employed by a publicly funded office. The Supreme Court is required to reimburse the county, upon certification by the county that the amount is owed.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 90.0 | 90.0 | 90.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 90.0 | 90.0 | 90.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To provide for reimbursement of valid post-conviction relief proceedings.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| Claims processed | 15 | 20 | 20 |

| COU 4.5 | Subprogram Summary |
|---------|--|
| | JUDICIAL ASSISTANCE |
| | Kevin Kluge, Chief Financial Officer |
| | Phone: (602) 452-3395 |
| | AZ Const., Art. VI, Section 19, 20, A.R.S. §§ 12-143, 38-813 |

Mission:

To provide for reimbursement of judges pro tempore and retired judges called to serve in the superior and appellate courts of Arizona.

Description:

The program provides the funding mechanism for payment of salaries of judges pro tempore when serving in the Superior Court, payment of retired judges' differential pay, and payment of travel expenses.

- ◆ **Goal 1** To provide reimbursement as required for judges pro tempore and retired judges called to serve in the superior and appellate courts of the state. <=Funding for this program has been eliminated through budget cuts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| Reimbursement provided | 0 | 0 | 0 |

| COU 4.6 | Subprogram Summary |
|---------------------------|--------------------|
| STATE AID TO THE COURTS | |
| Amy Wood, Program Manager | |
| Phone: (602) 452-3337 | |
| A.R.S. § 12-102.02 | |

Mission:

To improve the processing of criminal cases in the Arizona Superior Court and Justice Courts.

Description:

The Arizona Supreme Court is required to administer the monies in the State Aid to Courts Fund. In addition to administering the fund, this program distributes monies to the Superior Court, including the Clerk of Court, and the Justices Courts in each county based on a composite index formula using Superior Court felony filings and county population.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 5,338.1 | 2,944.5 | 2,944.5 |
| Other Non Appropriated Funds | | 11,415.3 | 20,224.4 | 20,224.4 |
| Program Total | | 16,753.4 | 23,168.9 | 23,168.9 |
| FTE Positions | | 20.8 | 39.8 | 39.8 |

◆ Goal 1 To reduce felony case processing delays to improve public protection and to provide swift, fair justice for victims and those accused of crimes. (Target is to have 90% of all felony cases processed within 100 days.)

- ☐ Performance Measure 1 for FY09 reflects 10 of the 15 Arizona counties including the 2 largest counties, Maricopa and Pima. The 5 counties that were unable to report within the time allotted are undergoing a period of transition related to a new court case management system.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of counties' criminal cases processed within the 100 day target | 59 | 70 | 70 |
| Percent of counties conducting criminal case processing improvement projects | 80 | 100 | 100 |

| COU 4.7 | Subprogram Summary |
|---------------------------------|--------------------|
| JUDICIAL COLLECTION ENHANCEMENT | |
| Janet Scheiderer, Director | |
| Phone: (602) 452-3334 | |
| A.R.S. § 12-116 | |

Mission:

To improve, maintain, and enhance the ability of the courts to collect and manage monies assessed or received by the courts and to improve court automation projects likely to improve case processing or the administration of justice.

Description:

The Judicial Collection Enhancement Fund (JCEF) is used to improve, maintain and enhance the judiciary's ability to collect and manage monies, including child support, restitution, fines and civil penalties. Funds are used for automation of courts, projects to improve case processing and the administration of justice, and to educate courts about revenue enhancement techniques and technology.

*Total FTEs do not include Grant Funded or Field FTEs.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 16,223.0 | 18,816.8 | 19,316.8 |
| Other Non Appropriated Funds | | 671.5 | 710.0 | 710.0 |
| Program Total | | 16,894.5 | 19,526.8 | 20,026.8 |
| FTE Positions | | 13.9 | 13.9 | 13.9 |

◆ Goal 1 To improve, maintain and enhance the ability of the courts to collect and manage monies assessed or received by the courts, pursuant to A.R.S. 12-116.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of annual increase in court revenue in prior fiscal year | 7.4 | 7.0 | 7.0 |
| Difference in percentage change from previous fiscal year in court revenue collections and case filings | 9.8 | 3.0 | 3.0 |

◆ Goal 2 To fund court automation projects likely to improve case processing or the administration of justice.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of all of the courts that have automated case and cash management systems | 100 | 100 | 100 |
| Percent of annual increase in overall court dispositions at all court levels in prior fiscal year. | 2.6 | 5.0 | 5.0 |
| Clearance rate (dispositions/filings) for all cases at all court levels in prior fiscal year. | 1.07 | 1.03 | 1.03 |

◆ Goal 3 To expedite the processing of grant requests in a cost-effective manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Mean cycle days receipt of request to court notification of approval/denial | 11.76 | 13 | 13 |
| Grant management budget as percent of total budget | 1 | 1 | 1 |

| COU 4.8 | Subprogram Summary |
|---------|----------------------------|
| | DEFENSIVE DRIVING |
| | Janet Scheiderer, Director |
| | Phone: (602) 452-3334 |
| | A.R.S. § 28-493 |

Mission:

To assist courts in enhancing case processing.

Description:

This program oversees the funds in excess of those needed to administer the Defensive Driving Regulation program. These excess funds are placed into the Traffic Case Processing Fund to aid courts. This is done by establishing new and better automation systems that will improve case management, fine collections, paperwork processing and Motor Vehicle Division reporting, and will reduce traffic case backlogs.

*Total FTEs do not include Grant Funded or Field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,408.2 | 3,472.0 | 2,972.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,408.2 | 3,472.0 | 2,972.0 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

- ◆ **Goal 1** To develop automation systems to process all court cases.

Note: Program proposes deleting this goal and corresponding measure.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of courts with a uniform statewide automation system | 81 | 81 | 81 |

| COU 4.9 | Subprogram Summary |
|---------|---------------------------|
| | DRUG ENFORCEMENT |
| | JL Doyle, Program Manager |
| | Phone: (602) 452-3465 |
| | A.R.S. § 41-2402 |

Mission:

To support the court and its components in furtherance of the federal and state war on drugs.

Description:

Monies from the Drug and Gang Enforcement Account are distributed by the Arizona Criminal Justice Commission to courts and probation departments for local efforts to deter, investigate, prosecute, adjudicate, and punish drug offenders and members of criminal street gangs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,551.8 | 2,103.3 | 2,103.3 |
| Program Total | 2,551.8 | 2,103.3 | 2,103.3 |
| FTE Positions | 0.3 | 0.3 | 0.3 |

- ◆ **Goal 1** To enhance the ability of the courts and probation departments to process drug related cases more expediently and effectively.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average days drug case processing | 148 | 135 | 133 |
| Percent of quarterly financial and progress reports submitted according to schedule | 100 | 100 | 100 |
| Cases that are over 361 days to disposition | 1,422 | 1,200 | 1,150 |

| COU 4.10 | Subprogram Summary |
|--------------------------------|--------------------|
| ALTERNATIVE DISPUTE REGULATION | |
| Amy Wood, Program Manager | |
| Phone: (602) 452-3337 | |
| A.R.S. § 12-135 | |

Mission:

To promote the use of court-related alternative dispute resolution programs to increase access to the court system.

Description:

The Alternative Dispute Resolution (ADR) Fund is used for local, regional or statewide projects to create, improve, maintain or enhance alternative dispute resolution programs in the superior or justice courts. Alternative dispute resolution provides disputing parties alternatives to litigation. Examples of alternative dispute resolution methods include mediation and arbitration. Funds are used to develop educational programs (scholarships and conferences).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 154.4 | 455.7 | 455.7 |
| Program Total | 154.4 | 455.7 | 455.7 |
| FTE Positions | 1.3 | 1.2 | 1.2 |

- ◆ **Goal 1** To create, improve, maintain, or enhance alternative dispute resolution programs in superior court and justice of the peace courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of volunteer mediators trained | 123 | 180 | 180 |
| Number of volunteer mediator training sessions held | 10 | 15 | 15 |

| COU 4.11 | Subprogram Summary |
|----------------------------|--------------------|
| CASE PROCESSING ASSISTANCE | |
| Amy Wood, Program Manager | |
| Phone: (602) 452-3337 | |
| A.R.S. § 41-2401.(D)(8) | |

Mission:

To enhance the ability of the courts to process criminal and delinquency cases.

Description:

The Case Processing Assistance Fund (CPAF) is used to enhance the courts' ability to process criminal and juvenile delinquency cases and to process orders of protection. Monies are used to fund judges pro tempore and support staff, and to purchase necessary equipment and supplies that courts are unable to obtain through their local funding sources. CPAF also is used to fund innovative projects to improve criminal and delinquency case processing and processing orders of protection.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,738.4 | 2,960.3 | 2,960.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,738.4 | 2,960.3 | 2,960.3 |
| FTE Positions | 2.9 | 2.9 | 2.9 |

- ◆ **Goal 1** To enhance the ability of courts to process juvenile delinquency cases.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent growth in filings in prior fiscal year | -6.0 | 1.0 | 1.0 |
| Prior fiscal year clearance rate (dispositions/filings) of 1.00 or greater annually | .94 | 1.0 | 1.0 |
| Months for disposition of pending cases in prior fiscal year | 5.3 | 14 | 14 |

- ◆ **Goal 2** To enhance the ability of the courts to process criminal cases.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent growth in filings in prior fiscal year | -3.0 | 3.0 | 3.0 |
| Prior fiscal year clearance rate (dispositions/filings) of 1.00 or greater annually | 1.25 | 1.03 | 1.03 |
| Months for disposition of pending cases in prior fiscal year | 12 | 10 | 10 |

- ◆ **Goal 3** To expedite the processing of grant requests in a cost-effective manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Mean cycle days receipt of request to court notification of approval/denial | 11.76 | 10 | 10 |
| Grant management budget as percent of total budget | 1 | 1.3 | 1.3 |

| COU 5.0 | Program Summary |
|---------|--------------------------------|
| | FAMILY SERVICES |
| | Bill Callahan, Program Manager |
| | Phone: (602) 452-3408 |
| | A.R.S. § 8-515.01 |

Mission:

To administer programs that are designed to ensure that the best interests of dependent children are served by providing a system of information, advocacy and review.

Description:

The Dependent Children's Services Division interacts with the courts, a variety of non-court agencies and organizations and the public throughout Arizona. The division administers three major programs: Foster Care Review Board, Court-Appointed Special Advocate and the Court Improvement Program. Other services include operating a parent assistance hotline program that provides court and other related information to parents and guardians whose children have been removed from the home by Child Protective Services.

This Program Contains the following Subprograms:

- ▶ Foster Care Review Board
- ▶ Court Appointed Special Advocate
- ▶ Model Court - Court Improvement Project

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,786.1 | 3,881.6 | 4,481.6 |
| Other Appropriated Funds | 2,460.7 | 2,923.8 | 2,923.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 6,246.8 | 6,805.4 | 7,405.4 |
| FTE Positions | 39.5 | 39.5 | 39.5 |

| COU 5.1 | Subprogram Summary |
|---------|--------------------------------|
| | FOSTER CARE REVIEW BOARD |
| | Bill Callahan, Program Manager |
| | Phone: (602) 452-3409 |
| | A.R.S. § 8-515.01 |

Mission:

To ensure, through local volunteer review boards and a state advisory board, that children involved in dependency proceedings have a permanent placement plan consistent with their best interest.

Description:

The Foster Care Review Board is designed to assist the juvenile court judges. The boards are comprised of volunteer members who receive initial as well as on going training. The boards are responsible for reviewing, within six months of placement and every six months thereafter, the case of each child who remains in out-of-home placement and who is the subject of a dependent action. The case review determines what efforts have been made by the social services agency with whom the child has been placed, to carry out the plan for the permanent placement of the child. Review boards submit recommendations to the presiding juvenile court judge in each county to assist their court review and decision making process. The State Foster Care Board is statutorily required to review and coordinate the activities of the local boards. In addition, the State Board is mandated to make annual recommendations to the Supreme Court, the Governor, and the Legislature on the state's foster care statutes, policies, and procedures. Also included in this subprogram is the Parent Assistance Hotline. The hotline provides accurate information, education and referrals when children are involved with Child Protective Services (CPS), enabling parents and guardians to work more effectively with CPS and the juvenile court.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,236.5 | 3,332.0 | 3,332.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 3,236.5 | 3,332.0 | 3,332.0 |
| FTE Positions | 34.0 | 34.0 | 34.0 |

- ◆ **Goal 1** To ensure that each child in out-of-home placement, for 6 months or more, is reviewed by the FCRB at least once every 6 months and is making progress towards permanency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Children eligible for review during the fiscal year | 15,657 | 15,869 | 16,195 |
| Number of child reviews held during the fiscal year | 18,616 | 18,785 | 19,008 |
| Total number of reviews conducted within the fiscal year | 11,119 | 11,287 | 11,432 |
| Percent of reviews during fiscal year for which the board found that progress was being made towards establishing permanency | 73 | 72 | 71 |

- ◆ **Goal 2** To establish, maintain and train sufficient volunteers to perform high quality case reviews.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| FTEs to support volunteers (Does not include Support Pool) | 36.73 | 36.73 | 36.73 |
| Number of active volunteers during the fiscal year | 646 | 654 | 663 |
| Average length of volunteer service during the fiscal year | 5.86 | 5.14 | 5.30 |
| Number of volunteers meeting or exceeding the yearly training requirement | 362 | 393 | 396 |
| Number of active Removal Review volunteers during the fiscal year | 80 | 101 | 98 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of Removal Review volunteers meeting or exceeding the yearly training requirement | 13 | 26 | 28 |

- ◆ **Goal 3** To provide accurate information to families in a caring, respectful manner

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
| Hotline Calls | 1,137 | 1,200 | 1,200 |

- ◆ **Goal 4** To increase public and agency awareness of the Parent Assistance Hotline

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Yellow Page referrals | 5 | 10 | 10 |
| Agency Referrals | 129 | 125 | 135 |
| Calls attributable to brochures (DES) | 255 | 275 | 306 |
| Calls attributable to other advertising | 748 | 795 | 860 |

- ◆ **Goal 5** To ensure that each child who is removed from home receives a review of his or her removal

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Total number of Removal Reviews facilitated during the fiscal year | 905 | 1,369 | 1,371 |
| Total number of children reviewed by Removal Review Team during the fiscal year | 1,590 | 2,419 | 2,430 |
| Number of removals in which the majority of the Removal Review team did not agree with the removal | 0 | 0 | 0 |

| COU 5.2 | Subprogram Summary |
|---------|----------------------------------|
| | COURT APPOINTED SPECIAL ADVOCATE |
| | Leticia D'Amore, Program Manager |
| | Phone: (602) 452-3583 |
| | A.R.S. § 8-522 |

Mission:

To administer and monitor a community-based volunteer advocacy program in the Juvenile Court System for abused and neglected children.

Description:

The Arizona CASA Program is comprised of the state office, county programs, and volunteers who serve abused and neglected children. The state office administers the program by monitoring county programs to ensure compliance with all relevant statutes, orders, policies and procedures, and funding agreements. In addition, the state office provides services, including recruiting tools, training opportunities, and technical assistance and support to county programs and volunteers. County programs educate communities in order to recruit, maintain, and supervise qualified volunteers to advocate for children involved in juvenile court proceedings as required by A.R.S. §§ 8-522 to 8-523, and Arizona Rules of Court, Rules 22 and 22.1.

CASA volunteers are specially trained citizens who are appointed to an individual dependency case by presiding juvenile judges and function as independent advocates for children who are wards of the court. Volunteers help ensure that a child's right to a safe, permanent home is actively pursued. The CASA volunteer has three main roles: 1) to conduct an independent assessment of the case and advocate for needed services for the child and family; 2) to provide written reports and testimony to the juvenile court judge to enable the judge to make the best decision possible; and 3) to be a consistent presence in the child's life, acting as an advocate throughout the court proceedings.

The Court Appointed Special Advocate Fund receives 30 percent of unclaimed state lottery prize money pursuant to A.R.S. § 5-518 and 8-524.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 102.0 | 102.0 | 702.0 |
| Other Appropriated Funds | 2,460.7 | 2,923.8 | 2,923.8 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,562.7 | 3,025.8 | 3,625.8 |
| FTE Positions | 5.5 | 5.5 | 5.5 |

- ◆ **Goal 1** To maintain an adequate number of certified volunteer advocates.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Children eligible for CASA assignment during the year | 15,657 | 15,869 | 16,195 |
| Children with CASA assigned as of 6/30 | 1,162 | 1,183 | 1,206 |
| Total Number of volunteers as of 6/30 | 713 | 963 | 982 |
| Volunteers serving during the year | 945 | 727 | 741 |
| Number of Assigned CASAs as of 6/30 | 558 | 569 | 580 |
| Number of volunteers during the year completing the required number of hours | 478 | 501 | 526 |
| Percent of number of volunteers serving during the year completing the required number of hours | 51 | 52 | 54 |
| Average number of in-service training hours volunteers received | 18.53 | 18.53 | 18.53 |

- ◆ **Goal 2** To ensure compliance by performing an operational review of county program activities. Working closely with other Administrative Office of the Court divisions, monitoring is now done on a cycle. Monitoring is not done in all 15 counties each year.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of volunteer files reviewed | 215 | 205 | 205 |
| Percent of required items reviewed and found to be in compliance | 98 | 97 | 98 |
| Total number of case files reviewed | 187 | 200 | 190 |
| Explanation: Increased FY07 number is due to Maricopa County operational review. | | | |
| Percent of required items reviewed and found to be in compliance | 98 | 98 | 98 |

| COU 5.3 | Subprogram Summary |
|---------|---|
| | MODEL COURT - COURT IMPROVEMENT PROJECT |
| | Rob Shelley, Program Coordinator |
| | Phone: (602) 452-3416 |
| | A.R.S. § 8-824 |

Mission:

To evaluate and improve Arizona's dependency case management in order to reduce the amount of time children spend in out of home placement.

Description:

In 1998, based upon a federal dependency court improvement initiative and the Pima County Model Court pilot, new laws governing dependency case time lines and processing were passed. The Court Improvement Program oversees the implementation of this re-engineering of the dependency court process. Program responsibilities include providing technical assistance, training and funding to juvenile courts as they implement the new and revised statutes and improve their handling of dependency petitions. This also includes the implementation of dependency operational reviews and expanding dependency data collection through the use of the Arizona Juvenile On-Line Tracking System, JOLTS.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 447.6 | 447.6 | 447.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 447.6 | 447.6 | 447.6 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

◆ Goal 1 To reduce the time frame from removal to permanency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of petitions that met preliminary protective hearing requirements (within 5-7 days of removal) | 80 | 82 | 84 |
| Average number of days to adjudication | 47 | 45 | 45 |
| Percent of petitions for which a permanency hearing was completed within 12 months of removal | 92 | 93 | 94 |

| COU 6.0 | Program Summary |
|--|-----------------|
| JUDICIAL NOMINATIONS AND PERFORMANCE REVIEW | |
| Niki O'Keeffe, Division Director | |
| Phone: (602) 452-3306 | |
| AZ Constitution, Article VI, Sections 36, 42 | |

Mission:

To nominate highly qualified individuals for appointment to the Supreme Court, the Court of Appeals, and the Superior Court in Maricopa and Pima counties and to evaluate the performance of all justices and judges who stand for retention and provide the results of those evaluations to the voters before each retention election.

Description:

Vacancies on the Supreme Court or the Court of Appeals are filled by appointment by the Governor from a list of not less than three nominees for each vacancy submitted by the 16-member Commission of Appellate Court appointments. Vacancies on the Superior Court for Maricopa and Pima Counties are filled by appointment by the Governor from a list of not less than three nominees for each vacancy as submitted by the 16-member Commission on Trial Court Appointments for Maricopa and Pima Counties. The three commissions operate under Rules of Procedure adopted by the Supreme Court.

Judicial Performance Review provides a mechanism for surveying attorneys, litigants/witnesses, jurors, peers, court staff, and administrative contacts about the performance of all merit retention justices and judges. The surveys are conducted twice during each term of office. The "pre-election" includes public hearings and the opportunity to comment on a specific judge in writing. Information is disseminated to the public before each general election as part of the Secretary of State's "Voter Information Guide." This program complies with the Americans with Disabilities Act and Federal Minority Rights Voting Act requirements. The information is also reviewed with the judge as a tool for professional growth and improvement. The Commission operates under Rules of Procedure adopted by the Supreme Court.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 423.1 | 417.2 | 417.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 423.1 | 417.2 | 417.2 |
| FTE Positions | 3.6 | 3.6 | 3.6 |

- ◆ **Goal 1** To ensure the nominating commissions candidate submissions meet the constitutional requirements on considering the diversity of the state's or county's population and nominee submission time line.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Applications received from minorities and women as a percent of all applications | 57 | 50 | 50 |
| Nominations of minorities and women as a percent of all nominations | 57 | 50 | 50 |
| Percent of nomination lists submitted to the Governor within the 60 day constitutionally set time line | 100 | 100 | 100 |

- ◆ **Goal 2** To efficiently meet their constitutional duties.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Cost per appellate court vacancy (dollars) | 3,425 | 4,000 | 4,000 |
| Cost per trial court vacancy (dollars) | 820 | 1,000 | 1,000 |

- ◆ **Goal 3** To provide survey forms during each survey period for distribution to individuals who interact with a merit/retention judge.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Survey forms distributed | 9,870 | 62,000 | 9,500 |
| Survey forms returned | 2,730 | 17,000 | 2,750 |
| ◆ Goal 4 To widely disseminate the results of the survey and review process. | | | |
| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
| Pamphlets distributed (in thousands) | 40 | 0 | 40 |
| Explanation: | Pamphlets are not distributed in a non-election year. | | |
| Telephone Contacts | 155 | 50 | 200 |
| Website Hits | 135,642 | 42,000 | 150,000 |

| COU 7.0 | Program Summary |
|-----------------------------------|-----------------|
| COMMISSION ON JUDICIAL CONDUCT | |
| George Riemer, Executive Director | |
| Phone: (602) 452-3200 | |
| AZ Constitution, Article VI.I | |

Mission:

To investigate and resolve all complaints of judicial misconduct.

Description:

The Commission, comprised of 11 members, is an independent agency that has jurisdiction over all judges in the state, including Supreme Court justices, Court of Appeals judges, Superior Court judges, Justices of the Peace and municipal judges. It also has jurisdiction over commissioners, hearing officers, judges pro tempore, retired judges with temporary assignments, and all other judicial officers serving within the judicial branch of government. When all are taken into account, the Commission's jurisdiction extends to more than 530 judges and judicial officers throughout the state.

The Commission is required to investigate all complaints of judicial misconduct and may resolve them in one of several ways. Complaints that are frivolous or unfounded may be dismissed for lack of jurisdiction, insufficient grounds to justify investigation or no evidence of judicial misconduct. Cases involving serious misconduct are decided in formal hearings, similar to trials, that are open to the public. At the conclusion of a hearing, the Commission can formally recommend to the Supreme Court that a judge be publicly censured, suspended, removed or retired. Discipline in less serious cases may be handled informally.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 508.0 | 506.8 | 506.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 508.0 | 506.8 | 506.8 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

- ◆ **Goal 1** To investigate and resolve all complaints of judicial misconduct in accordance with Constitutional mandates. (These numbers are based on Fiscal-year data from July 1, 2007 through July 30, 2008)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------------|-----------------------|-------------------------|-------------------------|
| Inquiries | 584 | 575 | 600 |
| Complaints processed | 351 | 400 | 415 |
| Formal and Informal Advisory Opinions | 212 | 225 | 250 |
| Preliminary investigations | 234 | 250 | 270 |
| Motions for reconsideration | 13 | 20 | 30 |
| Sanctions and other warnings | 41 | 45 | 50 |

| COU 8.0 | Program Summary |
|---|-----------------|
| JUDICIAL COMPENSATION | |
| Kevin Kluge, Chief Financial Officer | |
| Phone: (602) 452-3395 | |
| AZ Constitution, Article VI, Section 9, A.R.S. § 12-120 | |

Mission:

To fund the state portion of the salary and employee related expenses of Superior Court judges.

Description:

The Arizona Superior Court, which has at least one judge in every county, is the state's only general jurisdiction court. Additional Superior Court judges may be authorized in each county having a census greater than 30,000 inhabitants and upon petition by the Board of Supervisors to the Governor. A Superior Court judge may be authorized for each 30,000 inhabitants or majority fraction thereof. Superior Court judges hear all types of cases except small claims, minor offenses or violations of city codes and ordinances. One-half of the Superior Court judges' salaries are provided by the state as required by A.R.S. § 12-128.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 7,357.3 | 7,410.2 | 7,827.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 161.1 | 181.2 | 181.2 |
| Program Total | 7,518.4 | 7,591.4 | 8,008.9 |
| FTE Positions | 82.3 | 82.0 | 82.0 |

- ◆ **Goal 1** To provide fair and expeditious determination of cases. (Court activity is difficult to predict; projections are based on FY 2004 activity level, which also is an estimate. Cases pending are as of 6/30.)

* The 2008 actual total reflects an estimated figure.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| All cases on file in prior fiscal year | 464,122 | 450,000 | 450,000 |
| All cases terminated in prior fiscal year | 246,156 | 239,000 | 239,000 |
| Cases pending in prior fiscal year | 218,751 | 225,000 | 225,000 |
| New filings (includes transfer in cases) in prior fiscal year | 241,660 | 240,000 | 240,000 |
| Other proceedings in prior fiscal year | 46,452 | 50,000 | 50,000 |

| COU 9.0 | Program Summary |
|---------|---------------------------------|
| | ADULT PROBATION SERVICES |
| | Kathy Waters, Division Director |
| | Phone: (602) 452-3468 |
| | A.R.S. § 13-901 |

Mission:

To foster the continued development and effective implementation of a balanced approach to Adult Community Corrections, including protection of the public through offender accountability and rehabilitation, and restoration of the community primarily through the collection of restitution and completion of community service.

Description:

Arizona's adult probation system is decentralized, with each of the fifteen county probation departments reporting directly to either the presiding judge of the Superior Court in their respective county or the Court Administrator. The Adult Services Division of the Administrative Office of the Courts administers and oversees nine major state programs/funds which help support the adult probation system: Intensive Probation Supervision (IPS); Adult Standard Probation; Community Punishment Program (CPP); Criminal Justice Enhancement Fund (CJEF); Drug Enforcement Account (DEA); Interstate Compact (ISC); the Drug Treatment and Education Fund (DTEF); Transferred Youth (TY); and the Judicial Collection Enhancement Fund (JCEF). The Division works with the county probation departments to ensure adequate resources are available for them to meet required operational standards based upon applicable statutes, administrative orders and funding requirements. The Division also coordinates approximately 300 state vehicles provided for adult and juvenile probation and surveillance officers, facilitates training events, conducts research and statistical compilation, and provides technical assistance on a variety of probation related matters.

* Beginning with FY 2004, Maricopa County is not included in the statewide result.

This Program Contains the following Subprograms:

- ▶ Standard Probation
- ▶ Intensive Probation
- ▶ Community Punishment
- ▶ Interstate Compact
- ▶ Drug Treatment and Education
- ▶ Global Positioning Systems (GPS)

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 24,822.3 | 24,901.0 | 24,901.0 |
| Other Appropriated Funds | 1,432.0 | 2,307.9 | 2,307.9 |
| Other Non Appropriated Funds | 3,258.9 | 3,666.6 | 3,666.6 |
| Program Total | 29,513.2 | 30,875.5 | 30,875.5 |
| FTE Positions | 27.6 | 27.6 | 27.6 |

| COU 9.1 | Subprogram Summary |
|---------|---------------------------------|
| | STANDARD PROBATION |
| | Kathy Waters, Division Director |
| | Phone: (602) 452-3468 |
| | A.R.S. § 12-261 |

Mission:

To provide financial assistance to probation departments to promote public safety by the responsible supervision of probationers in the community.

Description:

The program provides funding in an effort to maintain the statutory caseload average of 60 adult probationers per probation officer (60:1) and creates the availability of state funding to supplement county funds in order to achieve or maintain that 60:1 ratio. The funding must be used primarily for the payment of probation officer salaries to attain the caseload average.

* Beginning with FY 2004, Maricopa County is not included in the statewide result.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 13,459.1 | 13,521.5 | 13,521.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 13,459.1 | 13,521.5 | 13,521.5 |
| FTE Positions | 9.6 | 9.6 | 9.6 |

- ◆ **Goal 1** To ensure that each county probation department is provided with adequate resources to meet required operational standards based upon applicable statutes, administrative orders and funding requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Operational reviews conducted | 3 | 3 | 4 |
| Percent of operational reviews completed within prescribed time frame | 100 | 100 | 100 |
| Percent of follow-up reviews on non-compliance issues completed within prescribed time frame | 100 | 100 | 100 |

- ◆ **Goal 2** To promote victim and community restoration and hold adult standard probationers accountable while providing opportunities for behavioral change consistent with the needs of public safety.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of court-ordered restitution paid by active standard probationers | 48 | 55 | 55 |
| Explanation: FY 2010 Actual reflects data from 14 of 15 counties | | | |
| Percent of community service hours completed | 63 | 65 | 75 |
| Percent of probationers exiting standard probation and not committed to county jail or DOC | 83 | 85 | 85 |

- ◆ **Goal 3** To assist in enhancement of education and training of probation officers and staff by providing regionalized and statewide training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Certification Academies conducted | 2 | 3 | 3 |
| Regional training events | 104 | 85 | 95 |
| Percent of probation personnel in compliance with COJET requirements | 100 | 100 | 100 |

- ◆ **Goal 4** To promote public safety by providing each county probation department with adequate resources to meet

required operational standards based upon applicable statutes, administrative orders and funding requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Percent of probation departments in compliance with 65:1 mandate | 45 | 100 | 100 |
| Explanation: | 65:1 mandate became effective in FY10; prior mandate was 60:1 | | |
| Percent of probation departments whose funding is primarily used for payment of probation officer salaries | 100 | 100 | 100 |
| Percent of probationers successfully completing probation | 79 | 80 | 80 |
| Average annual state cost per probation slot (in dollars) in prior fiscal year | 1,223 | 1,376 | 1,376 |
| Explanation: | FY08 actual cost reflected in FY09 Actual due to lag in obtaining data. | | |

| COU 9.2 | Subprogram Summary |
|---------|---------------------------------|
| | INTENSIVE PROBATION |
| | Kathy Waters, Division Director |
| | Phone: (602) 452-3468 |
| | A.R.S. § 13-913 et. seq. |

Mission:

To provide a highly structured and closely supervised probation alternative which emphasizes the payment of restitution.

Description:

The program provides intensive supervision, through the use of probation officer/surveillance officer teams, to offenders who would otherwise have been incarcerated in the Department of Corrections at initial sentencing or as a result of a technical violation of standard probation. Pursuant to statute, supervision teams of one probation officer and one surveillance officer can supervise a maximum of 25 intensive probationers and a team consisting of one probation officer and two surveillance officers can supervise no more than 40 probationers. In small counties, one probation officer is authorized to supervise up to 15 intensive probationers. Intensive probationers are required to: maintain employment or full-time student status or perform community service at least six days per week; pay restitution and monthly probation fees; establish residency at a place approved by the probation team; remain at their place of residence except when attending approved activities; allow the administration of drug and alcohol tests; perform at least forty hours (with good cause the court can reduce to twenty hours) of community service work each month except for full-time students, who may be exempted or required to perform fewer hours; and meet any other conditions set by the court.

* Beginning with FY 2004, Maricopa County is not included in the statewide results. Beginning in FY 2007, Maricopa and Graham Counties not included.

* Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 10,723.4 | 10,737.7 | 10,737.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 10,723.4 | 10,737.7 | 10,737.7 |
| FTE Positions | 7.8 | 7.8 | 7.8 |

- ◆ **Goal 1** To promote victim and community restoration and hold accountable adult intensive probationers while also providing opportunities for behavioral change consistent with the needs of public safety.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------------|---------------------|---------------------|
| Percent of eligible IPS probationers participating in a treatment program | 44 | 60 | 60 |
| Percent of IPS probationers maintaining full-time employment | 43 | 60 | 60 |
| Percent of IPS probationers not testing positive for illegal drug use | 69 | 80 | 80 |
| Explanation: | 14 of 15 counties reporting | | |
| Percent of court-ordered restitution paid by active IPS probationers | 53 | 70 | 70 |
| Explanation: | 14 of 15 counties reporting | | |
| Percent of community service hours completed | 73 | 85 | 85 |
| Percent of probationers exiting IPS and not committed to county jail or DOC | 48 | 60 | 60 |

- ◆ **Goal 2** To promote public safety by providing each county probation department with adequate resources to meet required operational standards based upon applicable statutes, administrative orders, and funding requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of probation departments in compliance with statutorily prescribed caseload | 83 | 100 | 100 |
| Percent of probation departments provided sufficient operating motor vehicles | 100 | 100 | 100 |
| Percent of probationers successfully completing probation | 72 | 75 | 80 |
| Average annual state cost per probation slot (in dollars) in prior fiscal year | 7,738 | 7,803 | 7,803 |

Explanation: FY09 result is actual FY08 cost due to delay in getting data.

- ◆ **Goal 3** To provide an advanced training program (Arizona Institute for Intensive Probation) and technical assistance to IPS officers to ensure compliance with program direction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| IPS institutes conducted | 2 | 2 | 2 |
| Percent of IPS officers completing the institute | 100 | 100 | 100 |

| Subprogram Summary | |
|---------------------------------|----------------------|
| COU 9.3 | COMMUNITY PUNISHMENT |
| Kathy Waters, Division Director | |
| Phone: (602) 452-3468 | |
| A.R.S. § 12-299 | |

Mission:

To enhance both intensive and standard probation services in an effort to divert offenders from prison or jail and promote public safety through locally designed treatment and control-oriented programming.

Description:

The Community Punishment Program (CPP) provides funds which augment general probation conditions and community-based programs emphasizing supervision, surveillance, control, public protection, community work service, restitution, and victims' rights, as well as opportunities for rehabilitation and treatment.

* Beginning with FY 2004, Maricopa County is not included in the statewide results.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,432.0 | 2,307.9 | 2,307.9 |
| Other Non Appropriated Funds | 516.0 | 640.9 | 640.9 |
| Program Total | 1,948.0 | 2,948.8 | 2,948.8 |
| FTE Positions | 0.9 | 0.9 | 0.9 |

- ◆ **Goal 1** To promote victim and community restoration and hold accountable adult community punishment probationers while also providing opportunities for behavioral change consistent with the needs of public safety.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of active probationers who received CPP funded services | 2,194 | 2,275 | 2,400 |

| COU 9.4 | Subprogram Summary |
|---------|---------------------------|
| | INTERSTATE COMPACT |
| | Dori Ege, Program Manager |
| | Phone: (602) 452-3324 |
| | A.R.S. § 31-461 |

Mission:

To provide supervision to probationers transferring to Arizona and monitor the supervision of probationers transferred to other states from Arizona.

Description:

The program provides for the supervision of probationers transferring to Arizona from other states, and probationers transferring from Arizona to other states. County probation departments investigate requests of probationers sentenced in other states who wish to transfer their probation supervision to Arizona. After investigation, these requests are either denied or accepted. If accepted, county probation departments provide supervision for transferred probationers. Arizona probation officers monitor compliance with probation conditions and initiate corrective action, if deemed necessary, through the state Compact Office. Arizona probation departments also maintain contact with probationers transferred from Arizona to other states and collect court-ordered monetary assessments, including restitution and fines.

* Beginning with FY04, Maricopa County is not included in the statewide result. Beginning in FY 2007, Maricopa and Graham Counties are not included

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 639.8 | 641.8 | 641.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 639.8 | 641.8 | 641.8 |
| FTE Positions | 4.8 | 4.8 | 4.8 |

- ◆ **Goal 1** To facilitate the transfer and supervision of probation cases through the interstate compact.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of transfer investigation requests completed within forty-five days of receipt, as required | 94 | 95 | 96 |
| Percent of victim assistance fund payments collected | 40 | 42 | 43 |
| Average satisfaction rating by states participating in the interstate compact (Scale 1-8) | N/A | N/A | N/A |

| COU 9.5 | Subprogram Summary |
|---------|-------------------------------|
| | DRUG TREATMENT AND EDUCATION |
| | Cliff Ford, Treatment Manager |
| | Phone: (602) 452-3558 |
| | A.R.S. § 13-901.02 |

Mission:

To provide treatment and education services to substance abusing probationers.

Description:

The Drug Treatment and Education Fund provides funding to augment treatment and education services for substance abusing offenders convicted of personal possession or use of a controlled substance.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,742.9 | 3,025.7 | 3,025.7 |
| Program Total | 2,742.9 | 3,025.7 | 3,025.7 |
| FTE Positions | 4.5 | 4.5 | 4.5 |

- ◆ **Goal 1** To reduce the prevalence of drug use and the incidence of criminal activity for substance abusing offenders through treatment services and probation supervision.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of defendants convicted of an ARS 13-901.01 1st or 2nd offense and sentenced to a term of probation during the fiscal year | 5,785 | 6,000 | 6,000 |
| Number of probationers convicted of an ARS 13-901.01 1st or 2nd offense that received DTEF funded treatment services | 1,111 | 1,200 | 1,200 |

| COU 9.6 | Subprogram Summary |
|---------|----------------------------------|
| | GLOBAL POSITIONING SYSTEMS (GPS) |
| | Kathy Waters, Division Director |
| | Phone: (602) 452-3468 |
| | ARS 13-902(G) |

Mission:

To provide global positioning system monitoring for probationers sentenced under ARS 13-902(G).

Description:

A.R.S. §13-902(G) provides that beginning November 1, 2006 after conviction of a dangerous crime against children as defined in A.R.S. §13-604.01, if a term of probation is imposed, the court shall require global position system monitoring for the duration of the term of probation. Many probationers sentenced under A.R.S. §13-902(G) are placed on probation for long terms extending up to life-time probation supervision.

The GPS program offers the highest level of community-based supervision available for those probationers convicted of Dangerous Crimes Against Children. Further, the GPS program allows probationers to receive treatment while in the community or continuing their treatment once released from incarceration. This balanced approach results in short-term public safety through monitoring and potential long-term public safety by offering the probationer the opportunity to change their behavior through treatment.

- ◆ **Goal 1**
- To monitor all GPS offenders on probation as prescribed by statute

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|-------------------|---------------------|---------------------|
| Number of probationers on GPS | 139 | 145 | 152 |

| COU 10.0 | Program Summary |
|----------|----------------------------------|
| | JUVENILE PROBATION SERVICES |
| | Chad Campbell, Division Director |
| | Phone: (602) 452-3450 |
| | A.R.S. § 8-201 |

Mission:

To effectively oversee the statewide administration of local juvenile probation services and programs which promote community protection by requiring juvenile accountability and by providing treatment opportunities which result in law abiding behavior.

Description:

The Juvenile Justice Services Division is responsible for the effective administration of juvenile justice programs for delinquent and incorrigible youth in coordination with the juvenile courts. Division programs focus on treatment, rehabilitation and protection of community and youth. The Division administers and oversees seven major programs/funds: Juvenile Intensive Probation (JIPS); Juvenile Treatment Services Fund (JPSF); Family Counseling; Juvenile Standard Probation; Juvenile Crime Reduction Fund (JCRF); Progressively Increasing Consequences; and State Aid for Detention. Other services include providing direction and coordination for the Juvenile On-Line Tracking System (JOLTS); the statewide Literacy, Education and Resource Network (LEARN Labs); oversight of juvenile detention centers; and administration of probation department operational reviews.

This Program Contains the following Subprograms:

- ▶ Standard Probation
- ▶ Intensive Probation
- ▶ Treatment Services
- ▶ Family Counseling
- ▶ Progressively Increasing Consequences (PIC-Act)
- ▶ Juvenile Crime Reduction

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 40,854.9 | 45,758.4 | 45,758.4 |
| Other Appropriated Funds | 3,023.8 | 5,123.4 | 5,123.4 |
| Other Non Appropriated Funds | -2,904.8 | 3,193.9 | 3,193.9 |
| Program Total | 40,973.9 | 54,075.7 | 54,075.7 |
| FTE Positions | 33.4 | 33.4 | 33.4 |

| | |
|----------|-----------------------------------|
| COU 10.1 | Subprogram Summary |
| | STANDARD PROBATION |
| | Fred Santesteban, Program Manager |
| | Phone: (602) 452-3456 |
| | A.R.S. § 8-203 |

Mission:

To improve, maintain or expand juvenile probation services to ensure proper supervision of youth on probation.

Description:

The program provides funds for the salary and employee-related expenses of probation officers supervising juveniles on probation to the superior court. The fund has been utilized to assist the counties in achieving and maintaining a client/probation officer ratio of 35:1.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 4,862.5 | 4,598.7 | 4,598.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,473.9 | 1,496.4 | 1,496.4 |
| Program Total | 6,336.4 | 6,095.1 | 6,095.1 |
| FTE Positions | 5.1 | 5.1 | 5.1 |

◆ **Goal 1** To ensure proper supervision of youth on probation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of juvenile probation departments in compliance with mandated case load ratios of 35:1 | 93 | 100 | 100 |
| Percent of youth who complete their term of probation without a referral, i.e. successful completion | 84 | 85 | 85 |
| Percent of juvenile probation departments (15) undergoing on-site visits | 47 | 100 | 100 |
| Average annual cost per probation slot (in Dollars) in prior fiscal year | 1,463 | 1,500 | 1,500 |
| Percent of probationers successfully completing probation without a referral (a notice of misbehavior) | 84 | 85 | 85 |

◆ **Goal 2** To manage and monitor the efficient and effective allocation and distribution of state appropriated funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of budget modifications reviewed and approved within two weeks | 100 | 100 | 100 |
| Percent of juvenile courts (15) whose plans are reviewed and approved | 100 | 100 | 100 |

◆ **Goal 3** To promote victim and community restoration by holding juvenile probationers accountable for their court ordered financial and community service obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of juvenile probationers ordered to pay restitution, who pay | 81 | 100 | 100 |
| Percent of juveniles ordered to pay probation fees, who pay | 69 | 70 | 70 |

| | |
|----------|-----------------------------------|
| COU 10.2 | Subprogram Summary |
| | INTENSIVE PROBATION |
| | Fred Santesteban, Program Manager |
| | Phone: (602) 452-3456 |
| | A.R.S. § 8-351 |

Mission:

To effect positive change in a high risk juvenile population through a highly structured community based probation program committed to the prevention of further juvenile offenses and the protection of the community.

Description:

The program provides probation teams that deliver intensive supervision, which emphasizes surveillance, treatment, work, education and home detention, to juvenile offenders. The program seeks to reduce commitments to the Arizona Department of Juvenile Corrections and other institutional or costly out-of-home placements, thus reserving space for more serious youth offenders. Probationers are required to participate in one or more of the following for 32 hours per week: school, court-ordered treatment, employment or community service; if able, to pay required court-ordered fees; to remain at a place of residence, except as allowed and approved by the supervising probation officer; to allow administration of drug and alcohol tests; and to meet other conditions set by the court.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 8,759.7 | 9,163.0 | 9,163.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 11.6 | 15.0 | 15.0 |
| Program Total | 8,771.3 | 9,178.0 | 9,178.0 |
| FTE Positions | 5.4 | 5.4 | 5.4 |

◆ **Goal 1** To ensure the proper level of intensive supervision of high risk probationers .

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of JIPS case load monthly reports reviewed | 100 | 100 | 100 |
| Percent of juvenile probation departments (15) visited | 47 | 100 | 100 |
| Percent of county JIPS programs (15) receiving informal on site monitoring reports | 100 | 100 | 100 |
| Percent of departments exceeding 95% compliance with contact standards as measured in quarterly performance audits | 67 | 87 | 87 |
| Percent of probationers successfully completing probation without a referral (a notice of misbehavior) | 62 | 65 | 65 |
| Average annual cost per probation slot (in dollars) in prior fiscal year | 9,831 | 10,300 | 10,300 |

◆ **Goal 2** To ensure that JIPS officers are trained and meet established standards.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of JIPS officers passing initial academy testing | 100 | 100 | 100 |

◆ **Goal 3** To manage and monitor the effective and efficient allocation and distribution of state appropriated funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of budget modifications reviewed and processed within two weeks of receipt | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of juvenile courts (15) whose plans and budgets are reviewed and approved | 100 | 100 | 100 |

- ◆ **Goal 4** To evaluate the statewide JIPS program aimed at reducing juvenile commitments to the Department of Juvenile Corrections or other institutional or costly out of home placements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of JIPS youth who complete JIPS without a referral, i.e., successful completion | 62 | 66 | 66 |

- ◆ **Goal 5** To promote victim and community restoration by holding juvenile intensive probationers accountable for their court ordered financial and community service obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of the juvenile intensive probationers ordered to pay restitution who are paying | 100 | 95 | 95 |

| COU 10.3 | Subprogram Summary |
|--------------------------------|--------------------|
| TREATMENT SERVICES | |
| Steve Tyrrell, Program Manager | |
| Phone: (620) 452-3451 | |
| A.R.S. § 8-322 | |

Mission:

To administer a comprehensive continuum of community based treatment services and diversion programs for delinquent and incorrigible youth placed on probation to reduce repetitive juvenile offenses.

Description:

The Juvenile Treatment Fund is the primary fund that provides intervention services for youth on probation. The Administrative Office of the Courts administers the procurement, contracting and monitoring of statewide contracts for services provided to youth on probation. The fund provides the resources to assist the probation officer in enforcing the terms of probation through a comprehensive continuum of services to ensure accountability, skill development, community safety and crime reduction.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 18,205.3 | 22,311.4 | 22,311.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | -3,736.4 | 1,682.5 | 1,682.5 |
| Program Total | 14,468.9 | 23,993.9 | 23,993.9 |
| FTE Positions | 15.9 | 15.9 | 15.9 |

- ◆ **Goal 1** To audit and evaluate treatment programs for contract compliance and effective service delivery.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Service contractors audited for compliance with program standards | 45 | 70 | 70 |
| Percent of contractors monitored in satisfactory compliance with established program standards (70%+) | 88 | 85 | 85 |
| Average cost per contract to audit (dollars) | 1,079 | 1,000 | 1,000 |
| Average hours per contract to audit and write report | 37 | 30 | 30 |

- ◆ **Goal 2** To provide a comprehensive array of services and interventions for youth on probation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Youth served | 10,602 | 11,000 | 11,000 |
| Youth provided out of home services | 713 | 800 | 800 |
| Youth provided day support services | 167 | 400 | 400 |
| Youth provided counseling intervention | 3,315 | 4,000 | 4,000 |
| Youth provided drug testing | 8,679 | 9,000 | 9,000 |
| Youth provided evaluations and other services | 4,680 | 4,400 | 4,400 |
| Youth provided educational and vocational services | 463 | 500 | 500 |
| Percent of youth who don't re-offend within 12 months of program completion in prior fiscal year | 54 | 50 | 50 |
| Percent of youth with successful outcomes in functional family therapy | 62 | 80 | 80 |
| Percent of youth with successful outcomes in Family Preservation | 80 | 70 | 70 |
| Percent of youth with successful outcomes in high impact residential | 80 | 87 | 87 |

| COU 10.4 | Subprogram Summary |
|----------|--------------------------------|
| | FAMILY COUNSELING |
| | Steve Tyrrell, Program Manager |
| | Phone: (602) 452-3451 |
| | A.R.S. §§ 8-261 et seq. |

Mission:

To oversee the development of programs for families in crisis which strengthen family relationships and reduce juvenile delinquency.

Description:

The program provides the basic crisis and supportive counseling services to children and their families. Funds are used to provide counseling not only to children who have already come to the attention of the court, but also to their families and siblings, in an effort to address family problems that may be contributing to unlawful behavior and to prevent escalation into more serious activity. For incorrigible children who would otherwise be unable to obtain counseling services, these funds provide the courts with the critical resources needed to improve the family's ability to deal with conflicts and exercise proper control.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 656.4 | 660.4 | 660.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 656.4 | 660.4 | 660.4 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

◆ Goal 1 To ensure services are available through the local juvenile courts for families in crisis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Juvenile courts assisted in the development of approved family plans in prior fiscal year | 15 | 15 | 15 |
| Families served in prior fiscal year | 931 | 1,300 | 1,300 |
| Average cost per family (dollars) in prior fiscal year | 673 | 650 | 650 |
| Average age of youth participating in program in prior fiscal year | 16 | 16 | 16 |
| Average sessions per family in prior fiscal year | 10 | 9 | 9 |

| COU 10.5 | Subprogram Summary |
|----------|---|
| | PROGRESSIVELY INCREASING CONSEQUENCES (PIC-ACT) |
| | Steve Tyrrell, Program Manager |
| | Phone: (602) 452-3451 |
| | A.R.S. § 8-321 |

Mission:

To ensure accountability by administering a comprehensive array of consequence programs for youth diverted from the formal court process.

Description:

The Progressively Increasing Consequences monies provide the opportunity for youth to be held accountable for specific offenses without the formal court process. Youth are required to attend programs which emphasize accountability, restitution, skill development, crime reduction and community safety such as Teen Court, community work service, life skill education classes and problem solving.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 8,371.0 | 9,024.9 | 9,024.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | -653.9 | 0.0 | 0.0 |
| Program Total | 7,717.1 | 9,024.9 | 9,024.9 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

◆ Goal 1 To ensure diversion eligible referrals are processed in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of juveniles with an intake interview within 30 days of receipt of referral by the juvenile court | 55 | 55 | 55 |

◆ Goal 2 To promote victim and community restoration by holding diversion youth accountable for their assessed financial obligations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of diversion youth assessed restitution, who pay | 100 | 95 | 95 |
| Percent of parents of diversion youth assessed one-time parental assessment fee, who paid | 95 | 90 | 90 |

◆ Goal 3 To ensure consequences are successfully completed.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Community Work Service case closures that were successfully completed | 85 | 85 | 85 |
| Percent of Counseling case closures that were successfully completed | 89 | 90 | 90 |
| Percent of Delinquency Prevention Education case closures that were successfully completed | 87 | 90 | 90 |
| Percent of Substance Abuse Education case closures that were successfully completed | 90 | 90 | 90 |
| Percent of Non-Residential Rehabilitation or Supervision case closures that were successfully completed | 94 | 95 | 95 |
| Percent of diversion programs showing a minimum of 15% positive change between pre and post test | 81 | 85 | 85 |

| COU 10.6 | Subprogram Summary |
|----------|-----------------------------------|
| | JUVENILE CRIME REDUCTION |
| | Fred Santesteban, Program Manager |
| | Phone: (602) 452-3456 |
| | A.R.S. § 41-2401D.5 |

Mission:

To support the development and replication of specific initiatives and community-based prevention, early identification and intervention, and recidivism reduction strategies which promote crime free lifestyles for Arizona youth.

Description:

Funding is provided through the Criminal Justice Enhancement Fund. JCRF is used as seed monies for the development and initial implementation of community-based programs targeted at preventing a juvenile from becoming involved in illegal activity or providing an array of intervention services and sanctions to deter a juvenile from becoming further involved in the juvenile justice system. Grants may be administered by local courts, schools, local units of government, tribal agencies, state agencies, and the AOC. Program categories considered for funding are based on national research that supports promising strategies, such as academic achievement, after-school activities, mentoring, immediate consequences, and graduated sanctions. Programs are awarded funds through an annual application process; funding recommendations are submitted to the Chief Justice for final approval. Funds may also be used to implement legislative mandates and to support special projects and statewide strategic initiatives administered by the AOC, such as the Juvenile On-Line Tracking System (JOLTS), LEARN labs (Literacy, Education, and Resource Network computer-assisted learn centers), operational reviews of local probation departments, juvenile detention centers, and special projects.

JCRF is also used to provide technical assistance and to oversee the distribution of federal education dollars, which the division receives from the Department of Education and passes through to counties to provide educational services to detained youth. Twelve counties maintain juvenile detention centers; two counties share a regional facility and one county contracts with a neighboring county for detention services.

*Total FTEs do not include grant funded and field FTEs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,023.8 | 5,123.4 | 5,123.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 3,023.8 | 5,123.4 | 5,123.4 |
| FTE Positions | 7.0 | 7.0 | 7.0 |

◆ Goal 1 To manage and monitor the distribution of JCRF grant funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of on-site monitoring visits conducted (non-random sample) | 80 | 80 | 80 |
| Percent of programs in compliance with financial requirements | 100 | 100 | 100 |
| Percent of programs in compliance with program requirements | 100 | 100 | 100 |

◆ Goal 2 To promote the development of promising community-based programs for youth.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|----------------|------------------|------------------|
| Local programs funded | 23 | 30 | 30 |
| Explanation: Excludes LEARN Labs | | | |
| Youth served in local programs | 682,715 | 600,000 | 600,000 |
| LEARN labs | 3 | 4 | 4 |

◆ Goal 3 To oversee the distribution of federal education monies to

the counties for juvenile detention education services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Counties receiving funds | 15 | 15 | 15 |
| Juveniles served | 12,865 | 15,000 | 15,000 |
| Percent of on-site fiscal and program audits conducted | 100 | 50 | 50 |
| Percent of programs audited in compliance | 100 | 100 | 100 |

◆ Goal 4 To ensure that juvenile courts and probation departments are in compliance with statutes, administrative orders, funding agreements, rules, program plans, and policies and procedures.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Operational reviews conducted | 3 | 3 | 3 |
| Percent of departments reviewed that are in compliance | 100 | 100 | 100 |

◆ Goal 5 To support the administration and programs of the Arizona juvenile court system.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Automation projects funded | 1 | 2 | 2 |
| Loss prevention issues addressed in detention centers | 0 | 1 | 1 |
| Community Advisory Board programs funded | 0 | 0 | 0 |

| COU 11.0 | Program Summary |
|-------------------------------------|-----------------|
| COURT OF APPEALS DIVISION I | |
| Ruth Willingham, Clerk of the Court | |
| Phone: (602) 542-0264 | |
| A.R.S. § 12-120 et. seq. | |

Mission:

To provide an independent and accessible intermediate appellate court in accordance with Constitutional mandate.

Description:

Division I of the Court of Appeals reviews all matters properly appealed from the Superior Court, except criminal death penalty cases. Division I convenes in Phoenix and encompasses the counties of Apache, Coconino, La Paz, Maricopa, Mohave, Navajo, Yavapai, and Yuma. In addition to appeals from these eight counties, and rate appeals from the Corporation Commission, Division I has the statewide responsibility for all Writs of Certiorari concerning awards by the Industrial Commission, appeals from the Arizona Department of Economic Security Appeals Board and all appeals from the Arizona Tax Court. Division I consists of a Chief Judge and five departments, with three judges each.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 10,242.5 | 9,591.2 | 9,626.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 10,242.5 | 9,591.2 | 9,626.5 |
| FTE Positions | 98.3 | 98.3 | 98.3 |

- ◆ **Goal 1** To provide fair and expeditious determination of cases. (Court activity is difficult to predict; projections are based on FY 2011 activity level. Cases pending are as of 6/30.)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| All cases on file | 5,508 | 5,540 | 5,540 |
| All cases terminated | 3,118 | 3,135 | 3,135 |
| Cases pending | 2,399 | 2,400 | 2,400 |
| New case filings | 3,039 | 3,042 | 3,042 |
| Customer Satisfaction rating for settlement program | 7.8 | 7.8 | 7.8 |
| Cases decided in which a Supreme Court review was not sought | 2,278 | 2,300 | 2,300 |
| Cases decided where Supreme Court review was denied | 431 | 440 | 440 |
| Cases decided which Supreme Court review was granted and decision upheld | 3 | 3 | 3 |

| COU 12.0 | Program Summary |
|----------------------------------|-----------------|
| COURT OF APPEALS DIVISION II | |
| Jeff Handler, Clerk of the Court | |
| Phone: (520) 628-6954 | |
| A.R.S. § 12-120 et. seq. | |

Mission:

To provide an independent and accessible intermediate appellate court in accordance with Constitutional mandate.

Description:

Division II of the Court of Appeals reviews all matters properly appealed from the Superior Court, except criminal death penalty cases. Division II convenes in Tucson and encompasses the counties of Cochise, Gila, Graham, Greenlee, Pima, Pinal, and Santa Cruz. Division II consists of a Chief Judge and two departments, with three judges each.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 4,452.1 | 4,195.1 | 4,206.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 4,452.1 | 4,195.1 | 4,206.2 |
| FTE Positions | 36.5 | 36.5 | 36.5 |

- ◆ **Goal 1** To provide fair and expeditious determination of cases. To provide fair and expeditious determination of cases. (Court activity is difficult to predict; estimates are based on FY 2000 activity level. Cases pending are as of 6/30.)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| All cases on file | 1,606 | 1,800 | 1,825 |
| All cases terminated | 946 | 950 | 1,000 |
| Cases pending | 679 | 720 | 760 |
| New case filings | 889 | 910 | 920 |
| Customer Satisfaction rating for settlement program (Scale 1-8) | 7.8 | 7.8 | 7.8 |
| Cases upheld upon review | 927 | 935 | 970 |

| COU 13.0 | Program Summary |
|-------------------------------|-----------------|
| ADULT AND JUVENILE DRUG COURT | |
| Cliff Ford, Program Manager | |
| Phone: (602) 452-3558 | |
| ARS §13-3422 | |

Mission:

To fund and manage a coordinated system of adult and juvenile drug courts that help reduce recidivism.

Description:

The Administrative Office of the Courts (AOC) provides funding and statewide oversight of Adult and Juvenile Drug Courts. Arizona’s Drug Courts are special, problem-solving courts with the responsibility to intervene with medium to high-risk probationers at risk for failure on probation and in the community because of continued drug or alcohol use. Each drug court is comprised of a local Drug Court Team responsible for the effective implementation and operation of the drug court. All of Arizona’s drug courts have judicial leadership combined with probation supervision and community-based treatment services. Each drug court incorporates best practices and is guided by a Certificate of Assurance.

The drug court program includes Memorandum of Understanding (MOU) between participating parties, judicial management, probation supervision, screening and assessment of participants, random and scheduled drug testing, individual, group and family counseling services, incentives and sanctions, community work service and parental/family involvement.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,013.6 | 1,013.6 | 1,013.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 137.0 | 218.2 | 218.2 |
| Program Total | 1,150.6 | 1,231.8 | 1,231.8 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To measure the number of Adult participants screened, admitted and graduated from drug courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Number of Participants sentenced to drug court. | 893 | 900 | 945 |
| Number of Participants retained at 180 day point | 1,334 | 1,400 | 1,450 |
| Explanation: | Excludes Maricopa as hey were unable to report on 180 day retention | | |
| Number of Graduates from drug court | 355 | 390 | 400 |

- ◆ **Goal 2** To measure the number of Juvenile participants screened, admitted and graduated from drug courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of Participants admitted to drug court | 299 | 300 | 300 |
| Number of Participants retained at 180 day period | 307 | 325 | 325 |
| Number of graduates from drug court | 97 | 125 | 125 |

DJA 0.0 Agency Summary

DEPARTMENT OF JUVENILE CORRECTIONS

Charles Flanagan, Director

Phone: (602) 364-4051

A.R.S. § 41-2802

Mission:

To enhance public protection by changing the delinquent thinking and behavior of juvenile offenders committed to the Department.

Description:

The Department is responsible for juveniles adjudicated delinquent and committed by the juvenile courts. The Department is accountable to the citizens of Arizona for the promotion of public safety through the management of the state's secure juvenile facilities and it provides services to juvenile offenders including rehabilitation, treatment and education.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|----------------------|-------------------|---------------------|--------------------|
| ➤ HOUSING | 12,235.0 | 15,445.9 | 12,899.6 |
| ➤ REHABILITATION | 35,919.8 | 29,573.9 | 28,659.3 |
| ➤ ADMINISTRATION | 8,607.3 | 7,571.0 | 7,231.9 |
| Agency Total: | 56,762.1 | 52,590.8 | 48,790.8 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 51,191.0 | 46,729.8 | 42,929.8 |
| Other Appropriated Funds | 3,754.5 | 3,860.2 | 3,860.2 |
| Other Non Appropriated Funds | 1,816.6 | 2,000.8 | 2,000.8 |
| Program Total | 56,762.1 | 52,590.8 | 48,790.8 |
| FTE Positions | 1,001.7 | 881.0 | 825.0 |

Strategic Issues:

Issue 1 Transformation of Department

The Arizona Department of Juvenile Corrections (ADJC) began a new era in September, 2007 with the dismissal of United States of America v. State of Arizona. Having complied with all 140 provisions of its 2004 Memorandum of Agreement with the United States Department of Justice (USDOJ), ADJC emerged from federal monitoring. ADJC's success was recognized by USDOJ officials as extraordinary. Comprehensive reforms improved safety, security and treatment services for youth in the agency's jurisdiction. The Arizona Auditor General reaffirmed those accomplishments in two reports in 2009. After auditing the Department for two years for ADJC's decennial sunset review, the Auditor General concluded that ADJC continued to make notable progress in the critical areas of programming and youth safety after federal monitoring terminated in 2007.

Arizona's ongoing economic crisis has created major new challenges for ADJC. In FY 2011 the Department absorbed budget reductions that led to the closure of Eagle Point School, the administrative merger of Adobe Mountain School and Black Canyon School, and the reduction of its workforce by approximately 35%. In FY 2012 the Department's budget was further reduced. ADJC continues to adjust its practices to improve programs that enhance public safety by enabling youth to succeed, while continuing to identify and enact efficiencies and cost savings.

During FY 2012 ADJC is further consolidating its Safe School services by ceasing operations at Catalina Mountain School (CMS), its oldest facility. The population housed at CMS is being transferred to the Adobe Mountain/Black Canyon Schools complex. As a result, all programming will be available to every youth committed to the Department's care, regardless of gender or committing county, for the first time in Department history.

Thus, services provided to youth will be enhanced, while Arizona's taxpayers will realize savings of approximately \$1.5 million in FY 2012 and \$3.8 million in FY 2013.

ADJC provides a continuum of evidence-based services that prepare a youth for a successful discharge from Department jurisdiction, beginning the day the youth enters a correctional facility. The classification, screening and assessment process enables youth in secure care to access services based on objective evaluations and individualized needs, as mandated by A.R.S. § 41-2815. A multidisciplinary team of secure care and community corrections staff, including clinical, housing unit, education, medical, parole officer, and family members regularly monitors a youth's progress toward the individualized treatment and behavioral goals spelled out in the plan. The plan is used to determine when the youth is prepared for re-entry into the community.

When released from secure care, a youth remains subject to the individualized plan developed in secure care. The community-based portion of the plan includes researched-based model programs, such as Functional Family Therapy (FFT) and Multi-systemic Therapy (MST), which have been identified as best practices in assisting youth in becoming law abiding, productive community members. Other community-based services include secure and unsecure out-of-home residential placement; therapeutic placement, intensive in-home services, individual, family and group counseling; co-occurring disorder services, specialized sex offender treatment, and intensive substance abuse treatment. ADJC has also established community outreach functions that continue to identify new public and private partners and strengthen existing partnerships so that services can commence within the correctional facility prior to a youth's release.

The Department recognizes that a youth's successful reentry into the community is the most crucial aspect of his or her time with ADJC. Therefore, ADJC will continue to focus on expanding cost-effective community programming for youth whose continued treatment and supervision in the community is appropriate and meets the statutory requirement that juveniles be provided treatment with a level of security necessary to protect the public. One such effort is the new Reintegration and Mentoring Program (RAMP), which will provide youth on conditional liberty (parole) the educational, mentoring, and treatment opportunities critical to success.

All of ADJC's strategies were designed to solidify and improve upon the gains it has made since 2004 while developing budget-conscious programs. The Department is reviewing and revamping its Quality Assurance efforts and is now in the sixth year of an organized culture change initiative entitled "ADJC: Changing Attitudes and Behaviors (ACAB)." This strategic culture change initiative is directed at staff and youth alike, in order to create an environment that will prevent the Department from ever reverting to the practices that led to federal intervention. Despite the many challenges agency staff have faced, ADJC indeed continues to transform its organizational culture.

Issue 2 Recruitment, Retention & Recognition of Staff

ADJC historically suffers one of the highest turnover rates in Arizona state government. In FY 2011, ADJC's Department-wide turnover rate was 14% (20% in FY 2010). The annual staff turnover rate is primarily driven by ADJC's Youth Correctional Officer (YCO) staff. In FY 2011 the turnover rate was 31% (36% in FY 2010). YCO positions represent about 47% of the Department's total positions. In FY 2011 additional positions were frozen when vacated. These changes and uncertainty about the agency's future resulted in substantial morale issues among staff. Given unprecedented and unpredictable circumstances facing the Department, it is nearly impossible to forecast turnover in the short term. In FY 2011 two Pre-Service Academies were held. In FY 2012, two Pre-Service Academies have already been scheduled and the Department will follow with regular academies through the year to address attrition.

In early FY 2012, the Catalina Mountain School (CMS) will close. Of the 129 filled positions at CMS, 68 staff were offered jobs to relocate to Phoenix, limiting turnover related to the Reduction In Force to 52%. High turnover

affects ADJC's ability to provide committed youth with a safe environment and continuity in service delivery, which is crucial toward successful community reintegration. Changing the lives of troubled youth in Arizona's juvenile justice system requires a great deal of skill and knowledge. Those traits are gained and honed through training and on-the-job experience.

To mitigate high turnover, ADJC will continue to make efforts to improve the development, retention and recognition of staff. When the economy rebounds, and both correctional and private sector opportunities multiply, it will be in the Department's interest to avoid a corresponding surge in staff turnover.

The Department will continue to improve both the pre-service and in-service training it offers. Though also impacted by job loss, our Staff Development Unit has expanded and improved training offerings for existing employees. Specialized training also continues to be developed, benefitting juveniles and staff alike. As their skills improve, employees will grow in confidence and position themselves for promotional opportunities.

The Pre-Service Academy (YCO/Cadet Training) now consists of 39 days, 8 of which are on-the-job training (OJT) days in the facilities. The OJT days follow specific training segments. This process has increased YCO knowledge of facility operations, their required duties, and the teams in which they will be working.

Furthermore, recent revisions to the ADJC confidential exit survey are being monitored for an improved response rate. It is believed that the collected responses will assist management in identifying recurring reasons for employee separations. Issues can then be systemically addressed to prevent future resignations.

The ADJC Annual Honors Ceremony continues to be redefined so that employees are recognized for outstanding contributions to the agency. Recognition has become more congruent with agency norms and strategic endeavors. Recognizing employees who excel is more important than ever during this extended period of economic uncertainty, and reductions in force. ADJC is also exploring other opportunities to recognize high performing staff, along with additional measures to address staff morale and job satisfaction during this difficult time.

Issue 3 Youth with Increased Clinical Needs

The average length of stay is 7.0 months for newly committed juveniles and 4.5 months for parole violators in secure care. During this time, ADJC is charged with providing treatment services to all juveniles and specifically for juveniles who have substance abuse issues, mental health issues, or who have been adjudicated as a sex offender. Of these juveniles, all are assessed using a variety of validated assessment tools and diagnoses are determined. Fully 38% percent are diagnosed with mental health issues, and 13% have displayed problematic sexualized behavior leading to adjudication. Substance use disorders are by far the most pervasive within the ADJC population; 89% have been diagnosed with substance related issues, including 57% of committed youth assessed to be substance dependent or severe abusers. Those populations overlap, as many ADJC juveniles present dual or multiple diagnoses, adding to the complexity of the treatment services they require.

Core treatment programming is provided to all juveniles using the New Freedom and Systems for Change Programs. New Freedom addresses dysfunctional thinking as it relates to problematic and delinquent behaviors. It is a comprehensive behavioral health and substance abuse curriculum which meets the needs of ADJC's population. It also includes a component that addresses gang behaviors. Systems for Change provides staff members with clear direction in terms of behavior management tools, treatment approaches, and educational expectations of adjudicated juveniles.

In addition to these core treatment programs, identified mentally ill youth, substance dependent youth, and sexually offending youth are assigned to specialized housing units and participate in the integrated treatment programs, in which trained staff specifically address the etiology, thinking processes, and management of problematic behaviors common to juveniles.

The juveniles are reviewed at each stage of their treatment to ensure that they are receiving adequate treatment, and that they are gaining maximum benefit from the services provided.

Because a significant portion of committed juveniles have current mental health issues, the Department maintains units especially geared to this population, staffed by trained and licensed behavioral health providers. Licensed staff train and supervise additional staff who assist in the delivery of services. These services consist of regular individual counseling and psychotherapy with a licensed provider; group sessions that address several areas ranging from management of chronic mental health symptoms to substance abuse issues; milieu therapy to effectively manage current symptoms and stabilize the juvenile; and social skills/anger management training.

ADJC also operates three specialized chemical dependency treatment units, which match treatment intensity to the severity of need. These units utilize the Seven Challenges, an evidence-based program for juveniles, and Dialectic Behavior Therapy. Juveniles who are not classified into specialized treatment units, but have treatment needs in those areas participate in specific "outpatient" treatment in secure care to address those issues. Behavioral health issues, substance abuse and gang intervention are also included in the New Freedom Program.

Transition planning for all juveniles begins upon arrival at ADJC and includes the complete Multi-Disciplinary Team. The juvenile's progress and updates are discussed every month and all changes to transition planning are recorded. Readiness for release, therefore, is thoroughly planned and documented ensuring that juveniles are not released until the completion of the programming to mitigate the risk to the community.

Issue 4 Education Programs that Reflect Student Needs

Considerable evidence confirms that a youth who participates and succeeds educationally is likelier to desist from delinquent activity. ADJC provides an accredited school system that confers high school diplomas, transferrable high school credit, 8th grade certificates, general equivalency diplomas (GED), college credit, and offers career and technical programs.

ADJC recognizes that the majority of committed youth have failed in traditional education settings. Most ADJC students are below grade level in mathematics and reading. In addition, most students have had attendance problems in traditional public schools. The Department is required to provide services to youth with disabilities as mandated by the federal Individuals with Disabilities Education Act (IDEA), Arizona Revised Statutes (A.R.S.) §15-761, and A.R.S. §15-765 through §15-767. These services include delivery of special education instruction, and evaluation services for special education eligibility.

Due to the over-representation (approximately 30%) of special education students within ADJC's school system, the Department requires more special education teachers and resources per student than other public schools within the state. A web-based Individual Education Plan (IEP) was designed to better serve our students with special education needs. The IEP program focuses on student transition goals and allows for the transfer of confidential information to other school districts or to correctional institutions within a few days so that the continuum of services is not interrupted. As a result of improvements made in special education services, the Department was found for the first time to fully comply with state and federal special education services in FY 2010.

ADJC recognizes that students must be motivated to explore a variety of career paths. Therefore, the Department assessed students' needs and interests and implemented a curriculum that merges traditional classroom academics (reading and mathematics) with vocational studies (computer training, carpentry, plumbing, electrical, culinary art, etc.). The following provides a summary of currently expanded studies within the ADJC School System:

- Thirty-six (36) students took coursework in construction trades for National Center for Construction Education Research (NCCER) certification and college credit in conjunction with Pima Community College in FY 2011.

- ADJC offers career and technical training in culinary arts, cosmetology, construction trades, computer assisted design, medical transcription, green energy solutions, fire science, and auto technician.

- ADJC schools offer VOC256 School-to-Work Transition. This course emphasizes pre-employment skills, employability skills, independent living, and allows students to revisit their vocational/career choices made in Reception, Assessment and Classification (RAC), the initial diagnostic process upon commitment to the Department. Components of the class include guest speakers, mock interviews, career interest inventories, workplace math and reading skills, community projects, building a portfolio, identifying barriers to employment, working with the transition coordinators and preparing a transition plan.

- The Department recently added Interactive Television (ITV) to its teaching capabilities to extend the reach of its educators by providing direct classroom instruction and field based enrichment to selected classrooms.

- ADJC schools in conjunction with the Charter School Athletic Association will be playing girls volleyball and boys soccer in the fall of the 2011- 2012 school year. Boys and girls basketball will be offered during the winter season.

The Department will continue to ensure that the educational infrastructure is adequate to support the needs of these students so that they can elevate their very basic skills to a level where they can be academically successful, and ultimately contributing citizens within the Arizona community.

| DJA 1.0 | | Program Summary |
|----------------------------|--|-----------------|
| | | HOUSING |
| Charles Flanagan, Director | | |
| Phone: (602) 364-4051 | | |
| A.R.S. § 41-2802 | | |

Mission:

To enhance public protection by providing safe, secure, well maintained facilities and a healthy environment for committed juveniles.

Description:

The Housing Program provides housing, supervision, control, health services, and institutional services for committed juveniles requiring placement in a secure facility.

This Program Contains the following Subprograms:

- ▶ Facilities Management
- ▶ Security
- ▶ Health Care

| Funding and FTE Summary: (Thousands) | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|--|----------------|------------------|-----------------|
| General Funds | | 12,067.2 | 15,445.9 | 12,899.6 |
| Other Appropriated Funds | | 167.8 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 12,235.0 | 15,445.9 | 12,899.6 |
| FTE Positions | | 412.5 | 313.0 | 279.0 |

| DJA 1.1 | Subprogram Summary |
|---------|----------------------------|
| | FACILITIES MANAGEMENT |
| | Charles Flanagan, Director |
| | Phone: (602) 364-4051 |
| | A.R.S. § 41-2802 |

Mission:

To provide a safe, clean physical plant that supports positive behavioral programming.

Description:

The Facilities Subprogram provides a safe and clean physical plant by ensuring that maintenance activities are conducted in an appropriate and timely manner.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 3,705.3 | 4,689.1 | 3,758.6 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 3,705.3 | 4,689.1 | 3,758.6 |
| FTE Positions | | 71.5 | 36.0 | 29.0 |

◆ **Goal 1** To create a safe and healthy milieu for staff and youth

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of fire and health inspection discrepancies corrected before the next inspection | 100 | 100 | 100 |

| DJA 1.2 | Subprogram Summary |
|---------|----------------------------|
| | SECURITY |
| | Charles Flanagan, Director |
| | Phone: (602) 364-4051 |
| | A.R.S. § 41-2802 |

Mission:

To efficiently maintain a safe and secure environment for committed juveniles.

Description:

The Security Subprogram includes behavior management programming; perimeter security; the safe and secure transportation of juveniles to and from facilities, medical appointments, and other appointments both scheduled and emergency related; radio communications to ensure instant communications with all areas inside the facilities; the transportation of vehicles for the safety and security of juveniles, staff, and the general public; and all other programs and processes designed to maintain a safe and secure environment within ADJC's facilities.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 4,575.9 | 5,148.6 | 4,196.7 |
| Other Appropriated Funds | | 167.8 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 4,743.7 | 5,148.6 | 4,196.7 |
| FTE Positions | | 274.0 | 192.0 | 173.0 |

◆ **Goal 1** To create a safe and healthy milieu for staff and youth

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Assaults on youth per 100-youth days | .07 | .07 | .07 |
| Number of escapes | 0 | 0 | 0 |
| Percent of youth who feel safe in their secure care | 90 | 90 | 90 |

| DJA 1.3 | Subprogram Summary |
|---------|----------------------------|
| | HEALTH CARE |
| | Charles Flanagan, Director |
| | Phone: (602) 364-4051 |
| | A.R.S. § 41-2802 |

Mission:

To provide age and gender appropriate medically-necessary health services to juveniles in secure facilities.

Description:

The Health Services Subprogram provides a delivery system that utilizes on-site professional health care staff in the secure facilities and when deemed necessary, makes referrals to off-site hospitals and/or specialty health care providers.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 3,786.0 | 5,608.2 | 4,944.3 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 3,786.0 | 5,608.2 | 4,944.3 |
| FTE Positions | | 67.0 | 85.0 | 77.0 |

◆ **Goal 1** To create a safe and healthy milieu for staff and youth

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Medical services average annual cost per youth | 8,097 | 9,797 | 10,778 |
| Mental health services average annual cost per youth | 6,089 | 6,698 | 7,368 |
| Percent of youth assessed with significant mental health needs | 27 | 30 | 30 |

| DJA 2.0 | Program Summary |
|---------|----------------------------|
| | REHABILITATION |
| | Charles Flanagan, Director |
| | Phone: (602) 364-4051 |
| | A.R.S. § 41-2802 |

Mission:

To enhance public protection by confronting delinquent thinking and behaviors; developing pro-social attitudes and skills; and preparing youth academically and vocationally for success.

Description:

The Rehabilitation Program provides secure care treatment, education, and community care treatment programs that focus on changing delinquent behavior patterns, and ensuring youth are successfully returned to the community.

This Program Contains the following Subprograms:

- ▶ Education
- ▶ Secure Care Treatment
- ▶ Community Care Treatment

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 30,606.4 | 23,805.9 | 22,891.3 |
| Other Appropriated Funds | | 3,586.7 | 3,860.2 | 3,860.2 |
| Other Non Appropriated Funds | | 1,726.7 | 1,907.8 | 1,907.8 |
| Program Total | | 35,919.8 | 29,573.9 | 28,659.3 |
| FTE Positions | | 491.5 | 489.0 | 472.0 |

| DJA 2.1 | Subprogram Summary |
|---------|----------------------------|
| | EDUCATION |
| | Charles Flanagan, Director |
| | Phone: (602) 364-4051 |
| | A.R.S. § 41-2831 |

Mission:

To support the mission of the Arizona Department of Juvenile Corrections by providing all students educational opportunities to acquire academic/vocational skills as a pathway to responsible citizenship.

Description:

The Education Subprogram is a North Central Association accredited special function outcomes-based system that integrates reading, writing, listening, locating information, applied mathematics, applied technology, vocational training, observation, and teamwork into an individualized school-to-career curriculum. The Education subprogram is designed to meet the individual needs of each juvenile to assist in their successful transition to the community.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,646.4 | 1,962.5 | 1,386.9 |
| Other Appropriated Funds | 2,128.2 | 2,233.2 | 2,233.2 |
| Other Non Appropriated Funds | 806.0 | 850.0 | 850.0 |
| Program Total | 5,580.6 | 5,045.7 | 4,470.1 |
| FTE Positions | 90.0 | 100.0 | 88.0 |

- ◆ **Goal 1** To develop law abiding behavior in youth by providing an integrated array of services based on individual needs

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percent of youth passing the GED test. | 79 | 80 | 80 |
| Percent of youth who increased their TABE (Test of Adult Basic Education) mathematic achievement | 74.5 | 80 | 80 |
| Explanation: | Excludes youth who achieve maximum scores on the pre-test | | |
| Percent of youth who increased their TABE (Test of Adult Basic Education) reading achievement | 79.3 | 80 | 80 |
| Explanation: | Excludes youth who achieve maximum scores on the pre-test | | |

| DJA 2.2 | Subprogram Summary |
|---------|----------------------------|
| | SECURE CARE TREATMENT |
| | Charles Flanagan, Director |
| | Phone: (602) 364-4051 |
| | A.R.S. § 41-2802 |

Mission:

To change the delinquent thinking and behaviors of youth committed to secure care facilities.

Description:

The Secure Care Treatment Subprogram provides individualized developmental programming, and supervision services to committed juveniles requiring placement in a secure facility. Following an assessment of each youth's needs, specialized programming (e.g. Sexualized Behavior Programs, Mental/Behavioral Health Programs, Chemical Dependency Programs, Gender Specific Programs); short-term, intensive, rehabilitative programming (e.g. group, individual and family counseling; substance abuse counseling); and transition services are available to each youth based upon his/her Continuous Case Plan.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 22,247.0 | 16,848.8 | 16,509.8 |
| Other Appropriated Funds | 930.8 | 1,098.6 | 1,098.6 |
| Other Non Appropriated Funds | 919.7 | 1,057.8 | 1,057.8 |
| Program Total | 24,097.5 | 19,005.2 | 18,666.2 |
| FTE Positions | 335.0 | 331.0 | 326.0 |

- ◆ **Goal 1** To develop law abiding behavior in youth by providing an integrated array of services based on individual needs

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of youth showing progress in their primary treatment problem area | 75 | 77 | 77 |
| Percent of juveniles incarcerated within 12 months of release | 32 | 32 | 32 |
| Percent of juveniles incarcerated within 36 months of release | 51 | 49 | 48 |
| Percent of all revoked youth whose revocation offense was a new delinquent offenses | 26 | 77 | 77 |

- ◆ **Goal 2** To collaborate with stakeholders to contribute to the restoration of communities, youth and families

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of youth whose families or caregivers are participants as identified in the youth's secure care treatment plan | 65 | 65 | 65 |
| Percent of juveniles with Continuous Case Plans (CCP) completed on time | 99 | 99 | 99 |

| DJA 2.3 | Subprogram Summary |
|----------------------------|--------------------|
| COMMUNITY CARE TREATMENT | |
| Charles Flanagan, Director | |
| Phone: (602) 364-4051 | |
| A.R.S. § 41-2817 | |

Mission:

To enhance public protection by providing effective and efficient structure, intervention/supervision, surveillance, and enforcement that changes delinquent thinking and behaviors of committed juveniles on conditional liberty.

Description:

The Community Care Treatment Subprogram is responsible for the development and management of a system of community supervision, case management, and residential and non-residential interventions designed to reduce delinquent behavior. This includes the provision of parole supervision and case management for all juveniles on conditional liberty and the coordination, management, and monitoring of a diverse system of contract treatment providers in the community. These community-based services assist the juvenile and their family to develop skills necessary for the juvenile's success in the community.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 5,713.0 | 4,994.6 | 4,994.6 |
| Other Appropriated Funds | 527.7 | 528.4 | 528.4 |
| Other Non Appropriated Funds | 1.0 | 0.0 | 0.0 |
| Program Total | 6,241.7 | 5,523.0 | 5,523.0 |
| FTE Positions | 66.5 | 58.0 | 58.0 |

- ◆ **Goal 1** To develop law abiding behavior in youth by providing an integrated array of services based on individual needs

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of juveniles involved in an academic, vocational or employment programs while on conditional liberty | 83 | 88 | 93 |

- ◆ **Goal 2** To collaborate with stakeholders to contribute to the restoration of communities, youth and families

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of victims who report satisfaction with restorative services received from ADJC | 77 | 85 | 90 |
| Explanation: New data collection method was used in FY 2011 | | | |
| Percent of juveniles with Continuous Case Plans (CCP) completed on time | 99 | 99 | 99 |

| DJA 3.0 | Program Summary |
|----------------------------|-----------------|
| ADMINISTRATION | |
| Charles Flanagan, Director | |
| Phone: (602) 364-4051 | |
| A.R.S. § 41-2802 | |

Mission:

To provide the Arizona Department of Juvenile Corrections with support and logistic services that facilitate the change of delinquent thinking and behaviors of juvenile offenders committed to the Department's care.

Description:

The Administration Program provides the Housing and Rehabilitation Programs with the support and services they require to change the lives of youth within the Department's care. These services include: Accounting, Budgeting, Communications, Detention Center Inspections, Due Process, Grant Management, Human Resources, Internal Affairs, Legal Support, Management Information Systems, Policy Development, Procurement, Research and Development, Staff Development, Quality Assurance, Victims Rights, Volunteer Coordination, and Youth Rights.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 8,517.4 | 7,478.0 | 7,138.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 89.9 | 93.0 | 93.0 |
| Program Total | 8,607.3 | 7,571.0 | 7,231.9 |
| FTE Positions | 97.7 | 79.0 | 74.0 |

- ◆ **Goal 1** To provide effective services for youth efficiently and cost effectively

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Administration as a percent of total cost | 6.5 | 6.4 | 6.4 |
| Average yearly cost per bed in secure care. | NA | 310 | 310 |
| Average yearly cost per juvenile in secure care | 112,869 | 97,043 | 97,043 |
| Average yearly cost per juvenile in Community | 16,489 | 15,101 | 15,101 |
| Average yearly cost per juvenile in Community Care | 16,489 | 15,101 | 15,101 |

- ◆ **Goal 2** To create a competent and diverse workforce

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Annual staff turnover rate | 14 | 20 | 20 |
| Annual Youth Correctional Officer (YCO) turnover rate | 31 | 35 | 35 |

LDA 0.0

Agency Summary

STATE LAND DEPARTMENT

Maria Baier, State Land Commissioner

Phone: (602) 542-4621

A.R.S. § 37-100

Mission:

To manage State Trust lands and resources to enhance value and optimize economic return for the Trust beneficiaries, consistent with sound stewardship, conservation, and business management principles supporting socio-economic goals for citizens here today and generations yet to come. To manage and provide support for resource conservation programs for the well-being of the public and the State's natural environment.

Description:

The State Land Department was established in 1915 to manage the State Trust lands on behalf of the thirteen beneficiaries of that Trust, as established by the State Enabling Act and State Constitution. Each of the approximately 9.3 million acres of land is assigned to one of the beneficiaries, the largest of which is the state's common schools. The Department works to sustain the long-term value for the Trust's beneficiaries by administering, selling, and leasing the State's Trust lands and natural products. The Department also administers the State's Natural Resource Conservation District Program, which involves funding and technical assistance for 32 districts across the State. The Department provides navigability studies to the State's Navigable Streambed Adjudication Commission and staffs the Governor-appointed State Land Board of Appeals. The Commissioner serves as the State Cartographer and the Surveyor-General and the Department provides statewide geological information system services including development and sharing of data layers through the Arizona Land Resources Information System program.

Agency Summary:

| | (\$ Thousands) | | |
|---|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ TRUST MANAGEMENT AND REVENUE GENERATION | 12,274.4 | 25,882.3 | 26,596.6 |
| ➤ OUTSIDE ASSISTANCE AND GRANTS | 1,181.5 | 1,215.8 | 1,885.8 |
| Agency Total: | 13,455.9 | 27,098.1 | 28,482.4 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 3,275.1 | 1,231.8 | 2,011.8 |
| Other Appropriated Funds | 8,416.5 | 24,006.0 | 24,610.3 |
| Other Non Appropriated Funds | 1,764.3 | 1,860.3 | 1,860.3 |
| Program Total | 13,455.9 | 27,098.1 | 28,482.4 |
| FTE Positions | 152.9 | 152.9 | 152.9 |

Strategic Issues:

Issue 1 Real Estate Market Impact

The State continues to experience the effects of the real estate downturn and the national recession, and the Trust continues to be impacted as well. The dollar volume of land sales, after reaching a record high of \$544 million several years ago, totaled \$104 million during the past fiscal year. This was well above the previous year's total of \$19 million, but substantially lower than sales recorded during healthier economic times. The Land Department continues to deal with a record number of defaults of purchase contracts and long term leases, and a number of properties have been returned to the Trust. The impacts of the recession are expected to continue through the next two to three years.

Despite market conditions the Department continues to experience some successes in addition to land sales. Over \$27 million in revenue was recorded from commercial leases, along with another \$6 million from short-

term and long-term rights of way.

During the downturn, the Department continued to use staff and other available resources to prepare for the market recovery. A new 5 year Disposition Plan was recently completed, and approved by the Department and the Urban Land Planning Oversight Committee. Extensive planning, engineering and due diligence work for planned sales and leases continue. Planning for Superstition Vistas in the Southeast Valley continues, as does the zoning for Los Portales, a 7,100 acre project and gateway to 275 square miles of contiguous state land.

The Land Department continues to manage one of the largest and most valuable real estate portfolios in the nation. The continued planning and engineering of these assets will enable the Department to take full advantage when the market recovery begins. The Department will be able to capture tremendous values and revenues as a result of these ongoing efforts.

Issue 2 Navigable Streambed

As a result of a series of legislative enactments and judicial decisions, Arizona must determine if certain watercourses in the State, other than the Colorado River, were navigable at the time of Statehood (February 14, 1912); and therefore to determine whether there is any state ownership of lands located in or near many of Arizona's watercourses. The Land Department is responsible for consultation and coordination with federal and state agencies, public and private entities, and other interested persons in the gathering of evidence of navigability for the estimated 39,039 Arizona watercourses. The Arizona Navigable Stream Adjudication Commission (ANSAC) is charged with adjudicating all of these watercourses. ANSAC finalized hearings on the Upper Salt, Gila, and Verde Rivers in October/November 2005 and January 2006, and declared the rivers non-navigable on May 24, 2006. The Commission's reports containing their findings of non-navigability have been issued.

The State Land Commissioner has advocated for navigability of these rivers. The State Land Commissioner previously advocated for the navigability of the Lower Salt River. On September 21, 2005, ANSAC issued its written decision that the Lower Salt River was non-navigable. The Commissioner appealed ANSAC's determination. The parties briefed and argued the appeal before Maricopa County Superior Court. The Court issued its decision on August 7th, 2007, upholding ANSAC's non-navigability determination. The Maricopa County Superior Court ruling was appealed by the Commissioner, and on September 9th, 2008, the ruling was argued in the Arizona Court of Appeals. On April 27th, 2010 the Court of Appeals vacated the Superior Court's judgment upholding ANSAC's administrative determination that the Lower Salt River was non-navigable as of February 14, 1912. The Court remanded it back to ANSAC for further proceedings consistent with their decision. On May 10th, 2010 a Motion for Reconsideration was filed by ANSAC to the Court of Appeals, and on June 15th, 2010 the Court of Appeals denied the Motion for Reconsideration. A Petition for Review to the Arizona Supreme Court was filed by ANSAC on June 28th, 2010. A Response to the Petition for Review was filed by the Arizona State Land Department by August 17th, 2010. On September 2nd, 2010 the Department filed a Response to ANSAC's and the Salt River Project's (SRP) Petitions for Review. On September 22nd, 2010, SRP filed a Response to the Department's Petition for Review. The Arizona Supreme Court denied ANSAC's, SRP's, and Cemex Cement Inc.'s Petitions for Review on February 8th, 2011. Also, denied was the Department's Cross-Petition for Review. On May 10th, 2011, SRP filed a Petition for a Writ of Certiorari to the US Supreme Court. On May 10th, 2011, SRP filed a Motion of Petitioner to direct the Clerk to file a Petition for a Writ of Certiorari out of time filed. The US Supreme Court denied the Motion on June 13th, 2011.

The Land Department has expended thousands of hours of staff time following the legislative mandates and responding to subsequent legal actions pertaining to Arizona streambeds. The requirement to devote the Department's limited resources to such matters necessarily reduces its ability to manage the State Trust lands for the beneficiaries. Without adequate staffing and funding to carry out the State's duties with respect to streambeds, the Department cannot perform those duties adequately and/or be able to take advantage of economic opportunities on Trust lands

resulting ultimately in loss of revenues to the Trust beneficiaries. The Department is facing, and likely to face contentious and expensive litigation relating to its performance (or alleged failure to perform) duties with respect to both sovereign lands and Trust lands.

Issue 3 Customer Service

The Department has a fiduciary responsibility to manage the Trust for the beneficiaries. This responsibility includes providing the utmost in customer service to its customers. These customers and the valuable contributions they make to the Trust are vital to the success of the agency in its fiduciary capacity. Since 1998 the Department has tracked its customer service improvement program by providing a Customer Service Survey for customers to rate their level of satisfaction. The results of these surveys provide management with a tool to evaluate the effectiveness of specific Department programs and to monitor the service provided by Department staff. Both internal customers (staff) and external customers (the public) are affected by customer service. Improvements are made to promote the relationship between the agency and its customers; improve Department staff rapport and communication, and increase cooperation between agencies. Over the years changes have been made to improve the availability of information to customers. Customer surveys consistently reflect a satisfactory rating in virtually every category. The Department consistently receives numerous compliments for providing accurate timely information in a courteous and respectful manner.

Issue 4 Land Conservation/Condemnation/Exchange

The mission of the Department is to manage the Trust land to enhance the value and optimize economic return for the beneficiaries. All uses of the land must benefit the Trust, a fact which distinguishes it from the way public land, such as parks or National Forests, may be used.

In 2000 and 2001, five national monuments were established in Arizona by Presidential Proclamation. Four of the five monuments collectively impact 95,300 acres of State Trust surface lands and 101,600 acres of State Trust mineral estate. While the State Trust lands are not designated as monument lands, the boundaries of each monument encompass the State Trust lands restricting their access and use. Compensation to the Trust for the "capture" of the State Trust lands was not considered in the Proclamations. The State estimates the surface value of the "captured" Trust lands to be in excess of \$360 million. The "capture" of these Trust lands adversely impacts the Trust's beneficiaries as well as the State's economy. The State is losing potential economic opportunities on the "captured" lands resulting in the loss of revenues to the Trust and its beneficiaries.

Thousands of State Trust land acres, both surface and mineral estate, are "captured" within existing and proposed federal land management programs without compensation to the Trust. Some of these "captured" acres are included within federal wilderness areas (11,900 acres), recreational and conservation areas (685,373 acres), national monuments and parks (136,906 acres), military land withdrawals (10,415 acres) and Native American reservations (2,120 acres). Congressional authorization to condemn certain State Trust land has been authorized by Congress but to date, no action has been taken by the federal government.

Issue 5 Water Rights Adjudications

The State is a party to several pending water right adjudications, which are court proceedings designed to resolve the rights of all water users to a particular stream or river system. These are "in rem" proceedings, meaning the court has jurisdiction over the asset at issue (the surface water stream system), and are somewhat akin to quiet title litigation. Parties, including State agencies, who claim the right to use water from such a stream will lose those rights unless they are recognized by the court. The adjudications are massive lawsuits. The State has filed claims for several thousand water rights that represent existing water uses on State Trust lands and future uses based on certain federal law doctrines. The monies from FY 2002 through FY 2009 were utilized to design, initiate and complete the preliminary stages of multi-stage analysis of State Trust lands to support the State's claim for existing water uses and its Federal reserve water right claim. The FY 2010/ FY 2011 funding was utilized to initiate a study to determine the qualification of available groundwater in a basin in western Arizona. The FY 2011 through FY 2013 funding is used for water studies or

activities to enhance the Trust's water portfolio. Litigation is now proceeding, focusing on tribal and Federal reserved water rights claims with a separate contested case considering the Federal reserved rights claims of the Department. It is critical that the program continue to be funded, in order to build on the valuable analysis and information that has already been developed, with the goal continuing to be the protection of the future viability of the Trust lands and their ability to provide financial support to the public schools and other beneficiaries.

Issue 6 Department Funding

The Land Department has received its operating budget from the State's General Fund since its inception in 1915. This is contrary to most other states with Trust land that retain a portion of the revenue earned by the Trust for operating expenses. Through Laws 2009, Chapter 5 of the 49th Legislature, 3rd Special Session, (ARS 37-527) Arizona joined these other states by retaining up to 10% of the proceeds from Trust land.

Major Provisions

- The Land Commissioner determines by September 1 of the preceding fiscal year the percentage, up to 10%, of proceeds to be used for operations.
 - These proceeds are deposited into the Trust Land Management Fund.
 - The Trust Land Management Fund is appropriated by the Legislature.
 - The Trust Land Management Fund can only be used for Trust related expenditures.
 - Any fiscal year end balance above 200% of the following fiscal year's appropriation from the Trust Land Management Fund is distributed to the permanent funds based on that year's receipts.
- The Department completed the transition to self-funding with the passage of Laws 2010, Chapter 243 (ARS 37-107). This allowed the Commissioner to set fees in rule and directed fees to be deposited to the Trust Land Management Fund. FY 2011 was a transition year for implementation in which some, but not all, fees were deposited to the Trust Land Management Fund. FY 2012 is the first full fiscal year in which all fees are deposited to the Trust Land Management Fund instead of the State General Fund. This will allow all Trust activities to be paid with Trust related revenues.

| LDA 1.0 | Program Summary |
|---|-----------------|
| TRUST MANAGEMENT AND REVENUE GENERATION | |
| Maria Baier, State Land Commissioner | |
| Phone: (602) 542-4621 | |
| A.R.S. §§ 37-201 to 37-611 | |

Mission:

To manage State Trust lands and resources to enhance value and optimize economic return for the Trust beneficiaries.

Description:

The State Land Department and the system by which Trust lands are to be managed was established in 1915 by the State Land Code, in compliance with the Enabling Act and the State Constitution. Revenues earned from Trust lands are classified as either permanent or expendable. Revenues derived from the sale of Trust lands and the sale of natural products, less up to ten percent for management costs, are deposited in the Permanent Fund. Revenues earned from leasing Trust lands and interest on the certificate of purchase balance as well as the Permanent Fund's interest are deposited in the expendable account for use by the appropriate beneficiary.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-----------------|------------------|-----------------|
| General Funds | 2,732.8 | 712.0 | 712.0 |
| Other Appropriated Funds | 8,247.1 | 23,746.0 | 24,460.3 |
| Other Non Appropriated Funds | 1,294.5 | 1,424.3 | 1,424.3 |
| Program Total | 12,274.4 | 25,882.3 | 26,596.6 |
| FTE Positions | 150.9 | 150.9 | 150.9 |

◆ **Goal 1** To administer Trust resources to optimize revenue over time.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total revenue generated (in millions) | 190.3 | 178.1 | 159.6 |
| Balance in Permanent Fund (Book value in millions) | 2,486.4 | 2,620.3 | 2,709.2 |
| Total expendable receipts, excluding interest on permanent fund and school leases (millions) | 49.0 | 40.9 | 58.0 |
| Total annual revenue to permanent fund (millions) | 121.7 | 133.9 | 88.9 |
| Number of participation sales | 1 | 1 | 1 |
| Number of auctions where broker commission is paid | 2 | 5 | 5 |
| Percent increase in commercial leasing revenue | -12 | -13 | 4 |
| Percent increase of sales value above appraised value | 1 | 5 | 5 |
| Percent of total leasing revenue from long-term leases | 85 | 85 | 85 |
| Net present value of long-term leases (in millions) | 419 | 420 | 450 |

◆ **Goal 2** To implement a progressive asset management process to improve the quality and efficiency of the Department's decision making and meet the requirements of the Growing Smarter Act and Growing Smarter Plus.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Cumulative percent of potential acres in Maricopa and Pima County under master plans (382,346 acres) | 10.4 | 10.4 | 10.4 |
| Percent of urban acres within municipal boundaries under conceptual plans (statewide 668,652 urban acres) | 84 | 84 | 84 |
| Cumulative total of conceptual plans completed under Growing Smarter (statewide, 47 communities have a minimum of 160 acres of trust land) | 38 | 38 | 38 |
| Percent of conceptual plans that have been integrated into community general plans (statewide 47 communities have a minimum of 160 acres of trust land) | 23 | 23 | 23 |

◆ **Goal 3** To protect unique Trust resources and provide environmental protection to maintain the long-term value of the asset.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Acres reclassified as suitable for conservation purposes | 0 | 0 | 0 |
| Number of acres sold or leased for open space conservation or parkland | 5,389 | 5,046 | 2,500 |
| Proposed land use and disposition actions reviewed for cultural resource considerations | 409 | 400 | 400 |
| Number of hazardous materials sites remediated | 3 | 5 | 5 |
| Number of nonhazardous materials sites remediated | 54 | 40 | 40 |
| Amount allocated for adjudicating water rights | 30,000 | 250,000 | 140,000 |

◆ **Goal 4** To improve the Department's efficiency in application or transaction processing by reducing processing time for sales and commercial leases by 10-20%, increase per acre earning by 10-20%.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average processing time for long-term leases (tracked by months) | 50 | 18 | 18 |
| New short-term lease processing time (in months) | 9.5 | 12 | 12 |
| Average processing time for sales applications (tracked by months) | 28 | 36 | 36 |
| In-house appraisal turnaround time (days from administrator request to receipt by section manager) | 29 | 30 | 30 |
| Contract appraisal turnaround time (days from administrator request to receipt by section manager) | 87 | 90 | 90 |
| Average trust land earnings per acre sold (in dollars) | 18,641 | 100,000 | 15,0000 |
| Average trust land earnings per acre on new long-term commercial leases | 192,665 | 200,000 | 200,000 |

◆ **Goal 5** To provide efficient internal support and coordination to enable the Department to accomplish its mission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of findings during annual financial audit | 0 | 0 | 0 |
| Average score on employee satisfaction survey. (5 = very satisfied, 1 = unsatisfied) | 3.5 | 3.6 | 3.6 |
| Median number of minutes to resolve computer user problems | 34 | 25 | 25 |
| Percent of agency staff turnover | 5 | 10 | 10 |
| Administration as a percentage of total cost | 6.05 | 6.6 | 6.6 |

◆ **Goal 6** To improve Department productivity and minimize costs through increased efficiency and risk reduction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of employees receiving basic computer training | 96 | 100 | 20 |
| Number of professional training hours for staff | 600 | 800 | 800 |
| Number of agency's administrative policies updated or added | 9 | 3 | 4 |
| Percent of employees completing agency required training | 97 | 98 | 98 |

◆ **Goal 7** To develop and implement measures to improve external customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of customers giving the department a rating above 4 (Survey rating 5 - 1; 5 = very satisfied, 1 = unsatisfied) | 95 | 90 | 90 |
| Number of settlement hearings vs. number of appeal hearings | 1/0 | 2/3 | 3/2 |
| Number of interactive applications available through the web site | 5 | 16 | 7 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of times interactive applications are accessed by the public | 72,203 | 80,000 | 85,000 |
| Number of times the web site is accessed | 81,588 | 95,000 | 105,000 |
| Number of formal public records requests vs. number of records (in thousands) pulled and researched for requests | 15/150 | 20/125 | 20/125 |

- ◆ **Goal 8** To continue an effective program of land conservation of appropriate State lands while ensuring continued economic benefits to the trust.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Cumulative number of acres petitioned to be reclassified for conservation | 120,032 | 120,032 | 120,032 |
| Cumulative number of acres sold under Arizona Preserve Initiative | 11,297 | 16,343 | 16,943 |
| Number of Arizona Preserve Initiative land sale/leases | 3/0 | 2/0 | 2/0 |
| Cumulative number of acres reclassified as suitable for conservation purposes | 42,511 | 42,511 | 42,511 |
| State acres identified and/or researched for transfer under State/Federal land conservation and federal land management actions | 147,376 | 147,000 | 147,000 |
| Federal acres identified and/or researched for State acquisition under State/Federal Land conservation and land management actions | 41,480 | 50,000 | 50,000 |

- ◆ **Goal 9** To improve the availability of actual information and increase analytical capabilities of the agency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Combined parcels (surface, minerals, special permits, etc.) accessible through PALMS | 64,631 | 65,000 | 66,000 |
| Number of data sets accessible through PALMS | 771 | 780 | 795 |

- ◆ **Goal 10** To improve internal and external communication.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average score on employee satisfaction survey regarding staff recognition, staff's understanding of expectations, the agency's communication system to staff, and feedback (Survey ratings 5 - 1; 5 = very satisfied, 1 = unsatisfied) | 3.6 | 3.6 | 3.6 |
| Percentage of customers giving the department a rating above 4 on the understandability of applications, correspondence, documents, and the clarity of information being transmitted (Survey rating 5 - 1; 5 = very satisfied, 1 = unsatisfied) | 95 | 90 | 90 |
| Average percentage of employees attending "All Employee" meetings | 86 | 90 | 90 |
| Number of agency-wide electronic notices distributed | 651 | 850 | 850 |

- ◆ **Goal 11** To respond within established time frames, to all applications and request for land use and title research from public and staff.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Acres researched involving title transactions, special projects, lease, or contract development (in millions of acres) | 3.0 | 3.0 | 5.0 |
| Number of applications received requiring current land use or ownership research | 1,153 | 1,200 | 1,400 |

| LDA 2.0 | Program Summary |
|---------|--------------------------------------|
| | OUTSIDE ASSISTANCE AND GRANTS |
| | Maria Baier, State Land Commissioner |
| | Phone: (602) 542-4621 |
| | A.R.S. Title 37 |

Mission:

To provide administrative direction, coordination, assistance and services to program areas legislatively assigned to the State Land Department.

Description:

The Department and the Commissioner have been assigned the statutory responsibility for providing administrative direction, coordination, assistance and services to the Arizona Center for Geographic Information and Arizona Geographic Information Council, the Natural Resource Conservation Districts, and special environmental projects. These responsibilities include providing staff support, budget assistance, appropriation pass through and accounting, election oversight, appointments, and information dissemination.

This Program Contains the following Subprograms:

- ▶ Arizona Center for Geographic Information, Coordination and Services
- ▶ Natural Resource Conservation Districts

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 542.3 | 519.8 | 1,299.8 |
| Other Appropriated Funds | | 169.4 | 260.0 | 150.0 |
| Other Non Appropriated Funds | | 469.8 | 436.0 | 436.0 |
| Program Total | | 1,181.5 | 1,215.8 | 1,885.8 |
| FTE Positions | | 2.0 | 2.0 | 2.0 |

| LDA 2.1 | Subprogram Summary |
|---------|--|
| | ARIZONA CENTER FOR GEOGRAPHIC INFORMATION, COORDINATION AND SERVICES |
| | Maria Baier, State Land Commissioner |
| | Phone: (602) 542-4621 |
| | A.R.S. §§ 37-171 to 37-176 |

Mission:

To provide assistance to public agencies in Arizona to effectively use the Geographic Information Systems (GIS) technology in the performance of their mandated duties and to foster the cooperative development, maintenance and use of geographic information resources among public agencies in Arizona in order to reduce the efforts and maximize investments in such resources.

Description:

ACGICS has the statutory responsibility to provide GIS development, analysis, and coordination in Arizona. ACGICS works in conjunction with the Arizona Geographic Information Council and the Government Information Technology Agency. In order to meet the program mission, ACGICS is comprised of two functional units: the Arizona Land Resources Information System (ALRIS) and the State Cartographer's Office (SCO). ALRIS works to develop, maintain and distribute commonly required spatial databases for use by public agencies and provides GIS training to assure such resources can be maximized. The SCO develops GIS standards and provides access and utilization of GIS databases.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 152.3 | 129.8 | 129.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 469.8 | 436.0 | 436.0 |
| Program Total | 622.1 | 565.8 | 565.8 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

- ◆ **Goal 1** To design, develop, maintain and distribute digital geospatial datasets to public agencies in Arizona to reduce the costs of data creation and maintenance to the State's taxpayers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Datasets transferred | 3,303 | 3,500 | 3,800 |
| Geospatial datasets under development or revision | 22 | 22 | 22 |
| Datasets accessible through AGIC, ALRIS or SCO websites | 148 | 160 | 180 |

- ◆ **Goal 2** To create and implement cost-effective and results-effective GIS training and information programs for Arizona public agencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Government employees trained | 196 | 250 | 275 |
| Percent of students rating training as satisfactory | 92 | 95 | 95 |

- ◆ **Goal 3** To increase access and utility of GIS data by providing information on location, lineage, and availability of geospatial databases; promote development and implementation of GIS standards; and coordinate governmental inter-agency cooperative agreements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Users accessing AGIC, ALRIS or SCO websites for information or data | 111,579 | 118,000 | 125,000 |
| Participation in coordination activities with organizations which improve access and utilization of geographic datasets | 40 | 40 | 40 |

| LDA 2.2 | Subprogram Summary |
|---------|---|
| | NATURAL RESOURCE CONSERVATION DISTRICTS |
| | Maria Baier, State Land Commissioner |
| | Phone: (602) 542-4621 |
| | A.R.S. §§ 37-1001 to 37-1057 |

Mission:

To promote, coordinate and carry out activities that conserve soil, water and other natural resources utilizing the expertise of the Natural Resource Conservation Service (NRCS) and numerous other local, county, state, and federal agencies.

Description:

Arizona's 32 Natural Resource Conservation Districts (NRCs) are legal subdivisions of State government organized under State law and administered by the State Land Department. As subdivisions of State government, NRCs provide the link that enables the U.S. Department of Agriculture Natural Resource Conservation Service and Farm Service Agency to provide technical and financial assistance to private landowners. NRCs are district cooperators for water, soil, and other natural resource conservation measures. The NRCs are governed by a local Board of Supervisors: three elected and two appointed by the Natural Resource Conservation Commissioner (State Land Commissioner). The NRCs are the primary sponsors of the Conservation/ Environmental Educational Centers.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 390.0 | 390.0 | 1,170.0 |
| Other Appropriated Funds | 169.4 | 260.0 | 150.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 559.4 | 650.0 | 1,320.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To strengthen the network of 32 NRCs by assisting district supervisors in developing, improving and broadening relationships with private landowners, the NRCS, state and federal agencies, rural communities, county governments, and private interest groups.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| District meetings attended | 80 | 75 | 75 |
| Interagency meetings attended | 60 | 75 | 75 |
| Percent of NRCs rating Department assistance as satisfactory | 100 | 100 | 100 |

| LWA 0.0 | Agency Summary |
|--|----------------|
| LAW ENFORCEMENT MERIT SYSTEM COUNCIL | |
| Major Iven T. Wooten, Business Manager | |
| Phone: (602) 223-2286 | |
| A.R.S. §§ 41-1830.11 to 41-1830.15 | |

Mission:

To establish and administer an equitable compensation plan while providing oversight for the selection, retention, and disciplinary proceedings affecting employees of those agencies under the Council's jurisdiction.

Description:

The Law Enforcement Merit System Council is responsible for establishing a classification and compensation plan for all covered positions, a system of fair personnel policies, a system for performance appraisal, a system of procedures for hearings to handle employee grievances, and a plan for the conduct of hearings on appeal ordered by the DPS director.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 68.1 | 70.2 | 70.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 68.1 | 70.2 | 70.2 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

Strategic Issues:

Issue 1 Maintaining Adequate Funding for FTE and Operating Costs

The biggest issue facing the Council is the continuing need for adequate funding. Because of previous reductions, the Council has been unable to properly compensate the agency's Administrative Services Officer and have any discretionary funds. An error in the funding request for Fiscal Year 2007 continues to plague the agency. As a result, the agency conducted a Reduction In Force in May 2011 and posted the position as a part-time function. The successful applicant entered the classification at the entry level, thereby, relieving the immediate need for proficiency level funding. However, each year the incumbent will receive step increases and at some juncture the same issues will arise unless annual funding matches the appropriate salary of the employee.

- ◆ **Goal 1** To establish and administer an equitable classification and compensation plan.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of classifications reviewed to determine proper job description and market value | 35 | 10 | 10 |
| Number of position audits conducted to determine proper classification | 1 | 2 | 2 |
| Number of job descriptions reviewed to determine suitability to classification | 9 | 5 | 5 |

- ◆ **Goal 2** To provide guidelines for proper selection, retention and dismissal of covered employees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of test plans reviewed for selection and promotional processes | 17 | 23 | 29 |
| Number of covered employees dismissed | 4 | 4 | 4 |

- ◆ **Goal 3** To provide covered employees with a fair, impartial and expeditious hearing process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of appeals/grievances filed | 1 | 5 | 5 |
| Number of appeal hearings conducted | 3 | 4 | 4 |
| Percent of employees receiving discipline who file an appeal | 9 | 10 | 10 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average days from receipt of an appeal/grievance until the Council issues a final order | 177 | 120 | 120 |
| Explanation: Rise in days to complete hearing due to Council short 1 member for 3 months. | | | |
| Average cost of an appeal/grievance hearing (in dollars) | 461 | 461 | 461 |
| Number of rehearing requests filed | 0 | 0 | 0 |

- ◆ **Goal 4** To provide guidelines to ensure promotional examinations are conducted properly in order to dispel challenges.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of civilian promotional examinations conducted | 10 | 10 | 10 |
| Number of sworn promotional examinations conducted | 0 | 2 | 1 |
| Number of civilian promotional examinations that result in challenges/appeals | 0 | 0 | 0 |
| Number of sworn promotional examinations that result in challenges/appeals | 0 | 0 | 0 |
| Number of challenges filed that result in some change to the examination or scoring of the examination | 0 | 0 | 0 |

| | |
|-----------------------------------|-----------------------|
| AUA 0.0 | Agency Summary |
| OFFICE OF THE AUDITOR GENERAL | |
| Debbie Davenport, Auditor General | |
| Phone: (602) 553-0333 | |
| A.R.S. § 41-1279 | |

Mission:

To improve state and local government operations and accountability by independently providing the Legislature, government decision-makers, and the public with timely, accurate, and impartial information; relevant recommendations; and technical assistance.

Description:

The Auditor General is appointed by the Joint Legislative Audit Committee and approved by a concurrent resolution of the Legislature. By law, the Auditor General is required to express an opinion on the financial statements of audited entities, and determine compliance with applicable federal and Arizona laws and conduct comprehensive performance evaluations of state agencies and the programs they administer. In addition, the Auditor General is required to conduct performance audits of school districts and monitor the percentage of dollars spent in the classroom. Beginning in fiscal year 2006-2007, the Legislature appropriated monies for the Auditor General to conduct performance and financial audits of English Language Learner programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 16,405.1 | 16,156.0 | 16,156.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,984.7 | 1,984.7 | 1,984.7 |
| Program Total | 18,389.8 | 18,140.7 | 18,140.7 |
| FTE Positions | 224.4 | 224.4 | 224.4 |

Strategic Issues:

Issue 1 *Increasing our impact on government in Arizona*

Issue 2 *Ensuring our processes are efficient and add value to our products*

Issue 3 *Hiring, developing, and retaining a high-quality workforce*

◆ **Goal 1** To use efficient and value-added processes to ensure our reports are issued in a timely manner

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percentage of single audit reports accepted by cognizant agency | 100 | 100 | 100 |
| External quality control review resulted in a clean opinion (triennial review). | NA | NA | Yes |

◆ **Goal 2** To identify and communicate on high-impact issues

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percentage of administrative recommendations implemented or adopted within two years for performance audits | 99 | 90 | 90 |
| Percentage of single audit recommendations implemented or adopted within one year for financial audits | 60 | 65 | 65 |
| Percentage of legislative recommendations implemented or adopted within two years | 100 | 60 | 60 |

◆ **Goal 3** To hire, develop, and retain a high-quality workforce

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------|-----------------------|-------------------------|-------------------------|
| Percentage of staff turnover | 8 | 20 | 20 |

| | |
|--|----------------|
| HOA 0.0 | Agency Summary |
| HOUSE OF REPRESENTATIVES | |
| Andy Tobin, Speaker | |
| Phone: (602) 926-5172 | |
| Constitution Art. 4, Part 1, Section 1 | |

Mission:

To serve the public by enacting laws that protect the public safety and welfare, to provide information to the public and to assist members of the public who contact their legislative representatives with questions, problems, or concerns.

Description:

The House of Representatives consists of 60 members elected by the public. Two members are elected from each of the 30 legislative districts in biennial elections. Members of the Legislature participate in activities related to the review and adoption of a wide range of topics that affect the citizens of Arizona. Members serve on standing committees, participate in interim projects and handle constituent concerns.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 11,470.7 | 12,993.7 | 12,993.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 11,470.7 | 12,993.7 | 12,993.7 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| | | |
|------------------------------------|-----|-----------------------|
| JLA | 0.0 | Agency Summary |
| JOINT LEGISLATIVE BUDGET COMMITTEE | | |
| Richard Stavneak, Director | | |
| Phone: (602) 926-5491 | | |
| § 41-1272 | | |

Mission:

To provide the Arizona Legislature with sound research, analysis, forecasts, and recommendations on state government finances and public policies; to provide the members with high quality work that is factually-based and delivered in a timely and professional manner, so they can make informed public policy decisions that are in the best interest of the citizens of Arizona.

Description:

The Joint Legislative Budget Committee (JLBC) Staff is a statutory agency in the legislative branch of Arizona State Government. The Governing Board is the 16-member Joint Legislative Budget Committee who appoints a Legislative Budget Analyst [Director] who is responsible for hiring other staff as authorized through the appropriations process. The office was established pursuant to A.R.S. § 41-1272 in 1966.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 450.9 | 2,399.9 | 2,399.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 450.9 | 2,399.9 | 2,399.9 |
| FTE Positions | 29.0 | 29.0 | 29.0 |

| LCA 0.0 | Agency Summary |
|-----------------------------------|----------------|
| LEGISLATIVE COUNCIL | |
| Michael Braun, Executive Director | |
| Phone: (602) 926-4236 | |
| A.R.S. §§ 41-1301 to 41-1307 | |

Mission:

To provide quality legal, research, computer and administrative services to the Arizona Legislature.

Description:

The Legislative Council staff performs the following core functions: drafting of legislative bills, memorials, resolutions, and amendments; review and possible revision of each legislative enactment for technical corrections prior to publication of the Arizona Revised Statutes; enrolling and engrossing of bills and processing of legislative journals; conducting legal research; and operating the legislative computer system.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,914.0 | 4,654.1 | 4,654.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 3,914.0 | 4,654.1 | 4,654.1 |
| FTE Positions | 42.8 | 42.8 | 42.8 |

Strategic Issues:

Issue 1 *Increase familiarity with legislative computer system.*

Familiarity with and practical knowledge of the legislative computer system is critical to Legislative Council's (LC) continued success. It is imperative that legislative computer users know and understand how to perform various functions on their computers, particularly those custom applications that are unique to their legislative work. This includes, for appropriate legislative staff, knowledge of such computer functions as drafting bills and amendments, bill status inquiry, committee, agenda and calendar tracking programs, tools enabling searches of current and past legislation and internet access. Familiarity with these functions allows for faster turnaround time and accuracy on work both within LC and between LC staff and other legislative members and staff. Also, as more and more legislative computer users take advantage of the availability of laptop computers, they will be able to "take their work with them" and have access to important and current legislative information at all times.

Issue 2 *Familiarize customers with all aspects of LC and the type of work it performs.*

Although many Legislative Council (LC) customers indicate awareness of LC functions, results from the 2007 performance survey indicate that a small number are not entirely clear about what LC does, primarily in the area of providing legal research to the Legislature. While this may be attributable in part to the lack of response by some customers to the survey (i.e., they may know of LC's functions but did not return their survey), some customers who did respond to the survey indicated they did not know about these functions. LC should continue to undertake efforts to increase awareness of its functions, particularly legal research, among all customers, especially legislators and legislative staff. The continued online publication of LC's The Bill Drafting Manual and The Legislative Manual should help users better understand who LC is and what LC does.

Issue 3 *Continue to maintain the highest standards in providing bill drafting and research services to all users.*

LC has consistently received top marks in terms of courteousness of its staff and the agency should strive to maintain this. LC generally receives high ratings from users in terms of accuracy and timeliness of its drafting and research services, though there is room for improvement in these areas. LC must continue its efforts to maintain the high standards of professionalism, friendliness and approachability to which users have grown accustomed.

| LCA 1.0 | Program Summary |
|-----------------------------------|-----------------|
| LEGISLATIVE COUNCIL | |
| Michael Braun, Executive Director | |
| Phone: (602) 926-4236 | |
| A.R.S. §§ 41-1301 to 41-1307 | |

Mission:

To provide quality legal, research, computer and administrative services to the Arizona Legislature.

Description:

The Legislative Council staff performs the following core functions: drafting of legislative bills, memorials, resolutions, and amendments; review and possible revision of each legislative enactment for technical corrections prior to publication of the Arizona Revised Statutes; enrolling and engrossing of bills and processing of legislative journals; conducting legal and public policy research; and operation of the legislative computer system.

- ◆ **Goal 1** To provide timely and accurate processing of all work products.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of positive survey ratings regarding accuracy of bill drafting | 99 | 100 | 100 |
| Percent of positive survey ratings regarding timeliness of bill drafting | 98 | 99 | 100 |
| Percent of positive survey ratings regarding accuracy of legal research | 99 | 100 | 100 |
| Percent of positive survey ratings regarding timeliness of legal research | 98 | 99 | 100 |

- ◆ **Goal 2** To increase awareness of Legislative Council's functions among legislators, legislative staff, state agencies and lobbyists.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of survey respondents indicating awareness of Legislative Council's bill drafting function | 99 | 100 | 100 |
| Percent of survey respondents indicating awareness of Legislative Council's legal research function | 95 | 96 | 97 |

- ◆ **Goal 3** To increase the comfort level of all legislative computer users through training and support.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of legislative computer users indicating training is helpful | 96 | 97 | 98 |
| Percent of positive survey ratings regarding accuracy of computer help desk | 98 | 99 | 100 |
| Percent of positive survey ratings regarding timeliness of computer help desk | 98 | 99 | 100 |

| LCA 2.0 | Program Summary |
|--|-----------------|
| OMBUDSMAN CITIZENS AIDE OFFICE | |
| Joanne MacDonnell, Acting Ombudsman-Citizens' Aide | |
| Phone: (602) 277-7292 | |
| A.R.S. § 41-1371 et. seq. | |

Mission:

To improve the effectiveness, efficiency and responsiveness of government by receiving public complaints, investigating the administrative acts of state agencies, recommending fair and appropriate remedies and investigating matters relating to public access to government records and meetings throughout Arizona.

Description:

The Office of the Ombudsman-Citizens' Aide is a seven person independent agency in the legislative branch of Arizona State Government. The Office receives citizen complaints about the administrative acts of state agencies. The Office investigates citizen complaints and, when they are justified, works with the complainant and agency to help them resolve the problem in a mutually agreeable manner. Although the Office cannot change an agency's decision nor direct it to take action, it can make findings and offer recommendations to the agency. The Office also helps citizens by coaching them on how they can best resolve their problem on their own and providing other forms of assistance when the problem can be resolved without going through the time and expense of an investigation. In addition, the office investigates complaints about public access to records and meetings at all levels of government throughout Arizona. The Office provides reports of its activities to the legislature, governor and public.

- ◆ **Goal 1** To help more citizens redress their legitimate grievances with state agencies.

- ◆ **Goal 2** To respond to citizen complainants in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of initial responses to citizen inquiries made within two business days | 99 | 98 | 98 |
| Percent of notices of investigation sent within 30 days | 96 | 97 | 97 |
| Percent of investigations completed within 3 months | 97 | 94 | 94 |
| Percent of citizens responding "strongly agree" or "agree" to timeliness question on customer satisfaction survey | 100 | 90 | 90 |

- ◆ **Goal 3** To prevent recurrence of similar complaints by identifying and correcting patterns of undesirable administrative practices.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of recommendations accepted by agencies | 88 | 87 | 87 |

- ◆ **Goal 4** To provide courteous and impartial service to citizens.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of citizens responding "agree" or "strongly agree" to courtesy question on survey | 100 | 98 | 98 |
| Percent of citizens responding "strongly agree" or "agree" to impartially question on the customer satisfaction survey | 93 | 98 | 98 |

| | |
|--|----------------|
| SNA 0.0 | Agency Summary |
| SENATE | |
| Steve Pierce, President | |
| Phone: (602) 926-5584 | |
| Constitution Art. 4, Part 1, Section 1 | |

Mission:

To serve the Arizona constituency through policy development and enactment of legislation in support of the public health, safety, and welfare.

Description:

The Arizona Senate consists of 30 elected members, one from each legislative district. Members are appointed to serve on Senate standing committees, as well as statutory and interim committees. They consider a variety of issues for the purpose of enacting legislation deemed necessary for the public interest.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 6,932.5 | 7,985.2 | 7,985.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 6,932.5 | 7,985.2 | 7,985.2 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| LLA | 0.0 | Agency Summary |
|---|-----|----------------|
| DEPARTMENT OF LIQUOR LICENSES AND CONTROL | | |
| Alan Everett, Director | | |
| Phone: (602) 542-9020 | | |
| A.R.S. § 4-111 et seq. | | |

Mission:

To license the liquor industry and assure compliance of liquor laws in the State of Arizona using education, knowledge, communication, collaboration, adjudication and enforcement that result in better health, safety and welfare of Arizona's citizens and their community.

Description:

The Department of Liquor Licenses and Control regulates all businesses dealing with spirituous liquor. The Department processes complaints, police reports, and civil violations regarding licensees. The Department investigates all allegations against licensees, whether criminal or civil, and in collaboration with the Attorney General's Office prosecutes before civil and criminal courts within the State. Further, the Department interacts with the Governor's Office of Highway Safety and the Driving Under the Influence Abatement Council to educate underage youth and reduce underage drinking. The Department meets on a regular basis with the Arizona Licensed Beverage Association, Arizona Beer and Wine Association, Arizona Grocers Association, Arizona Hotel and Motel Association, Arizona Restaurant Association and various civic organizations statewide. Finally, the Department is responsive to all Arizona citizens who are served and affected by the licensees.

Agency Summary:

| | (\$ Thousands) | | |
|------------------|----------------|------------------|-----------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADMINISTRATION | 833.4 | 960.9 | 960.9 |
| ➤ INVESTIGATIONS | 1,836.1 | 2,137.8 | 2,137.8 |
| ➤ LICENSING | 616.0 | 738.4 | 738.4 |
| Agency Total: | 3,285.5 | 3,837.1 | 3,837.1 |

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 2,381.9 | 2,815.6 | 2,815.6 |
| Other Non Appropriated Funds | | 903.6 | 1,021.5 | 1,021.5 |
| Program Total | | 3,285.5 | 3,837.1 | 3,837.1 |
| FTE Positions | | 49.0 | 54.0 | 54.0 |

Strategic Issues:

Issue 1 Update the software program and information technology system of the Department.

An appropriation for funding was received enabling the Department to begin the acquisition and implementation of a new licensing software program. The new licensing software is in the final phase of development. It is scheduled to be implemented in November.

| LLA | 1.0 | Program Summary |
|-------------------------------------|-----|-----------------|
| ADMINISTRATION | | |
| Pearlette Ramos, Assistant Director | | |
| Phone: (602) 542-9021 | | |
| A.R.S. Title 4 | | |

Mission:

To ensure all Divisions in the Department of Liquor Licenses and Control operate in a cost-effective manner, all operational activities conform to statutory requirements and other guidelines, staffing is provided to the State Liquor Board, and alleged violations are resolved in a timely manner.

Description:

Daily departmental operations include budget preparation, personnel, payroll, insurance, accounting for and distribution of revenues, accounts payable, accounts receivable, accounting for all authorized non-reverting funds, purchasing, the operation of the Department's automated and electronic data banks, records retention, and information flow. The program also provides personnel to staff the State Liquor Board, a separate quasi-judicial body appointed by the Governor. The Department insures immediate accessibility of records to the public through automated queries, responds to public inquiries, and constantly monitors all aspects of customer service.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 833.4 | 960.9 | 960.9 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 833.4 | 960.9 | 960.9 |
| FTE Positions | | 9.0 | 9.0 | 9.0 |

◆ **Goal 1 To maintain accurate document history on license files.**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of errors found in imaged documents | 1 | 2 | 2 |

◆ **Goal 2 To process all compliance cases expeditiously.**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of liquor law compliance cases processed in less than 90 calendar days | 98 | 95 | 95 |

◆ **Goal 3 To ensure timely payment of invoices.**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| To pay all invoices within 30 days of receiving invoice | 100 | 100 | 100 |

◆ **Goal 4 To set hearings before the State Liquor Board in a timely manner**

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of hearings set within the statutory time frame | 98 | 100 | 100 |

| LLA 2.0 | Program Summary |
|------------------------------|-----------------|
| INVESTIGATIONS | |
| Joe Vernier, Deputy Director | |
| Phone: (602) 542-9076 | |
| A.R.S. § 4-112, 4-113, 4-213 | |

Mission:

To foster a working relationship with both licensees and the law enforcement community to obtain maximum compliance with state statutes and rules.

Description:

The Investigations Division conducts random liquor inspections to ensure licensees are complying with A.R.S. Title 4 and all departmental rules and regulations; provides training and assistance to local law enforcement agencies thereby enhancing their ability to enforce liquor laws; investigates and processes all civil complaints received concerning liquor-related violations; provides criminal background checks of all individuals associated with liquor licenses in Arizona; liaisons with the Department of Public Safety, city and town police departments, sheriff's offices, and other local law enforcement agencies; conducts covert operations alone and in collaboration with police agencies investigating for hidden ownerships; maintains an investigative database which is accessible to police agencies; and meets with the United States Attorney's Office, Gaming, the FBI, and the Arizona Attorney General's Office. The Compliance Section receives actionable reports of violations and attempts to resolve them informally.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 932.5 | 1,116.3 | 1,116.3 |
| Other Non Appropriated Funds | 903.6 | 1,021.5 | 1,021.5 |
| Program Total | 1,836.1 | 2,137.8 | 2,137.8 |
| FTE Positions | 27.0 | 32.0 | 32.0 |

- ◆ **Goal 1** To conduct routine liquor inspections and investigations of as many licensed establishments as possible to ensure compliance with Arizona Liquor Laws, Rules and Regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of investigations completed resulting in compliance actions | 754 | 750 | 750 |
| Number of random liquor inspections completed | 2,098 | 2,500 | 2,500 |

- ◆ **Goal 2** To process investigative complaints quickly and efficiently.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of calendar days to complete an investigative complaint | 30 | 35 | 35 |

- ◆ **Goal 3** To perform restaurant audits expeditiously.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|----------------|------------------|------------------|
| Number of days to complete an audit | 10 | 30 | 30 |

| LLA 3.0 | Program Summary |
|-----------------------------------|-----------------|
| LICENSING | |
| Connie Wagner, Assistant Director | |
| Phone: (602) 542-9055 | |
| A.R.S. Title 4 | |

Mission:

To serve applicants, licensees and the public by processing and maintaining all documents associated with the licensing process.

Description:

Licensing assists applicants and licensees in the preparation and submission of required documentation for the purpose of obtaining a liquor license; creates a database capable of responding to public, corporate and law enforcement inquiries and routes filed documents to appropriate entities; maintains licensing records as required by law; analyzes and correlates corporate and individual materials to determine corporate structure, limited liability companies, partnerships, sole proprietorships, and the controlling individual of each; forwards the appropriate paperwork to the local governing boards (cities, towns, counties) on each new application which is proposing to be licensed.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 616.0 | 738.4 | 738.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 616.0 | 738.4 | 738.4 |
| FTE Positions | 13.0 | 13.0 | 13.0 |

- ◆ **Goal 1** To efficiently process documents received by licensing and to ensure quality customer service..

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of new licenses, transferred licenses, and renewals issued | 13,281 | 13,500 | 13,500 |
| Percent of surveyed licensees reporting very good or excellent service | 87 | 85 | 85 |

| LOA 0.0 | Agency Summary |
|---------------------------------------|----------------|
| LOTTERY | |
| Jeff Hatch-Miller, Executive Director | |
| Phone: (480) 921-4505 | |
| A.R.S. § 5-501 et seq. | |

Mission:

To support Arizona public programs by maximizing net revenue in a responsible manner.

Description:

The Arizona Lottery was established to maximize net revenue dedicated to various beneficiaries assigned through a statutory distribution formula. With an advisory commission and an Executive Director appointed by the Governor overseeing operations, the Lottery works with a retailer network to provide players with innovative, entertaining, and rewarding games.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 77,656.6 | 86,848.8 | 87,259.7 |
| Other Non Appropriated Funds | 859,886.5 | 868,534.3 | 868,534.3 |
| Program Total | 937,543.1 | 955,383.1 | 955,794.0 |
| FTE Positions | 104.0 | 104.0 | 107.0 |

Strategic Issues:

Issue 1 Increase Funding for Arizona Programs.

Increasing sales is always a priority for the Lottery since funding for state programs is based on profits generated from Lottery game sales. Despite the state's continued economic issues, overall sales for FY11 were \$583.5 million, an increase of 5.8% over the prior year. Lottery profit distributions to beneficiaries also increased over FY10 by almost \$4.5 million. For calendar year 2010, the Arizona Lottery had the highest percentage increase in sales among all state lotteries and the second highest increase in state distributions.

While trends vary by game, on-line sales for FY11 declined approximately 2% from last fiscal year. The Lottery's two multi-state games are key contributors to on-line revenue, and are largely jackpot-driven, so the frequency of jackpots can have a significant impact on sales in any given year. The Multi-State Lottery plans to implement changes to Powerball in January 2012 that should result in increased revenue for that game. Because on-line games allow for a greater profit margin, and therefore a higher return to beneficiaries, the Lottery will continue to research possible game improvements and replacements that will stimulate player interest in this product line.

Instant tickets continue to perform extremely well, generating a 11% increase in sales over last year. This was largely due to the ability to dedicate a greater percentage to player prizes and to targeted advertising campaigns. The strategy for FY12 remains essentially the same as FY11; a continued and varied market presence for higher price point games (\$5, \$10 and \$20), and further player/product research. Targeted research and vendor input routinely provide the Lottery with insight into player interests and help drive strategies to increase sales and beneficiary transfers.

Issue 2 Future Sales Growth Challenges

The Lottery has demonstrated significant sales gains over the past several years, despite the economic downturn. This was accomplished through strategic game introductions, the inclusion of higher price points, targeted advertising campaigns, sales team efforts, and the ability to offer increased prize payouts on instant games. However, Lottery sales have likely reached the point where they will begin to level off.

Although total sales for FY11 were 5.8% higher than FY10, the growth rate is beginning to slow. Higher prize payouts implemented in FY09 helped

drive sales growth for instant tickets, but that impact can be expected to lessen over time. Players become accustomed to prize payout levels on instant tickets, eventually leading to flattening of sales. On-line games are primarily driven by jackpots, and although the Lottery routinely researches and implements game changes to boost revenue, the unpredictability of jackpots will have a significant impact on sales in any given year.

As the agency prepares for a slowing sales trend, product improvements will not be enough; the Lottery will need to consider other methods of increasing sales. This could include exploring ways to increase the productivity of existing retailers, possibly recruiting entirely new retail environments, or potentially offering a completely new type of product. However, the ability to implement these types of initiatives is dependent on sufficient resources. For example, expanding the retail base requires additional sales support and adequate compliance personnel to service these accounts. The Lottery already conducts statewide operations with a limited number of personnel and outsources most key functions. The agency simply has no way to undertake a significant new initiative without the necessary tools.

Although the Lottery has been extremely successful in recent years, it will now be a greater challenge to maintain sales growth. Future growth will likely be at a lower rate and will require an investment in resources to avoid losing ground.

Issue 3

◆ Goal 1 To increase revenue to the State.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Dollar amount of instant ticket sales (in millions) | 374.5 | 374.2 | 374.2 |
| Explanation: | FY12-13 includes charitable instant tab sales estimate of \$2.4M. | | |
| Dollar amount of on-line sales (in millions) | 209.1 | 219.8 | 219.8 |
| Dollar amount of all game sales (in millions) | 583.5 | 594.0 | 594.0 |
| Increase/(decrease) in instant ticket sales from prior year (in millions) | 37.6 | (.3) | 0 |
| Explanation: | Sales growth may begin to level off beginning in FY12 | | |
| Increase/(decrease) in on-line sales from prior year (in millions) | (5.5) | 10.7 | 0 |
| Explanation: | On-line sales are largely jackpot driven, impacting sales increases/decreases in any given year. | | |
| Average dollar amount of sales per ticket vending machine. | 165,200 | 168,000 | 170,000 |
| Out of stock percentage for ticket vending machines. | 5.8 | 5.6 | 5.4 |
| Total Lottery dollars distributed to State programs (in millions) | 146.3 | 150.0 | 150.0 |
| Percent of lottery ticket sales distributed to state beneficiaries | 25.1 | 25.2 | 25.2 |

◆ Goal 2 To increase agency efficiency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of hours on-line game system available for processing transactions (6,022.5 total hours) | 6,016 | 6,016 | 6,016 |
| Number of hours instant ticket validation system available for processing transactions (6,022.5 total hours) | 6,016 | 6,016 | 6,016 |
| Percent of Lottery program expenditures outsourced | 88.6 | 87.4 | 87.4 |
| Administration as a percentage of total cost | 5.9 | 5.7 | 5.8 |
| Average number of days required to pay vendors | 6 | 6 | 6 |
| Percent of vendor invoices paid within 30 days | 98.0 | 99.0 | 99.0 |

◆ Goal 3 To maintain an effective retailer compliance program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of active retailer accounts in good standing | 99.8 | 99.4 | 99.5 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of routine retailer inspections in compliance with underage wagering requirements | 98 | 99 | 99 |
| Percent of routine retailer inspections resulting in discovery of a rule violation or criminal activity | 3.5 | 4.0 | 5.0 |
| Number of "at risk" retailers requiring immediate investigation (2700 total retailers) | 131 | 125 | 120 |

◆ **Goal 4** To expand public awareness regarding the Lottery's image, beneficiaries, winners, and products.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of general public indicating the Lottery is run honestly and with integrity | 74 | 74 | 75 |
| Percent of general public indicating the Lottery is a good way to raise money for the state of Arizona | 68 | 68 | 69 |
| Average number of calls received per month on automated winning numbers line | 339,300 | 333,300 | 333,300 |
| Average number of total visitors per month to the Lottery website | 938,000 | 960,000 | 980,000 |
| Average "open" rate for Lottery product email blasts | 20.7 | 21.0 | 21.3 |
| Average "bounce" rate on the Lottery website | 11.7 | 11.4 | 11.1 |

Explanation: "Bounce" indicates the percentage of visitors who immediately leave the website due to inability to find desired information.

◆ **Goal 5** To enhance retailer relationships.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of retailers achieving additional .5% commission incentive | 30 | 31 | 31 |
| Total instant tab game commissions earned by charitable organizations (in millions) | .2 | .5 | .5 |
| Percent of retailers expressing overall satisfaction with Lottery services | 96 | 95 | 95 |

◆ **Goal 6** To attract and retain high quality employees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|-------------------|---------------------|---------------------|
| Percent of agency staff turnover | 8 | 8 | 8 |

ARIZONA MEDICAL BOARD

Lisa S. Wynn, B.S., Executive Director

Phone: (480) 551-2791

A.R.S. §32-1401 et.seq. and A.R.S. §32-2501 et.seq.

Mission:

To protect public safety through the judicious licensing, regulation, and education of physicians and physician assistants.

Description:

The Agency staff supports two Boards – the Arizona Medical Board which licenses and regulates allopathic physicians, and the Arizona Regulatory Board of Physician Assistants which licenses and regulates physician assistants. The Agency processes applications for licenses, handles public complaints against licensees, and disseminates information pertaining to licensees and the regulatory process. The two Boards determine and administer disciplinary action in the event of proven violations of their respective practice acts. Together, the two Boards regulate over 22,000 licensees.

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,786.6 | 5,799.2 | 5,799.2 |
| Other Non Appropriated Funds | 117.6 | 0.0 | 0.0 |
| Program Total | 4,904.2 | 5,799.2 | 5,799.2 |
| FTE Positions | 39.0 | 58.5 | 58.5 |

Strategic Issues:

Issue 1 *Consolidation of essential agency functions focused on public protection through the examination of regulatory issues, ongoing education of staff and Board members, active dissemination of public information, and public outreach*

The Arizona Medical Board and the Arizona Regulatory Board of Physician Assistants continually strive to proactively explore areas influencing healthcare delivery and public safety. The Boards will focus on essential agency functions and concentrate on those matters that directly affect the health and well being of Arizona's citizens. The Boards will continue their advances toward providing clear direction through policy and statutory initiatives, participating in ongoing educational opportunities in regulation and staying on the forefront of providing public information that affects healthcare decision making.

Issue 2 *Stabilization of database infrastructure to support e-licensing, regulatory and information dissemination processes, as well as increased capacity for performance measurement, through improved information technology and other process improvements*

The Board has had a successful electronic licensing renewal (e-licensing) for over three years. The agency continues to stabilize the system to ensure on-line security as applicants and licensees share confidential information with the Boards during the licensing and renewal process and as financial transactions take place. The infrastructure will continue to evolve as other electronic functions are made available to licensees and the public as well. The database also tracks staff progress during the investigative and post adjudication processes allowing for statistical data analysis and identification of process improvement.

Issue 3 *Protection of the public through the identification and rehabilitation of impaired physicians and physician assistants*

The Arizona Medical Board's Monitored Aftercare Program (MAP) is a confidential program for the treatment and rehabilitation of doctors of medicine and physician assistants who are impaired by alcohol or drugs. The Board also has the statutory authority to create a confidential Physician

Health Program, similar to the Board's existing Monitored Aftercare Program, for allopathic physicians and physician assistants who have a medical, psychiatric, psychological, or behavioral health disorder that may impair the licensee's ability to practice safely. The Board integrated the Physician Health and Monitored Aftercare Programs into one program and still plans to collaborate with other healthcare professional licensing boards to create a common program that could be used by all boards that monitor licensees with health and/or substance abuse problems. In conjunction with this effort, the Board plans to further refine its ability to collect and analyze statistics pertinent to this licensee population.

- ◆ **Goal 1** To increase activities devoted to addressing public safety, healthcare and regulatory issues of importance to licensees, stakeholders, and the general public through collaboration with others, policy making, and information dissemination.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of substantive policy statements, guidelines, rules, or rule revisions adopted | 0 | 2 | 2 |
| Number of staff members who attended one or more Board-funded trainings, seminars, or conferences | 27 | 20 | 20 |
| Number of newsletters published, press releases, health advisories, public awareness activities, and other notifications published on the Board website or transmitted to licensees via e-mail blasts | 23 | 25 | 25 |

Explanation: Three measurements were combined into one. The FY 2010 actual reflects the sum of all three measurements. Combining the three measurements allows the agency more flexibility in accomplishing the goal to utilize the best method of disseminating information to licensees, stakeholders, and the general public.

- ◆ **Goal 2** To improve efficiency of licensing, regulatory, and information dissemination processes

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average time to approve an MD license from receipt of application | 34 | 30 | 30 |
| Average time to approve a PA license from receipt of application | 11 | 17 | 17 |
| Average number of days to process an initial medical doctor license upon receipt of completed application | 2 | 2 | 2 |
| Average number of days to process a medical doctor renewal upon receipt of completed application | 2 | 2 | 2 |
| Average score of agency-wide customer service satisfaction surveys (scale of 1-8) | 7.8 | 7.5 | 7.5 |
| Average number of days to complete an medical doctor investigation | 114 | 140 | 140 |
| Average number of days to complete an physician assistant investigation | 123 | 130 | 130 |
| Average number of days to resolve a medical doctor case | 135 | 180 | 180 |
| Average number of days to resolve a physician assistant case | 153 | 180 | 180 |
| Medical doctor cases referred to formal hearing | 23 | 20 | 20 |

Explanation: Efficient regulation requires that the Office of Administrative Hearings be utilized only when statutorily mandated or when all other options have been exhausted. The Board can maintain its level of disciplinary actions through consent agreements without referring cases to formal hearing.

| | | | |
|--|---|---|---|
| Average number of days to respond to e-mails received through Questions@azmd.gov or Questions@azpa.gov | 0 | 0 | 0 |
|--|---|---|---|

Explanation: The Questions function is canceled effective with the FY 2011 measurement period. Customers may contact the office for any matters requiring their immediate response. Questions e-mail received are still being monitored and responded to, but not measured.

- ◆ **Goal 3** To increase protection of the public by promoting rehabilitation of licensees who are impaired by alcohol or drugs, or who have a medical, psychiatric, psychological, or behavioral health disorder that may impair the licensee's ability to practice safely

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
|----------------------|-------------------|---------------------|---------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Number of MAP participants who completed the program successfully | 24 | 15 | 15 |
| Number of participants in the MAP as of June 30 | 107 | 100 | 100 |
| Number of licensees being monitored for medical, psychiatric, psychological, or behavioral health issues as of June 30, excluding MAP participants | 18 | 10 | 10 |

Explanation: This number dropped as the agency refocused the PHP program solely on physicians whose health problems may impact their ability to safely practice medicine.

| MSA 0.0 | Agency Summary |
|-------------------------------------|----------------|
| BOARD OF MEDICAL STUDENT LOANS | |
| Carol Q. Galper, Ed.D., Chairperson | |
| Phone: (520) 626-2696 | |
| A.R.S. §§ 15-1721 to 15-1725 | |

Mission:

The Board recruits physicians to provide service to rural and other medically underserved areas, medically underserved populations, and Indian reservations in Arizona, with the goal of increasing the number of physicians practicing in these areas by providing educational loans to students at colleges of medicine in Arizona.

Description:

The Board of Medical Student Loans provides financial assistance to medical students in Arizona, including tuition and a living allowance, through the Arizona Medical Student Loan Program. Participating schools include Midwestern University's AZ College of Osteopathic Medicine (AZCOM), the University of Arizona (UA) College of Medicine, and A. T. Still University's School of Osteopathic Medicine in Arizona (SOMA). The Board consists of eight members who review student applications and make decisions necessary for the operation of the program.

The Medical Student Loan Program gives preference to medical students who have financial need and who demonstrate a commitment to practice medicine in Arizona in an eligible service area. Students must be Arizona residents and sign contracts to provide primary care in eligible service areas. The Board, however, may approve service in other specialties of recognized need in Arizona. Primary care includes Family Practice, general Pediatrics, Obstetrics and Gynecology; general Internal Medicine, and combined Medicine and Pediatrics. For each year of funding received, recipients must provide one year of service in a designated area, with a minimum two-year service commitment and a maximum of 5 years of funding.

For 32 years, UA has provided staff at no charge to the Board to arrange Board meetings, prepare Board reports, collect repayments, coordinate service placement with the Arizona Department of Health Services (ADHS) and the Board, and prepare state budget requests. Since the program was opened to private colleges of medicine in 1999, Midwestern and in 2007, A. T. Still University, participate in the program. The UA College of Medicine and the two private schools provide services at no cost to publicize and coordinate the student application and interview process, coordinate the funding process, and track the participants.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 360.7 | 67.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 20.2 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 360.7 | 87.2 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

Strategic Issues:

Issue 1 *Increase the number of physicians providing service to rural and other medically underserved areas, medically underserved populations, and Indian reservations in Arizona.*

In the Fall 2009, the Board of Medical Student Loans conducted a survey of community health clinics and hospitals in eligible service areas. Responses were received from 101 sites and indicated that 92 physicians were being sought in Family Practice, Internal Medicine, Pediatrics, Obstetrics/Gynecology, Emergency Medicine, Surgery, and Psychiatry, as well as 17 physicians in other specialties. Primary care remains the highest priority in these areas in Arizona.

In FY 2008, there were 40 students in the program. Thirty-nine (39) of those students have graduated with M.D. or D.O. degrees. Medical graduates must complete advanced training in medical residency programs before they can become licensed physicians, and depending upon their specialty field, generally will be ready to practice in eligible service areas between three to five years after graduation. This residency training is required for the graduates to be licensed and Board eligible, a requirement at virtually all hospitals and community health centers. The result will be an increase in the number of physicians providing service to rural and other medically underserved areas, medically underserved populations, and Indian reservations in Arizona.

Currently there is 1 student continuing in medical school who has signed a contract with the State of Arizona.

Our research shows that 92% of the physicians who signed contracts since October 1992 have provided service. In FY 2011, there were 16 physicians fulfilling their commitments to the Arizona Medical Student Loan Program by serving in eligible service sites. In past years, the program has provided 77 physicians who have practiced in designated areas approved by the Board. We are pleased to report that 38 of those physicians whose commitments have been completed were working in eligible service areas in FY 2011.

We are finding that many of the physicians who have served their commitments continue to practice in these areas and are acting as preceptors to current medical students participating in the University of Arizona College of Medicine's Rural Health Professions Program.

◆ **Goal 1** To provide substantial funding for educational expenses to medical students on the program through graduation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Loan provided to each public medical school student (in thousands of dollars) | 45.6 | 0.0 | 0.0 |
| Explanation: | Loan amount covers tuition and \$20,000 living allowance which assists in covering fees, books, supplies, medical equipment, licensing exams, transportation costs to hospitals and clinics, rent, utilities, food, health insurance, clothing, and miscellaneous expenses. | | |
| Loan as a percent of average annual cost of public medical education | 94 | 0 | 0 |
| Explanation: | Loan amount compared to the average Federal Financial Aid Cost of Attendance for a single student living off-campus and attending the UA College of Medicine. | | |
| Loan provided to each private medical school student (in thousands of dollars) | 67.7 | 61.3 | 0.0 |
| Explanation: | Loan amounts for students attending the Arizona College of Osteopathic Medicine at Midwestern was \$67,742. FY 2012: Estimated loan amount \$61,285 for student at the School of Osteopathic Medicine in Arizona at A.T. Still University. Amount covers tuition and \$20,000 living allowance which assists in covering fees, books, supplies, medical equipment, licensing exams, transportation costs to hospitals and clinics, rent, utilities, food, health insurance, clothing, and miscellaneous expenses. | | |
| Loan as a percent of average annual cost of private medical school education | 84 | 77 | 0 |
| Explanation: | Loan amount compared to the average Federal Financial Aid Cost of Attendance for a single student living off-campus and attending the AZ College of Osteopathic Medicine at Midwestern. | | |
| Administration as a per cent of total cost | 0.0 | 0.0 | 0.0 |
| Explanation: | All appropriated funds are used to assist medical students; no funds are used for the administration of the program. The UA College of Medicine, Midwestern University, and A.T. Still University provide support services at no cost to the Board. Vital to the success of the program is the cooperation and assistance provided by the Arizona Department of Health Services. Board members serve with no compensation. | | |

◆ **Goal 2** To provide physicians to rural and other medically underserved areas, medically underserved populations, and Indian reservations located in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------|----------------|------------------|------------------|
| Students funded per year | 7 | 1 | 0 |

| Performance Measures | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------|---------------------|---------------------|
| Explanation: | Medical students sign contracts with the State of Arizona to serve as physicians in eligible service areas. The decrease in available funding will lead to fewer students in the program. The number of students funded will depend upon State appropriations and the number of public and private medical school students included. Due to the tuition differential, the loan amounts at private schools will fund fewer students. | | | |
| Student participants achieving MD or DO degree | | 5 | 1 | 0 |
| Explanation: | Fewer students are being funded due to lack of revenue. | | | |

◆ **Goal 3** To increase the number of physicians providing service to rural and other medically underserved areas, medically underserved populations, and Indian reservations in Arizona.

| Performance Measures | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------|---------------------|---------------------|
| Physicians in service | | 16 | 20 | 27 |
| Explanation: | Number of physicians serving their commitments during a given year. | | | |
| Physicians practicing in eligible service areas after service requirement is met | | 38 | 39 | 41 |
| Explanation: | Number of physicians who have completed their commitments practicing in eligible service areas during a given year. | | | |
| Percent of physicians who have provided service in eligible sites | | 93 | 92 | 93 |
| Explanation: | Percent of physicians who have signed contracts since October 1992 who have or are expected to provide service in eligible service areas. | | | |

MIA 0.0 Agency Summary

STATE MINE INSPECTOR

Joseph E. Hart, State Mine Inspector
 Phone: (602) 542-5971
 A.R.S. §§ 27-121 et seq.

Mission:

To administer and enforce the Mining Code of the State of Arizona for the protection of the life, health and safety of mine employees and the public in Arizona's active, inactive and abandoned mines.

Description:

The State Mine Inspector is a statewide elected constitutional officer and the director of the Office of the State Mine Inspector. This office enforces statutes, rules and regulations applicable to mine safety, health, explosives and land reclamation. The Office inspects the health and safety conditions and practices at active mining operations; investigates mine accidents, employee and public complaints; and conducts federally-certified miner and instructor safety training. In 2007 the Office administered \$14.5 million in reclamation financial assurance and enforces the Mined Land Reclamation laws, rules and regulations for the restoration of disturbed lands to a safe and stable environmental condition. The Office promotes public safety regarding abandoned mines by "Stay Out Stay Alive" promotions, presentations and publications; complaint investigations; mine owner compliance notifications; and identification, hazard assessment, prioritization, posting and securing of safety hazards. The office issues permits, licenses and certificates for elevators and electrical connections, and monitors the manufacturing, storing, selling, transferring and disposal of all explosives or blasting agents.

Agency Summary:

| | (\$ Thousands) | | |
|--|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ MINING SAFETY ENFORCEMENT | 937.0 | 997.5 | 1,122.4 |
| ➤ ABANDONED MINES | 318.3 | 357.3 | 733.2 |
| ➤ EDUCATION AND TRAINING - FEDERAL GRANT | 304.2 | 283.2 | 425.2 |
| ➤ MINED LAND RECLAMATION | 24.4 | 112.5 | 112.5 |
| Agency Total: | 1,584.0 | 1,750.5 | 2,393.3 |

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 1,104.6 | 1,185.8 | 1,828.6 |
| Other Appropriated Funds | 24.4 | 112.5 | 112.5 |
| Other Non Appropriated Funds | 455.0 | 452.2 | 452.2 |
| Program Total | 1,584.0 | 1,750.5 | 2,393.3 |
| FTE Positions | 18.0 | 18.0 | 22.0 |

Strategic Issues:

Issue 1 Inspections Program: manpower; vehicle; inspections training, continued education and certifications;

Manpower:

The Arizona State Mine Inspector's office is a constitutional office that has been charged with the Health and Safety of the Miners since 1912, it is a Life Safety Agency with legally mandated requirements. The Arizona State Mine Inspector (ASMI) is required to inspect at least once a year every mine in the state for compliance to the Arizona Revised Statutes and the Rules and Regulations. In A.R.S. §27-124 the inspector is further required to inspect the mining operation for conditions, safety appliances, machinery, equipment, sanitation and ventilation, the means of ingress and egress, the means taken to protect the lives, health and safety of the miners. Arizona Revised Statute §27-309, ASMI must investigate the cause of fatal

accidents resulting in a death occurring at the mine and file written report. Arizona Revised Statute §27-308, ASMI is required to investigate written safety complaints and will accept verbal complaints that are reasonably likely to be fatal.

In FY2011 and FY2012 the Inspections Program was reduced by one Inspector, as a result there has been a 20% decrease in our mandated safety and health inspections. During the late 1990's and the early 2000's ASMI had to defend itself against liability lawsuits in which a lack of required inspections and the quality of the Health & Safety Inspection were a factor. ASMI paid large settlements in several cases. With a reduction of inspectors, the remaining inspectors are pressed to do more with less resulting in less time and quality performing the actual required Health and Safety inspection at each mine in an attempt to keep up. In some cases, no Health & Safety Inspection is performed of the mine resulting in the potential exposure to legal action.

Arizona Revised Statute §27-303 requires the operator to notify ASMI when a mine will be temporarily or permanently closed. In the case of temporary suspension of operations excluding labor disputes, exceeding six months or in the case of permanent termination of mining operations, the operator shall notify the inspector, in writing, before the suspension or termination date. All shafts, portals, adits or other openings shall be secured to prevent unauthorized entry and to protect public health and safety pursuant to ARS §27-318. With a reduction of inspectors, mines that have closed do not get inspected for compliance resulting in potential exposure to legal action.

The Arizona State Mine Inspector's office in order to comply with A.R.S. §27-318 after receiving notification of A.R.S. §27-303 inspects the closed, abandoned or inactive mining shafts, portals, pits or other excavations which are dangerous to persons legally on the premises. ASMI inspects and issues notices of violations to mine operators who fail to cover, fence, fill or otherwise secure the mine hazards and post warning signs. A reduction in inspections would result in non compliance to A.R.S. §27-318 and promote abandoned mine hazards at a later time when the mine operator can not be found or is no longer in business, leaving the problem for the land owner and the State of Arizona with potential exposure to legal action.

ASMI's Inspections Program currently has two assigned abandoned mines vehicles of which one will surpass 125,000 odometer miles by June 30, 2012.

Inspections Training, Continuing Education and Certifications:
 To reduce legal liability and stay current in inspections, codes and equipment, continuing education for FY2013:

- ☐ MSHA Conferences & Inspections Training in Beckley WV.
- ☐ Industrial Hygiene
- ☐ Elevators
- ☐ Hoist & Lifting Gear
- ☐ Boilers & Pressure Vessels
- ☐ NFPA, UFC, UBC Codes
- ☐ Fire Sprinklers, Fire Alarms & Off Road Suppression Systems
- ☐ Electrical Basics & Safety

ASMI commitment to continuing education of the Deputy Inspector's reduces potential ASMI legal negligence.

Maintenance of current Certified Mine Safety Professionals' (CMSP) To provide non-certified Deputy Mine Inspectors the opportunity to take the CMSP Course from the International Society of Mine Safety Professionals or the Registered Safety Professional (RSP) Course from International Board of Environmental Health & Safety.

Uniforms and Inspectors Personal Protective Equipment:

Four inspectors' uniform requirements, hard hats, respirators, gloves, glasses, miners' belt & fall protection, safety leather & rubber boots, coveralls, safety vests and hearing protection.

Inspections Software, Hardware, Reference Standards and Code Replacements:

Computer hardware such as the portable printers will have been in use in

excess of five years, all-in-one printers.

Approved Standards and Code replacements for:

- MSHA CFR
- OSHA CFR
- UBC & UFC
- ANSI Standards

Inspections Health & Safety Monitoring:

- Noise Monitoring Program = Manpower to comply with R11-1-475, this will compete and be concurrent with regular inspections.
- A.R.S. § 27- 411 Dust Monitoring Program = Manpower to comply with A.R.S. §27-411, this will compete and be concurrent with regular inspections. Annual maintenance for testing and sampling supplies needed.
- A.R.S. § 27-411 & R11-1-405 Smelter & SXEW Monitoring Program = Manpower to comply with A.R.S. §27-411 & R11-1-405 this will compete and be concurrent with regular inspections. Annual maintenance for testing and sampling supplies needed.
- A.R.S. §27-371 & R11-1-471 Radon Monitoring Program = Approximate cost for one radon monitor with a quick read out.

Industry is required to Monitor and make records available but ASMI must have a means of verifying industries results and to verify to reduce potential legal negligence exposure to ASMI.

Issue 2 *Abandoned mines pose a serious threat to public health and safety and to the environment. Failure to timely and properly act to close mines posing serious hazards may cause liability problems for the state.*

Abandoned mines can pose a serious, even fatal, hazard to curiosity seekers or amateur prospectors. Potential dangers include cave-ins from loose rock and rotten timber, deep water, poisonous gases, and discarded, but active, explosives. With hazard and liability abatement in mind, the Arizona State Mine Inspectors office continues diligently to secure abandoned mines on State Land, and any other lands thereafter, properties so as to protect the public and wildlife. The Arizona State Mine Inspector has developed an inventory that contains information on over 9,902 abandoned mines and has evaluated 3,817 in problem areas. The abandoned mines program responsibilities are to inventory abandoned mine sites throughout the 72,931,840 acres that comprise the state of Arizona and to coordinate the closure of these mines.

One hundred forty-six abandoned mines were secured; (fifty-eight) State Land, (Fifty-four) Bureau of Land Management, (ten) split estates, (ten) Department of Emergency Military Affairs, (Thirteen) private lands and (one) on unknown during FY2011. Fifty-two mines were permanently backfilled, eighty-seven mines were fenced and signed, two mines with bat gate installations and five mines foamed.

Challenges faced in reducing or preventing further fatalities and serious accidents at mines sites include limited funding, lack of administrative and field staff. As documented in ASMIs FY2009, FY2010, FY2011 and FY2012 budget submittals, at least three (3) more positions are needed to operate an effective abandoned mines inventory and closure program. Two abandoned mines supervisors would coordinate and partner with the mine industry, private sector, and other government groups to determine how a needed closure can be most effectively and efficiently completed. Additional duties are: visit abandoned mine sites to locate and survey, inventory, classify and eliminate public safety hazards and participate in the actual implementation of mine closures. An administrative assistant to assist with data entry, issuing and tracking of Notice of Violations and corrective actions taken as a result of issuing Notice of Violations.

Current Fleet Vehicles:

Pursuant to A.R.S. §27-129; Subject to legislative appropriation, the state mine inspector shall establish a program to locate, inventory, classify and eliminate public safety hazards at abandoned mines as defined in A.R.S. §27-301. ASMIs Abandoned Mines Program currently has two assigned abandoned mines vehicles of which one will surpass 125,000 odometer miles by the end of FY2012. Due to the environmental terrain extremes

and nature of the inventory, evaluation and securing of mine sites the supervisor's must have safe and reliable vehicles.

ASMI is requesting the state appropriate at least \$ 327,170.00 to address these already recognized and planned needs for FY 2013. The total magnitude of the abandoned mine problem is difficult to assess; it is estimated that as many as 100,000 mine sites may exist in Arizona. Equipment, travel and other associated funds would be necessary to support these positions.

Issue 3 *Education & Training Program; vehicles; training coordinator; training instructor; training equipment and materials*

The Arizona State Mine Inspector's Education and Training (ASMI, E&T) program provides the Arizona mining community with the federal mandatory safety and health training. The mandatory federal training regulations and standards fall under: CFR Title 30 Part 48 - Subparts A & B the Training and Retraining of Miners in Underground and Surface Metal and Non-metal mines and Surface Coal mines. CFR Part 46 the Training and Retraining of Miners in Engaged in Shell Dredging or Employed at Sand, Gravel, Surface Stone, Surface Clay, Colloidal Phosphate or Surface Limestone mines (Aggregates).

The ASMI instructors travel throughout the state and conduct safety classes for mine operators, mine employees, contractors, vendors and individuals seeking work at mine operations and are committed to conducting quality, updated and professional training sessions. The inability to provide this crucial training to the Arizona mining community could greatly impact the mining industry and the safety of miners.

Training Coordinator:

The training coordinator position is a key component to the Education and Training Program. The training coordinator maintains an order of professionalism and communication between the training staff and administration and contacts with mining companies, contractors and other entities who request class training information. The training coordinator is tasked with class scheduling, processing phone and web site class registration requests, class fee and policy processes and entries, roster and data input. In January of 2010 ASMI began charging training fees which has increased the work load to training specialists and administration. The amount of time it takes to register individuals and companies for classes has increased two-fold. Fees and credit card information must be processed, validated, tracked and receipts mailed to customers. The increase of training requests and added training sessions continues to place more demands and responsibilities on the training specialists and administration. The training coordinator sets up training facilities and contacts, obtains and relays clear class locations and directions to instructors, companies and class registrants. In addition, the training coordinator develops mandated data reports to federal MSHA, assists with annual ASMI legislative reports, oversees the ordering and restocking of training books, manuals, supplies and researches vendor listings and contacts. Compiles and issues training manuals, pamphlets and handouts and assists in implementation of the agencies out-reach training, abandoned mines awareness and other safety programs. The training coordinator position will significantly increase the training specialist's ability to increase the number of requests for safety training classes.

□

Training Specialist:

At the start of the each year, training request normally increase and this workload increase is projected for January of 2012 and into fiscal years 2013 and 2014. The ASMI Education and Training Program needs another training specialist. Currently the ASMI instructors conduct the following MSHA class sessions: Annual Refresher 1 day 8 hour class, New Miner Inexperienced 3 day 24 hour class session and First Aid / CPR 6 and 8 hour class sessions. Co-operative class sessions in Arizona are held in Phoenix, Tucson, Flagstaff, Safford, Thatcher, Chino Valley and Williams. These co-operative class sessions gather a multitude of different individuals seeking this mandatory training include: surface and underground coal, metal and non-metal miners these are miners who work in coal, copper, gold, sand and gravel, flagstone, cinder and decorative rock operations. Engineers, consultants, environmental and a great number and variety of business and construction contractors who enter mine properties also require MSHA

training. Miners with past mining experience or individuals with no mining experience who are seeking mining jobs are in need of this training. Many private class sessions are booked and held through-out the State. These private classes are conducted for mine companies, contractors, county, city and various state and agencies such as ADEQ. Many county and city workers who enter aggregate mines, pits and quarries schedule co-operative and private training. In 2011 ASMI began conducting New Miner Inexperienced 3 day 24 hour class sessions and the request for this New Miner training has increased. With the addition of a 3rd Training Specialist, 5 day 40 hour Train-the-Trainer sessions would be conducted. These 3 and 5 day class sessions will increase instructor workload and travel cost which include: vehicle use, maintenance, fuel cost, hotel and per- Diem. Request for more training validates the need for another training specialist.

Training Equipment and Materials:

At times instructors travel with state inspectors when conducting mine inspections and require the specific PPE. To provide professional and quality training classes, instructors must have reliable equipment and updated materials. These include: speakers and various audio visual equipment and tools. There is a definite need for the most current DVD safety movies, training manuals and books including: Code of Federal Regulations (CFR), Mining Code of the State of Arizona, Training Review/Test manuals and the replenishment of First Aid / CPR materials and supplies. Other supplies include PPE such as hard hats, hard toe shoes, vests and also ASMI uniform shirts.

Education and Training:

Continuing education classes, seminars and conferences provide instructors with updated mining rules and regulations, teaching methods and techniques, information and materials. They include: Computer update classes, Specific mine hazard awareness seminars, Joseph Holmes Safety Conference, Mine Safety and Health Administration (MSHA) Tram Conference, Critical Issues Conference and First Aid / CPR certification updates.

Issue 4 Employee retirements, health pensions and benefit payouts.

ASMI anticipates at least one FTE transitioning to retirement in FY 2011 and more to come in FY 2012. Due to the significant budget reductions in FY 2009 & FY 2010 there is no funding available for payouts with regards to retirement, health pensions and benefits payments. Staff who transition out of the agency will significantly affect ASMI's budgets in FY 2011 and FY 2012. These topics must also be considered.

Issue 5 Insufficient General Fund appropriation to subsidize A.R.S. § 27-1201: Title 27, Chapter 6, Aggregate Mine Land Reclamation.

The State Mine Inspector has been monitoring reclamation of disturbed lands from metal and non-metal mines since 1995. In 2005 the Aggregate Mined Land Reclamation Act also became the responsibility of the Inspector, for planned reclamation of disturbed lands. Under the law, aggregate mining sites which disturb over 5 acres of private land must submit a reclamation plan and pay fees for the review and processing of their reclamation plans. The one-time fee covers the initial costs of plan administrative and technical compliance reviews pursuant to A.R.S. §27-1233.

The initial intensive reclamation planning and implementation effort was supposed to have been concluded by June 30, 2008. The fees paid by the aggregate mining sites through 2011, were to cover the initial costs of plan administration and technical compliance reviews overseen by the Inspector. Due to incomplete plans being filed and the subsequent need to obtain more information from the aggregate mining sites to perform the required plan reviews, the time to complete the processing and giving final approval of some reclamation plans has extended beyond each fiscal year. As such, the administrative and technical review costs for paying consultants and for notifying adjacent property owners will be extended beyond the end of FY2012. This does not include the continual status updates pursuant to A.R.S. §27-1277, and the continual monitoring for financial mechanisms, per A.R.S. §27-1291, which is an indefinite period of mining operation. Also, new mining sites continue to come into the program.

As of July 2011, approximately 255 reclamation plans from aggregate mining sites have been submitted, and 11 plans are still awaiting administrative approval, with 21 plans awaiting technical approval, which should amount to approximately \$104,000 to finalize the leftover plans. Ten plans went through the public notification process in FY2011 (as of June 30, 2011), and another ten are currently on track by year end of FY2012. ASMI estimates approximately 10 more new plans for 2013, pursuant to A.R.S. §27-1221.

All approved sites will continue to submit annual status reports, along with financial assurance mechanisms (bonding etc.) for annual review, which is a yearly process submittal (during their annual status update reporting period). Some aggregate mining site owners and operators have been cancelling leases and closing down operations in 2010 and 2011 creating an ownership and reclamation responsibility and tracking problem. Therefore, continued tracking of mine site facility transfers and financial assurance is extremely vital, especially in the state of Arizona's current economic environment. If the reclamation bonds and tracking of the aggregate mining sites does not continue to occur, it will be difficult to track mining companies currently responsible for reclamation of the disturbances. This includes issues of any safety or environmental damages caused by mining, should the properties be abandoned or left in disrepair temporarily or permanently. The state and local municipalities and/or Flood Control could then be left with the responsibility for a remedial or rehabilitation of the property for safety and surface reclamation damages.

A reconverted or new tracking database may have to be developed for tracking of changes of file data (i.e. ownerships and operators of all mines, financial assurance tracking, and retention of data for sustainable reasons). The approximate cost estimate is \$10,000, for a database tracking program.

Program compliance site inspections should begin by fiscal year ending FY2012 (or sometime in FY2013), along with onsite program compliance assistance and enforcement program for violations to the statutes. This will assist in keeping up to date with mining sites, and assisting the state from taking over the costs of reclamation of these properties, if the mining site is suddenly left abandoned.

Retention of the Approved Plans and Financial Mechanisms, and the public files and continual site status updates are needed to maintain the library and files. The site status updates are required per A.R.S. §27-1277, which reports yearly changes (operator or ownership and site changes, etc.).

Reclamation rules need to be re-evaluated and proposed again by early 2012, and begin public process by year ending Fiscal Year 2012. Perhaps finalized and promulgated by end of FY2013.

The legislature should be made aware of the unforeseen and needed resources and costs or manpower necessary to manage a division for tracking of the Aggregate Mined Land "Act" program, and continue with the annual plan review process and/or field verification compliance, as well as continued compliance and tracking for financial mechanisms.

There is insufficient General Fund appropriation to subsidize the reclamation program without adversely affecting the responsibility for abandonment of aggregate mines/quarries closures, or to protect public safety, or mine inspections to prevent accidents and deaths among mine workers and/or the public & visitors.

In FY2013, the State Mine Inspector will request an extension of the program deadline, so continual funds can be used to pay for the costs of the reclamation review process for Aggregate mining plans and continued retention of Hardrock mining plans for fiscal years 2013 & 2014 and beyond.

Issue 6 Insufficient General Fund appropriation to subsidize A.R.S. § 27-901: Title 27, Chapter 5, Mined Land Reclamation.

Senate Bill 1380 (signed 5/01/1996) created the need of the Reclamation Division within the Arizona State Mine Inspector Agency (ASMI), and created the Act per SB1365 which became effective 10/01/1996 for any mining disturbances created by an operation after January 1, 1986. In 1994 the Act and the rules were already in the works and previously identified ADEQ as the agency for the Act, but were later changed by the Senate Bill

1380 to transfer this duty to ASMI.

Beginning July 1, 1996, and the adoption of any rules, any new mining operation creating a mining or exploration disturbance of more than five (5) acres must create a reclamation plan per the Act and supply a financial assurance mechanism to the Reclamation Division at ASMI.

The sum of \$100,000 was appropriated from the state General Fund to the State Mine Inspector for fiscal year 1996-1997 to establish and implement a program for review, processing and evaluation of mined land reclamation plans, or to contract for consultant services under A.R.S. § 27-935. The appropriation made by this section is exempt from the provisions of A.R.S. § 35-190 relating to the lapsing of appropriations.

A.R.S. § Title 27, Chapter 5 was scheduled to be repealed from and after December 31, 2000, if no other dedicated funding source was created by the legislature, or by a self funding program.

The original costs to develop the program and the Reclamation Division at ASMI, was estimated to be 2.5 FTE at \$101,000 per year in 1997 and 1998. All costs to develop this Division were estimated at \$189,550 in FY 1997 and \$155,365 for FY 1998. The costs were predicted for plan review and managing the plans for approximately 17 regular hard rock mines. The plans were predicted to provide approximately \$191,330 in revenue for plan review fees, as a low end prediction, and approximately \$861,876 on the high end. This wide range was determined by the amount of disturbances identified by the 17 mining sites currently conducting operations at that time. It was difficult to determine the exact amount of surface disturbances which would be affected by the new statute.

Senate Bill 1286 (signed 4/27/1999), of the first regular session of the 44th legislature cancelled any repeal of the program identified in the original SB 1380. The Senate then appropriated monies of \$98,000 for FY 1999-2000, and \$49,200 for FY 2000-2001, and an additional \$49,200 for the second half of the fiscal year FY 2000-2001 per SB1359.

The program still maintains these reclamation plans for the industry, and corresponds for future expansion plans without any funding. The program also is now within the review phase for over 245 plans for the aggregate mining industry, as well as all financial managing of Financial Mechanisms and annual reporting requirements for both Hard rock and Aggregate mining sites. No major updates to the rules or the statutes for hard rock have occurred since the beginning of the Act, which is currently managed by one FTE, on very limited resources.

There is no appropriation to conduct and monitor the reclamation program in FY2011, FY2012 & FY2013. Funds need to be appropriated to be used for administrative costs.

| MIA 1.0 | | Program Summary |
|---------|--|---|
| | | MINING SAFETY ENFORCEMENT |
| | | Tim Evans, Assistant State Mine Inspector |
| | | Phone: (602) 542-5971 |
| | | A.R.S. § 27-124 |

Mission:

To enforce the Mining Code of the State of Arizona for the protection of the life, health and safety of the employees in Arizona's active mining operations.

Description:

The Mine Safety Enforcement Program performs quarterly and annual health and safety inspections at active underground and surface mines and related facilities; conducts investigations of mine accidents, employee and citizen complaints; and provides certification classes in mine rescue and first aid. The program issues violations, cessation orders, mine elevator operating, electrical connection permits and underground diesel equipment operating permits as tools to promote safe and healthful work conditions. Operations under this program's jurisdiction include asphalt hot plants, concrete batch plants, aggregate pits, quarries and processing plants; underground and open pit mines, quarries, mills, SX-EW Plants, smelters, refineries, and rod plants. Jurisdiction also covers contractor employees working at mine sites and the administration of Sand and Gravel Districts. Deputy Mine Inspectors also perform complaint investigations and land owner compliance inspections at abandoned mines to support the Abandoned Mines Program.

| Funding and FTE Summary: | (Thousands) | FY 2011 | FY 2012 | FY 2013 |
|------------------------------|-------------|---------|----------|---------|
| | | Actual | Estimate | Request |
| General Funds | | 937.0 | 997.5 | 1,122.4 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 937.0 | 997.5 | 1,122.4 |
| FTE Positions | | 12.0 | 12.0 | 12.0 |

- ◆ **Goal 1** To eliminate fatal accidents and to reduce the number and severity of lost time accidents at Arizona mines, through health and safety inspections and enforcement of the mining code.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Percent mandated inspections completed | 71 | 71 | 71 |
| Number of reportable (lost time) mine accidents | 185 | 185 | 185 |
| Explanation: | The number of reportable (lost time) mine accident reflects "only" what is reported to the Arizona State Mine Inspector. | | |
| Employee and Public Complaints Investigated | 19 | 19 | 19 |
| Number of safety inspections completed | 642 | 642 | 642 |
| Customer satisfaction rating for Mines (scale 1-8) | 7.4 | 7 | 7 |
| Explanation: | Survey results will be recorded on or before October 1, 2011 | | |

| MIA 2.0 | Program Summary |
|---------|-------------------------------------|
| | ABANDONED MINES |
| | Laurie Swartzbaugh, Deputy Director |
| | Phone: (602) 542-5971 |
| | A.R.S. § 27-318 |

Mission:

To promote public safety by field identification, hazard assessment, mine owner compliance notification and administration of the securing of dangerous abandoned mines in compliance with the endangered species and plant acts, historical acts and environmental acts.

Description:

The Abandoned Mines program's efforts fall into two categories: the inventory of abandoned mine sites and the administration of the securing, remediation and closure of abandoned mines. Field surveys are prioritized to primarily locate mines on State lands, secondly on other public lands, and then thirdly on private lands within the 73 million acres that comprise the State of Arizona. The survey records the exact location of abandoned mines using a global positioning satellite system. The inventory's objective is to produce an accurate count of abandoned mines and describe the significant safety hazards and potential environmental hazards occurring with them. The database of surveyed abandoned mines is used to prioritize the significant public and environmental hazards for remediation and reclamation planning. The inventory also allows the Office to accurately investigate public complaints about abandoned mines in a timely manner. An abandoned mine may be used for criminal activities, such as a cache for stolen explosives or a body disposal site. The program assists law enforcement criminal and missing persons investigations and body recoveries. The administration of securing abandoned mines first prioritizes sites on State owned lands listed in the inventory based on the severity of the threat posed to public and environmental safety. Through this prioritization, structures are designated as necessary for abandoned mine closures on State lands. The cost of field construction work to secure these mines is provided by the Abandoned Mine Safety Fund through mining industry donations, private citizen donations and a matching appropriation from the Legislature. The program performs regular monitoring to assure mine closures remain in good condition. The program coordinates the identification and securing of abandoned mines with local, state, and federal agencies as well as other states and volunteer groups. Groups include the Yuma County Sheriff's Search and Rescue Group, the Maricopa County Sheriff's Office Mountain Search and Rescue Group, Arizona Department of Mines and Mineral Resources, Maricopa County Parks, Arizona State Land Department, Arizona Game and Fish, Arizona State Historic Preservation Office, Arizona Department of Environmental Quality, Department of Labor Mine Safety and Health Administration, Bureau of Land Management, Forest Service, Environmental Protection Agency, and the National Association of Abandoned Mined Land Programs, which is comprised of 27 states and three Indian Tribes.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 167.6 | 188.3 | 564.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 150.8 | 169.0 | 169.0 |
| Program Total | 318.3 | 357.3 | 733.2 |
| FTE Positions | 2.0 | 2.0 | 5.0 |

- ◆ **Goal 1** To promote public health and safety by identifying and assessing abandoned mines, and securing those found to be a threat to the public and the environment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of abandoned mine openings secured | 54 | 70 | 70 |
| Explanation: Secured on State Lands | | | |
| Number of abandoned mine complaints handled. | 19 | 12 | 12 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of prior abandoned mine closures reviewed | 102 | 40 | 40 |
| Explanation: On State Trust Land | | | |

| MIA 3.0 | Program Summary |
|--|-----------------|
| EDUCATION AND TRAINING - FEDERAL GRANT | |
| Frank Rabago, Education & Training Program Manager | |
| Phone: (602) 542-5971 | |
| A.R.S. § 27-124, Title 30 CFR | |

Mission:

To educate and train inexperienced and experienced mine employees in safe work practices and compliance with state and federal mine safety regulations.

Description:

The Mandatory Safety and Health Standards for all mines in the United States are subject to the Federal Mine Safety and Health Act of 1977. The purpose of these standards is the protection of life, the promotion of health and safety, and the prevention of accidents.

The Office of the Arizona State Mine Inspector holds true to the same concerns, values and goals of protecting current and future miners and the public. The Arizona State Mine Inspector and staff regulate and follow the Mining Code of the State of Arizona which contains the guidelines of the Arizona Revised Statutes and Rules and Regulations. Our goal is the protection of miners and the public through regulation, enforcement rules, education and training.

Mine safety and health education and training is very important to Arizona's mine operators, their employees, contractors and the public. The Education and Training department provides the mandatory federal mine safety training classes to the Arizona mining community. Requests for safety training from Arizona's mine operators, contractors and workers is in great demand.

The Education and Training Program certifies instructors, develops lesson plans, conducts classes and organizes safety conferences for mine safety education and training. The emphasis is placed on miners' rights and current health and safety regulations in compliance with the Mining Code of the State of Arizona, A.R.S. § Title 27, and the Federal Mine Safety and Health Act of 1977, Title 30 CFR, Parts 46, 48, 49, 56, 57, 58, and 62. In addition to mining company employees, all contractors, vendors, rescue teams, and others regularly exposed to mine hazards at a mine property are required to have various levels of training furnished by the Education and Training Program.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 142.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 304.2 | 283.2 | 283.2 |
| Program Total | 304.2 | 283.2 | 425.2 |
| FTE Positions | 4.0 | 4.0 | 5.0 |

- ◆ **Goal 1** To eliminate fatal accidents and reduce the number and severity of lost time due to accidents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Number of Arizona miners and contractors trained | 4900 | 4400 | 4400 |
| Average course content rating. | 4.3 | 4.6 | 4.6 |
| Explanation: | A decrease in performance measures due to medical leave and one retirement during FY2011. | | |
| Average instructor rating | 4.3 | 4.7 | 4.7 |
| Explanation: | A decrease in performance measures due to medical leave and one retirement during FY2011. | | |

| MIA 4.0 | Program Summary |
|--------------------------------------|-----------------|
| MINED LAND RECLAMATION | |
| Garrett Fleming, Reclamation Manager | |
| Phone: (602) 542-5971 | |
| A.R.S. §27-921 & A.R.S. §27-1221 | |

Mission:

To promote the restoration of lands disturbed by mining to a safe and stable environmental condition through enforcement of the Mined Land Reclamation laws, rules and regulations as applicable to new mineral exploration, new mines and the expansion or closure of existing active mines.

Description:

The Mined Land Reclamation Program, working in cooperation with mining companies, consultants and other state and federal governmental agencies, approves or rejects mine reclamation plans and financial assurance mechanisms submitted by all metalliferous mining units, aggregate mining pits, quarries and exploration operations with surface disturbances greater than five acres. Annual reviews of financial assurances and on-site inspections for on-going reclamation projects and of the regulated mines are parts of the continual monitoring process to establish compliance to the Mined Land Reclamation laws.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 24.4 | 112.5 | 112.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 24.4 | 112.5 | 112.5 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To promote the restoration of lands disturbed by mining to a safe and stable environmental condition. The Arizona Revised Statutes Title 27, Chapter 1, Article 2 identifies the need for a State Mine Inspector Agency. Chapter 5 & 6 were established for Mined Land Reclamation and Aggregate Mined Land Reclamation, and provides for a Division within the State Mine Inspector Agency, to administer the reclamation plans within the state.

Tracking of the percentage of mined acreage disturbed and reclaimed;

Tracking of mandated required financial assurance from an aggregate mining operation to ensure funds are available to reclaim the land;

Tracking of industry reclamation plan goals, which are tracked by release of financial assurance mechanisms;

Complete administrative and technical reviews of reclamation plans; and

Adequate management to enhance public benefit, responsible development and economic value.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of annual mined land reclamation compliance reviews | 255 | 255 | 255 |

| MNA 0.0 | Agency Summary |
|---|----------------|
| DEPARTMENT OF MINES AND MINERAL RESOURCES | |
| Madan M. Singh, Director | |
| Phone: (602) 771-1603 | |
| A.R.S. §§ 27-101 to 27-102 | |

Mission:

To promote and advocate the responsible development of mineral resources, in accordance with accepted principles of sustainable development, and provide pertinent data and support to those seeking to explore and develop mineral resources in the State of Arizona.

Description:

The Department of Mines and Mineral Resources (DMMR) promotes and advocates for the development of the mineral resources and industry in the state. This is accomplished by participating in conferences, seminars, news media, and other appropriate mechanisms. DMMR conducts studies of properties and claims to assist in the exploration and development of minerals and maintains a repository of mining and mineral information. It monitors current mining and exploration activities and serves as a source of information for mineral information.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,625.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 982.2 | 0.0 | 0.0 |
| Program Total | 2,607.3 | 0.0 | 0.0 |
| FTE Positions | 6.0 | 0.0 | 0.0 |

| NBA 0.0 | Agency Summary |
|--|----------------|
| NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS | |
| Dr. Craig Runbeck, Executive Director | |
| Phone: (602) 542-8242 | |
| A.R.S. §§ 32-1501 and 32-4201 | |

Mission:

To protect the health, safety and welfare of the public by regulating the practice of naturopathic medicine and massage therapy.

Description:

The agency regulates both naturopathic physicians and massage therapists, each overseen by a Governor-appointed board. The Naturopathic Physicians Medical Board regulates the naturopathic field of medicine, which uses various methods to treat patients including nutritional supplements, herbal medicine, homeopathy, pharmaceuticals, and lifestyle counseling. The Board regulates physicians who engage in the practice of naturopathic medicine, including certification of those in specialty practice. Further, the Board certifies graduates and medical students to engage in internship, preceptorship, and postdoctoral training programs and certifies medical assistants and approves clinical training programs for medical students. Finally, the Naturopathic Board certifies naturopathic physicians to dispense natural substances, drugs, and devices from their offices and conducts investigations and hearings into allegations of medical incompetence and unprofessional conduct.

The Board of Massage Therapy regulates and licenses massage therapists by recognizing a national examination, establishing rules, and conducting investigations and hearings into allegations of incompetence and unprofessional conduct.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--|-------------------|---------------------|--------------------|
| ➤ NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS | 589.2 | 586.0 | 586.0 |
| Agency Total: | 589.2 | 586.0 | 586.0 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 589.2 | 586.0 | 586.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 589.2 | 586.0 | 586.0 |
| FTE Positions | 7.0 | 7.0 | 7.0 |

Strategic Issues:

Issue 1 *The agency has an ongoing need to answer complaints and concerns about the naturopathic profession and the massage profession and educate the public about the role of the boards in protecting the public from unsafe practitioners.*

The agency has two websites that allow the public to contact us with complaints about individuals regulated by either board. The agency reports violations of the Naturopathic Medical Practice Act to the National Practitioners Data Bank. The agency has an active outreach program to law enforcement agencies in Arizona and shares a database with them in regards to the regulation of massage therapists. Every complaint that is received by this agency regarding a naturopathic or massage licensee is fully investigated. If the Naturopathic Board receives a complaint against a doctor not licensed by the board, it is referred to the appropriate agency. If the Massage Board receives a complaint about an unlicensed massage therapist, the agency investigates it and/or refers it to local law enforcement.

Issue 2 *The agency has an obligation to inform licensees and the public about the requirements of the naturopathic statutes and the massage statutes.*

The agency constantly updates the websites for both boards and refers people to it as a matter of policy. The websites have copies of the laws, current rules, directories of licensees, notices to the public, links to related sites, etc. The agency requires all doctors, medical assistants, and medical students regulated by the Naturopathic Board to pass a jurisprudence examination dealing with the requirements of the Naturopathic Medical Practice Act and other related requirements of law.

Issue 3 *The Naturopathic Board staff also serves the Massage Board.*

The agency currently has 6.75 FTE's out of an authorized 7 FTE's. Of those 6.75 FTE's, 5 are assigned principally to Massage Therapy.

Issue 4 *The Massage Board has an ongoing need to educate the public, the massage profession, and other government agencies about Massage Therapy Law.*

There is a website dedicated to massage therapy. The agency is networking with local and national groups in an effort to coordinate and standardize the regulatory process for massage therapy. The agency is actively engaging with law enforcement agencies and educating them about the law and the resources that we can provide to them. The agency has developed a database for direct access by law enforcement. Administrative rules have been developed and others are being developed.

Issue 5 *The agency is planning to convert to a paperless system of record keeping, complaint processing, and licensing.*

The Board is establishing an online complaint system for massage therapy. Online licensing can now be instated, subject to adequate funding, due to changes in legal requirements to verify immigration status. Licensing and complaint files for both boards will be, subject to adequate funding, transitioned to electronic format. Naturopathic online renewal will also be reinstated.

| NBA 1.0 | Program Summary |
|--|-----------------|
| NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS | |
| Dr. Craig Runbeck, Executive Director | |
| Phone: (602) 542-8242 | |
| A.R.S. § 32-1501 | |

Mission:

To protect the health, safety, and welfare of the public by regulating the practice of naturopathic medicine.

Description:

The Board regulates physicians who engage in the practice of naturopathic medicine, including certification of those in specialty practice; certifies graduates to engage in internship, preceptorship, and postdoctoral training programs; certifies medical assistants; certifies naturopathic medical students to engage in clinical training programs; approves clinical training programs, internships, preceptorships, and postdoctoral training programs in naturopathic medicine; certifies naturopathic physicians to dispense natural substances, drugs, and devices from their offices; and conducts investigations and hearings on complaints relating to medical incompetence and unprofessional conduct.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 589.2 | 586.0 | 586.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 589.2 | 586.0 | 586.0 |
| FTE Positions | 7.0 | 7.0 | 7.0 |

◆ **Goal 1** To process license and certificate applications efficiently.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total Applications Received for Licensure and Certificates | 1232 | 1250 | 1250 |
| Total Licenses and Certificates issued | 1230 | 1250 | 1250 |
| Average number of days to process licensing applications | 25 | 25 | 25 |
| Active physician licenses | 672 | 700 | 725 |
| Dispensing Certificates and Renewals Issued | 425 | 450 | 450 |
| Students engaged in Clinical Training | 186 | 180 | 180 |

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Complaints received against licensed or certified persons | 28 | 28 | 28 |
| Complaints resolved in same fiscal year | 16 | 16 | 16 |
| Average number of days to resolve complaints - same fiscal year | 110 | 120 | 120 |
| Complaints received against unlicensed individuals | 3 | 3 | 3 |

◆ **Goal 3** To audit naturopathic physicians compliance with the annual continuing medical education requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of physicians in compliance with continuing medical education requirement | 97 | 95 | 95 |

| NBA 2.0 | Program Summary |
|---------------------------------------|-----------------|
| BOARD OF MASSAGE THERAPY | |
| Dr. Craig Runbeck, Executive Director | |
| Phone: (602) 542-8604 | |
| A.R.S. § 32-4201 | |

Mission:

To protect the health, safety, and welfare of the public by regulating the practice of massage therapy.

Description:

The Board regulates individuals who engage in the practice of massage therapy and conducts investigations and hearings on complaints relating to incompetency and unprofessional conduct.

◆ **Goal 1** To efficiently process license applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Massage therapy applications received for initial licensure and biennial renewal. | 4807 | 4800 | 4800 |
| Explanation: Licensing began in FY05 | | | |
| Average number of days to process an application | 34 | 38 | 45 |

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Complaints received against massage therapists | 13 | 15 | 15 |
| Complaints resolved in the same fiscal year | 4 | 5 | 5 |
| Average number of days to resolve a massage therapy complaint | 155 | 180 | 180 |

| NSA 0.0 | Agency Summary |
|--|----------------|
| NAVIGABLE STREAM ADJUDICATION COMMISSION | |
| George Mehnert, Director | |
| Phone: (602) 542-9214 | |
| A.R.S. § 37-1101 to 37-1156 | |

Mission:

To determine which of Arizona's 39,039 rivers and streams were navigable at the time of statehood, February 14, 1912 and to determine the public trust values of those rivers and streams that were navigable. In addition, the Commission must defend appeals and other legal actions that are filed in State Court, and complete Commission reports to be recorded in each appropriate county following the appeals processes.

Description:

The State of Arizona did not determine ownership of and title to the beds of any of the 39,039 rivers and streams at the time of statehood and as a result, as many as 100,000 property titles remain clouded. Before ownership can be determined, it must be established if any of Arizona's waterways are navigable. This is because the portion of a streambed that is navigable is owned only by the State. The Commission is charged with gathering evidence, holding hearings, and making final determinations regarding navigability of the 39,039 streams and rivers in Arizona as of February 14, 1912. Barring court mandates for further action, the Commission's work is presently scheduled to be completed by June 30, 2016.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 122.6 | 126.9 | 246.9 |
| Other Appropriated Funds | 0.0 | 80.0 | 80.0 |
| Other Non Appropriated Funds | 80.0 | 0.0 | 0.0 |
| Program Total | 202.6 | 206.9 | 326.9 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

Strategic Issues:

Issue 1 Appeals and other legal actions.

While the Commission has no way of knowing for certain how many appeals of its determinations will be filed, or how long each appeal will take, six (6) appeals have been filed in court. The Lower Salt River appeal that has for the past two years been in the Arizona Court of Appeals (and was initially filed in Superior Court June 2006) is awaiting consideration by the Arizona Supreme Court on the petition for review that has been filed with that court. The Santa Cruz River and San Pedro River appeals are presently in Pima County Superior Court, and in August 2011 a motion was filed requesting the judge to hold a status conference including the parties. The Upper Salt Rive, the Verde River, and the Gila River are in Maricopa County Superior Court on hold pending the results of the Lower Salt River appeal which is presently being returned to the commission by the Arizona Court of Appeals for further commission action. As of this time no other legal actions than appeals involving the Commission are pending; however, it is anticipated that two or three additional appeals may be filed during FY 2011-FY 2012.

Issue 2 Cost of Appeals.

The first appeal of a Commission determination was in reference to the Lower Salt River and was filed June 30, 2006. The actual cost of appeals is not known because this is the very first appeal in the ANSAC process. More than \$65,000.00 has been expended on this case which is presently awaiting consideration by the Arizona Supreme Court. Five other appeals are pending that will likely be impacted by the outcome of the Lower Salt River case and those are the Santa Cruz River and the San Pedro River in Pima County Superior Court and the Verde River, Upper Salt River and Gila River in Maricopa County Superior Court.

It is estimated the Commission may need additional resources to defend

five appeals presently in court.

Issue 3 Completing appeals

Six appeals are presently in various courts in Arizona with 2 or 3 others anticipated out of a total of 39,039 watercourses and 53 evidentiary navigability hearings that were held on 3 separate occasions. Matters presently on appeal are in Pima County Superior Court, Maricopa County Superior Court and in a request by Petition for Review with the Arizona Supreme Court.

Issue 4 Time for completing reports that precede appeal times and appeals.

The Commission has completed all fifty-three (53) watercourse navigability evidentiary hearings (for the third time because of changes in the statutes and lawsuits filed against the state). There are no legal challenges pending of the type that resulted in statutory changes and the legal actions that are currently pending are appeals of individual Commission determinations. There are presently (6) cases on appeal, (5) in Arizona Superior Courts and one as a Petition for Review with the Arizona Supreme Court. The results of this matter may well impact the work on other cases.

There are presently (8) Commission reports pending and (4) of these are almost completed while (4) others have not been started because of lack of funding to cover the attorney portion cost of these reports. The Commission is also considering additional instructions by the Arizona Court of Appeals to require the Commission to do additional research work which will require additional Commission hearings, reports and appeal times.

Issue 5 Cost of Completion of Reports

The Commission will very likely need an additional supplemental amount during FY 2012 and FY 2013 to complete the remaining reports including work which has been mandated by the Arizona Court of Appeals. Assuming the Commission must do the additional work as instructed by the Court of Appeals then additional hearings and reports will be necessary as well as additional work on cases that may not be included in the Court of Appeals instructions but that may be impacted in a similar manner.

Issue 6 Responding to or acting on court mandates, including Public Trust Value Proceedings and Court of Appeals determinations.

The appeals process is presently considering six watercourses, the Lower Salt River in the Arizona Court of Appeals/Arizona Supreme Court, the Verde River, Upper Salt River and Gila River in Maricopa County Superior Court, and the Santa Cruz River and San Pedro River in Pima County Superior Court. It is anticipated the two or three additional appeals will be filed and the Commission will need both time and funding to act on any court mandates.

The Commission has received instructions from the Arizona Court of Appeals to perform additional work that will require additional hearings; however, this matter has been presented to the Arizona Supreme Court in a Petition for Review challenging the Court of Appeals Decision.

- ◆ Goal 1 To determine navigability of Arizona's 39,039 rivers and streams as of statehood for title purposes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Arizona rivers and streams adjudicated, including the necessity to alter and ratify remaining reports that comport with information requested by courts. | 3 | 3 | 3 |
| Explanation: Number of Arizona rivers and streams adjudicated, includes necessity to alter and ratify remaining reports to comport with information requested by the Courts. | | | |
| Number of hearings under 2001/current statutes | 0 | 1 | 0 |
| Cost per hearing to study watercourses (in thousands of dollars) | 0 | 20 | 20 |
| Customer satisfaction rating for hearing attendees (scale 1-8) | 0 | 8 | 8 |
| Number of final reports approved by Commission | 3 | 3 | 2 |
| Administration as a percent of total cost | 4.0 | 4.0 | 4.0 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Monitor and act on court cases and related reports that may require change pursuant to court instructions. As of June 30, 2010 there were six matters in State Court, two in Pima County Superior Court, three in Maricopa County Superior Court, and one between the Arizona Court of Appeals and the Arizona Supreme Court - a Petition for Review by the Supreme Court is currently pending. Perform additional hearings as mandated by the court and to record final reports in the appropriate counties. | 6 | 6 | 6 |
| Continued legal work and report writing based on court cases and related reports that may require change pursuant to court instructions. As of June 30, 2010 there were six matters in State Court, two in Pima County Superior Court, three in Maricopa County Superior Court, and one between the Arizona Court of Appeals and the Arizona Supreme Court - a Petition for Review by the Supreme Court is currently pending. Perform additional hearings as mandated by the court and to record final reports in the appropriate counties. | 6 | 6 | 6 |

◆ **Goal 2** To determine the public trust values of navigable watercourses as mandated by the Courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Five appeals are presently pending with two or three more likely. If any of the Commission determinations are reversed by the court then the Commission will need to hold proceedings to determine public trust values. The Commission presumes a maximum of 8 total appeals regarding all 53 hearings and 39,039 Arizona watercourses. | 0 | 0 | 0 |

◆ **Goal 3** To complete and ratify all Commission final reports, including changes to comport with Court instructions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Complete and ratify Commission final reports | 3 | 3 | 0 |

◆ **Goal 4** To defend in State and Federal Court all Appeals of Commission determinations. At present there are 5 matters on appeal, two in Pima County Superior Court, and three in Maricopa Superior Court. One other has been in the Arizona Court of Appeals and will shortly be returned to the commission for action.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| To defend existing 5 appeals and to act on 6th matter being returned by Arizona Court of Appeals | 6 | 5 | 5 |

◆ **Goal 5** To defend all other legal actions filed against the Commission. Presently there are none.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| No legal actions other than appeals are presently pending. However five additional actions will likely require court action during FY2012 and 2013 | 1 | 5 | 5 |

Explanation: There are no numbers included as there are no actions pending other than actual appeals and legal actions related to those.

◆ **Goal 6** To record each Commission report in the appropriate county seat either following expiration of appeal times or completion of Court mandated work and completion of all completion of appeals.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|-------------------|---------------------|---------------------|
| Recording Commission reports in the | 3 | 0 | 0 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------|-------------------|---------------------|---------------------|
| appropriate county seat. | | | |

| BNA 0.0 | Agency Summary |
|---------|---|
| | BOARD OF NURSING |
| | Jo Elizabeth Ridenour, Executive Director |
| | Phone: (602) 771-7801 |
| | A.R.S. §§ 32-1601 to 32-1668 |

Mission:

To protect the public health, safety, and welfare through the safe and competent practice of nurses and nursing assistants.

Description:

The State Board of Nursing protects the public by assuring that standards of practice are defined and that persons engaged in the practice of nursing are competent. It approves individuals for licensure, registration, and certification; approves educational programs for nurses and nursing assistants; investigates complaints concerning licensee and certificate holder compliance with the law; and determines and administers disciplinary actions in the event of proven violations of the Nurse Practice Act.

Agency Summary:

| | (\$ Thousands) | | |
|-------------------------------------|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ LICENSING AND REGULATION - RN/LPN | 4,309.2 | 4,168.4 | 4,168.4 |
| ➤ NURSING ASSISTANT | 481.9 | 464.6 | 464.6 |
| Agency Total: | 4,791.1 | 4,633.0 | 4,633.0 |

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,187.2 | 4,034.3 | 4,034.3 |
| Other Non Appropriated Funds | 603.9 | 598.7 | 598.7 |
| Program Total | 4,791.1 | 4,633.0 | 4,633.0 |
| FTE Positions | 50.9 | 51.0 | 51.0 |

Strategic Issues:

Issue 1 Cycle time to complete investigations

It currently takes 7.4 months from the time a complaint is received until it is presented to the Board. It is the agency's intent to reduce this time to 6 months.

| BNA 1.0 | Program Summary |
|---------|---|
| | LICENSING AND REGULATION - RN/LPN |
| | Jo Elizabeth Ridenour, Executive Director |
| | Phone: (602) 771-7801 |
| | A.R.S. §§ 32-1601 to 32-1668 |

Mission:

To establish standards and requirements for initial licensure of new nursing graduates and nurses moving into the State; to protect the public by investigating complaints against licensees ensuring that due process is upheld; to assist nurses with problems of chemical dependency to obtain treatment; to monitor such activity, all with the intent to protect the public from nurses who are unsafe to practice.

Description:

The Board of Nursing (ASBN) licenses all nurses practicing in the State except those practicing in federal facilities. In order to license nurses, the Board administers the National Council Licensure Examination (NCLEX) to new graduates and verifies licensure status in other states for nurses moving into Arizona. The Board investigates licensees who have been reported for possible violations of the Nurse Practice Act. Through a comprehensive investigation process, the agency ensures the public safety from incompetent, unsafe, or unprofessional nurses. The Chemically Addicted Nurses Diversion Option (CANDO) Program of the Board consists of three year contracts with licensees which include and are monitored for: initial intensive treatment, aftercare, participation in Alcoholics Anonymous or Narcotics Anonymous, random biological-fluid screens, nurses support groups and quarterly employer evaluations. Licensees are also monitored when the Board determines probational discipline is needed to ensure that public risk is reduced. The Hearing Department schedules hearings for licensees/certificate holders who have been denied licensure/certificates and for those who request their disciplinary procedure be heard by an Administrative Law Judge whose recommendation is forwarded to the Board for approval of the final order.

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 4,187.2 | 4,034.3 | 4,034.3 |
| Other Non Appropriated Funds | 122.0 | 134.1 | 134.1 |
| Program Total | 4,309.2 | 4,168.4 | 4,168.4 |
| FTE Positions | 40.2 | 40.4 | 40.4 |

- ◆ **Goal 1** To reduce the cycle time needed to issue certificates and licenses for examinee, endorsement and renewal applicants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|---------------------|---------------------|
| Average score on customer service survey (Scale of 1 - 8) | 6.52 | 7.0 | 7.0 |
| Average days from application received to RN/LPN renewal license issued | 16.4 | 17 | 17 |
| Explanation: | Increased days due to new statutory requirements for lawful presence in the United States. | | |
| RN/LPN renewals issued (4-year cycle) | 15,406 | 15,000 | 15,000 |
| Total licensees Registered Nurses and Licensed Practical Nurses | 83,237 | 82,000 | 82,000 |

- ◆ **Goal 2** To reduce the cycle time needed to investigate complaints, complete hearings and increase compliance with consent agreements and Board orders.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Total complaints received | 931 | 980 | 980 |
| Percent of licensees with disciplinary action | .8 | .7 | .7 |
| Average hours per investigation needed to complete a case | 17.4 | 17.4 | 17.4 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average months needed to complete investigations and present cases to the Board | 7.1 | 6.5 | 6.5 |
| Average calendar days from receipt of complaint to resolution | 221 | 220 | 220 |
| Average calendar days per investigation from start to final adjudication | 267 | 220 | 220 |
| Percent of investigations resulting in disciplinary enforcement action | 46 | 72 | 72 |

- ◆ **Goal 3** To effectively provide a non-disciplinary Chemically Addicted Nurse Diversion Option (CANDO) program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Licensees in CANDO program | 207 | 200 | 200 |
| Licensees completing CANDO program (%) | 51 | 48 | 48 |

- ◆ **Goal 4** To provide an effective educational program monitoring process for schools of Nursing that promotes a high percentage of RN/LPN examinees passing NCLEX.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Nursing programs monitored for non-compliance | 5 | 4 | 4 |
| Examinees from program successfully passing NCLEX | 3,143 | 3,200 | 3,200 |

| BNA 2.0 | Program Summary |
|---------|---|
| | NURSING ASSISTANT |
| | Jo Elizabeth Ridenour, Executive Director |
| | Phone: (602) 771-7801 |
| | A.R.S. § 32-1645 |

Mission:

To protect the public health, safety, and welfare through the provision of competent Certified Nursing Assistant care.

Description:

This program administers the certification examinations for Nursing Assistant candidates, surveys and approves Nursing Assistant training programs, and maintains a register of Certified Nursing Assistants (CNAs). The Arizona Department of Health Services shares some responsibility for this program by receiving and substantiating complaints against CNAs.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 481.9 | 464.6 | 464.6 |
| Program Total | | 481.9 | 464.6 | 464.6 |
| FTE Positions | | 10.7 | 10.6 | 10.6 |

- ◆ **Goal 1** To operate the program efficiently and effectively.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Percent of applicants or certificate holders reporting very good or excellent service | 6.60 | 7.0 | 7.0 |
| Explanation: | Effective January 2008 new statutory requirements went into effect regarding lawful presence in the United States. | | |
| Average calendar days from receipt of completed application to denial of certification | 400 | 400 | 400 |
| Total individuals certified as nursing assistants | 25,707 | 26,000 | 26,500 |
| Total complaints received | 572 | 600 | 625 |
| Average calendar days from receipt of complaint to resolution | 299 | 280 | 280 |
| Percent of CNA's with disciplinary action | 1.7 | 1.7 | 1.7 |
| Total investigations conducted - status closed | 625 | 650 | 675 |
| Percent of investigations resulting in disciplinary enforcement action | 53 | 60 | 60 |
| Average calendar days per investigation from start to final adjudication | 253 | 250 | 250 |

| NCA 0.0 | Agency Summary |
|---------|---|
| | BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND ADULT CARE HOME MANAGERS |
| | Allen Imig, Executive Director |
| | Phone: (602) 542-8156 |
| | A.R.S. § 36-446.02 |

Mission:

To protect the health, welfare, and safety of Arizona citizens who seek and use the services of nursing care institution administrators and assisted living facility managers.

Description:

The Board evaluates applications from individuals seeking nursing home administrator licenses and assisted living facility manager certificates. The Board investigates the credentials and backgrounds of applicants, conducts examinations, and processes the applications. The Board also evaluates and processes applications for renewal of administrator licenses and manager certificates. Both administrators and managers are required by law to meet continuing education requirements. The Board approves continuing education programs and ensures that the requirements are met. The Board investigates complaints against administrators and managers received from citizens or the Department of Health Services. The Board imposes appropriate disciplinary action and enforces compliance with such discipline. The Board provides information to the public concerning applicants, licensees and certificate holders, and regulatory actions taken. All of these Board functions are accomplished through a fee-financed program of examination, licensure, and regulation.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 328.8 | 361.7 | 401.7 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 328.8 | 361.7 | 401.7 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

Strategic Issues:

Issue 1 To improve the quality of services provided by the Board to the public and its licensees.

The Board investigates, reviews, and takes appropriate action on all complaints against nursing care institution administrators and assisted living facility managers. These complaints are received from the public or the Department of Health Services. The Board provides information to the public regarding disciplinary and other regulatory actions. The Board also processes, issues, and renews licenses and certificates to administrators and managers.

Goal 1 To ensure consistent and timely investigations of complaints and enforcement action in accordance with statutes and rules.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Complaints opened | 106 | 130 | 130 |
| Disciplinary actions | 52 | 60 | 60 |
| Fiscal year complaints resolved | 97 | 110 | 110 |
| Average number of days from open to close of complaint, within fiscal year | 85 | 120 | 120 |
| Number of complaint and application investigations conducted | 103 | 115 | 115 |

Goal 2 To ensure that licenses and certificates are granted or renewed to qualified administrators and managers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of existing licenses and certificates | 2,789 | 2,800 | 3,100 |
| Number of new applications filed | 433 | 440 | 445 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of new licenses issued | 325 | 330 | 340 |
| Number of new and existing licenses | 3,114 | 3,200 | 3,250 |
| Number of renewal applications processed | 1891 | 600 | 1,950 |
| Average calendar days to renew a license | 4 | 3 | 4 |

Goal 3 To ensure that agency operations are effective and efficient.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customer satisfaction (scale of 1-8) | 7.9 | 7.5 | 7.5 |
| Administration as percent of total cost | 5.2 | 5.3 | 5.4 |

Goal 4 To ensure quality continuing education is approved

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of CE sponsor applications | 424 | 500 | 500 |
| Average number of days to process CE sponsor applications | 3 | 4 | 5 |

Goal 5 To ensure public information requests and license verifications are completed timely.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|------------------|------------------|
| Average number of days to process a public records request | 2 | 4 | 4 |
| Explanation: | Implemented starting FY07 | | |
| Average number of days to process a license verification | 2 | 3 | 3 |
| Explanation: | Implemented starting FY07 | | |

| OTA 0.0 | Agency Summary |
|---|----------------|
| BOARD OF OCCUPATIONAL THERAPY EXAMINERS | |
| J.Randy Frost, Executive Director | |
| Phone: (602) 589-8353 | |
| A.R.S. §§ 32-3401 to 32-3445 | |

Mission:

To protect the health, safety, and welfare of the public by licensing and regulating individuals who provide occupational therapy services.

Description:

The Board of Occupational Therapy Examiners is a regulatory board that issues and renews approximately 1,800 licenses for occupational therapy professionals. By law, the Board requires that each applicant meet minimum standards of education, experience, and competency. The Board also receives and investigates complaints, takes appropriate disciplinary action, and responds to inquiries from consumers as to the license status of occupational therapy professionals.

Agency Summary:

| | (\$ Thousands) | | |
|---|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ BOARD OF OCCUPATIONAL THERAPY EXAMINERS | 142.6 | 161.6 | 161.6 |
| Agency Total: | 142.6 | 161.6 | 161.6 |

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 362.3 | 161.6 | 161.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 362.3 | 161.6 | 161.6 |
| FTE Positions | 1.5 | 1.5 | 1.5 |

Strategic Issues:

Issue 1 *Revise administrative rules to reflect recent law changes.*

The Board is in the proces of revising rules to match existing laws. Due to the Governors rules moratorium the Board has been unable to make the required changes in the past.

| OTA 1.0 | Program Summary |
|---|-----------------|
| BOARD OF OCCUPATIONAL THERAPY EXAMINERS | |
| J. Randy Frost, Executive Director | |
| Phone: (602) 589-8353 | |
| A.R.S. §§ 32-3401 to 32-3445 | |

Mission:

To protect the health, safety, and welfare of the public by licensing and regulating individuals who provide occupational therapy services.

Description:

The Board of Occupational Therapy Examiners is a regulatory board which issues and renews bi-annually approximately 1,800 active licenses for the occupational therapy profession and monitors 1,469 closed licenses. By law, the Board requires that each applicant meet minimum standards of education, experience, and competency. The Board also receives and investigates complaints, takes appropriate disciplinary action, and responds to inquires from consumers as to the license status of individual occupational therapy professionals.

Funding and FTE

| Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 142.6 | 161.6 | 161.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 142.6 | 161.6 | 161.6 |
| FTE Positions | 1.5 | 1.5 | 1.5 |

◆ **Goal 1** To investigate and adjudicate complaints within 120 days

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of occupational therapy complaints received | 8 | 10 | 10 |
| Number of complaints resulting in disciplinary action | 4 | 5 | 5 |
| Complaints resolved within 120 days | 8 | 10 | 10 |
| Percent of complaints resolved within 120 days | 100 | 100 | 100 |

◆ **Goal 2** To ensure that licenses and renewals are issued in a timely manner to Occupational Therapists and Occupational Therapy Assistants with high standards of professional and ethical standards.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of license renewal applications received and renewed (OTs and OTAs) | 749 | 1200 | 750 |
| Number of Licensees (OTs and OTAs) | 2498 | 2500 | 2600 |
| Number of initial license applications received (OTs and OTAs) | 327 | 350 | 375 |
| Number of Initial Licenses Issued (OTs and OTAs) | 327 | 350 | 375 |
| Average calendar days to process a renewal application | 5 | 5 | 5 |
| Average calendar days to issue an initial license | 5 | 5 | 5 |

◆ **Goal 3** To continually improve customer satisfaction by providing consistency in carrying out the Board's policies and procedures.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of licenses issued within 10 days of approval | 100 | 100 | 100 |
| Number of individuals licensed as occupational therapists | 1076 | 1100 | 1200 |
| Customer Satisfaction rating (scale 1-8) | 7.8 | 7.8 | 7.8 |

DOA 0.0 Agency Summary

BOARD OF DISPENSING OPTICIANS

Lori D. Scott, Executive Director

Phone: (602) 542-8158

A.R.S. § 32-1671

Mission:

To protect the visual health of the citizens of Arizona by regulating and maintaining standards of practice in the field of opticianry.

Description:

The Board of Dispensing Opticians examines and licenses professionals to practice in the field of opticianry and licenses optical establishments. This Board is distinguished from the Board of Optometry, which regulates optometrists, whereas dispensing opticians fill orders for and fit persons with corrective eyewear. The Board of Dispensing Opticians accepts complaints against licensees, investigates allegations, and administratively adjudicates complaints.

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 127.1 | 131.1 | 131.1 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 127.1 | 131.1 | 131.1 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

Strategic Issues:

Issue 1 Maintaining fund balance

The fund balance is being replenished due to previous changes in legislation and administrative code. Legislation was successfully passed in the 2005 session granting the Board the authority to increase licensing fees. Subsequently, the Board completed related rule changes. Additionally, the Board now has a website in place for consumer and licensee use. As a result of these changes, the Board is confident that the fund will continue to be fiscally sound while enabling the Board to better serve the public.

Issue 2 Establishment Inspections

The Board has implemented inspections of establishments and of the opticians working in the licensed establishments. As a result of these inspections, consumer complaints have been reduced significantly. By having a Board presence in the field, opticians are better informed of Board requirements and the availability of staff to answer questions. It is the goal of the Board to inspect establishments at least once every two years.

- ◆ **Goal 1** To ensure high standards of professional and ethical conduct in the field of opticianry through efficient processing of examination, establishment, and optician license applications and administration of the State Board Practical Examination.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Optician licenses issued | 64 | 60 | 65 |
| Optician renewal applications processed | 738 | 750 | 760 |
| Establishment licenses issued | 33 | 20 | 20 |
| Establishment renewal applications processed | 311 | 365 | 370 |
| Explanation: Establishments are renewed June 30, so total carries over to next fiscal year | | | |
| Average number of days from receipt of application for establishment license to granting of license | 18 | 15 | 15 |
| Percentage of renewals within 3 days | 91 | 98 | 98 |
| Customer satisfaction rating (Scale 1-8) | 8 | 8 | 8 |
| Number of licensees (new and existing) | 1,133 | 1,160 | 1,170 |

- ◆ **Goal 2** To investigate and resolve consumer and Board initiated

complaints in accordance with statutes and rules in order to protect the public from incompetent services and unprofessional and unethical conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Complaints about licensees received and investigated | 12 | 5 | 5 |
| Complaints resolved | 12 | 5 | 5 |
| Disciplinary action | 2 | 5 | 5 |
| Number of days from receipt of complaint until completion | 58 | 80 | 80 |
| Explanation: Number of days is an average of all complaints | | | |
| Establishment Inspections | 53 | 175 | 180 |

- ◆ **Goal 3** To better protect the public through the administration of a continuing education requirement in order to upgrade the profession of opticianry in accordance with the Board's mandate.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of licensees fulfilling continuing education requirement | 100 | 100 | 100 |
| Number of licensees fulfilling requirement | 115 | 135 | 472 |

| OBA 0.0 | Agency Summary |
|-------------------------------------|----------------|
| BOARD OF OPTOMETRY | |
| Margaret Whelan, Executive Director | |
| Phone: (602) 542-8155 | |
| A.R.S. § 32-1701 | |

Mission:

To protect the health, safety, and welfare of Arizona citizens by regulating and achieving the highest standards in the optometry profession.

Description:

The Arizona State Board of Optometry examines, licenses, and regulates the profession of Optometric Doctors. In addition, the Board registers out-of-state replacement contact lens dispensers. The Board investigates complaints alleging violations of the Optometric Practice Act and takes administrative regulatory action when required.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 192.0 | 197.3 | 197.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 192.0 | 197.3 | 197.3 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

Strategic Issues:

Issue 1 *To ensure that licenses are granted or renewed to qualified optometrists*

To ensure that licenses are granted or renewed to qualified optometrists.

Issue 2 *Continue registration and compliance with Arizona Revised Statutes pertaining to nonresident replacement contact lenses dispensers. Monitor any legislation pertaining to consumer protection concerning replacement contact lenses.*

Pursuant to A.R.S. § 32-1773 and 32-1774, the Arizona State Board of Optometry is responsible for the registration of non-resident dispensers of replacement soft contact lenses. These companies provide prescription contact lenses to Arizona citizens via mail-order, telephone, and internet. The law requires these entities to register with the Board and dispense only to those customers holding a valid prescription for contacts.

Issue 3 *To effectively investigate and adjudicate complaints pursuant to statutes and rules*

To effectively investigate and adjudicate complaints pursuant to statutes and rules.

Issue 4 *To ensure agency policies and procedures, including testing, renewal, initial licensing, and customer satisfaction, are effective and efficient.*

To ensure agency policies and procedures, including testing, renewal, initial licensing, and customer satisfaction, are effective and efficient.

Issue 5 *To ensure customer satisfaction with public information requests, license verifications, e-mail and phone communication.*

To ensure customer satisfaction with public information requests, license verifications, e-mail and phone communication.

◆ **Goal 1** To ensure that licenses are granted or renewed to qualified optometrists.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| New licenses issued | 62 | 56 | 56 |
| License applications received | 58 | 60 | 60 |
| Active licensees | 1048 | 1055 | 1055 |
| Average time to process an initial license application (in days) | 17.8 | 30 | 30 |
| Average calendar days to renew a license | 2 | 2 | 2 |

◆ **Goal 2** To effectively investigate and adjudicate complaints pursuant to statutes and rules.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total number of complaints received | 26 | 35 | 35 |
| Total number of complaints resolved | 24 | 35 | 35 |
| Average number of days from receipt of complaint to resolution | 50 | 75 | 75 |
| Total number of disciplinary actions | 2 | 3 | 3 |

◆ **Goal 3** To provide accurate information and programs to stakeholders, including but not limited to: citizens, licensees, health care organizations, and other governmental bodies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total number of written public information requests | 228 | 250 | 250 |

◆ **Goal 4** To ensure agency policies and procedures are effective and efficient (including testing, renewal, initial licensing, and certificates of special qualification).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Prompt response to renewal applications with deficiencies (percent) | 100 | 100 | 100 |
| Administration as % of total cost | 4 | 7 | 7 |

| | |
|--|-----------------------|
| IBA 0.0 | Agency Summary |
| OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION REVIEW (OSHA) BOARD | |
| Laura McGrory, Director | |
| Phone: (602) 542-4411 | |
| A.R.S. § 23-422 | |

Mission:

To be an independent body that adjudicates appeals of administrative law judge decisions regarding citations issued by the Arizona Division of Occupational Safety and Health, a division of the Industrial Commission.

Description:

The review board is an independent body and not directly a part of the Industrial Commission. The board consists of five members appointed by the Governor. One member shall be a representative of management, one member shall be a representative of labor and three members shall be representatives of the general public. The Industrial Commission is responsible for all budgetary actions, including providing administrative support.

Per A.R.S. § 23-423, the review board hears and rules on appeals regarding administrative law judge decisions of contested Occupational Safety and Health inspections. All ADOSH cases start with an informal conference with the Industrial Commission's OSHA division director. If a case is not resolved, the cited employer can request a hearing before an Industrial Commission administrative law judge. If either the director of OSHA or the cited employer disagrees with the outcome of that ruling, that ruling can be appealed before the review board. The decisions of the review board can be appealed to the Court of Appeals.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 15.0 | 15.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 0.0 | 15.0 | 15.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

◆ **Goal 1** To hear and rule on OSHA appeal cases.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|-----------------------|-------------------------|-------------------------|
| Cases ruled heard and ruled upon | 2 | 0 | 2 |

| OSA 0.0 | Agency Summary |
|------------------------------------|----------------|
| BOARD OF OSTEOPATHIC EXAMINERS | |
| Elaine LeTarte, Executive Director | |
| Phone: (480) 657-7703 | |
| ARS 32-1800 et seq | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Administration as percent of total cost | 17 | 20 | 20 |
| Customer satisfaction rating (1-8) | 7.6 | 7.0 | 7.0 |

Mission:

To protect the public health and safety of people in the State of Arizona through the regulation of physicians licensed to practice osteopathic medicine and surgery in the State.

Description:

The Board of Osteopathic Examiners licenses and regulates osteopathic physicians in the State of Arizona. The Board is responsible for the licensure and regulation of osteopathic physicians and residents, the enforcement of standards of practice, and the review and adjudication of complaints.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 640.7 | 698.3 | 698.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 640.7 | 698.3 | 698.3 |
| FTE Positions | 6.7 | 6.7 | 6.7 |

Strategic Issues:

Issue 1 Complaint/Investigation Process

The Agency intends to continue its strategy to reduce its backlog while preventing the undue aging of more recently received complaints. Agency staff will continue to review the procedures that constitute the investigation and review process, to ensure that protection of the public, due process, and administrative efficiency are maximized.

Issue 2 Licensure/Registration/Renewal Process

The Agency continues to expedite pending applications and works with the applicant to provide excellent customer service. The Agency will explore use of trusted secondary, rather than primary source verifications of credentials. The Agency will encourage use of online applications to maintain more complete information, eliminate paper applications, and speed up processing time.

- ◆ **Goal 1** To issue and renew licenses promptly and in an effective manner

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of new and existing licenses | 2534 | 2,600 | 2,700 |
| Number of applications for new license received | 200 | 165 | 165 |
| Number of new license applications issued | 176 | 185 | 185 |
| Average days to issue new license | 60 | 70 | 70 |
| Percentage of renewals done online vs. paper/manually | 66 | 75 | 85 |

- ◆ **Goal 2** To investigate and resolve complaints in a timely manner

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Complaints received | 184 | 185 | 185 |
| Complaints investigated | 200 | 165 | 165 |
| Licensees who had disciplinary action taken | 10 | 4 | 4 |
| Average calendar days to resolve a complaint | 382 | 360 | 360 |
| Average calendar days to investigate a complaint | 264 | 170 | 160 |
| Number of complaints closed/resolved | 211 | 200 | 200 |

- ◆ **Goal 3** To administer the agency efficiently and provide customer service to the public

| | |
|---|-----------------------|
| PCA 0.0 | Agency Summary |
| PARENTS COMMISSION ON DRUG EDUCATION AND PREVENTION | |
| Barbara Broderick, Chairwoman | |
| Phone: | |
| ARS 41-1604.17 | |

Mission:

To fund programs that increase and enhance parental involvement, and increase education about the serious risks and public health problems caused by the abuse of alcohol and controlled substances.

Description:

The Arizona Parents Commission on Drug Education and Prevention was created by voter initiative in 1996.

It allocates funding for programs that will increase and enhance parental involvement and will increase education about the serious risks and public health problems caused by the abuse of alcohol and controlled substances.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,824.0 | 4,770.1 | 4,770.1 |
| Program Total | 2,824.0 | 4,770.1 | 4,770.1 |
| FTE Positions | 2.2 | 2.0 | 2.0 |

Strategic Issues:

Issue 1 *The Parents Commission will increase public awareness through outreach and effective partnerships*

- ◆ **Goal 1** To fund programs that increase and enhance parental involvement, and increase education about the serious risks and public health problems caused by the abuse of alcohol and controlled substances.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of individuals impacted directly and indirectly by programs and/or efforts funded by the Parents Commission, evidenced by program reports. | 3,146,173 | 1,000,000 | 1,000,000 |

- ◆ **Goal 2** To increase public awareness through outreach and effective partnerships.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of public education and awareness events sponsored by the Parents Commission. | 879 | 900 | 900 |

PRA 0.0 Agency Summary

STATE PARKS BOARD

Renee Bahl, Executive Director

Phone: (602) 542-7102

A.R.S. §§ 41-511 et. seq.

Mission:

To manage and conserve Arizona's natural, cultural, and recreational resources for the benefit of the people, both in our parks and through our partners.

Description:

Arizona State Parks develops and manages 30 State parks and natural areas and provides safe and enjoyable facilities and programs for over 2.2 million visitors annually, 51% from out-of-state. There are 65,000 acres of park property, 1,300 campsites and 8 historic parks.

Other agency programs include the State Historic Preservation Office, which is responsible for the identification, evaluation and protection of Arizona's prehistoric and historic heritage resources and compliance with federal and state laws. The agency coordinates two recreational trails programs; motorized and non-motorized trail activities as well as administers the Off-Highway Vehicle (OHV) Program and OHV Recreation Fund. The agency distributes the Law Enforcement Boating Safety Fund grants to eligible county governments and manages the Growing Smarter State Trust Land Acquisition Grant program. The agency coordinates statewide resource planning, public involvement and educational opportunities through partnerships for public purposes. Arizona State Parks is comprised of the Director's Office and three divisions: Parks, Partnerships and Administration.

Arizona State Parks serves as an economic engine to the State of Arizona. Open parks support 3,300 jobs in communities. Total annual economic impact of Arizona State Parks is \$266 million with direct expenditures by visitors calculated at \$163 million. Federal, state and local tax generated by the 2.2 million visitors is \$44 million. Rural economies depend on open state parks.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|-------------------------------------|-------------------|---------------------|--------------------|
| ➤ PARK DEVELOPMENT AND OPERATION | 18,565.0 | 14,434.0 | 16,600.0 |
| ➤ PARTNERSHIPS AND GRANTS | 67,607.7 | 47,777.3 | 48,627.8 |
| ➤ ADMINISTRATION | 10,449.2 | 3,924.6 | 3,924.6 |
| Agency Total: | 96,621.9 | 66,135.9 | 69,152.4 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 20,000.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 12,959.2 | 11,274.2 | 14,117.6 |
| Other Non Appropriated Funds | 63,662.7 | 54,861.7 | 55,034.8 |
| Program Total | 96,621.9 | 66,135.9 | 69,152.4 |
| FTE Positions | 194.2 | 210.8 | 210.8 |

Strategic Issues:

Issue 1 *The Arizona State Parks Board has defined the three strategic goals of the agency: 1) Keep parks open and operating; 2) Increase net revenues and reduce net costs; and 3) Protect natural and cultural resources.*

Unprecedented reductions in Arizona State Parks' funding sources have severely impacted the agency's ability to perform mission-critical functions. A steady and reliable stream of revenues and a sustainable operating plan is needed to maintain and enhance the Arizona State Parks system. This

includes funding to maintain adequate staffing levels and to address current and future capital needs as the state grows. Arizona State Parks currently has a deferred maintenance backlog exceeding \$170 million. Identifying and capitalizing on opportunities that can increase effectiveness and efficiency are essential to achieve maximum results with fewer resources.

The \$82 million in budget reductions and fund sweeps in the five-year period from FY 2008 – FY 2012 impacted all agency funds except federal funds. The agency has not received operating General Funds since FY 2009. Budget reductions to the agency's parks operating funds, in particular the Enhancement Fund, Reservation Surcharge Revolving Fund, Publications and Souvenirs Revolving Fund and State Lake Improvement Fund, caused the closure or reduced operations at many Arizona State Parks. There were a total of 48 employees impacted by the agency reductions and layoffs. The agency is seeking legislation to protect all park-generated revenues. These revenues include all monies currently deposited in the Enhancement Fund, the Publications and Souvenirs Revolving Fund and the Reservation Surcharge Revolving Fund. Arizona State Parks staff is working with lawmakers and partners to further the Arizona State Parks Board legislative agenda.

The elimination of the Arizona State Parks Heritage Fund statutes in FY 2010 resulted in the permanent loss of \$10 million in revenues. These revenues were utilized by the agency for pass through grants and capital improvements to Arizona State Parks properties, to provide opportunities for the public to enjoy outdoor recreation, to help preserve natural and cultural resources, and to promote environmental education. The interest was used to support the administration of the grant programs and support services for other Heritage Fund programs.

During FY 2011, the Legislature appropriated revenues from the Law Enforcement Boating Safety Fund (LEBSF) in the amount of \$500,000 to be distributed to Mohave and La Paz Counties. During FY 2012, \$750,000 was appropriated from the LEBSF for Yuma, Mohave and La Paz Counties. The remaining LEBSF revenues and cash balances were appropriated to Arizona State Parks operations; approximately \$3.6 million in FY 2011 and \$1.1 million in FY 2012. However, during the FY 2011 Regular Session, legislation was passed moving the LEBSF program to the Arizona Game and Fish Department starting in FY 2013. It is not currently known whether annual LEBSF revenues of approximately \$2.2 million, less any required county grants, will continue to be appropriated to Arizona State Parks, but the loss of this level of funding will create a further severe funding issue for the agency. Three key goals of the Arizona State Parks Board are to increase net revenues and reduce net costs, keep parks open and operating, and protect natural and cultural resources. Since FY 2010, the agency has been able to support sustainable operations with contributions from community partners. Parks currently has 16 financial operating agreements with other State agencies, counties, cities and towns, the Hopi Tribe, Arizona State Parks Friends Groups as well as other non-profit organizations. These agreements have kept parks open to the public. The agency also started FY 2012 with 1,500 agency volunteers and Site Stewards who, in FY 2011, donated 260,000 hours, which represents an estimated \$5.5 million of non-paid labor. There are 4,000+ members of 14 Friends Groups. Continuing local financial stress is causing a reduction in the total of financial commitments, which places additional needs on the agency to find funding for these parks. The maintenance and expansion of such agreements with partners will continue to be a high priority in the next several years.

The agency is using a more detailed approach to agency and, in particular, individual park operational costs. This includes a monthly break-even analysis for each park.

The agency is exploring approaches to expand on-park concessions for new services provided by the private sector. This will remain a high priority in the future. In addition, Arizona State Parks has been examining the possibility of "whole park" concessions, or operational transfers to the private sector, which included the issuance of a Request for Information to potential 3rd Party Operators at Arizona State Parks in December 2010.

Two issues impacted the immediate pursuit of "whole park" 3rd Party

Operations by the private sector. First, the Bureau of Land Management (BLM), the federal owner of most Arizona State Park recreation properties, made it clear that transfers of park revenues are not allowed under the Recreation and Public Purposes Act and continued sweeps will prevent the BLM from considering and approving expanded concessions on these properties.

Second, the Arizona State Parks Board has determined that "whole park" 3rd Party Operations should result in an increase in net revenues and a reduction of net costs to the State and agency, keep parks open and operating, and protect natural and cultural resources. The analysis of park level operations in FY 2011 indicated that the system earned a positive 'margin' of \$1.7 million, which included several parks with high operational margins and many with continuing operating deficits, even if local partnership financial contributions are included. Based on indications of the range of revenue shares received by private operators of parks, (mostly federal such as the United States Forest Service) it is not yet clear that the agency would continue to receive a net park system margin of \$1.7 million from shared revenues.

| Program Summary | |
|------------------------------|--------------------------------|
| PRA 1.0 | PARK DEVELOPMENT AND OPERATION |
| Jay Ream, Assistant Director | |
| Phone: (602) 542-7103 | |
| A.R.S. §§ 41-511 et. seq. | |

Mission:

To manage and conserve Arizona's natural, cultural and recreational resources for the benefit of the people, both in our parks and through our partners.

Description:

The Parks Division consists of two sections: The Operations and Development Sections. The Operations Section is responsible for the operation and maintenance of Arizona's state parks, natural areas and historic and cultural areas. Since FY 2010, the agency has been able to support sustainable park operations with contributions from community partners. Parks currently has 16 financial operating agreements with other State agencies, counties, cities and towns, the Hopi Tribe, Arizona State Parks Friends Groups as well as other non-profit organizations. These agreements have kept most parks open to the public. The agency started FY 2012 with a staff of just over 150, over 1,500 agency volunteers and Site Stewards who, in FY 2011, donated 260,000 hours, which represents an estimated \$5.5 million of non-paid labor. There are 4,000+ members of 14 Friends Groups. Continuing local financial stress is causing a reduction in the total of financial commitments, which places additional needs on the agency to find funding for these parks. The maintenance and expansion of such agreements with partners will continue to be a high priority in the next several years. The Development Section is responsible for the design, construction and overall maintenance of Arizona State Parks and natural areas. Major responsibilities include the selection of consultants for project design and monitoring/inspection of projects from conception to completion. Staff prepares the agency's two-year capital improvement plan. There is no funding for development or acquisition of properties at this time.

The agency has not received operating General Funds since FY 2009. Budget reductions to the agency's parks operating funds, in particular the Enhancement Fund, Reservation Surcharge Revolving Fund, Publications and Souvenirs Revolving Fund and State Lake Improvement Fund caused the closure or reduced operations at many Arizona State Parks. The elimination of the Arizona State Parks Heritage Fund statutes in FY 2010 resulted in the permanent loss of \$10 million in revenues. A portion of these revenues were utilized by the agency for capital improvements to Arizona State Parks properties, to provide opportunities for the public to enjoy outdoor recreation, to help preserve natural and cultural resources, and to promote environmental education. The agency is seeking legislation to protect all park-generated revenues.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---------------------------------|-----------------------|-------------------------|------------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,703.5 | 10,442.3 | 13,285.7 |
| Other Non Appropriated Funds | 9,861.5 | 3,991.7 | 3,314.3 |
| Program Total | 18,565.0 | 14,434.0 | 16,600.0 |
| FTE Positions | 145.2 | 167.5 | 167.5 |

- ◆ **Goal 1** To provide sustainable management of our natural, cultural, recreational, economic, and human resources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of Parks Open to the Public | 93 | 96 | 96 |
| Percent of parks open 7 days per week | 57 | 57 | 57 |
| Percent of parks managed by Arizona State Parks without financial assistance | 43 | 46 | 46 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of parks operated by Arizona State Parks with partner assistance | 29 | 22 | 22 |
| Number of Non-Paid Hours Provided by Volunteers and Site Stewards | 260 | 260 | 260 |

- ◆ **Goal 2** To provide safe, meaningful, and unique experiences for our visitors, volunteers, and citizens

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of parks completing facility upgrades | 11 | 17 | 17 |

- ◆ **Goal 3** To build lasting public and private partnerships, to promote local economies, good neighbors, recreation, conservation, tourism, and establish sustainable agency funding.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of private concessionaire agreements | 6 | 6 | 6 |

| PRA 2.0 | Program Summary |
|---------|---------------------------------|
| | PARTNERSHIPS AND GRANTS |
| | Jay Ziemann, Assistant Director |
| | Phone: (602) 542-7104 |
| | A.R.S. §§ 41-511 et. seq. |

Mission:

To manage and conserve Arizona's natural, cultural and recreational resources for the benefit of the people, both in our parks and through our partners.

Description:

The Partnerships Division consists of the Resources and Public Programs, the State Historic Preservation Office (SHPO), and External Affairs Program Sections. The Partnerships Division oversees numerous programs of a statewide nature, such as historic preservation, grants, research and marketing, public affairs and public relations.

The Resources and Public Programs (RP&P) Section manages the following programs: cultural and natural resource grants, research and marketing, as well as internal and external partnerships that go well beyond our own system of parks to accomplish State Parks' goals. The section is responsible for acquiring, planning, developing, managing and maintaining natural, cultural, and recreational resources within the State Parks system for public use, education, enjoyment and safe visitor experiences. Responsibilities include master planning, real estate management, historical preservation, protection of historical and cultural sites, environmental and science issues confronting Arizona State Parks resources, as well as developing comprehensive long-range plans that deal with statewide recreational and cultural issues. FY 2012 contains no funding for development or acquisition of properties.

The section is responsible for managing over \$40 million in grants available annually to Arizona communities, resource managers and agencies to preserve, manage and enhance Arizona's significant natural open space, cultural and recreational resources. The elimination of the Arizona State Parks Heritage Fund statutes in FY 2010 resulted in the permanent loss of \$10 million in revenues. A portion of these revenues was utilized by the agency for pass through grants. Funded programs include grant funds for open space conservation, law enforcement boating safety, off-highway vehicle recreation, federal recreation trails projects, and federal land and water conservation projects. The RP&P Section is responsible for developing and maintaining financial operating agreements with other State agencies, counties, cities and towns, the Hopi Tribe, Arizona State Parks Friends Groups as well as other non-profit organizations.

The RP&P Section conducts surveys, provides monthly individual park and park system attendance and revenue statistics, and gathers research data to support all programs and enhance decision-making. This section coordinates marketing and public information through traditional and emerging marketing strategies and maintains the agency website. This section also coordinates public involvement and educational opportunities through partnerships for public purposes.

The RP&P section is served by five standing advisory committees who work with staff and advise the Arizona State Parks Board on a number of matters. Members of the Arizona Outdoor Recreation Coordinating Commission (AORCC) and the Conservation Acquisition Board (CAB) are appointed by the Governor. The Arizona State Committee on Trails (ASCOT), Off-Highway Vehicle Advisory Group (OHVAG), Natural Areas Preservation Advisory Committee (NAPAC) and the Historic Preservation Advisory Committee (HPAC) are appointed by the Arizona State Parks Board. Staff coordinates with these advisory committees and other partners to plan, inventory, enhance, preserve, manage and interpret Arizona's natural, cultural and recreational resources for the education and enjoyment of the public.

The State Historic Preservation Office (SHPO) is responsible for the

identification, evaluation and protection of Arizona's prehistoric and historic heritage resources and compliance with federal and state laws. The SHPO also oversees many educational and stewardship programs and events that engage it with the general public concerned about historic resources. The Public Information Office (PIO) develops communications plans and strategies for informing Arizona's residents and visitors about the programs and projects being managed by the Arizona State Parks.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 20,000.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 500.0 | 750.0 | 750.0 |
| Other Non Appropriated Funds | 47,107.7 | 47,027.3 | 47,877.8 |
| Program Total | 67,607.7 | 47,777.3 | 48,627.8 |
| FTE Positions | 24.0 | 21.7 | 21.7 |

- ◆ **Goal 1** To provide sustainable management of our natural, cultural, recreational, economic and human resources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of SHPO correspondence processed | 2,650 | 2,650 | 2,650 |

- ◆ **Goal 2** To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Attendance at Special Events (in thousands) | 26 | 27 | 27 |
| Number of Special Events | 18 | 18 | 18 |

- ◆ **Goal 3** To document our progress through planning, analysis and research.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of disciplines of study monitoring the health of Kartchner Caverns State Park | 10 | 14 | 14 |

- ◆ **Goal 4** To build lasting public and private partnerships to promote local economies, good neighbors, recreation, conservation, tourism and establish sustainable funding for the agency.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of new or renewed partnership agreements. | 6 | 11 | 13 |

- ◆ **Goal 5** To effectively communicate with the public, policy makers, our partners, peers, and ourselves.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Public visits to agency web site | 523 | 523 | 523 |
| Explanation: Public visits to agency web site | | | |
| Number of Facebook fans | 6,200 | 6,200 | 6,200 |
| Number of Twitter followers | 5,000 | 5,000 | 5,000 |
| Number of media exposures (millions) | 396 | 400 | 400 |

| PRA 3.0 | Program Summary |
|--------------------------------|------------------------|
| ADMINISTRATION | |
| Kent Ennis, Assistant Director | |
| Phone: (602) 542-6920 | |
| A.R.S. §§ 41-511 et. seq. | |

Mission:

To manage and conserve Arizona's natural, cultural and recreational resources for the benefit of the people, both in our parks and through our partners.

Description:

Administration is accomplished through the Director's Office and the Administrative Services Division. The Director's Office manages the three Divisions in the agency, oversees implementation of the Strategic Plan and monitors progress toward meeting the Agency's Strategic Plan goals and objectives. The Administrative Services Division provides support to all activities and programs and assures that the Agency has the necessary authority, financial resources, human resources, management information and technical capability to accomplish their mission.

Administration implemented a new online reservation system throughout the park system in FY 2011.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 3,755.7 | 81.9 | 81.9 |
| Other Non Appropriated Funds | 6,693.5 | 3,842.7 | 3,842.7 |
| Program Total | 10,449.2 | 3,924.6 | 3,924.6 |
| FTE Positions | 25.0 | 21.6 | 21.6 |

- ◆ **Goal 1** To provide sustainable management of our natural, cultural, recreational, economic and human resources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of information technology infrastructure upgrades/systems deployed | 25 | 20 | 20 |
| Percent of law enforcement officers completing AZPOST requirements | 100 | 100 | 100 |
| Percent of eligible employees recognized through Agency Service Awards | 100 | 100 | 100 |
| Administration as a percentage of total cost | 1.5 | 1.5 | 1.5 |

- ◆ **Goal 2** To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Maintain a positive margin on overall park system revenues less expenditures | 17 | 15 | 15 |

| PBA 0.0 | Agency Summary |
|---|----------------|
| STATE PERSONNEL BOARD | |
| Laurie Barcelona, Executive Director | |
| Phone: (602) 542-3888 | |
| A.R.S. §§ 41-781, 41-782, 41-785 and 38-531 et seq. | |

Mission:

To provide an efficient and impartial hearing process while carrying out the Board's statutory mandate to hear and review disciplinary appeals and whistleblower complaints filed by state employees, former state employees, and other individuals referenced in statute.

Description:

The Personnel Board is responsible for hearing and reviewing, via an administrative hearing process, appeals filed by state employees who have been dismissed from state service, suspended for more than 40 working hours, or demoted resulting from disciplinary action. The Board also hears and reviews complaints filed under the whistleblower statute. Under the direction of the presiding hearing officer, the proceedings are conducted on an informal basis through the taking of direct testimony, the cross examination of witnesses, and the admission of evidence. A record of the proceedings is taken and made available, upon request, to hearing officers, board members, and parties to the appeal. The hearing officer determines the facts based on the evidence presented and makes a recommendation regarding discipline to the Board. Board members are subsequently provided with case information so they may determine proper discipline.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 337.6 | 365.2 | 365.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 337.6 | 365.2 | 365.2 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

Strategic Issues:

Issue 1 Continue to provide a fair, impartial, and expeditious hearing process

Fair and Impartial Hearing Process: Satisfaction survey results indicate stakeholders feel the Board provides a fair and impartial hearing process. The Board will continue to include this as a strategic issue. It is important that the hearing process remain fair and impartial and that hearing officers display an unbiased position at all times. The surveys also provide space for additional comments. Any comments are reviewed so that weaknesses can be addressed and the level of satisfaction can be increased.

Expeditious Hearing Process: In FY2011, the average number of days from receipt of an appeal or complaint until the Board issued a final order decreased from 214 to 145, still over the anticipated 115 days. This was due to 2 appellants requesting continuances for various reasons. One had pending criminal charges and asked the board to delay the appeal until the criminal charges were adjudicated. This case took 482 days to complete. The second matter involved an appellant who suffered a stroke during the pendency of his appeal and 5 whistleblower complaints he had filed; he requested the board delay consideration of his appeal/complaints until he had a chance to recover. This resulted in a delay of 546 days for the appeal, and the whistleblower complaints were delayed by 735, 670, 657, 630, and 540 days respectively. Without consideration to these delays, the average number of days for an appeal/complaint to go through the entire process, from receipt to board order would have been 102 days, well within the projected 115 days.

The Board will encourage parties to be prepared for the first day of hearing and discourage unnecessary continuances.

Issue 2 Maintain and improve internet website

The board will continue to make updates to its website that can be done using in-house staff and no additional funding.

Goal 1 To provide state agencies and employees/citizens with a fair and efficient administrative hearing process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of appeals/complaints filed | 74 | 85 | 85 |
| Hearing days | 37 | 72 | 72 |
| Average days from receipt of an appeal/complaint until the Board issues a final order | 145 | 115 | 115 |
| Average cost of an appeal/complaint (dollars) | 1,000 | 1,300 | 1,300 |

Goal 2 To ensure customer/client satisfaction with process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of cases appealed to Superior Court | 2 | 2 | 2 |
| Number of cases remanded from court | 0 | 0 | 0 |
| Percent of customers rating overall hearing process as good to excellent | 100 | 100 | 100 |

Goal 3 To continuously implement changes that will increase effectiveness and internal capacity to deliver services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of training classes attended by staff | 2 | 1 | 1 |

Goal 4 To strengthen relationships with stakeholders (agencies and constituents).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of meetings/input from stakeholders | 5 | 5 | 5 |
| Number of pamphlets distributed (approximate) | 85 | 95 | 95 |

| | |
|--------------------------------|-----------------------|
| SBA 0.0 | Agency Summary |
| OFFICE OF PEST MANAGEMENT | |
| Jack Peterson, Acting Director | |
| Phone: (602) 542-3575 | |
| A.R.S. §§ 32-2301 et. seq. | |

Mission:

To advocate and promote, through education, training and enforcement, the safe application of pest control technologies, which will result in the maximization of the health and safety of the residents of Arizona, and the protection of their property and the environment.

Description:

The Office of Pest Management licenses and regulates pest control companies, qualifying parties, and applicators; provides education and training to applicants and licensees; and provides education and information to the public regarding pest control activities in non-agricultural settings.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,656.8 | 2,700.4 | 2,000.0 |
| Other Non Appropriated Funds | 423.5 | 109.5 | 109.5 |
| Program Total | 2,080.3 | 2,809.9 | 2,109.5 |
| FTE Positions | 40.0 | 40.5 | 30.5 |

Strategic Issues:

Issue 1 *Protect consumers through responsible legislation and education.*

Protect Arizona consumers through reasonable regulation, by having appropriate laws and rules; and providing information to consumers and education and training to the pest management industry.

Issue 2 *Provide a high level of customer service to consumers and pest management professionals.*

Provide a high level of customer service to consumers and pest management professionals as efficiently as possible, given resource limitations, using Web site notices and information, on-line continuing education reporting, on-line license renewals, computer-based license examinations that have updated questions and study materials, updated and integrated databases, and trained and motivated staff members.

Issue 3 *Ensure balanced regulation.*

Conduct Inspections, and Process Inquiry Investigations and Complaints, in a fair and thorough manner to balance compliance assistance to the pest management industry, while taking sufficient enforcement action when required.

Goal 1 To provide accurate and efficient service to prospective and licensed businesses, applicators and qualifying parties in obtaining and maintaining licenses.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total of all licensing applications received. | 11,239 | 11,000 | 11,000 |
| Average calendar days from receipt of completed application to ruling on application for Applicator testing. | 2 | 14 | 14 |
| Average calendar days from receipt of completed application to ruling on application for Qualifying Party testing. | 4 | 14 | 14 |
| Qualifying Party License renewals issued. | 1,437 | 1,200 | 1,200 |
| Total of all licenses issued. | 9,925 | 9,500 | 9,500 |
| Applicator License renewals issued. | 6,602 | 6,000 | 6,000 |
| Percentage of licenses processed within overall time frame. | 100 | 100 | 100 |
| Percentage of Applicator License renewals processed on line of those that did renew. | 77 | 75 | 75 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percentage of Qualifying Party License renewals processed on line of those that did renew. | 79 | 75 | 75 |
| Percentage of Business License renewals processed on line of those that did renew. | 77 | 75 | 75 |
| Business License and Branch Office renewals issued. | 1,092 | 1,000 | 1,000 |

Goal 2 To provide continuous quality education to the public and industry members through the Office of Pest Management presented or approved programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of contact hours for Initial License Training taken annually from the OPM. | 1,332 | 1,000 | 1,000 |
| Number of CE contact hours taken annually from the OPM. | 2,622 | 2,500 | 2,500 |
| Number of Education and Training staff hours provided to the Public by the OPM (not including ILT and CE training). | 38 | 50 | 50 |

Goal 3 To Monitor pesticide applications and ensure compliance with OPM Laws and Rules.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total inspections conducted (use and non-use). | 3,706 | 2,000 | 2,000 |

Goal 4 To efficiently and professionally investigate inquiries and complaints to protect and maximize the safety of the general public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Total Inquiry investigations conducted and completed. | 101 | 80 | 80 |
| Total Complaint investigations conducted and completed. | 82 | 80 | 80 |
| Number of Consent agreements reached/orders finalized. | 76 | 80 | 80 |
| Number of formal hearings held. | 1 | 1 | 1 |
| Percent of investigations resulting in disciplinary action. | 93.9 | 80 | 80 |
| Number of licenses Revoked. | 6 | 5 | 5 |
| Total consumer and agency generated complaints. | 76 | 80 | 80 |
| Average calendar days from receipt of complaint to resolution | 212 | 200 | 190 |

BOARD OF PHARMACY

Hal Wand, Executive Director

Phone: (602) 771-2740

A.R.S. §§ 32-1902 and 32-1904 et seq

Mission:

To protect the health, safety and welfare of the citizens of Arizona by regulating the practice of pharmacy and the distribution, sale and storage of prescription medications and devices and non-prescription medications.

Description:

The Board of Pharmacy has four primary functions. The first is to issue licenses to pharmacists, pharmacy interns and pharmacy technicians. Additionally, it is responsible for issuing permits to pharmacies, manufacturers, wholesalers and distributors. The Board also conducts compliance inspections of permitted facilities, and investigates complaints and adjudicates violations of applicable state and federal laws and rules. Lastly, the Board promulgates and reviews state rules and regulations in regard to the industry.

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,649.9 | 1,918.1 | 2,233.5 |
| Other Non Appropriated Funds | 586.3 | 375.6 | 375.6 |
| Program Total | 2,236.2 | 2,293.7 | 2,609.1 |
| FTE Positions | 18.0 | 18.0 | 19.0 |

Strategic Issues:**Issue 1** *To provide all interested parties with readily retrievable records in electronic format when possible.*

To convert to electronic storage of all our license and permits files. This will allow for the reduction of the required space to house file cabinets currently storing the hard copy documents and will avoid loss of documents due to age or exposure to the elements.

Issue 2 *To establish uniform terms in board orders involving disciplinary actions.*

Adopting uniform disciplinary orders based on the level of non-compliance establishes a level playing field for practitioners and assure the public that violations are adjudicated commensurately to their level of severity without regard to the individual involved.

Issue 3 *To expedite processing and resolution of consumer complaints.*

To rapidly and accurately investigate complaints and provide progressive discipline for instances where non-compliance occurs. The discipline is designed to protect the public from non-compliant credentials or from unprofessional/unethical conduct.

Issue 4 *To expedite credentialing of qualified applicants.*

To see that applications for licensure are processed as efficiently and expeditiously as possible, ensuring that all requirements have been met. Examinations are now given electronically five days a week which has improved a portion of the licensure proceedings. We are currently working with GITA and NIC to develop more electronic interfaces which will allow an applicant to complete registration online at the state level.

Issue 5 *To ensure that licenses and permits are granted only to citizens who are competent applicants with high standards of professional and ethical conduct.*

To provide training to agency employees that help them keep current with the changes in the practice of pharmacy. This will help them to ensure that candidates for licensure or practicing pharmacists possess the training and education needed to provide the public with competent and ethical professionals.

Issue 6 *To maintain a statewide prescription monitoring program (PMP) to inform health care providers about the utilization of controlled substances by their patients. The program identifies illegal diversion while providing assurance that the provision of legitimate pain therapy is not adversely impacted.*

The legislature authorized the program in 2007; up to \$395K in funds may be transferred from fund 2052 to fund 2359 annually. An RFP was completed and a vendor was selected. A vendor contract was awarded on March 31, 2008 for data collection, storage and maintenance, and web hosting services. A PIJ was approved by GITA. Data collection from pharmacies began on October 11, 2008. The database has been available for use by prescribers and dispensers since December 2008.

◆ Goal 1 To ensure that licenses and permits are only granted to US citizens who are competent applicants with high standards of professional and ethical conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---------------------------|-----------------------------|-----------------------------|
| Disciplinary actions/100 Registered Pharmacists & Technicians | 0.13 | 0.15 | 0.15 |
| Complaints per 100 practitioners (Pharmacists & Technicians) | 0.52 | 0.6 | 0.8 |
| Continuing education seminars conducted for pharmacists | 7 | 5 | 5 |
| Board Meetings | 6 | 6 | 6 |
| Miles Driven-Inspections | 51,252 | 75,000 | 80,000 |
| Pharmacies-Inspections | 654 | 750 | 850 |
| Explanation: reduced staff for 1/2 of the fiscal year | | | |
| Compressed medical gas suppliers & distributors-Inspections | 1 | 5 | 5 |
| Manufacturer-Inspections | 5 | 5 | 5 |
| Non-Prescription Drug Permit-Inspections | 2,290 | 2,500 | 2,700 |
| Wholesaler-Inspections | 15 | 100 | 100 |
| Re-inspections | 10 | 10 | 10 |
| Total number of inspections conducted | 3,081 | 3,500 | 3,500 |

◆ Goal 2 To maintain a comprehensive electronic Controlled Substance Prescription Monitoring Program.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------------|-----------------------------|-----------------------------|
| Use prescription monitoring program fund to implement prescription monitoring program approved by legislature in 2007. | 231,536 | 325,000 | 300,000 |
| Explanation: Implement the prescription monitoring program | | | |
| Length of time in hours required to provide reports pertaining to suspect activity to requestor (practitioner, law enforcement agency). | 520 | 600 | 650 |
| About how many licensed PRESCRIBERS were there? | 23,266 | 24,400 | 25,400 |
| About how many licensed/permitted DISPENSERS were there? | 5,358 | 6,000 | 6,500 |
| for PRESCRIBERS: How many solicited reports were produced? | 508,131 | 639,780 | 871,725 |
| For PRESCRIBERS: How many unsolicited reports were produced? | 1460 | 1,500 | 1,500 |
| for DISPENSERS: How many solicited reports were produced? | 42,418 | 50,750 | 62,150 |
| for DISPENSERS: How many unsolicited reports were produced? | 0 | 1 | 1 |
| For Law Enforcement INVESTIGATIONS OR COMPLAINTS: How many solicited reports were produced? | 1,206 | 1,500 | 1,750 |
| For Law Enforcement INVESTIGATIONS OR COMPLAINTS: How many unsolicited reports were produced? | 13 | 20 | 30 |
| For Professional Licensing Board INVESTIGATION OR COMPLAINTS: How many solicited reports were produced? | 251 | 350 | 375 |
| For Professional Licensing Board INVESTIGATIONS OR COMPLAINTS: How many unsolicited reports were produced? | 0 | 1 | 1 |

| | |
|--------------------------------------|-----------------------|
| PTA 0.0 | Agency Summary |
| BOARD OF PHYSICAL THERAPY EXAMINERS | |
| Charles D. Brown, Executive Director | |
| Phone: (602) 274-1088 | |
| A.R.S. § 32-2001 | |

Mission:

To process applications for licensure as a physical therapist and certification as a physical therapist assistant, and to enforce the statutory provisions of the Arizona Physical Therapy Practice Act for purposes of protecting the health, safety and welfare of the public from the incompetent, unethical and/or illegal practice of physical therapy.

Description:

The State Board of Physical Therapy licenses qualified physical therapists (PTs), certifies qualified physical therapist assistants (PTAs), registers physical therapy business entities, investigates and adjudicates complaints, assesses continuing competence, and enforces the standards of practice for the physical therapy profession. The Board regulates approximately 4,500 professionals licensed and certified to practice in the State. In addition, as of September 2011, the Board will regulate business entities that provide physical therapy services. The Board serves all citizens of and visitors to the state who receive physical therapy care by an Arizona licensed physical therapist or a certified physical therapist assistant.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 331.6 | 364.1 | 364.1 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 331.6 | 364.1 | 364.1 |
| FTE Positions | 3.5 | 3.5 | 3.5 |

Strategic Issues:

Issue 1 *Provide the public with improved access to information on physical therapy consumer rights, and to the investigative and disciplinary histories of licensed physical therapists and certified physical therapist assistants.*

Regulatory agencies increasingly employ searchable websites for use by the public in obtaining information about a licensed health care professional's level of education, years of practice, areas of specialty, and complaint and disciplinary history. The Board has entered into an interagency service agreement with the Arizona School Facilities Board for purposes of working with that agency's IT manager on a project that will provide physical therapy consumers with increased information on a licensed physical therapist (or certified physical therapist assistant's) record with the Board with respect to the number and nature of complaints and investigations, and specific information on any disciplinary or non-disciplinary action taken. The Board intends to post actual copies of actions taken for the public and consumers to view. Depending on the scope and cost of this project, it may be implemented over the current and the next fiscal year.

Issue 2 *Initiate a comprehensive revision of Title 4, Chapter 24, Article 3 and Article 4.*

The purpose of this revision is two-fold: 1) to correct rule language that is unclear, contradictory, incomplete, and contrary to statute, and 2) general supervision (off site) of PTA's was initiated in 2006 and rules were written and adopted quickly to accommodate for changes in statutes. However, the Board is reviewing these laws to ensure the rules are clear, concise, written for the purpose of public protection, and clearly identify the responsibilities of the PT and PTA in a general supervision environment.

The Board has conducted a thorough review of the agency's administrative rules and has determined that Article 4 requires significant revisions. The Board completed revision of Articles 1 and 2 of the rules (effective date of August 5, 2006) and completed work on Article 3 of the rules with an effective date of October 2008. The Board has completed updating its

Course Work Tool for reviewing foreign educated applicants' education, placing a time for administrative review and substantive review of renewal applications into law, and updating language regarding informed consent all effective December 7, 2009. The Board is scheduled to appear before GRRC in October to provide a rule-making package.

Volunteer groups are being assembled by the Board to provide input into rules as they relate to continuing competence requirements. The Board must allocate a substantial amount of its resources to the rule promulgation effort, and toward educating the public, PT licensees, and PTA certificate holders about the changes to the law. Any changes will be contingent upon receipt of an exception to the rule-making moratorium in place once proposed language is ready for drafting.

◆ **Goal 1** To efficiently process licensure and certification applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of physical therapist licenses or physical therapist assistant certificates issued within the required time frames to eligible applicants. | 100 | 100 | 100 |
| Explanation: Agency complies with A.A.C. R4-24-209, Time Frames for applications. | | | |
| Number of new licenses or certificates issued | 348 | 330 | 330 |
| Average time, in calendar days, between receipt of completed application to issuance or denial of licensure or certification. | 18 | 17 | 17 |
| Explanation: Agency tracks number of days in substantive review time frame for application (number of days from completion until Board action). | | | |
| Number of licenses/certificates denied. | 1 | 2 | 2 |
| Explanation: Agency tracks and reports number of applications denied. | | | |
| Number of licenses/certificates renewed | 4290 | 0 | 4400 |
| Explanation: FY 2012 estimate reflects that renewals will not begin until FY 2013 begins. | | | |
| Number of applications received | 527 | 520 | 520 |
| Percent of Board meetings conducted within appropriate time frames | 100 | 100 | 100 |
| Explanation: Agency schedules and conducts Board meetings in order to comply with administrative rules for substantive review for applications, as well as for internal policies addressing complaint initial reviews and hearings. | | | |

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of complaints investigated | 100 | 100 | 100 |
| Explanation: Percent of complaints over which the Board has jurisdiction investigated. | | | |
| Percent of unlawful practice investigations over which the Board has jurisdiction investigated. | 100 | 100 | 100 |
| Total number of complaints received | 69 | 60 | 70 |
| Explanation: Total number of complaints received. | | | |
| Total number of disciplinary actions issued | 25 | 30 | 30 |
| Explanation: Total number of disciplinary actions issued. | | | |
| Average number of days to adjudicate complaints received in a given fiscal year. | 169 | 150 | 150 |
| Explanation: Average number of days to adjudicate complaints received in a given fiscal year. | | | |
| Number of licenses suspended/revoked/voluntarily surrendered | 5 | 5 | 5 |
| Explanation: Number of licenses suspended/revoked/voluntarily revoked | | | |
| Total number of unlawful practice investigations received by the Board for investigation | 8 | 10 | 10 |
| Explanation: Total number of unlawful practice investigations received by the Board for investigation | | | |

◆ **Goal 3** To provide accurate information, with the highest quality customer service, to all requests from citizens, licensees, health care organizations, and public agencies for public records information and license verifications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of requests for license verifications processed and issued within 15 days of receipt | 99.7 | 100 | 100 |

| Performance Measures | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-------------------|---------------------|---------------------|
| Explanation: | Board staff prepares licensure verifications a designated day every week to minimize the wait time for the requestor. | | | |
| Number of formal verifications of licensure prepared and issued. | | 627 | 500 | 500 |
| Explanation: | Board staff tracks and reports the number of requests received. | | | |
| Number of written requests for public records received. | | 82 | 75 | 75 |
| Explanation: | Agency tracks and reports the number of public records requests filed. | | | |
| Average number of business days to process written requests for public records | | 1.9 | 7 | 7 |
| Explanation: | Agency tracks and reports the number of days required to process requests for copies of the public record. | | | |
| To achieve an average score of 6.0 on a scale of 0 to 8.0 on the agency's customer satisfaction survey. | | 7.36 | 7.0 | 7.0 |
| Explanation: | Customer satisfaction survey. | | | |

◆ **Goal 4** To assess the continuing competence (continuing education) of physical therapist licensees and physical therapist assistant certificate holders selected through random audit.

| Performance Measures | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------|---------------------|---------------------|
| Percent of physical therapist licensees whose continuing competence records were successfully audited by the Board for compliance. | | 10 | 0 | 10 |
| Explanation: | Percent of physical therapist licensees whose continuing competence records were successfully audited by the Board for compliance. | | | |
| Percent of continuing competence audit notices sent within 60 calendar days following the license renewal deadline. | | 100 | NA | 100 |
| Explanation: | Percent of continuing competence audit notices sent within 60 calendar days following the license renewal deadline | | | |
| Percent of physical therapist assistant certificate holders whose continuing competence records were successfully audited by the Board for compliance. | | n/a | 0 | 0 |
| Explanation: | Percent of physical therapist assistant certificate holders whose continuing competence records were successfully audited by the Board for compliance. Rules are currently under development related to continuing competence requirements. | | | |
| Percent of continuing competence audit notices sent within 60 calendar days following the license renewal deadline. | | n/a | 0 | 0 |
| Explanation: | Percent of continuing competence audit notices sent within 60 calendar days following the license renewal deadline. | | | |

| PIA | 0.0 | Agency Summary |
|-------------------------------|-----|----------------|
| ARIZONA PIONEERS' HOME | | |
| Ted Ihrman RN, Superintendent | | |
| Phone: (928) 445-2181 | | |
| ARS § 41-921 | | |

Mission:

To provide a home for Arizona pioneers and disabled miners that delivers the optimal physical, emotional, and spiritual care in a homelike and compassionate environment. Quality of care is provided in a professional manner, protecting dignity and honoring the personal directives of each resident in life as well as death while considering the uniqueness of each individual.

Description:

The Arizona Pioneers' Home was established in 1909 by the Territorial government of Arizona as a home for the aged and infirm to repay the faithful and longtime Arizona residents who helped pioneer and build the state. It opened its doors in 1911. In 1929, the scope of the home was broadened to also be Arizona's hospital for disabled miners. The Arizona Pioneers' Home is a continuing care retirement home presently serving 108 Arizona pioneers and disabled miners. The Pioneers' Home employees provide direct nursing care, food service, activities, social services, housekeeping, laundry, maintenance, business and administrative services and support to the residents, and strive to meet state and federal nursing facility standards through modeling best practices. The Home is surveyed each year by the Arizona Department of Health Service's Office of Long Term Care.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 1,567.3 | 1,603.6 | 2,227.7 |
| Other Appropriated Funds | 4,416.7 | 4,569.1 | 4,569.1 |
| Other Non Appropriated Funds | 9.4 | 60.7 | 60.7 |
| Program Total | 5,993.4 | 6,233.4 | 6,857.5 |
| FTE Positions | 115.8 | 115.8 | 115.8 |

Strategic Issues:

Issue 1 Increased visibility and awareness of the Arizona Pioneers' Home locally and statewide.

The Arizona Pioneers' Home is a historic agency that provides care and services to Arizona pioneers and disabled miners who meet certain statutory criteria. Even though the Home has existed and provided services since 1911, it is not well-known throughout the state. In an effort to become more visible, various improvements in marketing and programming are being made, including: making power-point presentations about the Arizona Pioneers Home to at least one location in each county annually, making contact with each county health department administrator to inform of the Arizona Pioneers' Home, seeking out opportunities with media and publications to highlight the Arizona Pioneers' Home (e.g.: "Arizona Stories" on Arizona State University's and University of Arizona's PBS channels), and seeking out other opportunities to increase positive exposure of the Arizona Pioneers' Home.

Issue 2 Enhance the internal/external restoration and décor of the Home to maintain its historic presence and preservation.

The Arizona Pioneers' Home was originally constructed in 1910 and has undergone a number of additions throughout the years. In 1995, the Arizona Pioneers' Home was placed on the National Registry of Historic Places. In an effort to preserve its historic appearance while also maintaining the provision of the highest quality long-term care, the Superintendent and staff of the Arizona Pioneers' Home will pursue all available avenues to restore and maintain the structure and enhance current medical and supportive service programming in order to improve care and services without detracting from its historic appearance.

- Goal 1 To increase the visibility and awareness of the Arizona

Pioneers' Home locally and statewide.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| No decrease of daily census. | -2 | 5 | 5 |
| Explanation: To maintain current census levels. | | | |
| Number of candidates on the inquiry/interest list. | 72 | 80 | 80 |
| Number of residents from counties other than Yavapai and Maricopa. | 17 | 18 | 20 |
| Explanation: Increase number of inquiries from outside Maricopa and Yavapai counties. | | | |

- Goal 2 To enhance the internal and external restoration and décor of the Home to maintain its historic presence and preservation and maintain structural integrity.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Maintain internal and external integrity and décor of the Home with respect to historical significance. | 1 | 1 | 1 |
| Explanation: Complete energy performance and savings contract. | | | |
| Complete the restoration/remodel of the lobby. | 1 | 0 | 0 |
| Complete resurfacing of asphalt parking areas and drives. | 0 | 1 | 0 |

- Goal 3 To provide care and services that meets or exceeds the highest standards and best practices for long-term care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of citations from inspections | 0 | 6 | 4 |
| Percent of deficiencies will be resolved in 60 days | na | 100 | 100 |
| Residents rating of good or excellent (percent) | 99 | 98 | 98 |

- Goal 4 To improve the efficiencies of services provided in the most cost conscious manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average census | 105 | 110 | 115 |
| Monthly cost per resident (in dollars) | 4633.3 | 4,693.3 | 4,753.3 |
| Daily cost per resident (in dollars) | 152.3 | 154.3 | 156.3 |

- Goal 5 To convert from a long term care model to assisted living model of care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Discontinue MDS and convert to Service Plans for resident care into future. | 1 | 0 | 0 |
| Explanation: Conversion to Service Plans complete by 12/31/2010. | | | |

| | |
|-------------------------------------|-----------------------|
| POA 0.0 | Agency Summary |
| BOARD OF PODIATRY EXAMINERS | |
| Sarah Penttinen, Executive Director | |
| Phone: (602) 542-3095 | |
| A.R.S. § 32-801 | |

Mission:

To protect the health, safety, and welfare of the public by regulating and maintaining standards of practice in the field of podiatric medicine.

Description:

The Board licenses and regulates doctors of podiatric medicine who specialize in the diagnosis and treatment of the foot, ankle, and lower leg. The Board evaluates the professional competency of podiatrists seeking to be licensed in the State of Arizona. Further, the Board promotes continued competency and fitness by investigating complaints made against practitioners, holding hearings, monitoring the activities of its licensees, and enforcing the standards of practice for the podiatric profession as set forth by law.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 118.2 | 142.6 | 142.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 118.2 | 142.6 | 142.6 |
| FTE Positions | 1.0 | 1.0 | 1.0 |

Strategic Issues:

Issue 1 *Continue to improve computer technology in an effort to enhance service to licensees and the public.*

Issue 2 *Continue to improve complaint investigation and adjudication processes to maintain timely responses to concerns regarding licensees' fitness to practice.*

◆ **Goal 1** To ensure that licenses and renewals are issued in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| New License Applications Received | 15 | 20 | 20 |
| New licenses issued | 19 | 20 | 20 |
| Explanation: | Applicants have one (1) year to activate the license following notification they were successful in passing the examination(s). | | |
| Renewal Applications Received | 351 | 375 | 375 |
| Number of Initial Drug dispensing registrations issued | 16 | 15 | 15 |
| Number of drug dispensing registrations renewed | 195 | 225 | 225 |
| Number of licensees | 381 | 385 | 385 |
| Average time to process an application for drug dispensing (in days) | 2 | 2 | 2 |
| Average time to process an application for examination (in days) | 19 | 20 | 20 |
| Average time to process a license renewal (in days) | 20 | 15 | 15 |

◆ **Goal 2** To investigate complaints and enforce standards of practice in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of complaints received | 37 | 45 | 45 |
| Number of investigations concluded | 21 | 40 | 40 |
| Average number of days from receipt of complaint to final resolution | 270 | 180 | 180 |
| Disciplinary actions taken | 4 | 5 | 5 |
| Letters of Concern Issued | 1 | 5 | 5 |

◆ **Goal 3** To ensure agency policies and procedures are effective and efficient (including testing, renewal, initial licensing, and

customer satisfaction).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Average number of days to respond to e-mails, phone calls and internet requests | 1 | 1 | 1 |

| PEA 0.0 | Agency Summary |
|--|----------------|
| COMMISSION FOR POSTSECONDARY EDUCATION | |
| Dr. April Osborn, Executive Director | |
| Phone: (602) 258-2435 | |
| A.R.S. § 15-1851 | |

Mission:

To expand access and increase success in postsecondary education for Arizona citizens.

Description:

The Arizona Commission for Postsecondary Education (ACPE), is comprised of 16 Commissioners representing all sectors of postsecondary education including public universities, private universities, proprietary degree-granting institutions, independent colleges, career schools, and public community colleges. The Commission provides a forum for all sectors of higher education to dialogue, partner, and resolve issues of mutual interest. ACPE administers the Arizona Family College Savings Program, and provides information to students and families to plan for, transition into, and succeed in postsecondary education through a variety of educational programs and publications.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,220.8 | 1,396.8 | 7,196.8 |
| Other Appropriated Funds | 2,876.4 | 3,841.1 | 3,841.1 |
| Other Non Appropriated Funds | 356.9 | 2,183.9 | 2,183.9 |
| Program Total | 4,454.1 | 7,421.8 | 13,221.8 |
| FTE Positions | 5.0 | 9.3 | 12.3 |

Strategic Issues:

Issue 1 *Sectors of Private and public postsecondary higher education can enhance student success and leverage resources by working together.*

The ACPE Commissioners represent all sectors of postsecondary education. This provides a unique opportunity for discussion, identification of problems or opportunities, and consideration of solutions. The Agency seeks to strengthen relationships among all sectors of higher education, as well as encourage cooperation between the levels of education. Where resources allow, the ACPE will coordinate and promote collaborative research studies of issues important to access and success.

Issue 2 *Student financial assistance dollars are scarce and should be maximized.*

The ACPE staff is committed to professional, efficient management of financial assistance programs for the benefit of the public and the higher education institutions with whom they partner. On-going training provides personal development for employees to better administer programs and serve customers. Education of the public regarding savings programs and accessing available financial assistance is key when resources are scarce. Technology is used to improve statewide operation of programs.

Issue 3 *Families and students need information to plan for, transition into, and pay for postsecondary education.*

The ACPE leads collaborative efforts to inform the public about higher education offerings, sources of financial assistance, and the preparation necessary to achieve success. The agency seeks to develop partnerships and coalitions to provide information and programs to assist families and students to plan for, transition into, and succeed in postsecondary education. Technology is used to improve statewide access to information and programs for students and families.

Goal 1 To administer state and federal student financial assistance programs in a professional and efficient manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Postsecondary Education Financial Assistance Program student | 0 | 0 | 0 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| awards | | | |
| Percent of good or excellent service via evaluation surveys | 89 | 90 | 90 |
| Number of Arizona Education Loan Program student borrowers | N/A | N/A | N/A |
| Number of Arizona Family College Savings Program accounts | 60,540 | 63,000 | 66,000 |

Goal 2 To educate and outreach to families providing information about postsecondary and financial assistance options.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Number of Arizona College & Career Guides distributed | 0 | 15,000 | 15,000 |
| Number of Arizona College & Career Guide (ACCG) on-line hits | 3,282 | 3,000 | 3,000 |
| Attendees at College Goal Sunday | 2,038 | 3,000 | 3,000 |
| Think College and Parent materials distributed (Spanish) | 2,500 | 2,500 | 2,500 |
| Explanation: | *The Rapid Guide to Financial Aid is a grant-supported publication that is distributed to students/families through high schools and college access programs. | | |
| Think College and Parent materials distributed (English) | 25,000 | 25,000 | 25,000 |
| Explanation: | *The Rapid Guide to Financial Aid is a grant-supported publication that is distributed to students/families through high schools and college access programs. | | |

Goal 3 To provide a forum to public/private education sectors for discussion of issues of mutual interest and concern.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of statewide committees or task forces collaboratively seeking solutions to issues in postsecondary education | 3 | 3 | 3 |
| Numbers of research studies published to examine issues of postsecondary access and success | 1 | 1 | 1 |

| PAA 0.0 | Agency Summary |
|--|----------------|
| POWER AUTHORITY | |
| Joseph W. Mulholland, Executive Director | |
| Phone: (602) 368-4265 | |
| A.R.S. §§ 30-101 et seq | |

Mission:

To responsibly administrate the Hoover Power allocation to the State of Arizona. In fulfilling this responsibility, the Power Authority strives to be an active leader in managing electric resources in a safe and environmentally prudent manner, and to provide active representation on behalf of the State of Arizona at federal, state, and local forums on issues that impact the public power community as a whole and issues that specifically involve Arizona and the Authority's power resources.

Description:

The Arizona Power Authority (APA) manages Arizona’s allocation of hydroelectric power from the Hoover Dam for the overall benefit of the State. The APA cooperates with federal, state, and non-governmental agencies to address regulatory, environmental, and other matters that impact electric power and water uses of the Colorado river. In addition, the APA serves as an information resource for its customers on topics that impact their electric resources and the utilization of these resources. The Authority may also pursue generation and/or transmission projects that are within the APA’s legislative mandate and are in the best interest of the State of Arizona.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 37,521.6 | 39,165.6 | 39,165.6 |
| Program Total | 37,521.6 | 39,165.6 | 39,165.6 |
| FTE Positions | 9.0 | 8.0 | 8.0 |

Strategic Issues:

- Issue 1** *Maintain or reduce costs of generation and transmission resources.*

Continue to pursue ways to control and reduce costs at Hoover Dam and on the transmission system used for delivery of Hoover power.
- Issue 2** *Participate efficiently and effectively in new energy resources, and maintain existing Hoover generation and associated transmission.*

The electric utility industry at the wholesale level is changing rapidly, as environmental concerns become more dominant, and renewable energy resources more available. The Authority is vitally concerned with those changes, and deals with many organizations at the Federal and State level in preparing and participating in studies to address these changes.
- Issue 3** *Train staff to provide additional or more efficient service to customers.*

Continue to actively support the Authority's customers, and employ computer models to study pooling and aggregation of customer needs and resources.
- Issue 4** *Fulfilling statutory and contractual obligations in a restructured industry.*

APA must ensure that state and federal legislative and regulatory changes allow it to continue to fulfill its obligations. APA must be able to adjust its procedures and processes to ensure continued effective use of its resources.
- Goal 1** To analyze cost of service studies and other factors affecting the cost of power from Hoover Dam, in an effort to keep future power costs to a minimum.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Hoover annual revenue requirements (in thousands). | 75,182.5 | 84,536.8 | 86,411.1 |

- Goal 2** To analyze and critically review the transmission system additions and other cost factors associated with the delivery of Hoover Dam Power.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Cost of Intertie Transmission (\$/kW-year) | 15.24 | 15.24 | 15.24 |
| Cost of Parker-Davis Transmission (\$/kW-year) | 12.96 | 12.96 | 12.96 |

- Goal 3** To ensure the Power Authority has the opportunity to coordinate and cooperate with Federal agencies to supply and deliver Hoover power to the Authority's customers in the State of Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Customers purchasing power from Arizona Power Authority | 30 | 30 | 30 |

| PVA 0.0 | Agency Summary |
|--|----------------|
| STATE BOARD FOR PRIVATE POST-SECONDARY EDUCATION | |
| Teri Stanfill, Executive Director | |
| Phone: (602) 542-2399 | |
| A.R.S. §§ 32-3001 et seq. | |

Mission:

To protect the health, safety, and welfare of the public by regulating private postsecondary educational institutions and providing services to their students.

Description:

The Board licenses and regulates 252 private postsecondary educational institutions who serve approximately 780,000 students annually. The Board determines compliance, investigates complaints and violations, and takes disciplinary action. The Board also administers the Student Tuition Recovery Fund, which provides financial restitution to students injured by private postsecondary institutional closures and provides students access to their educational records.

Agency Summary:

| | (\$ Thousands) | | |
|---------------------------------|----------------|------------------|-----------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ LICENSING AND REGULATION | 318.4 | 326.6 | 326.6 |
| ➤ STUDENT TUITION RECOVERY FUND | 89.4 | 92.5 | 92.5 |
| Agency Total: | 407.8 | 419.1 | 419.1 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 318.4 | 326.6 | 326.6 |
| Other Non Appropriated Funds | 89.4 | 92.5 | 92.5 |
| Program Total | 407.8 | 419.1 | 419.1 |
| FTE Positions | 4.9 | 4.7 | 4.7 |

Strategic Issues:

Issue 1 Regulation of online programs.

Online learning programs continue to expand in all sectors of education. Industry trends indicate that the number of institutions offering online programs and the number of students will continue to increase as a result of access of online education. These programs require a significant amount of research and review by staff to ensure compliance with the standards of the various accrediting agencies, Board statutes, and rules.

Issue 2 Keep abreast of enhanced technology.

Licensees are very adept and are able to keep and improve processes through improved/enhanced technology. It is important that staff is able to understand how the technology/processes work in order to effectively and efficiently keep current with licensees.

| PVA 1.0 | Program Summary |
|-----------------------------------|-----------------|
| LICENSING AND REGULATION | |
| Teri Stanfill, Executive Director | |
| Phone: (602) 542-5709 | |
| A.R.S. §§ 32-3001 to 32-3058 | |

Mission:

To protect the health, safety, and welfare of the public by regulating private postsecondary educational institutions and providing services to their students.

Description:

The Board licenses and regulates approximately 252 private postsecondary educational institutions, serving approximately 779,042 students annually. The Board acts on license applications, determines compliance, investigates complaints and violations, and takes disciplinary action.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 318.4 | 326.6 | 326.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 318.4 | 326.6 | 326.6 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

- ◆ **Goal 1** To ensure legal operations, ethical practices, and quality education in the private postsecondary sector.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total number of institutions licensed | 252 | 236 | 246 |
| Total number of renewal licenses approved | 223 | 226 | 236 |
| Total number of Supplemental Licenses approved | 508. | 315 | 315 |
| Number of adverse actions taken | 42 | 45 | 45 |
| Number of annual inspections conducted | 25 | 25 | 25 |
| Number of students enrolled | 779,042 | 880,000 | 990,000 |
| Number of licenses denied | 0 | 1 | 1 |
| Number of institutional closures | 11 | 10 | 10 |

- ◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of annual student complaints investigated | 12 | 15 | 15 |
| Number of student complaints resolved/denied | 8 | 10 | 10 |
| Number of student complaints resulting in disciplinary action | 3 | 5 | 5 |
| Number of Student Complaints Pending | 1 | 0 | 0 |
| Number of non-student complaints investigated | 11 | 15 | 15 |
| Number of non-student complaints resolved | 5 | 12 | 12 |
| Number of non-student complaints resulting in disciplinary action | 1 | 3 | 3 |
| Number of non-student Complaints Pending | 5 | 0 | 0 |
| Number of written inquiries | 437 | 90 | 90 |

- ◆ **Goal 3** To efficiently and effectively administer the licensing and regulation program of the Board.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer Satisfaction Survey (scale of 1-8) | 7.5 | 7.9 | 7.9 |
| Administration as a percentage of total cost | 4.2 | 4.3 | 4.3 |

| PVA 2.0 | Program Summary |
|-----------------------------------|-----------------|
| STUDENT TUITION RECOVERY FUND | |
| Teri Stanfill, Executive Director | |
| Phone: (602) 542-5709 | |
| A.R.S. §§ 32-3071 to 32-3077 | |

Mission:

To protect the health, safety, and welfare of the public by regulating private postsecondary educational institutions and providing services to their students.

Description:

The Board administers the Student Tuition Recovery Fund, which provides financial restitution to students injured by private postsecondary institutional closures and provides students access to their educational records.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 89.4 | 92.5 | 92.5 |
| Program Total | 89.4 | 92.5 | 92.5 |
| FTE Positions | 0.9 | 0.7 | 0.7 |

- ◆ **Goal 1** To provide equitable financial restitution, in a timely manner, to students financially injured as a result of a school closure.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of claims filed | 7 | 10 | 10 |
| Number of claims rejected | 1 | 0 | 0 |
| Number of claims paid/settled/closed | 6 | 10 | 10 |
| Number of claims pending | 0 | 0 | 0 |
| Average number of calendar days to pay claims | 58 | 60 | 60 |

- ◆ **Goal 2** To collect or secure monies sufficient to provide for student financial restitution.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of institutions billed | 115 | 5 | 5 |
| Amount of assessments collected (in thousands) | 261.1 | 3. | 0 |
| Amount available to students (in thousands) | 609.3 | 524.8 | 440.3 |
| Amount paid in Student Claims | 16,615 | 25,000. | 25,000. |

- ◆ **Goal 3** To provide students access to their educational records in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of student record requests processed | 2341 | 2350 | 2350 |
| Average number of days to process requests | 8 | 10 | 10 |

| SYA 0.0 | Agency Summary |
|--|----------------|
| BOARD OF PSYCHOLOGIST EXAMINERS | |
| Cindy Ovey, Psy.D., Executive Director | |
| Phone: (602) 542-3018 | |
| A.R.S. §§ 32-2061, et. seq. | |

Mission:

To protect the health, safety, and welfare of Arizona citizens by regulating the professions of psychology and behavior analysis.

Description:

The State Board of Psychologist Examiners licenses and regulates professionals to practice in the fields of psychology and behavior analysis. The Board accepts complaints against licensees, investigates allegations, and administratively adjudicates complaints. The Board serves psychologists and behavior analysts licensed to practice in the State, as well as all Arizona citizens who receive these professional services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 315.8 | 344.0 | 344.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 315.8 | 344.0 | 344.0 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

Strategic Issues:

Issue 1 Behavior Analysis

Since the last budget was prepared, the responsibilities of the Board have expanded to include regulation of the profession of behavior analysis. Licensing took effect January 1, 2011. The Board has also begun accepting Requests for Investigation (complaints).

- ◆ **Goal 1** To protect the public from unqualified practitioners of behavior analysis by efficiently processing applications for licensure to determine if statutory requirements have been met.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|-----------------------|-------------------------|-------------------------|
| Number of applications received | 51 | 20 | 20 |
| Number of new licenses issued | 45 | 15 | 15 |

- ◆ **Goal 2** To protect the public from incompetent practitioners of behavior analysis and unprofessional/unethical conduct through timely investigation and adjudication of complaints against licensees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of investigations received | 1 | 1 | 1 |
| Average number of days to resolve complaints | 37 | 50 | 50 |

- ◆ **Goal 3** To protect the public from unqualified practitioners of psychology by efficiently processing applications for licensure to determine if statutory and rule requirements have been met.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total number of applications received | 121 | 110 | 110 |
| New licenses issued | 93 | 80 | 80 |
| Number of licensees (active/inactive) | 1835 | 1875 | 1850 |
| Average number of days to administratively process an application for licensure (from receipt to substantive review) | 5 | 5 | 5 |
| Average number of days to substantively process an application for licensure (from administrative completion to Board adjudication and/or issuance of license) | 26 | 26 | 26 |

- ◆ **Goal 4** To protect the public from incompetent practitioners of psychology and unprofessional/unethical conduct through timely investigation and adjudication of complaints against licensees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of investigations | 39 | 39 | 39 |
| Number of complaints received about licensees | 25 | 25 | 25 |
| Number of investigations received involving unlicensed practitioners/title violators/non-jurisdictional issues | 14 | 14 | 14 |
| Number of investigations resolved at the Complaint Screening Committee level | 10 | 10 | 10 |
| Average calendar days from receipt of investigation to resolution at Complaint Screening Committee | 33 | 33 | 33 |
| Number of investigations resolved/dismised at the Board level through Board actions | 15 | 15 | 15 |
| Average calendar days from receipt of investigation at Board level to Board resolution/Board action | 59 | 60 | 60 |
| Total number of disciplinary actions taken | 2 | 2 | 2 |
| Total number of non-disciplinary/rehabilitative actions taken by the Board | 1 | 1 | 1 |

- ◆ **Goal 5** To protect the public through the auditing of continuing education hours of psychologists to ensure licensees are kept apprised of current standards of practice.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of licensees in compliance with continuing education requirements | 66 | n/a | 66 |

- ◆ **Goal 6** To encourage public input regarding the Board's performance through customer surveys.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Customer satisfaction rating (scale 1-8) | 7.5 | 7.5 | 7.5 |

| | |
|------------------------------|----------------|
| PSA 0.0 | Agency Summary |
| DEPARTMENT OF PUBLIC SAFETY | |
| Robert C. Halliday, Director | |
| Phone: (602) 223-2359 | |
| A.R.S. §§41-1711 to 41-1794 | |

Mission:

To protect human life and property by enforcing state laws, deterring criminal activity, assuring highway and public safety, and providing vital scientific, technical, and operational support to other criminal justice agencies.

Description:

The Arizona Department of Public Safety enforces state law with primary responsibility in the areas of traffic safety, criminal interdiction, narcotics, organized crime, auto theft, and specific regulatory functions. Services include homeland security, criminal intelligence, scientific analysis, aviation support, emergency first care, criminal information systems, training, and statewide communications. Operational and technical assistance is provided to local and state agencies and other components of the criminal justice community. The Department also promotes and enhances the quality of public safety through cooperative enforcement and community awareness programs.

Agency Summary:

| | (\$ Thousands) | | |
|--|----------------|------------------|-----------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ DIRECTOR'S OFFICE | 24,252.2 | 25,015.5 | 25,168.8 |
| ➤ HIGHWAY PATROL | 116,200.6 | 114,750.5 | 123,793.1 |
| ➤ CRIMINAL INVESTIGATIONS | 53,911.9 | 61,359.4 | 59,827.8 |
| ➤ TECHNICAL SERVICES | 77,589.0 | 85,004.7 | 86,855.8 |
| ➤ ARIZONA PEACE OFFICER STANDARDS AND TRAINING | 6,101.6 | 8,290.6 | 7,448.2 |
| Agency Total: | 278,055.3 | 294,420.7 | 303,093.7 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 42,000.0 | 46,526.2 | 52,734.9 |
| Other Appropriated Funds | 166,470.5 | 169,652.9 | 185,265.9 |
| Other Non Appropriated Funds | 69,584.8 | 78,241.6 | 65,092.9 |
| Program Total | 278,055.3 | 294,420.7 | 303,093.7 |
| FTE Positions | 2,366.3 | 2,434.8 | 2,444.8 |

Strategic Issues:

Issue 1 Maintain employee compensation at market parity in order to recruit and retain high quality personnel.

While economic factors have contributed to hiring reductions, there is still significant competition for suitable law enforcement candidates and a challenge to retain top quality employees.

The agency's workforce in both law enforcement and support positions necessitates highly skilled employees meeting the most stringent standards. Salaries and benefits have to remain competitive with private industry, government, and other law enforcement agencies to attract qualified candidates and ensure the workforce reflects the citizens we serve.

When hiring resumes, competition for recruits among law enforcement agencies will be particularly fierce. Qualified applicants must be sought to meet public safety responsibilities on more than 6,000 miles of highways, initiate effective criminal investigations, disrupt organized crime, and pursue anti-smuggling cases. In addition, hiring qualified applicants is critical to addressing the loss of current officers to retirement and career changes.

As the gap between a DPS officer's pay and that at other Arizona law enforcement agencies widens it impacts the ability to remain competitive and can cause the agency to lose trained, experienced officers to other organizations.

Changing demographics and employee compensation issues also impact retention of skilled employees in support services ranging from information technology, forensic science, engineering, and communications, to facilities design, craftsmen, mechanics, dispatchers, analysts, and administrative personnel.

Issue 2 Maintain adequate staffing to keep pace with service demands and emerging public safety issues.

With Arizona's population growth, many DPS functions which serve the state are seriously understaffed. Patrol officers are needed to meet the Department's traffic safety and enforcement responsibilities on an expanding system of urban and rural freeways.

At the same time, challenges arising from immigration issues, smuggling, organized crime, auto theft, criminal activity, homeland security, and gangs are demanding more time and resources from uniformed officers as well as investigators. Sufficient numbers of detectives are essential to addressing issues involving violent crime, narcotics, white collar investigations, and local support resulting from statutory mandates, multi-jurisdictional enforcement activity, and federal resources being redirected.

A proportionate need exists for support positions necessary to keep Department operations functioning and minimize administrative tasks for sworn employees. Critical agency functions serving the public, such as the Sex Offender Notification Program, Applicant Clearance Unit, and the DPS Crime Laboratory already have workloads exceeding staff capacity.

The DPS Crime Laboratory's forensic services alone impact every law enforcement and prosecutorial agency in the state. The rules of criminal procedure have specified periods for laboratory processing with penalties for noncompliance ranging from dismissed charges to release of criminals if scientific reports are not completed on time. Legislative mandates as well as demands from the public and the courts recognize the vast potential for forensic science to identify criminals and exonerate the wrongfully accused.

Other support functions such as licensing, records, emergency response, and statutorily mandated services have a high liability associated with work products intended to protect the public, and adequate staffing is critical to meet service demands.

Issue 3 Maintain essential communication and information systems by taking advantage of current technology.

The agency currently relies on increasingly outdated information systems for both internal functions and external links with criminal justice agencies. Changing technology and interoperability requirements have made DPS communications systems obsolete.

Many of the DPS information systems consist of mainframe-based technology. The most essential of these systems must be supplemented, or replaced, to be compatible with new technology using database management, browsers, and internet, intranet, and extranet solutions for performing processes. The need for components that can eventually be part of a comprehensive records management program is critical to meeting mandates, legal requirements, and public information expectations. Application of newer technologies will increase efficiency internally as well as allow the agency to better serve the state's criminal justice efforts.

The Department also operates the Arizona Criminal Justice Information System (ACJIS) which links crime information centers in Arizona to other states and the national system operated by the Federal Bureau of Investigation. In recent years, the FBI implemented technological upgrades to enhance the exchange of criminal information and improve criminal record processing. DPS must continue replacing outdated technology used on the state network to enable Arizona agencies to take advantage of the federal enhancements which extend modern crime fighting tools to officers in the field.

Changing requirements, federal regulations, and issues of coverage and interoperability are also making the DPS communication systems obsolete. The September 11, 2001 terrorist attacks dramatically reinforced the critical need for a statewide interoperable public safety radio system which allows multiple law enforcement agencies and other emergency first responders to communicate directly with each other. Also crucial is the need for a statewide digital microwave system to provide coverage to all areas of the state. Moreover, DPS needs support for its Mobile Data Computer System outside the Phoenix/Tucson corridor. This system allows rural officers to link to the state and national crime information systems and access information on wanted persons, stolen vehicles, and MVD license checks from their patrol cars.

Issue 4 Maintain vehicles, equipment and facilities to adequately support law enforcement services.

The Department's mission is heavily dependent on vehicles, capital equipment, and facilities.

Vehicles used for patrol and enforcement operations must be maintained for occupant safety and eventually replaced when obsolete. The vehicle maintenance and replacement program allows the department to take advantage of improvements in fuel economy, service capability, and reliability.

Mandated services to the criminal justice system such as scientific analysis and air rescue operations require highly specialized equipment with reliable capability. Equipment applications which affect the Department's ability to deliver public services are particularly susceptible to changing technology.

The Department's statewide operations requires facilities ranging from public service locations, to remote housing, area offices, service yards, fuel storage and evidence facilities. Facility investments are needed to meet statutory mandates and upgrade existing locations to meet changing standards. The Department aggressively pursues opportunities to help reduce utility costs, comply with environmental requirements, meet federal workplace standards, and address security needs in its efforts to maintain adequate facilities.

| PSA 1.0 | Program Summary |
|-------------------------------|-----------------|
| DIRECTOR'S OFFICE | |
| Dennis Young, Deputy Director | |
| Phone: (602) 223-2080 | |
| A.R.S. §§ 41-1713, 41-1749 | |

Mission:

To provide critical assistance to the Arizona Department of Public Safety through management and administrative services.

Description:

The Director's Office focuses on maintaining and supporting current and planned department operations by providing security for state executive personnel, a liaison to the state legislature, financial and human resource services, crime victim services, management services, media relations, research and planning, legal services, investigation of employee misconduct, internal and external management audits, and promoting efficiency of government.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,865.4 | 3,065.7 | 3,405.3 |
| Other Appropriated Funds | 10,974.7 | 12,454.6 | 12,454.6 |
| Other Non Appropriated Funds | 9,412.1 | 9,495.2 | 9,308.9 |
| Program Total | 24,252.2 | 25,015.5 | 25,168.8 |
| FTE Positions | 137.0 | 144.5 | 144.5 |

◆ **Goal 1** To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of multi-agency emergency management meetings, exercises, or training scenarios attended or coordinated. | 25 | 12 | 12 |

◆ **Goal 2** To deliver exemplary service

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent customers satisfied with agency services. | 100 | 85 | 85 |
| Explanation: Note: Based on quarterly survey. | | | |
| Percent of sworn selection files processed by Human Resources within 13 weeks from date of polygraph to job offer. | 100 | 75 | 95 |
| Percent of civilian selection files processed by Human Resources within 5 weeks from date of polygraph to job offer. | 56 | 70 | 95 |
| Number of business days to process public record requests upon receipt of documents. | 15.6 | 15 | 15 |
| Percent of risk management requirements met for OSHA compliant program. | 100 | 100 | 100 |
| Number of business days to process injury, glass, property and liability claims. | 11.62 | 30 | 30 |
| Number of community events used as recruiting opportunities. | N/A | 8 | 8 |
| Explanation: Note: Due to hiring freeze no recruiting or hiring conducted in FY2011. | | | |

◆ **Goal 3** To embody the highest standards of integrity and professionalism

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of DPS newly hired officers successfully completing probation. | N/A | 75 | 75 |
| Explanation: Note: Due to hiring freeze, no new hires still on probation in FY2011. | | | |
| Number of recruitment activities. | N/A | 4 | 4 |
| Explanation: Note: Due to hiring freeze no recruiting or hiring conducted in FY2011. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of recruitment activities directed toward protected classes. | N/A | 35 | 35 |
| Explanation: Note: Due to hiring freeze, no recruiting or hiring conducted in FY2011. | | | |
| Percent of DPS employees that are minorities. | 19.3 | 20 | 20 |
| Number of minority recruiting committee meetings held. | 0 | 0 | 0 |
| Explanation: Note: Due to hiring freeze, no recruiting or hiring conducted in FY2011. | | | |
| Percent of employees terminating employment (excludes non-Department of Public Safety task force members and retirements) | 3.26 | 5.0 | 5.0 |
| Explanation: Note: Petition for change to FY2012 description to include retirements in measure. | | | |
| Percent of Management Services Bureau employees attending 8 hours of relevant training per year, beyond mandated training. | 0 | 90 | 90 |
| Explanation: Note: New PM for FY2012. | | | |
| Number of Director's communiqués to agency to ensure internal communication and employees are kept informed. | 8 | 12 | 12 |
| Explanation: Note: Measure was "number of division bulletins to ensure internal communication..." in FY10. | | | |
| Dollar value of federal grants received (in millions). | 47.2 | 23 | 23 |
| Dollar value of asset forfeitures on an annual basis (in millions). | 8.1 | 4 | 4 |
| Dollar value of Federal Stimulus monies received (in millions). | 2.7 | 0 | 0 |
| Agency indirect cost rate to deliver services (percent). | 11.5 | 11.3 | 11.0 |
| Explanation: Note: Beginning with the FY2011 Actual figure, the methodology for calculating the indirect cost rate was changed from the negotiated federal indirect cost rate to OSPB's administrative cost formula. | | | |

| PSA 2.0 | Program Summary |
|---------|------------------------------------|
| | HIGHWAY PATROL |
| | James McGuffin, Assistant Director |
| | Phone: (602) 223-2348 |
| | A.R.S. §§ 41-1711 et. seq. |

Mission:

To ensure the safe and expeditious use of the highway transportation system for the public and to provide assistance to local and county law enforcement agencies. The Highway Patrol Division additionally provides services and enforcement in commercial vehicle, tow truck, school bus enforcement, and safety programs and is responsible for the air rescue and aviation services for the Arizona Department of Public Safety.

Description:

The Highway Patrol program is comprised of Patrol, Commercial Vehicle Enforcement, and the Aviation subprograms. Patrol is aligned into three geographic regions: the Northern, Central, and Southern Bureaus. The Commercial Vehicle Enforcement and Aviation subprograms are statewide programs administered centrally with satellite offices statewide.

This Program Contains the following Subprograms:

- ▶ Patrol
- ▶ Commercial Vehicle Enforcement
- ▶ Aviation

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 3,689.1 | 4,352.8 | 4,610.5 |
| Other Appropriated Funds | 92,944.9 | 91,342.6 | 101,595.8 |
| Other Non Appropriated Funds | 19,566.6 | 19,055.1 | 17,586.8 |
| Program Total | 116,200.6 | 114,750.5 | 123,793.1 |
| FTE Positions | 1,069.0 | 1,163.0 | 1,163.0 |

| PSA 2.1 | Subprogram Summary |
|---------|-------------------------------------|
| | PATROL |
| | Jack P. Hegarty, Assistant Director |
| | Phone: (602) 223-2348 |
| | A.R.S. §§ 41-1711 et. seq. |

Mission:

To ensure the safe and expeditious use of the highway transportation system for the public and to provide assistance to local and county law enforcement agencies.

Description:

Officers patrol nearly 6,000 miles of state and federal highways and enforce Arizona traffic, criminal, state, and federal laws, and commercial vehicle regulations. The Patrol additionally investigates traffic collisions, controls motor vehicle traffic, conducts criminal interdiction programs, makes criminal arrests, supports other law enforcement agencies, promotes traffic awareness and safety through public awareness programs, and provides specialized training to other criminal justice agencies.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,634.8 | 0.0 | 0.0 |
| Other Appropriated Funds | 80,409.2 | 80,632.3 | 90,568.5 |
| Other Non Appropriated Funds | 10,803.8 | 6,943.3 | 6,037.5 |
| Program Total | 92,847.8 | 87,575.6 | 96,606.0 |
| FTE Positions | 889.0 | 885.0 | 885.0 |

◆ **Goal 1** To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Fatal highway collisions on Department of Public Safety patrolled roads | 212 | 205 | 195 |
| Number of fatal collisions on state highways relating to impaired drivers. | 19 | 31 | 30 |
| Explanation: Note: Changed from alcohol related collisions to all impairment related collisions in FY11. | | | |
| Number of fatal collisions on state highways related to a contributing cause of "inattention" or distracted driving. | 47 | 49 | 47 |
| Explanation: Note: New measure in FY11. | | | |
| Average response time to Capitol Police emergency calls (minutes:seconds) | 0 | 1:35 | 1:35 |
| Explanation: Note: New PM in FY2012 resulting from Capitol Police transfer from ADOA to ADPS. | | | |
| Number of Uniform Crime Reporting (UCR) part one crimes occurring within the Capitol Mall Complex. | 0 | 50 | 49 |
| Explanation: Note: New PM in FY2012 resulting from Capitol Police transfer from ADOA to ADPS. | | | |

◆ **Goal 2** To embody the highest standards of integrity and professionalism

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of advanced training courses conducted by Training with a minimum of 10 students. | 51 | 6 | 6 |
| Explanation: Note: New measure in FY11. Includes courses such as 7 Habits, ARIDE, etc. | | | |
| Percent of new Highway Patrol and K-9 officers attending NHTSA based traffic stop training course. | 100 | 100 | 100 |
| Explanation: Provision of the Racial Profiling Settlement Agreement | | | |
| Percent of traffic stop electronic data retained. | 100 | 100 | 100 |
| Explanation: Provision of Racial Profiling Settlement Agreement | | | |

| PSA 2.2 | Subprogram Summary |
|---------|------------------------------------|
| | COMMERCIAL VEHICLE ENFORCEMENT |
| | James McGuffin, Assistant Director |
| | Phone: (602) 223-2348 |
| | A.R.S. §§ 41-1711 et. seq. |

Mission:

To provide coordination for all law enforcement agencies statewide for commercial vehicle enforcement and to provide technical and essential services to the law enforcement community in the areas of commercial vehicle, tow truck, and pupil transportation safety and enforcement, and provide assistance and guidance on the safe handling of toxic waste in relation to transportation issues.

Description:

The Commercial Vehicle Enforcement subprogram is the primary commercial motor vehicle, tow truck, and school bus safety enforcement arm of the Department of Public Safety. DPS is the state's lead agency for the Federal Motor Carrier Safety Administration Motor Carrier Safety Assistance Program and is responsible for coordinating all enforcement of state and federal commercial vehicle statutes and regulations. The subprogram's responsibilities include: the training of personnel and assistance to local agencies that have specific problems with commercial motor vehicle law enforcement. Additionally, the subprogram provides for response to hazardous material incidents throughout the State involving accidental discharges of hazardous materials and trains personnel involved in this effort.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 8,525.0 | 5,713.7 | 6,030.7 |
| Other Non Appropriated Funds | 8,698.1 | 11,422.2 | 10,859.7 |
| Program Total | 17,223.1 | 17,135.9 | 16,890.4 |
| FTE Positions | 122.0 | 147.0 | 147.0 |

◆ **Goal 1** To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of fatal commercial vehicle involved collisions on state highways. | 29 | 34 | 33 |
| Percent of school districts with the highest school bus out of service rates inspected at least twice. | 18 | 20 | 20 |
| Explanation: Note: Percent of school bus inspections completed was the measurement through FY10. | | | |
| Percent of Arizona commercial vehicle crashes entered into SafetyNet within 90 days. | 85 | 100 | 100 |
| Explanation: Note: New measure in FY11. | | | |
| Percent of Arizona commercial vehicle inspections entered into SafetyNet within 20 days of inspection. | 93 | 100 | 100 |
| Explanation: Note: New measure in FY11. | | | |

◆ **Goal 2** To deliver exemplary service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of enforcement events with public outreach or other outreach in support of Share the Road Program. | 37 | 12 | 12 |

| PSA 2.3 | Subprogram Summary |
|------------------------------------|--------------------|
| AVIATION | |
| James McGuffin, Assistant Director | |
| Phone: (602) 223-2348 | |
| A.R.S. §§ 28-240, 41-1834 | |

Mission:

To provide an immediate, 24-hour per day, statewide air support response capability for critical occurrences and emergency situations, to provide aerial and logistical support for law enforcement, highway safety, and traffic enforcement operations, and to provide transport services in support of governmental operations and critical administrative functions.

Description:

The Aviation subprogram is comprised of four air rescue helicopter units, a fixed-wing air support unit, an aircraft maintenance unit, and administrative staff. The air rescue units are strategically based around the State to provide the most efficient and effective service. The air support and aircraft maintenance units are based in Phoenix at Sky Harbor Airport. Services provided include: first responder emergency medical services, technical rescue operations, medical and disaster evacuation, search operations, aerial and logistical support for law enforcement, highway safety and traffic enforcement operations, and transport services in support of governmental operations and critical administrative functions. To accomplish its mission, the subprogram operates and maintains a fleet of five rotary-wing and four fixed-wing aircraft.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,054.3 | 2,100.0 | 2,278.2 |
| Other Appropriated Funds | 4,010.7 | 3,846.5 | 3,846.5 |
| Other Non Appropriated Funds | 64.7 | 63.4 | 63.4 |
| Program Total | 6,129.7 | 6,009.9 | 6,188.1 |
| FTE Positions | 58.0 | 58.0 | 58.0 |

◆ Goal 1 To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of helicopter calls for service resulting in an aviation mission. | 92 | 100 | 100 |
| Explanation: Note: Percent of time helicopter meets availability standard under maintenance program was measurement through FY10. | | | |
| Percent of fixed wing calls for service resulting in a law enforcement emergency transport mission. | 75 | 100 | 100 |
| Explanation: Note: Percent of fixed wing pilot availability, within 2hrs notice, for law enforcement emergency transport missions was the measurement through FY10. | | | |

| PSA 3.0 | Program Summary |
|--------------------------------------|-----------------|
| CRIMINAL INVESTIGATIONS | |
| Jeff A. Stanhope, Assistant Director | |
| Phone: (602) 223-2812 | |
| A.R.S. §§ 41-1761 et. seq. | |

Mission:

To protect the public by deterring crime using proactive enforcement strategies, innovative and comprehensive investigative techniques, and utilizing effective and efficient resource allocation models.

Description:

The Criminal Investigations program provides investigative, specialized enforcement, and high risk response support to federal, state, and local criminal justice agencies. Services provided include: investigations regarding narcotic trafficking, organized crime, intelligence, illegal immigration and border security, vehicle theft, gangs, computer and financial crimes, as well as major crime investigations when requested by other criminal justice agencies. The program provides specialized high risk response to acts of extraordinary violence and domestic preparedness incidents.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 25,227.6 | 29,169.4 | 32,010.9 |
| Other Appropriated Funds | 13,110.4 | 15,164.5 | 15,164.5 |
| Other Non Appropriated Funds | 15,573.9 | 17,025.5 | 12,652.4 |
| Program Total | 53,911.9 | 61,359.4 | 59,827.8 |
| FTE Positions | 478.8 | 457.8 | 459.8 |

◆ Goal 1 To promote public safety in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of ACTIC tips and leads investigated and resolved within 30 days. | 92.9 | 90 | 90 |
| Explanation: Note: New measure in FY11. | | | |
| Number of multi-agency/multi-bureau gang enforcement operations targeting specific gangs, affected neighborhoods, or fugitive gang members. | 34 | 12 | 12 |
| Explanation: Note: Number of multi-agency gang enforcement operations conducted by GIITEM was the measurement in FY10. | | | |
| Number of intra-bureau gang enforcement operations targeting specific gangs, affected neighborhoods, or fugitive gang members. | 57 | 48 | 48 |
| Explanation: Note: New measure in FY11. | | | |
| Percent of administrative investigations completed within original projected timelines. | 80 | 80 | 80 |
| Explanation: Note: New measure in FY11. | | | |
| Number of auto salvage, storage, and auction yards inspected. | 39 | 40 | 40 |
| Number of illegal gang enterprises identified and prosecuted. | 20 | 11 | 11 |
| Explanation: Note: New measure in FY11. | | | |
| Number of human smuggling enterprises identified and prosecuted. | 15 | 6 | 6 |
| Explanation: Note: Number of human smuggling operations identified was the measure through FY10. | | | |
| Number of financial investigations to identify and seize assets from human smuggling enterprises. | 11 | 12 | 12 |
| Explanation: Note: Number of financial investigations involving human smuggling operations was the measurement through FY10. | | | |
| Number of financial investigations to identify and seize assets from criminal gang enterprises. | 9 | 4 | 4 |
| Explanation: Note: New measure in FY11. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of chop shops operators identified, dismantled, and prosecuted. | 28 | 25 | 25 |
| Explanation: Note: Number of chop shops dismantled by auto theft task force was the measure through FY10. | | | |
| Number of illegal drug trafficking organizations identified and prosecuted. | 21 | 20 | 20 |
| Explanation: Note: Number of criminal organizations trafficking in narcotics disrupted or dismantled was the measurement through FY10. | | | |
| Number of financial investigations to identify and seize assets from criminal organizations. | 23 | 6 | 6 |
| Explanation: Note: New measure in FY11. | | | |
| Number of Crime Information Cards prepared and submitted. | 1,532 | 2,550 | 2,550 |
| Explanation: Note: New measure in FY11. | | | |
| Number of 28CFR intelligence reports prepared and submitted. | 400 | 425 | 425 |
| Number of Gang Member Identification Cards (GMICs) prepared and submitted. | 2,238 | 2,200 | 2,200 |
| Explanation: Note: New measure in FY11. | | | |
| Number of crime information bulletins prepared and distributed. | 962 | 324 | 324 |
| Number of counter-drug assessments produced. | 1 | 1 | 1 |
| Explanation: Note: These assessments define the drug trafficking environment. | | | |
| Number of statewide threat-assessments produced. | 0 | 2 | 2 |
| Explanation: Note: New measure in FY11. | | | |
| Number of cases initiated from intelligence analytical products. | 94 | 12 | 12 |
| Explanation: Note: New measure in FY11. | | | |
| Number of Border Violence Reports produced. | 4 | 4 | 4 |
| Explanation: Note: New measure in FY11. | | | |
| Number of intelligence products produced and disseminated. | 1,226 | 50 | 50 |
| Explanation: Note: New measure in FY11. | | | |
| Number of information management system implementation strategies developed. | 0 | 1 | 1 |
| Explanation: Note: New measure in FY11. | | | |

◆ **Goal 2** To provide exceptional customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of annual intelligence collection plans developed, validated, and implemented. | 0 | 1 | 1 |
| Explanation: Note: New measure in FY11. | | | |
| Number of SWAT responses to assist criminal justice agencies. | 128 | 100 | 100 |
| Explanation: Note: Number of responses to police situations involving the use of special weapons or tactics, explosives, dangerous materials or high risk activity was the measurement through FY10. | | | |
| Number of fugitives arrested. | 425 | 150 | 150 |
| Explanation: Note: "Number of felony fugitives arrested" was the measurement through FY10. | | | |
| Number of EOD responses to assist criminal justice agencies. | 358 | 300 | 300 |
| Explanation: Note: New measurement for FY11. | | | |
| Number of other agency task forces and multi-agency enforcement operations participated in. | 71 | 22 | 22 |
| Explanation: Note: New measurement for FY11. | | | |
| Number of community alliance coalitions or community groups participated in. | 15 | 5 | 5 |
| Explanation: Note: New measure in FY11. | | | |
| Number of gang related, public awareness programs presented. | 145 | 105 | 105 |
| Explanation: Note: Number of community outreach programs presented by the Criminal Investigations Division was the measurement through FY10. | | | |
| Number of narcotics related public awareness presentations provided. | 29 | 20 | 20 |
| Explanation: Note: New measure in FY11. | | | |
| Number of tactical and EOD response training sessions provided. | 84 | 24 | 24 |
| Explanation: Note: New measure in FY11. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of other agency personnel provided with GangNet training. | 177 | 100 | 100 |
| Explanation: Note: New measure in FY11. | | | |
| Number of gang training conferences provided. | 2 | 2 | 2 |
| Explanation: Note: New measure in FY11. | | | |
| Number of gang liaison officer training programs provided to other agencies. | 2 | 4 | 4 |
| Explanation: Note: New measure in FY11. | | | |
| Number of in-service training programs provided for detention liaison officers. | 2 | 2 | 2 |
| Explanation: Note: New measure in FY11. | | | |
| Number of gang information officer training seminars provided to other agency detention personnel. | 6 | 4 | 4 |
| Explanation: Note: New measure in FY11. | | | |
| Number of VCU training classes provided to other criminal justice agency personnel. | 11 | 5 | 5 |
| Explanation: Note: New measure in FY11. | | | |
| Number of computer forensic cases requested for examination. | 198 | 150 | 150 |
| Number of computer forensic training sessions provided to criminal justice agency personnel. | 15 | 10 | 10 |
| Explanation: Note: "Number of computer forensic training sessions coordinated by DPS forensic detectives" was the measurement through FY10. | | | |
| Number of multi-agency intelligence sharing meetings facilitated. | 40 | 22 | 22 |
| Explanation: Note: New measure in FY11. | | | |

◆ **Goal 3** To embody the highest standards of integrity and professionalism.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of CID training matrixes developed. | 0 | 1 | 1 |
| Explanation: Note: New measure in FY11. | | | |
| Number of CID personnel attending relevant training, beyond mandated training. | 441 | 195 | 195 |
| Explanation: Note: Measurement changed from percent for FY10 to number for FY11. | | | |
| Number of employees provided succession training. | 17 | 8 | 8 |
| Explanation: Note: New measure in FY11. Note: Training to be provided to employees who will be assigned to unique and critical positions (SIU, SOU, PSU, Gov. Sec., etc.) | | | |

| PSA 4.0 | Program Summary |
|---------------------------------------|-----------------|
| TECHNICAL SERVICES | |
| Jeffrey E. Raynor, Assistant Director | |
| Phone: (602) 223-2400 | |
| A.R.S. §§ 41-1711 to 1712, 1750 | |

Mission:

To provide professional and effective scientific, technical, regulatory, and operational support to the Department of Public Safety, the criminal justice community, and the public.

Description:

The Technical Services program is responsible for developing and coordinating scientific, technical, regulatory, and support services essential to the promotion of public safety in Arizona. Special attention is given to providing scientific analysis and criminal justice support to Arizona's criminal justice agencies. The program further develops, operates, and maintains the data processing and data/voice communications systems that operate statewide.

This Program Contains the following Subprograms:

- ▶ Scientific Analysis
- ▶ Communications
- ▶ Logistical Support
- ▶ Criminal Information and Licensing

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 9,217.9 | 9,938.3 | 12,708.2 |
| Other Appropriated Funds | 49,440.5 | 50,691.2 | 56,051.0 |
| Other Non Appropriated Funds | 18,930.6 | 24,375.2 | 18,096.6 |
| Program Total | 77,589.0 | 85,004.7 | 86,855.8 |
| FTE Positions | 660.0 | 648.0 | 656.0 |

| PSA 4.1 | Subprogram Summary |
|---------------------------------------|--------------------|
| SCIENTIFIC ANALYSIS | |
| Jeffrey E. Raynor, Assistant Director | |
| Phone: (602) 223-2400 | |
| A.R.S. §§ 41-1761 et. seq. | |

Mission:

To assist the Department, the Arizona criminal justice community, and the public in the timely investigation and adjudication of criminal cases by utilizing state-of-the-art analytical techniques, providing the most accurate scientific analysis of evidence, and presenting expert court testimony.

Description:

The Scientific Analysis subprogram provides scientific analysis of evidence, technical crime scene assistance, secure storage of evidentiary items, training, and expert testimony to all criminal justice agencies in the State. Scientific and technical services are provided in the areas of DNA, Serology, Toxicology (drugs and poisons in biological specimens), Breath and Blood Alcohol, Controlled Substances (drugs), Firearms and Tool Marks, Footwear and Tire Tracks, Trace Evidence (explosives, arson, hairs, fibers, paint, glass, etc.), Latent Fingerprints, Questioned Documents, and Photography.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 14,571.0 | 15,575.2 | 20,935.0 |
| Other Non Appropriated Funds | 4,695.3 | 6,544.6 | 5,162.1 |
| Program Total | 19,266.3 | 22,119.8 | 26,097.1 |
| FTE Positions | 193.0 | 173.0 | 179.0 |

◆ **Goal 1** To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of scientific analysis cases submitted. | 64,058 | 65,482 | 65,482 |
| Percent of crime lab cases over 30 days old | 5.65 | 5.5 | 5.5 |
| Number of arrestee DNA samples submitted. | 4,482 | 12,000 | 12,000 |
| Explanation: As required under HB2787, 48th Legislature | | | |
| Percent of arrestee DNA samples profiled. | 100 | 80 | 80 |
| Explanation: As required under HB2787, 48th Legislature | | | |
| Number of arrestee DNA profiles resulting in CODIS hits. | 52 | 50 | 50 |
| Explanation: As required by HB2787, 48th Legislature | | | |
| Number of evidence disposals conducted annually by the Crime Laboratory system. | 150 | 108 | 108 |
| Average number of days required to analyze a blood alcohol submission from evidence receipt to result delivery. | 25.3 | 24 | 24 |

◆ **Goal 2** To provide exceptional customer service

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of workload formulas developed and maintained to ensure adequate staffing for exemplary customer service. | 1 | 1 | 1 |
| Percent of obsolete scientific equipment replaced. | 20.2 | 20 | 20 |
| Presentations given by regional crime laboratories. | 63 | 32 | 32 |

◆ **Goal 3** To embody the highest standards of integrity and professionalism.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of scientific analysis employees receiving one job-specific training session. | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of scientific analysis employees receiving two job-specific training sessions. | 81 | 75 | 75 |

| PSA 4.2 | Subprogram Summary |
|---------------------------------------|--------------------|
| COMMUNICATIONS | |
| Jeffrey E. Raynor, Assistant Director | |
| Phone: (602) 223-2400 | |
| A.R.S. §§ 41-1713, 41-1749 | |

Mission:

To ensure officer and public safety come first by giving assistance and information to the public; providing statewide radio dispatch services for the Department of Public Safety, emergency medical services, and other criminal justice agencies; and providing design, coordination, construction, and maintenance services for statewide radio, voice, and data telecommunications systems.

Description:

The Communications subprogram operates three dispatch centers located in Phoenix, Tucson, and Flagstaff to facilitate the flow of information and provide assistance to the public, Department of Public Safety officers, criminal justice agencies, and emergency service providers. In addition, this subprogram provides the infrastructure to support public safety services for state, county/local governmental agencies, and the Emergency Medical Communications System (EMSCOMM).

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 150.0 | 0.0 | 2,622.1 |
| Other Appropriated Funds | 13,950.0 | 14,022.5 | 14,022.5 |
| Other Non Appropriated Funds | 2,552.6 | 4,614.3 | 184.8 |
| Program Total | 16,652.6 | 18,636.8 | 16,829.4 |
| FTE Positions | 172.0 | 172.0 | 174.0 |

◆ Goal 1 To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of 9-1-1 calls answered by operational communications. | 181,376 | 170,000 | 170,000 |
| Number of administrative calls answered by operational communications. | 593,742 | 600,000 | 600,000 |
| Average percent of 9-1-1 calls answered in 10 seconds or less. | 97 | 94 | 94 |

◆ Goal 2 To provide exceptional customer service

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Develop and maintain a formula based on workload data to ensure adequate staffing for exemplary customer service. | 2 | 2 | 2 |
| Number of replacement schedule plans developed and implemented for obsolete equipment, computers and technology. | 2 | 2 | 2 |
| Number of portable radios replaced. | 297 | 100 | 100 |
| Number of mobile radios replaced. | 83 | 75 | 75 |
| Number of base stations replaced. | 5 | 5 | 5 |
| Number of squad, district, or commander meetings attended by a representative of Operational Communications. | 22 | 30 | 30 |

◆ Goal 3 To embody the highest standards of integrity and professionalism

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of Wireless Systems Bureau employees attending one job-specific training class. | 34 | 100 | 100 |
| Percent of Narrow Banding Project completed. | 100 | 60 | 40 |

Explanation: Note: Was "Percent of Southern Loop Microwave Project completed" through FY11.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Digital microwave paths installed and activated. | 2 | 2 | 2 |
| Number of microwave sites upgraded. | 3 | 3 | 3 |

| | |
|---------------------------------------|---------------------------|
| PSA 4.3 | Subprogram Summary |
| LOGISTICAL SUPPORT | |
| Jeffrey E. Raynor, Assistant Director | |
| Phone: (602) 223-2400 | |
| A.R.S. § 41-1713 | |

Mission:

To provide information services and logistical support to internal and external DPS customers in support of public safety and to improve department efficiency through automation and the application of new technology.

Description:

The Logistical Support subprogram designs, develops, maintains, and operates automated computer systems to support the enforcement, investigative, and administrative functions of the Department. These programs include the statewide criminal justice information on-line network used by all criminal justice agencies in Arizona. Logistical Support also provides cost effective and innovative facilities management and logistical support for the enforcement, investigative, and administrative functions.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 7,325.1 | 9,938.3 | 10,077.1 |
| Other Appropriated Funds | 15,063.2 | 13,072.8 | 13,072.8 |
| Other Non Appropriated Funds | 1,868.5 | 1,722.0 | 1,255.4 |
| Program Total | 24,256.8 | 24,733.1 | 24,405.3 |
| FTE Positions | 141.0 | 140.0 | 140.0 |

◆ Goal 1 To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------------|-------------------|---------------------|---------------------|
| Percent ACJIS system availability. | 99.9 | 99.7 | 99.7 |

◆ Goal 2 To provide exceptional customer service

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of workload formulas developed to ensure adequate staffing for exemplary customer service. | 1 | 1 | 1 |
| Percent of desktop computers replaced that are 5 years or older. | 14.1 | 15 | 15 |
| Percent of laptop computers replaced that are 5 years or older. | 2 | 10 | 10 |
| Explanation: Note: New measure in FY11. | | | |
| Percent of mobile data computers (MDC) replaced that are 5 years or older. | 18.6 | 15 | 15 |
| Explanation: Note: New measure in FY11. | | | |
| Number of legacy applications converted through refreshed technology. | 0 | 0 | 0 |
| Explanation: Note: All conversions completed. | | | |
| Number of manual processes converted through refreshed technology. | 4 | 4 | 4 |
| Explanation: Note: New measure in FY11. | | | |
| Average number of PC support work orders over 30 days old. | 14 | 35 | 35 |
| Average number of Application Development Data Processing Service Requests more than 60 days old. | 27 | 30 | 30 |
| Number of employees migrated to the web portal. | 886 | 0 | 0 |
| Explanation: Note: All employees migrated by end of FY11. | | | |
| Percent of vehicle registration tabs disseminated to DVA within 10 days of receipt. | 100 | 100 | 100 |
| Explanation: Note: New measure in FY11. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of vehicle modifications requests completed within 30 days of receipt. | 72 | 80 | 80 |
| Explanation: Note: New measure in FY11. | | | |
| Average number of days to process capital equipment transfers in the KAPO and Accountable system. | 29 | 30 | 30 |
| Explanation: Note: New measure in FY11. | | | |
| Annual dollar amount spent toward ADOA recommended building renewal maintenance system (in millions). | 0.58 | 1.3 | 1.3 |
| Percent of building maintenance work orders completed within 30 days. | 52 | 80 | 80 |
| Develop and implement a facilities maintenance plan. | 0 | 1 | 1 |

- ◆ **Goal 3** To embody the highest standards of integrity and professionalism.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of information technology employees attending a job-specific training session. | 75 | 100 | 100 |
| Number of forms converted or modified to document imaging. | 57 | 50 | 50 |
| Explanation: Note: New measure in FY11. | | | |
| Percent of Facilities computerized maintenance management system implemented. | 90 | 100 | 100 |
| Explanation: Note: New measure in FY11. | | | |

| PSA 4.4 | Subprogram Summary |
|--|--------------------|
| CRIMINAL INFORMATION AND LICENSING | |
| Jeffrey E. Raynor, Assistant Director | |
| Phone: (602) 223-2400 | |
| A.R.S. Titles 24, 26, 32, 41; §§ 41-1750, 41-2401 et. seq. | |

Mission:

To provide efficient and responsive criminal information and regulatory services to the criminal justice community and the public as mandated by federal and state law.

Description:

The Criminal Information and Licensing subprogram includes management of the Arizona central state repository of criminal history information and the statewide Arizona Automated Fingerprint Identification System (AZAFIS). It coordinates access for the Arizona Criminal Justice Information System (ACJIS) and administers the concealed weapons, sex offender registration and community notification compliance, and private investigation and security guard licensing programs. It provides training/certification and compliance monitoring for AZAFIS, the central state repository, and the ACJIS network; background checks for private investigation licensing, security guard licensing, concealed carry permits, and other authorized private and government entities. Additionally this subprogram compiles and publishes the Arizona Uniform Crime Report.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 1,742.8 | 0.0 | 9.0 |
| Other Appropriated Funds | 5,856.3 | 8,020.7 | 8,020.7 |
| Other Non Appropriated Funds | 9,814.2 | 11,494.3 | 11,494.3 |
| Program Total | 17,413.3 | 19,515.0 | 19,524.0 |
| FTE Positions | 154.0 | 163.0 | 163.0 |

- ◆ **Goal 1** To promote public safety in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of all registered sex offender files verified annually. | 82 | 90 | 90 |
| Percent of all registered sex offender files queried annually for address verification. | 96 | 100 | 100 |
| Average number of days required to process an arrest disposition. | 1.06 | 2 | 2 |
| Percent of identities verified through fingerprint searches using the MetaMorpho system upgrade. | 95.5 | 90 | 90 |
| Number of security guard agencies audited annually. | 39 | 40 | 40 |
| Number of open security guard and private investigator complaints exceeding 90 days from receipt to final disposition. | 30 | 0 | 0 |

- ◆ **Goal 2** To provide exceptional customer service

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of workload formulas developed and maintained to ensure adequate staffing for exemplary customer service. | 2 | 2 | 2 |
| Percent of Automated Fingerprint Id System (AFIS) reliability | 99.8 | 99 | 99 |
| Average number of days to process a clearance card when applicant has no criminal record. | 24 | 17 | 17 |
| Average number of days to process a clearance card when applicant has a criminal record. | 58 | 47 | 47 |
| Average number of days to process a criminal records check and provide the results. | 8 | 9 | 9 |
| Average number of days to process a concealed weapons permit when research is required. | 6 | 20 | 20 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average number of days to process a concealed weapons permit when no research is required. | 5 | 10 | 10 |
| Number of criminal justice agencies transitioned to the Arizona Disposition Reporting System. | 2 | 4 | 4 |
| Number of criminal history record review audits conducted annually. | 6 | 114 | 114 |
| Number of Arizona Criminal Justice Information System (AJCIS) audits conducted annually. | 38 | 95 | 95 |

| PSA 5.0 | Program Summary |
|--|-----------------|
| ARIZONA PEACE OFFICER STANDARDS AND TRAINING | |
| Mr. Lyle Mann, Executive Director | |
| Phone: (602) 223-2514 | |
| A.R.S. §§ 41-1822 et. seq. | |

Mission:

To ensure professionalism, integrity, and public trust by providing training and maintaining standards for peace officers in the State of Arizona.

Description:

The Arizona Peace Officer Standards and Training Board (POST) is composed of thirteen members appointed by the Governor according to the provisions of A.R.S. § 41-1828.01. The program provides the following: funding for basic training academies; reimbursement for materials and supplies; continuing training for law enforcement officers (i.e., sponsorship, financial support, and actual delivery); development of standards for law enforcement officers (i.e., physical, educational, and proficiency skills); certification and decertification of law enforcement officers; and the development of standards for correctional officers.

| Funding and FTE Summary: | (Thousands) FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 6,101.6 | 8,290.6 | 7,448.2 |
| Program Total | 6,101.6 | 8,290.6 | 7,448.2 |
| FTE Positions | 21.5 | 21.5 | 21.5 |

- ◆ **Goal 1** To develop, implement, and update standards for the selection, retention, and training of peace officers and corrections officers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of curricula review completed. | 34 | 33 | 33 |
| Percent of model lesson plans developed for distribution. | 100 | 100 | 100 |
| Percent of academies utilizing over 80% of model lesson plans | 100 | 100 | 100 |
| Percent increase in field training officer satisfaction with academy training programs. | TBD | TBD | TBD |
| Explanation: System needs to be established to measure satisfaction. | | | |
| Establish a system to monitor field training officer satisfaction with academy training programs. | N/A | N/A | N/A |
| Percent of academies using standardized competency examinations. | 100 | 100 | 100 |
| Percent of administrative rules reviewed. | 100 | 100 | 100 |

- ◆ **Goal 2** To promote and uniformly enforce compliance with the standards prescribed for peace officers and corrections officers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| New hires. | 683 | 770 | 860 |
| Peace officers requiring basic training. | 483 | 600 | 700 |
| Peace officers via waiver testing. | 39 | 45 | 50 |
| Agencies to be audited. | 170 | 170 | 171 |
| Certified peace officers. | 14,837 | 15,100 | 15,550 |
| Corrections officers. | 5,932 | 5,900 | 5,900 |
| New hire minimum qualification compliance audits conducted. | 778 | 864 | 956 |
| Days required to conduct new hire audits. | 34 | 30 | 30 |
| Mandated in-service training compliance audits conducted. | 1,184 | 1,300 | 1,300 |
| Percent of agencies in non-compliance. | 10 | 10 | 10 |
| Academy audits completed. | 1 | 4 | 4 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Days to complete decertification investigations. | 135 | 125 | 125 |

- ◆ **Goal 3** To recommend curricula and promote advanced law enforcement courses in universities and colleges in conjunction with their governing bodies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Administration of Justice programs giving credit for POST training. | 12 | 12 | 12 |
| POST courses qualifying for college credit. | 17 | 17 | 17 |
| College courses qualifying for POST mandated training credit. | 730 | 730 | 730 |

- ◆ **Goal 4** To maximize the funds available for peace officer training by using available training facilities, minimizing operational costs, and augmenting funds by seeking grants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Inter-governmental agreements and partnerships. | 24 | 25 | 25 |
| Revenues received from public sources (\$ thousands). | 0 | 100 | 100 |
| Efficiency review ideas received. | 2 | 10 | 10 |
| Efficiency review ideas considered for implementation. | 2 | 10 | 10 |

- ◆ **Goal 5** To enhance the professional development of peace officers through continuous improvement of basic and in-service training, and to provide for a comprehensive system for agency attainment of POST-mandated training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Qualified instructors teaching POST programs. | 280 | 300 | 300 |
| Train-the-trainer programs provided to agencies. | 26 | 40 | 40 |
| Calendar School Programs presented by POST and the Community Policing Institute. | 93 | 110 | 110 |
| Attendees of Calendar Schools. | 2,572 | 3,500 | 3,600 |
| DVD training programs produced. | 5 | 6 | 6 |
| Percent of participants in DVD training programs. | 100 | 100 | 100 |
| Percent of POST model curricula available via resource bulletin board. | 0 | 25 | 25 |
| Number of students participating in interactive web-based training program. | 2,054 | 3,000 | 5,000 |
| Percent high-risk, high liability topics reviewed. | 100 | 100 | 100 |
| Percent of train-the-trainer, specialty, and regional training programs reviewed. | 66 | 66 | 66 |
| Percent of in-service programs achieving an overall evaluation of 8.0 or better. | 98 | 90 | 90 |
| Percent of Agency CEOs rating overall POST services as 7.0 or greater. | N/A | 90 | 90 |

RCA 0.0 Agency Summary
DEPARTMENT OF RACING

Lonny T. Powell, Director
Phone: (602) 364-1730
A.R.S. §§ 5-101 et seq

Mission:

To regulate and supervise pari-mutuel racing and wagering conducted in Arizona in order to protect racing participants and the wagering public. To regulate and supervise boxing events conducted in Arizona to protect all participants in these events.

Description:

The Department regulates the Arizona pari-mutuel horse and greyhound racing industries. The Department oversees, supervises and issues permits for all commercial horse, greyhound and county fair racing, including live and simulcast racing; supervises off-track betting sites; conducts background checks and licenses all racing participants; collects state revenues generated by races; promotes and encourages the breeding of horses and greyhounds in the state; promotes and encourages the adoption of retired racehorses and retired greyhounds; and enforces laws and rules related to racing and wagering. The Department also regulates and supervises all professional boxing events and all mixed martial arts contests in Arizona.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|----------------------|-------------------|---------------------|--------------------|
| ➤ COMMERCIAL RACING | 3,405.2 | 4,092.9 | 4,192.9 |
| ➤ COUNTY FAIR RACING | 380.2 | 0.0 | 0.0 |
| ➤ BOXING | 0.0 | 139.9 | 139.9 |
| Agency Total: | 3,785.4 | 4,232.8 | 4,332.8 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 3,754.3 | 2,781.6 | 1,779.5 |
| Other Appropriated Funds | 0.0 | 1,434.3 | 2,536.4 |
| Other Non Appropriated Funds | 31.1 | 16.9 | 16.9 |
| Program Total | 3,785.4 | 4,232.8 | 4,332.8 |
| FTE Positions | 40.5 | 40.5 | 40.5 |

Strategic Issues:

Issue 1 Animal Drug Testing and Enforcement

In May 2007, the Office of the Auditor General recommended that the Department continue to move forward to align its drug testing practices with the Association of Racing Commissioners International (ARCI) Model Rules, seek consensus with the industry in areas where there may be concerns, and put the equine drug testing policy and penalties into administrative rule instead of solely in Department policy. In August 2007, the Commission endorsed the proposed Equine Animal Medication Model Rules with exceptions preferable for Arizona racing. The Commission approved an Interim Policy to become effective October 1, 2007. In September 2007, ARCI endorsed the Model Rules section (ARCI-011-020(J)) pertaining to the regulation of anabolic steroids. The Commission approved the addition of the anabolic steroids prohibition section to the Department Interim Policy. In addition, the American Graded Stakes Committee met in August 2008 and made changes to its eligibility requirements and drug testing protocol. Those changes include regulation of anabolic steroids and require testing for alkalizing agents in graded stakes races beginning January 1, 2009, so that all horses participating in graded stakes have blood samples drawn pre-race in accordance with the Racing Medication and Testing Consortium's recommended best practices regarding "milkshaking." Each jurisdiction must determine the testing method, either TCO2 or base excess, and set a baseline. A race will lose its

grade eligibility if this testing is not performed. These additional tests will further improve the level of safety and integrity on the industry. The current budget and fiscal situation prevents the Department from expanding or enhancing its testing practices. Cost savings needed to balance the Department's budget required modification of our testing protocols. Additional funding mechanisms will be proposed to ensure enhanced animal testing.

Issue 2 Human Drug Testing and Enforcement

The Department has the responsibility to monitor all permittee locations and has aggressively enforced the laws of Arizona and the Department's Administrative Code provisions regarding illegal substances. The protection of racing participants extends to the animal athletes, and individuals who work directly with the animals and are under the influence of any type of illegal substance put other race participants, as well as the animal athletes, at risk. Individuals who can show a lawfully issued prescription for a substance resulting in a positive test are not subject to disciplinary action. The specific rules in R19-2-112(9) for horseracing participants and R19-2-311(7) for greyhound racing participants are part of a rulemaking package currently on hold due to the Governor's Moratorium on rulemaking. The rules currently state: "a licensee shall not apply, inject, inhale, ingest, or use any prohibited substance while on permittee grounds." The language will be enhanced to include "be under the influence of, possess or use any narcotic, dangerous drug or controlled or prohibited substance as regulated by A.R.S. § Title 13, Chapter 34." Additionally, the current rules regarding alcoholic beverages are being modified to include "any alcoholic beverage, in any quantity." A Permittee Pre-Employment Screening Policy was instituted requesting Arizona commercial racing permittees to provide pre-employment screening of new, unlicensed job applicants for positions at racetracks and off-track wagering facilities. This included drug-testing for certain job categories, instructions regarding the Department's licensing process, consequences for falsification of a racing license application, and notification of criminal and racing offenses that could result in license denial. The intent of the policy is to ensure that individuals working in permittee restricted areas, those coming in contact with the animals or humans participating in live racing events, employees who operate machinery, employees who handle money, employees who work in security, and employees who serve or sell alcoholic beverages would be drug-free. Additionally, the permittee grounds have been designated as "Drug Free Zones" with appropriate signage being displayed.

Issue 3 Restructure of License Application Process

The license application form has been updated several times over the past few years in response to comments from our licensees and staff. We have attempted to make the application more user-friendly, while still obtaining the information necessary to determine eligibility for licensure. Our current application allows an applicant to apply for up to five licenses on one form, rather than five separate applications. We have evaluated and modified our questions pertaining to criminal history. The changes made in this section have reduced false applications by 85%. The license application, along with instructions for completion, a list of license fees, a description of license categories, and local and national licensing information and links, are available on our website. We will be making additional changes in the upcoming fiscal year to further facilitate communication and enhance applicant understanding of the process. In addition, we are planning to pursue and dedicate funding to upgrade our outdated licensing equipment and deteriorating database so that we can provide a higher level of customer service, accuracy and efficiency.

Issue 4 Increased Efficiency and Effectiveness

On January 14, 2010, Governor Brewer signed an Executive Order creating the Commission on Privatization and Efficiency (COPE). COPE's mission is to streamline governmental operations through consolidation and outsourcing. When analyzing how we could participate in this program, we determined that combining forces with other state agencies in such areas as accounting, procurement, human resources and information technology, would allow the Department to focus on its core mission of regulation and protection of the wagering public and racing participants. To accomplish this, at the beginning of FY 2011, the Department will conduct a reduction in force and enter into an interagency services agreement with the Department of Gaming to provide certain business and administrative services. This will enable the Department to redirect monies previously

dedicated to personal services to areas such as drug testing, enforcement, wagering integrity and information technology. In addition, the Department's Director is in the process of reorganizing and restructuring the Department's operations, management, reporting lines and key employee responsibilities in order to maximize efficiency, productivity, accountability, effectiveness, customer service and communications. These efforts to identify current employees' strengths and potential will have a positive impact on Department operations.

Issue 5 Boxing and Mixed Martial Arts Program

The staff of the State's Boxing and Mixed Martial Arts Commission is within the Department of Racing. The Boxing and MMA Commission regulates and supervises professional boxing events and both professional and amateur mixed martial arts (MMA) contests. In recognition of the Commission's evolving regulatory role due to the increased prominence of MMA, in 2010 the statutes were amended to: (i) Change the Commission's name to the Arizona State Boxing and Mixed Martial Arts Commission; (ii) Remove ambiguity by specifying the adoption of New Jersey's Unified MMA Rules; and (iii) Provide for immediate suspension for contestants who fail a drug test. The legislation also provides that a uniform regulatory fee may be established for both boxing and MMA events. Previously, the fee only applied to MMA shows. Such fees will be retained by the Boxing and MMA Commission for the administration and regulation of its program. The ability of the Boxing and MMA Commission under the Department of Racing to retain these funds will ensure better training for the Commission staff and allow the Commission to be more self-supporting and thus, requiring fewer General Fund dollars.

| Program Summary | |
|---------------------------|-------------------|
| RCA 1.0 | COMMERCIAL RACING |
| Lonny T. Powell, Director | |
| Phone: (602) 364-1730 | |
| A.R.S. §§ 5-101 to 5-115 | |

Mission:

To regulate and supervise pari-mutuel racing and wagering conducted in Arizona in order to protect both animal and human racing participants, as well as the wagering public.

Description:

The Department of Racing regulates and supervises all commercial horse and greyhound racing meetings and pari-mutuel wagering conducted on and off track in Arizona in order to enforce laws and regulations and, thereby, protect racing participants and the wagering public. The Department is committed to the regulation of foreign substances and anabolic steroids. Additionally, the Department focuses on the reduction of positive animal drug tests in both greyhound and horse racing.

This Program Contains the following Subprograms:

- ▶ Horse Racing
- ▶ Greyhound Racing

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,374.1 | 2,728.6 | 1,726.5 |
| Other Appropriated Funds | 0.0 | 1,364.3 | 2,466.4 |
| Other Non Appropriated Funds | 31.1 | 0.0 | 0.0 |
| Program Total | 3,405.2 | 4,092.9 | 4,192.9 |
| FTE Positions | 38.5 | 38.5 | 38.5 |

| RCA 1.1 | Subprogram Summary |
|---------------------------|--------------------|
| | HORSE RACING |
| Lonny T. Powell, Director | |
| Phone: (602) 364-1730 | |
| A.R.S. §§ 5-101 to 5-115 | |

Mission:

To regulate and supervise all commercial horse racing meetings and pari-mutuel wagering conducted on- and off-track in Arizona in order to ensure compliance with laws and regulations and, thereby, protect racing participants and the wagering public.

Description:

The Department of Racing regulates and supervises all commercial horse racing meetings, conducts investigations, issues licenses, conducts equine drug testing, oversees wagering, hears appeals of decisions, collects revenues for the State, distributes awards to program recipients, and provides information upon request to the public and other agencies.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 3,374.1 | 2,728.6 | 1,726.5 |
| Other Appropriated Funds | 0.0 | 1,364.3 | 2,466.4 |
| Other Non Appropriated Funds | 31.1 | 0.0 | 0.0 |
| Program Total | 3,405.2 | 4,092.9 | 4,192.9 |
| FTE Positions | 38.5 | 38.5 | 38.5 |

- ◆ **Goal 1** To ensure that all participants and permittees involved in commercial horse racing operate and perform in compliance with applicable Arizona racing-related statutes, rules and regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of Stewards' rulings issued | 340 | 350 | 350 |
| Explanation: Stewards are the first-line enforcers of the statutes and rules and protectors of the racing participants and animals. They monitor every aspect of the race meet. | | | |
| Percent of original Stewards' actions upheld on appeal | 88 | 80 | 80 |
| Percent of positive equine drug tests | 4.00 | 1.00 | 1.00 |
| Number of horse racing investigations conducted regarding compliance with rules | 174 | 100 | 100 |
| Number of equine drug tests conducted | 721 | 1,300 | 1,300 |

- ◆ **Goal 2** To process license applications and conduct background investigations in a timely manner to ensure that only those eligible pursuant to Arizona racing-related statutes, rules, and regulations receive licenses.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of licenses issued | 2,761 | 2,000 | 4,500 |
| Number of licenses denied | 0 | 1 | 21 |
| Number of background investigations conducted regarding licensing | 719 | 1,200 | 1,200 |
| Percent of license denials upheld on appeal | N/A | 95.0 | 95.0 |
| Percent of total horse racing licensees with disciplinary action | 5.0 | 5.00 | 5.00 |
| Average number of calendar days to complete fingerprint reviews from time taken to receipt of criminal history report | 30 | 28 | 28 |

- ◆ **Goal 3** To encourage and promote horse breeding in Arizona through administration of and timely distribution to recipients of funds available through Breeders and Stallion Awards Programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Number of active horse breeders | 88 | 85 | 85 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of active breeders winning awards | N/A | N/A | N/A |
| Explanation: N/A - No monies appropriated in FY 2011; amts pd in FY11 were fm FY10 funds. | | | |
| Average number of days that awards were processed before the deadline | N/A | N/A | N/A |
| Explanation: N/A - No monies appropriated in FY 2011; amts pd in FY11 were fm FY10 funds. | | | |

- ◆ **Goal 4** To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interest of the State and the horse racing industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Employee turnover rate | 6.0 | 10.0 | 10.0 |
| Number of employees who completed formal work-related training | 3 | 3 | 3 |

- ◆ **Goal 5** To educate all licensees and racing participants in Arizona regarding violations involving the use of illegal substances.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of human drug tests conducted | 20 | 40 | 40 |
| Number of positive human drug test results | 4 | 10 | 10 |
| Number of refusals to test | 5 | 4 | 4 |
| Number of investigations regarding positive drug tests and refusals to test | 9 | 10 | 10 |

RCA 1.2 Subprogram Summary

GREYHOUND RACING

Lonny T. Powell, Director

Phone: (602) 364-1730

A.R.S. §§ 5-101 to 5-115

Mission:

To regulate and supervise all commercial greyhound racing meetings and pari-mutuel wagering conducted on- and off-track in Arizona in order to ensure compliance with laws and regulations and, thereby, protect racing participants and the wagering public.

Description:

The Department of Racing regulates and supervises all commercial greyhound racing meetings, conducts investigations, inspects facilities and hauling vehicles, issues licenses, conducts greyhound drug testing, oversees wagering, hears appeals of decisions, collects revenues for the State, distributes awards to program recipients and provides information upon request to the public and other agencies.

- ◆ **Goal 1** To ensure that all participants and permittees involved in greyhound racing operate and perform in compliance with applicable Arizona racing-related statutes, rules, and regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of Stewards' rulings Issued | 30 | 50 | 50 |
| Percent of positive canine drug tests | 0.0 | .06 | .06 |
| Number of greyhound racing investigations conducted regarding compliance with rules | 14 | 25 | 25 |
| Percent of greyhound racing licensees with disciplinary action | .07 | .07 | .07 |
| Number of canine drug tests conducted | 1,164 | 2,000 | 2,000 |

- ◆ **Goal 2** To process and investigate license applications in a timely way while ensuring that only those eligible pursuant to Arizona racing-related statutes, rules, and regulations receive licenses.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of licenses issued | 524 | 350 | 1000 |
| Number of licenses denied | 0 | 1 | 1 |
| Number of background investigations conducted | 47 | 230 | 230 |
| Percent of background investigations resulting in disciplinary or enforcement action | .05 | .05 | .05 |
| Percent of license denials upheld on appeal | N/A | 90.0 | 90.0 |
| Number of background investigations resulting in disciplinary action | 4 | 7 | 7 |

- ◆ **Goal 3** To inspect greyhound puppies, the facilities where they are maintained and the vehicles used to haul the greyhounds within the state to enforce compliance to insure the health, safety, and welfare of greyhounds with Arizona laws and regulations, and protect the integrity of the greyhound industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of facilities licensed | 4 | 2 | 2 |
| Number of inspections conducted at facilities | 24 | 25 | 25 |
| Number of inspections resulting in violations and disciplinary action | 0 | 1 | 1 |
| Number of greyhound hauling vehicle inspections conducted | 24 | 30 | 30 |
| Number of greyhound hauling vehicle inspections resulting in violations | 1 | 1 | 1 |
| Number of inspections of greyhound puppy litters | 10 | 50 | 50 |

- ◆ **Goal 4** To encourage and promote greyhound breeding in Arizona through administration of and timely distribution to recipients of funds available through Breeders Awards Programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|---------------------|---------------------|
| Percent of greyhound breeders winning awards | N/A | N/A | N/A |
| Explanation: | N/A - No monies appropriated in FY11; amts pd in FY11 were fm FY10 funds. | | |
| Average number of days that awards were processed before the deadline | N/A | N/A | N/A |
| Explanation: | N/A - No monies appropriated in FY 11; amts pd in FY11 were fm FY10 funds. | | |
| Number of active greyhound breeders | 10 | 10 | 10 |
| Explanation: | N/A - No monies appropriated in FY 11; amts pd in FY11 were fm FY10 funds. | | |

- ◆ **Goal 5** To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interests of the State and the greyhound racing industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Employee turnover rate | 0 | 1 | 1 |
| Number of employees who completed formal work-related training | 2 | 2 | 2 |

| RCA 2.0 | Program Summary |
|---------|---------------------------|
| | COUNTY FAIR RACING |
| | Lonny T. Powell, Director |
| | Phone: (602) 364-1730 |
| | A.R.S. §§ 5-101 to 5-115 |

Mission:

To promote and improve county fair racing in Arizona and regulate and supervise county fair racing to ensure compliance with laws and regulations and, thereby, protect racing participants and the wagering public.

Description:

The Arizona Department of Racing regulates and supervises all county fair horse racing meetings, provides staff to operate race meetings, conducts investigations, issues licenses, conducts equine drug testing, oversees wagering, conducts hearings on investigation referrals, collects revenues for the State and provides information upon request to the public and other agencies.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 380.2 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 380.2 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To ensure that all participants and permittees involved in county fair racing operate and perform in compliance with applicable Arizona racing-related statutes, rules, and regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of races supervised | 388 | 115 | 115 |
| Number of Stewards' rulings issued | 1 | 1 | 1 |
| Percent of original actions upheld on appeal | N/A | 95.0 | 95.0 |
| Number of investigations conducted | 27 | 100 | 100 |
| Number of county fair racing investigations resulting in disciplinary action | 20 | 15 | 15 |
| Number of county fair race days regulated | 44 | 38 | 38 |
| Number of county fair races supervised - including simulcasting | 5913 | 3,600 | 3,600 |
| Number of equine drug tests conducted | 112 | 100 | 100 |

- ◆ **Goal 2** To process and investigate license applications in a timely manner while ensuring that only those eligible pursuant to Arizona racing-related statutes, rules and regulations receive licenses.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of licenses issued | 436 | 300 | 800 |
| Number of licenses denied | 0 | 0 | 0 |
| Number of background investigations conducted | 78 | 0 | 0 |
| Percent of license denials upheld on appeal | N/A | 0 | 0 |
| Number of license application denials upheld on appeal | N/A | 99.0 | 99.0 |

- ◆ **Goal 3** To encourage and promote county fair racing in Arizona through the distribution of subsidies for purses and Betterment Fund monies to Fair facilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Amount of betterment monies distributed (thousands) | 0 | 0 | 0 |

Explanation: No monies appropriated in FY 11

- ◆ **Goal 4** To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interest of the State and the horse racing industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Employee turnover rate | 0 | 0 | 0 |
| Number of employees who completed formal work-related training | 0 | 0 | 0 |

| RCA 3.0 | Program Summary |
|---------|------------------------------|
| | BOXING |
| | Lonny T. Powell, Director |
| | Phone: (602) 364-1730 |
| | A.R.S. § 5-221, 5-222, 5-225 |

Mission:

To regulate and supervise boxing events conducted in Arizona to protect all participants in these events.

Description:

The Department regulates and supervises all boxing, kickboxing, tough man, and mixed martial arts (MMA) events in Arizona to ensure compliance with laws and regulations, thereby protecting all participants.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 53.0 | 53.0 |
| Other Appropriated Funds | 0.0 | 70.0 | 70.0 |
| Other Non Appropriated Funds | 0.0 | 16.9 | 16.9 |
| Program Total | 0.0 | 139.9 | 139.9 |
| FTE Positions | 2.0 | 2.0 | 2.0 |

- ◆ **Goal 1** To ensure that all events under Commission jurisdiction held in the state are sanctioned by the Arizona State Boxing and MMA Commission and that all participants are duly licensed.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Number of boxing & MMA licenses issued | 685 | 750 | 750 |
| Number of bouts | 221 | 240 | 240 |
| Percent of bouts without serious injury to contestants | 99 | 100 | 100 |
| Number of boxing and MMA investigations versus the number of bouts | 0/221 | 1/240 | 1/240 |
| Explanation: | Effective FY 10: Reflects number of boxing & MMA investigations | | |
| Number of events sanctioned | 24 | 25 | 25 |
| Number of license applications received | 701 | 825 | 825 |
| Percent of licenses issued for all applications received | 98 | 99.0 | 99.0 |

- ◆ **Goal 2** To investigate all allegations of rules violations that may harm the athlete or the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Percent of boxing & MMA investigations resulting in disciplinary action | N/A | 99.0 | 99.0 |
| Explanation: | Effective FY 10: Reflects boxing & MMA investigations resulting in discipl. Action | | |
| Number of boxing investigations versus number of bouts | 0/221 | 1/240 | 1/240 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA investigations vs. number of bouts | | |
| Number of boxing & MMA investigations | 0 | 1 | 1 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA investigations | | |

- ◆ **Goal 3** To ensure that all participants comply with all health requirements for their safety and the public safety

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Number of Boxing & MMA -related medical exams submitted | 1,596 | 1,600 | 1,600 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA related medical exams | | |
| Percent of Boxing & MMA -related medical exams accepted | 100.0 | 100.0 | 100.0 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA related medical exams | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percent of Boxing & MMA -related medical exams received the day of the event | 11.0 | 10.0 | 10.0 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA related medical exams | | |
| ◆ Goal 4 | To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interests of the State and the boxing industry. | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Number of boxing employees who completed formal work-related training | 1 | 2.0 | 2.0 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA employees | | |
| Employee turn over rate | 0 | 0.0 | 0.0 |
| Explanation: | Effective FY 10: Reflects both boxing & MMA employees | | |

| | |
|-----------------------------|-----------------------|
| AEA 0.0 | Agency Summary |
| RADIATION REGULATORY AGENCY | |
| Aubrey V Godwin, Director | |
| Phone: (602) 255-4845 | |
| A.R.S. §§ 30-652 et seq. | |

Mission:

To protect the health and safety of Arizonans from unnecessary radiation exposure from all natural and man-made sources.

Description:

The Arizona Radiation Regulatory Agency provides protection from unnecessary radiation exposure through inspection of radiation sources and their uses, effective response to radiological incidents, environmental sampling, and the certification of those using nuclear medicine technology, those operating x-ray equipment and cosmetic laser technicians.

| Agency Summary: | | (\$ Thousands) | | |
|--|-------------------|---------------------|--------------------|--|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request | |
| ➤ RADIOACTIVE MATERIALS/NON-IONIZING RADIATION | 495.7 | 488.2 | 488.2 | |
| ➤ X-RAY COMPLIANCE | 727.5 | 710.8 | 764.8 | |
| ➤ EMERGENCY RESPONSE | 1,117.1 | 1,243.2 | 1,203.2 | |
| ➤ RADIATION MEASUREMENT LABORATORY | 417.0 | 465.7 | 465.7 | |
| ➤ MEDICAL RADIOLOGIC TECHNOLOGY BOARD OF EXAMINERS | 240.7 | 264.6 | 264.6 | |
| Agency Total: | 2,998.0 | 3,172.5 | 3,186.5 | |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 1,392.6 | 1,459.0 | 1,459.0 |
| Other Appropriated Funds | 240.7 | 761.3 | 815.3 |
| Other Non Appropriated Funds | 1,364.7 | 952.2 | 912.2 |
| Program Total | 2,998.0 | 3,172.5 | 3,186.5 |
| FTE Positions | 40.0 | 41.0 | 42.0 |

Strategic Issues:

Issue 1 X-ray tube head growth exceeds Agency resources.

The number of x-ray tube heads in Arizona normally increases at a rate of about 4% per year. FY2011 increase was 0.03%. Agency staffing and equipment is unable to keep up with even this rate of growth. The reduction in staff caused by reduced funding from the state has caused the Agency to be behind in the inspection of x-ray facilities. In FY 2009, the Agency completed training staff inspecting x-ray equipment; however, due to staff losses, the total number of staff is still insufficient to meet the continued increase in x-ray tubes. As a result, the Agency is no longer to lower the percent of x-ray tubes overdue for inspection. The Agency was 23.4% behind in its inspection of x-ray tubes at the end of FY2011 and the number overdue will continue to increase.

Issue 2 High- and low-level radioactive waste will continue to be a public issue and problem.

There continues to be major public concern regarding the disposal of radioactive waste. Over the next 9 years the U.S. Department of Energy has scheduled approximately 9,000 shipments of low-level radioactive waste to travel I-40 en route to the Nevada Test Site for disposal. The I-40 corridor, including the nearby railroad, may also be used for shipment of spent nuclear fuel and high-level radioactive waste to the Nevada Test Site. Even though Congress has designated Yucca Mountain, NV as the Spent Fuel Waste Repository, recognize that the President has indicated it will not

be utilized. These shipments may occur after 2020, if at all. This will require the state to maintain a trained response team for possible radiation accidents within the state. For 2010 there were 77 shipments of high levels of non-waste Cobalt-60 totaling about 13,000,000 curies transported across Arizona. These shipments were along I-10 and I-40, mostly I-40.

Issue 3 Uranium mining, milling and leaching again becoming an issue in Arizona.

The agency is required by A.R.S. § 30-654 B.15. to monitor milling and leaching operations involved with uranium mining. The increase in the price of uranium from \$20.00 to >\$100.00 per pound has increased mining interest in Arizona. Some old or abandoned sites are now being reactivated or are now being cleaned up. Additional staffing to monitor these new operations is critical if the Agency is to monitor as required by State Law.

Issue 4 The increasing use of non-ionizing radiation and the certification of cosmetic laser technicians.

The increasing number of certified laser technicians and cosmetic facilities will challenge the staff for several years to keep up. The usage of non-ionizing radiation will increase over the next 3 - 5 years. Laser light shows which place the audience at risk of eye damage, medical usages, and industrial usages all continue to increase in number. Laser pointers which are normally supplied as an exempt product can be modified to cause eye damage. Further, some of these devices have been utilized to blind or distract pilots of landing aircraft.

Issue 5 Relationship with federal agencies will remain uncertain.

The U.S. Nuclear Regulatory Commission provides the states with both security training and training support. However, increasing security requirements relating to the safety of radioactive materials takes up staff time. Currently, the Food and Drug Administration continues to support the mammography program, and the U.S. Department of Energy is supporting activities that may be utilized in the event of an accident involving their WIPP and low level waste shipments through Arizona. Other federal agencies may support some state activities. Each support area is specific and may not always be in accord with Arizona needs. U.S. Homeland Security has indirectly imposed additional work when they supplied radiation equipment to state and local law enforcement agencies in southern Arizona. This will increase the number of events in which we must determine whether a person is licensed to possess certain radioactive material. In some cases we may have to determine the material by laboratory analysis.

Issue 6 The State should be prepared for a major radiation incident.

Since 1979 the Agency has historically responded to a major radiation incident every ten to twelve years. In addition, there is national concern that enemies of this country may use radioactive materials in a weapon or improvise a nuclear weapon to attack this country. A.R.S. § 30-654 B.4 requires the Agency to direct the technical response to such events. In addition, the Agency is responsible for the technological (radiological) response to events at Palo Verde Nuclear Generating Station. Further, events outside of Arizona impact the State. The recent major accident in Japan was detected in Arizona. The Agency provided information to the public and other state agencies to respond to public concerns. We were prepared to assist Federal agencies should an emergency return of U.S. citizens be necessary.

Issue 7 Radiation monitoring of transportation systems may be required in the future.

The transportation of high levels of radioactive material across northern Arizona may be of such public concern that the shipments could be monitored by the agency. The addition of security requirements for large quantity shipments may also require the ability to monitor such shipments at ports of entry. The Agency has provided training to the Department of Public Safety and the Department of Transportation to conduct these inspections. For CY2010 there were 77 shipments of high levels of Cobalt 60 totaling about 13,000,000 curies. These shipments were along I-10 and I-40.

Issue 8 Budget constraints affect the ability of the Agency to respond to radiation emergencies.

The Agency utilizes personnel from all subprograms to respond to emergencies. Thus when staff is lost from a subprogram, it adversely

affects the ability of the Agency to respond to emergencies at Palo Verde Nuclear Generating Station or to any other major radiation accident. Currently, the state is averaging 4 shipments of radioactive material per month along I-40 or I-10. For each of these shipments, the U.S. Nuclear Regulatory Commission requires notice to the state, including encouragement for the state to consider using armed guards to escort the shipment.

Issue 9 The monitoring of transportation for possible terrorists activity utilizing radioactive materials.

A Division of U.S. Homeland Security has distributed radiation detecting instruments to state and local law enforcement agencies in southern Arizona. The purpose is to detect illegal shipments or storage of radioactive materials. The Agency reviews and licenses persons to possess and use radioactive materials safely and secure in Arizona. As a portion of this program, the law enforcement and U.S. Customs will contact the Agency at any time to determine the legality of their possession of radioactive material. The Agency also has to respond to other state and federal agency inquiries regarding the validity of radioactive materials licenses or x-ray registrations issued by the Agency.

| AEA 1.0 | | Program Summary |
|--|--|-----------------|
| RADIOACTIVE MATERIALS/NON-IONIZING RADIATION | | |
| Aubrey V Godwin, Director | | |
| Phone: (602) 255-4845 | | |
| A.R.S. §§ 30-652 et seq | | |

Mission:

To ensure radiation health and safety for the people of Arizona by regulating the users of radioactive materials, particle accelerators and non-ionizing radiation sources. Provides technical expertise to response activities during radiation emergencies or terrorist events.

Description:

The Radioactive Materials (RAM) and Non-Ionizing Radiation (NIR) subprogram licenses medical, industrial, and academic users of radioactive materials, and registers users of particle accelerators, and non-ionizing radiation sources. On-site inspections of radioactive materials licensees in Arizona are conducted to ensure proper techniques for use, storage and shipment of radioactive materials. NIR conducts inspections of lasers, tanning booths, radio frequency emitters, power lines, and microwave ovens.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 318.6 | 317.9 | 317.9 |
| Other Appropriated Funds | | 0.0 | 170.3 | 170.3 |
| Other Non Appropriated Funds | | 177.1 | 0.0 | 0.0 |
| Program Total | | 495.7 | 488.2 | 488.2 |
| FTE Positions | | 9.0 | 9.0 | 9.0 |

- ◆ **Goal 1** To identify and license or register all users of radioactive materials or particle accelerators in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|----------------|------------------|------------------|
| New licenses and renewals | 99 | 95 | 110 |
| Accelerator registrations | 66 | 75 | 80 |
| Accelerator registration actions | 62 | 40 | 45 |
| Customer satisfaction rating | 7.3 | 7.6 | 7.6 |

- ◆ **Goal 2** To identify and register all new users of non-ionizing radiation sources in Arizona and renew registrations as appropriate.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Non-ionizing radiation registrations, active. | 893 | 950 | 1,050 |
| Non-ionizing radiation registration actions. | 241 | 300 | 350 |

- ◆ **Goal 3** To inspect all users of radioactive materials or particle accelerators according to Agency regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Number of radioactive materials inspections | 159 | 150 | 150 |
| Explanation: | Estimates assume that budget request for additional staffing is approved. | | |
| Accelerator inspections | 31 | 35 | 35 |

- ◆ **Goal 4** To inspect NIR users to assure conformance with radiation safety regulations

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Non-ionizing radiation licenses inspected | 10 | 75 | 75 |

Explanation: Staff shortage due to budget restrictions has reduced the number of inspections.

- ◆ **Goal 5** To show agency-wide goals and objectives as shown in Budget Act.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Program Summary | |
|---------------------------|------------------|
| AEA 2.0 | X-RAY COMPLIANCE |
| Aubrey V Godwin, Director | |
| Phone: (602) 255-4845 | |
| A.R.S. §§ 30-652 et seq | |

Mission:

To protect the citizens of Arizona from overexposure or unnecessary exposure to x-ray radiation. Provides technical expertise to response activities during radiation emergencies or terrorist events.

Description:

X-Ray Compliance is responsible for the registration of x-ray machines and the regulation of x-ray radiation. Inspection of all x-ray facilities and equipment utilizing x-rays is performed routinely, including those used for mammographic, chiropractic, dental, veterinary, industrial and medical disciplines. The subprogram supports safe use by operators and the minimization of patient exposure.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 320.9 | 311.5 | 311.5 |
| Other Appropriated Funds | 0.0 | 262.7 | 316.7 |
| Other Non Appropriated Funds | 406.6 | 136.6 | 136.6 |
| Program Total | 727.5 | 710.8 | 764.8 |
| FTE Positions | 12.0 | 12.5 | 13.5 |

◆ **Goal 1** To register all x-ray tubes within the State of Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| X-Ray tubes registered | 14,861 | 15,000 | 15,200 |

◆ **Goal 2** To inspect all x-ray tubes to ensure continuous compliance with health and safety standards.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|-------------------------|-------------------------|
| Percent of x-ray tubes inspected | 17 | 17 | 17 |
| Explanation: | As the number of x-ray tubes increases a fixed number of inspectors will inspect a smaller percent of the total. | | |
| X-ray machines inspected | 2,467 | 2,300 | 2,300 |
| Explanation: | The number of available inspectors limits the number of inspections. | | |
| Percent of x-ray tubes overdue for inspection | 23.4 | 33 | 38 |
| Explanation: | Staffing shortages will force the percentage overdue for inspection to increase. | | |

◆ **Goal 3** To certify facilities using mammography equipment in accordance with Federal legislation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of mammography facilities certified | 162 | 160 | 160 |

◆ **Goal 4** To improve efficiency of subprogram database changes and tracking of applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
| Database changes | 2407 | 2,700 | 2,800 |

| AEA 3.0 | Program Summary |
|---------|---------------------------|
| | EMERGENCY RESPONSE |
| | Aubrey V Godwin, Director |
| | Phone: (602) 255-4845 |
| | A.R.S. §§ 30-652 et seq |

Mission:

To respond to and provide the necessary planning and technical assistance to resolve any incidents involving radiation or sources of radiation occurring in Arizona, including fixed nuclear facilities. Responds to and trains others to respond to "dirty bombs" and other terrorist events that may occur in Arizona. Provides technical expertise to response activities during radiation emergencies or terrorist events.

Description:

The Emergency Response subprogram prepares, coordinates and tests the technical portion of Arizona's Fixed Nuclear Facility Emergency Response Plan, including radiation effects assessment and protective action recommendations. The subprogram trains hazardous materials response teams (law enforcement, fire and medical personnel) in initial response to radiation-related incidents, including preparation for high level radioactive waste, transuranic and spent nuclear fuel shipping campaigns. The subprogram also responds to radiation incidents statewide, supports the state's multi-agency task force on terrorism with respect to weapons of mass destruction, maintains a large inventory of emergency equipment, calibrates and provides instruments to HAZMAT organizations and directs and conducts training of a 50-member monitor pool. The subprogram also arranges for the disposal of abandoned radioactive material sources. In addition, a federal Agency has distributed radiation detecting instruments to state and local law enforcement agencies. This allows these agencies to detect radioactive material that may be illegally transported. Since this Agency licenses persons to possess and use radioactive material, we may be contacted to determine if the shipment is to a legal user.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 639.5 | 716.0 | 716.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 477.6 | 527.2 | 487.2 |
| Program Total | 1,117.1 | 1,243.2 | 1,203.2 |
| FTE Positions | 4.0 | 4.5 | 4.5 |

- ◆ **Goal 1** To respond effectively to any radiological incidents or accidents within Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Radiological incidents (non-Palo Verde related) | 19 | 20 | 25 |
| Explanation: | Includes the Fukushima event in Japan. | | |
| Radiological incidents (Palo Verde related) | 1 | 1 | 1 |

- ◆ **Goal 2** To promote Agency radiological incident response capabilities within the State's HAZMAT community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Number of contact procedure pamphlets distributed to users | 3,500 | 4,000 | 4,000 |
| Number of assistance requests (state, local or federal agency) | 20 | 20 | 20 |
| Explanation: | The increase in requests are due to the distribution of radiation instruments to state and local law enforcement agencies which will require the Agency to verify that shippers and/or the receivers are licensed to possess radioactive material. | | |
| Number of Spent Nuclear Fuel or Large Quantity Radioactive Material Shipments | 77 | 55 | 60 |

- ◆ **Goal 3** To continually maintain a pool of trained volunteers from state, county and local government agencies for emergency response to radiological accidents or incidents at the Palo

Verde Nuclear Generating Station.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|----------------|------------------|------------------|
| Number of volunteers trained | 125 | 125 | 125 |
| Number of monitoring team members | 60 | 75 | 75 |

- ◆ **Goal 4** To ensure that HAZMAT teams around the state are capable of effective first response to incidents involving radioactive materials. During radiation emergencies or terrorist events provide technical expertise to the response activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of instrument kits distributed to qualified teams | 150 | 190 | 190 |
| Number of response team members trained | 450 | 500 | 500 |

| AEA 4.0 | Program Summary |
|----------------------------------|-----------------|
| RADIATION MEASUREMENT LABORATORY | |
| Aubrey V Godwin, Director | |
| Phone: (602) 255-4845 | |
| A.R.S. §§ 30-652 et seq | |

Mission:

To measure and monitor man-made and naturally occurring radiation sources throughout the state with an emphasis on nuclear reactor facilities, uranium mining operations, and drinking water. Provides technical expertise to response activities during radiation emergencies or terrorist events.

Description:

The subprogram determines ambient radiation levels throughout the state by analyzing samples of air, water, milk, soil and vegetation. The subprogram has established sampling networks to continuously monitor Palo Verde Nuclear Generating Station. As Arizona's primary radiation laboratory, the subprogram is contracted to provide technical and analytical support to the Arizona Department of Environmental Quality drinking water program and waste water programs. The subprogram also provides mobile and fixed analytical laboratory support to the Emergency Response and Radioactive Materials/Non-Ionizing subprograms. The subprogram participates in the U.S. Environmental Protection Agency's Indoor Radon Grant Program by determining radon hazards in Arizona and by providing information, on request, to interested citizens.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 113.6 | 113.6 | 113.6 |
| Other Appropriated Funds | 0.0 | 63.7 | 63.7 |
| Other Non Appropriated Funds | 303.4 | 288.4 | 288.4 |
| Program Total | 417.0 | 465.7 | 465.7 |
| FTE Positions | 10.0 | 10.0 | 10.0 |

- ◆ **Goal 1** To analyze environmental samples to ensure that no radioactivity beyond background is present.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of environmental sample analyses | 2,000 | 4,000 | 4,000 |

- ◆ **Goal 2** To analyze radon test canisters for the presence of radon in public schools above the recommended action level established by the U.S. Environmental Protection Agency (EPA).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------|----------------|------------------|------------------|
| Radon canisters analyzed | 802 | 500 | 500 |

- ◆ **Goal 3** To monitor statewide population centers and mining concerns for radiation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| TLD monitoring sites | 51 | 51 | 51 |
| Explanation: | Statewide monitoring program stopped in 2009 due to budget restraints. Only monitoring PVNGS at present. | | |
| Air sampling stations throughout Arizona | 8 | 8 | 8 |
| Explanation: | Program shutdown in 2009 due to severe budget restrictions. Only monitoring PVNGS at present. | | |

- ◆ **Goal 4** To maintain designation as a primary laboratory for valid data.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------------------|------------------|------------------|
| Designated | Yes | Yes | Yes |
| Explanation: | EPA review results pending | | |

- ◆ **Goal 5** To provide laboratory support to the Department of Environmental Quality drinking water and mining programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|--|------------------|------------------|
| Number of water samples analyzed | 80 | 60 | 60 |
| ◆ Goal 6 | To participate in training and respond to incidents involving radioactive material that may also be an act of terrorism. | | |
| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
| Number of practices/responses | 2 | 3 | 3 |

| AEA 5.0 | Program Summary |
|--|-----------------|
| MEDICAL RADIOLOGIC TECHNOLOGY BOARD OF EXAMINERS | |
| Aubrey V Godwin, Director | |
| Phone: (602) 255-4845 | |
| A.R.S. §§ 32-2801 et seq | |

Mission:

To protect the health and safety of the people in Arizona against the harmful effects of excessive and improper exposure to medically applied ionizing radiation. Provides technical expertise to response activities during radiation emergencies or terrorist events.

Description:

The program assures that minimum standards of education and training are met by ionizing machine operators and nuclear medicine technologists; sets standards for and approves schools of radiologic and practical technology; and enforces A.R.S. § 32-2801, et. seq. and Title 12, Chapter 2, Arizona Administrative Code.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 240.7 | 264.6 | 264.6 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 240.7 | 264.6 | 264.6 |
| FTE Positions | 5.0 | 5.0 | 5.0 |

- ◆ **Goal 1** To assure qualifications and issue certificates to qualified applicants.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Qualified technologists certified, total | 7,130 | 7,500 | 8,000 |
| Certificates issued within 60 days | 3,939 | 4,000 | 4,000 |
| Number of active medical radiologic technologist certificates | 7,815 | 8,000 | 8,000 |

- ◆ **Goal 2** To enforce A.R.S. § 32-2801 et seq.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------|----------------|------------------|------------------|
| Number of complaints | 92 | 100 | 100 |
| Number of complaints resolved | 30 | 100 | 100 |

- ◆ **Goal 3** To conduct investigations required by A.R.S. § 32-2821(B).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------|----------------|------------------|------------------|
| Number of investigations | 61 | 90 | 90 |

RPA 0.0

Agency Summary**ARIZONA RANGERS' PENSIONS**

Janice K. Brewer, Governor

Phone:

A.R.S. § 41-951

Mission:*To provide compensation for time spent as an Arizona Ranger.***Description:**

The Arizona Rangers' Pension provided monthly benefits for the last surviving spouse of a retired Arizona Ranger. Rita Beaty, the last link to the Arizona Rangers, a legendary group of rugged lawmen organized in 1901, passed away on January 3, 2011.

Her husband Clarence Beaty was one of 107 men who served as Arizona Rangers, whose mission was to tame the wild west so the Arizona territory could become a state. Clarence joined the Rangers in 1902 and survived the dangers of wearing the badge, dying in 1964 at the age of 90, leaving Rita as the last surviving widow of this historic institution.

Funding and FTE**Summary:** (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|---------------------------|-----------------------------|----------------------------|
| General Funds | 8.3 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 8.3 | 0.0 | 0.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

Strategic Issues:

Issue 1 *Statute requires the pension be adjusted for inflation each year.*

A.R.S. § 41-954 (B) requires that the Rangers' Pension receives an annual inflation adjustment based on the Gross Domestic Product price deflator.

◆ **Goal 1** To provide a monthly stipend to retired Arizona Ranger's and their spouses

Performance Measures

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|---------------------------|-----------------------------|-----------------------------|
| Stipend (in dollars) | | 0 | 0 |

| REA 0.0 | Agency Summary |
|---------------------------|----------------|
| DEPARTMENT OF REAL ESTATE | |
| Judy Lowe, Commissioner | |
| Phone: (602) 771-7760 | |
| A.R.S. §§ 32-2101 et seq | |

Mission:

To serve and protect the public interest through efficient and timely licensure, balanced regulation, and proactive education of the real estate profession in the State of Arizona.

Description:

Pursuant to A.R.S. Title 32, Chapter 20 and the Administrative Code Title 4, Chapter 28, the Department regulates real estate licensees (including residential sales, brokers, companies, property managers, business brokers, and commercial brokers), private cemeteries, and membership camping licensees. The Department also regulates real estate educators and schools, monitoring pre-licensing and continuing education courses to ensure the quality content of courses and the competence of instructors, as well as the quality and timeliness of materials being taught. The Department oversees the administration of licensing examinations as well as the activities of licensees to ensure compliance with the Arizona Revised Statutes and the Commissioner's Rules.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 2,812.0 | 2,656.7 | 3,273.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 113.5 | 87.8 | 87.8 |
| Program Total | 2,925.5 | 2,744.5 | 3,360.8 |
| FTE Positions | 55.0 | 55.0 | 55.0 |

Strategic Issues:

Issue 1 *Through education, enhance the knowledge and professionalism of the industry, thus increasing consumer protection.*

The Department's emphasis will be on building partnerships within the industry and with other state agencies, in serving and protecting Arizona's constituents from an attitude of supporting a TEAM (Together Everyone Achieves More) concept. This will be achieved through the commitment of open communication, transparency, and the sharing of information and knowledge. The Department will create a synergistic approach to problem solving by gathering feedback from all, then implementing changes and improvements as needed. Through proactive education and information broadcasting, the Department will seek to ensure public and industry awareness of fundamental laws pertaining to real estate transactions in Arizona. The Department's focus will shift to a balanced regulation, ensuring that licensees and/or repeat offenders who are proven to have violated the law and harmed the public are dealt with stringently, while addressing minor infractions that do not effect and/or harm the public from an educational perspective. Additionally the Department will continue to streamline processes, allowing for staff to work through cases thoroughly, yet efficiently, while generating positive cash flow from civil fines and penalties into the General Fund, always educating and creating awareness for public safeguard and interest.

Issue 2 *Improvement of the Information Technology Infrastructure to facilitate a more efficient internal process for file/document management, as well as to provide safeguards to the data storage of the Department, the Industry and the Public.*

In today's day and age, dependence on technology and the potential risks of malicious viruses and hackers, a state-of-the-art information technology infrastructure is a must to safeguard personal and confidential information stored within the database. Annual upgrades and new advances must be researched, evaluated and adapted to ensure the Department is up-to-date with the latest technologies, and continually improving efficiencies both

internally and externally.

◆ Goal 1 To provide excellent customer service to licensees.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of department customer service surveys indicating good to excellent service | 99 | 99 | 99 |

◆ Goal 2 To review and approve new courses quickly and thoroughly.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average days from receipt to approval of school, course and instructor | 11 | 10 | 10 |

◆ Goal 3 To improve the quality of class offerings and instructors by monitoring and auditing more classes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|--|------------------|------------------|
| Classes monitored | 28 | 150 | 150 |
| Explanation: | Budget cuts result in reduced staffing levels. FY2012 & 2013 estimates are based on funding approval for an Education Monitor. | | |

◆ Goal 4 To create and maintain procedures to process licenses in an efficient and timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Average days from receipt of application to issuance of real estate license | 1 | 1 | 1 |
| Total real estate applications received | 9023 | 27000 | 27600 |
| Explanation: | New Applicants & Renewals | | |
| Number of real estate licensees | 89590 | 65350 | 57300 |
| Explanation: | Number reflects actual count of licensees. This includes individuals, brokers, and entities. | | |

◆ Goal 5 To maintain the timeliness of the investigative process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Average calendar days from receipt of real estate or subdivision complaint to resolution | 270 | 250 | 230 |
| Explanation: | FY2009 actual should have been 236 as stats for real estate complaints only were reported. Budget cuts and reduced staffing levels have negatively impacted processing times for investigations. | | |
| Total real estate or subdivision complaints investigated | 796 | 850 | 1,300 |

◆ Goal 6 To maintain excellent customer service through the timely issuance of public reports.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---------------------|------------------|------------------|
| Average number of calendar days to issue deficiency letter on subdivision applications received | 25 | 25 | 25 |
| Number of subdivision filings received | 193 | 200 | 225 |
| Explanation: | Includes amendments | | |
| Average number of days to issue an improved lot public report. | 20 | 20 | 20 |

◆ Goal 7 To maintain an appropriate ratio of administrative costs in relation to the Department's appropriation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------------|--|------------------|------------------|
| Percentage of administrative costs | 11.1 | 11.1 | 11.1 |
| Explanation: | Includes Information Technology, Budget, Policy, Human Resources, and Operations | | |

| UOA 0.0 | Agency Summary |
|-------------------------------------|----------------|
| RESIDENTIAL UTILITY CONSUMER OFFICE | |
| Jodi A. Jerich, Director | |
| Phone: (602) 364-4838 | |
| A.R.S. §§ 40-461 et. seq. | |

Mission:

To represent the interests of residential ratepayers before the Arizona Corporation Commission and advocate for reasonable utility rates and reliable and safe utility service.

Description:

The Residential Utility Consumer Office (RUCO) is an agency comprised mainly of attorneys and financial analysts. RUCO participates in matters before the Corporation Commission regarding utility rate increases, renewable energy standards, and Commission rulemaking. RUCO reviews utility financial records, conducts discovery, offers testimony and presents witnesses at evidentiary hearings to argue positions in favor of residential utility ratepayers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,049.3 | 1,289.0 | 1,289.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,049.3 | 1,289.0 | 1,289.0 |
| FTE Positions | 11.0 | 11.0 | 11.0 |

Strategic Issues:

Issue 1 Provide highly effective advocacy for Arizona families and individuals in maintaining fair utility bills

Since RUCO's creation over 20 years ago, RUCO's job has been to review and challenge a utility's request to increase rates. Almost every state has a RUCO-like consumer advocate office that litigates the interests of residential ratepayers before its state Commission. With Arizona unemployment, home foreclosure and poverty rates higher than the national average, the poor economy has been particularly hard on Arizona families. RUCO provides evidence-based, sworn testimony to the Corporation Commission in support of reasonable rates.

Issue 2 Balance the need for reasonable rates and the desire for cleaner, greener utility operations through renewable energy sources

The Arizona Corporation Commission has issued Rules that require electric utilities to acquire at least 15% of their electricity from renewable sources by the year 2025. To meet this requirement, the Commission has authorized electric utilities to assess a surcharge on ratepayers' bills to cover these additional costs. RUCO supports efforts to increase the amount of solar, wind and other renewable energy consumed in Arizona. However, RUCO advocates that the funds dedicated for this purpose be used to maximize the amount of renewable energy being generated for the least cost.

Issue 3 Participates in workshops regarding various energy policies including energy efficiency, decoupling, and line extension cost recovery.

The Corporation Commission has initiated several stakeholder workshops regarding its energy policies. These workshops will result in standards Commission regulated utilities must meet to reduce electric consumption through energy efficiency programs and how utilities will be authorized to recover costs for these programs from ratepayers. Another workshop addresses cost recovery for power line extensions.

Goal 1 To perform preliminary analyses of all pertinent cases filed at the Arizona Corporation Commission to determine the necessity of our intervention.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|----------------|------------------|------------------|
| Number of cases analyzed | 27 | 30 | 30 |
| RUCO interventions in rate making | 6 | 5 | 3 |

Goal 2 To secure for residential utility ratepayers the lowest reasonable rates.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of utility rate hearings | 1 | 7 | 6 |
| Number of utility hearings | 3 | 11 | 12 |
| Average rate increase requested by utilities (millions) | 73.7 | 201.4 | 10.0 |
| Average rate increase recommended by RUCO (millions) | 43.4 | 140.5 | 4.0 |
| Average rate increase approved by ACC (millions) | 45.1 | 127.3 | 6.0 |
| Percent variance between utilities' request for rate increases and the actual ACC authorized rates | 39 | 37 | 40 |

Goal 3 To protect residential consumer interests in matters involving competitive issues before the Arizona Corporation Commission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| RUCO interventions in cases involving competitive issues | 0 | 0 | 0 |
| Administration as a percentage of total cost | 4.0 | 4.0 | 4.0 |
| Customer satisfaction rating for residential utility customers (scale 1-8) | 7 | 7 | 7 |

| RBA 0.0 | Agency Summary |
|--------------------------------------|----------------|
| BOARD OF RESPIRATORY CARE EXAMINERS | |
| David Geriminsky, Executive Director | |
| Phone: (602) 542-5995 | |
| A.R.S. §§ 32-3521 to 32-3558 | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of investigations resulting in disciplinary or enforcement action | 60 | 65 | 65 |
| Percent Licensees with disciplinary action | 3 | 3 | 3 |

Mission:

To exercise state regulatory authority over respiratory care practitioners by granting licenses; maintaining public records for all practitioners within Arizona; and enforcing rules and statutes to ensure the public health, welfare, and safety.

Description:

Respiratory Care Practitioners work in therapeutic, surgical, and/or clinical settings to monitor respiration and lung health, as well as to diagnose and treat disorders. The Board of Respiratory Care Examiners regulates the practice of respiratory care in Arizona. The Board examines and licenses respiratory care practitioners based on minimum competency standards set by the Legislature. Additionally, the Board enforces state laws, rules, and regulations set forth to ensure public safety and investigates complaints filed against a member of the professional community.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 281.3 | 306.2 | 335.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 281.3 | 306.2 | 335.3 |
| FTE Positions | 3.5 | 4.0 | 5.0 |

Strategic Issues:

Issue 1 Electronic efficiency

While the agency has made enormous strides in electronic efficiency, a continuous effort is necessary to sustain and improve our processes and efforts to protect the public health. With our limited resources, every step forward, in terms of technological improvement, is taken against the strong winds of the advancing technological world. Computers that are new to the agency are obtained from State Surplus property, and we have to update them the best we can. With new capabilities has come new security requirements and reporting requirements. The information the agency needs to provide to the Governor, Legislators, other health regulatory entities, licensees and the public is getting ever more complex. The Board is endeavoring to add efficiencies to our data management plan.

- ◆ **Goal 1** To process licensing and renewal tasks in a timely, accurate manner while increasing efficiency and utilizing electronic tools.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| New and temporary licenses issued | 426 | 520 | 520 |
| Average number of days from receipt to granting a temporary license | 1 | 1 | 1 |
| Total number of applications for permanent licenses | 1,712 | 1,700 | 1,710 |

- ◆ **Goal 2** To ensure the placement of each allegation of professional misconduct on the Board's agenda for review in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Complaints received | 133 | 120 | 130 |
| Average days from receipt of complaint to resolution | 160 | 160 | 160 |
| Average monthly backlog of complaints not yet resolved | 7 | 8 | 9 |
| Number of licenses revoked or suspended | 10 | 15 | 20 |
| Total number of practitioners investigated | 133 | 110 | 110 |

RTA 0.0 **Agency Summary**

STATE RETIREMENT SYSTEM

Paul Matson, Director
Phone: (602) 240-2031
A.R.S. § 38-712

remaining cost-effective, the ASRS must have a budget that will allow the agency to continue investing in contemporary technology, while also adding the staff necessary to address the increased demand for service.

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Arizona State Retirement System provides pension, survivor, disability, health insurance, and educational services for most public sector employers in Arizona, including state universities and colleges, public school districts, and state and local governments.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| ➤ MEMBER SERVICES | 18,312.0 | 18,627.0 | 18,722.3 |
| ➤ ADMINISTRATION AND SUPPORT | 7,932.1 | 9,167.6 | 8,328.0 |
| ➤ INVESTMENT MANAGEMENT | 62,179.3 | 69,149.9 | 73,731.2 |
| Agency Total: | <u>88,423.4</u> | <u>96,944.5</u> | <u>100,781.5</u> |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 22,597.8 | 24,573.5 | 23,723.5 |
| Other Non Appropriated Funds | 65,825.6 | 72,371.0 | 77,058.0 |
| Program Total | <u>88,423.4</u> | <u>96,944.5</u> | <u>100,781.5</u> |
| FTE Positions | <u>236.0</u> | <u>236.0</u> | <u>236.0</u> |

Strategic Issues:

Issue 1 *Work to ensure the sustainability of the ASRS Defined Benefit Pension Plan and the Long-term Disability Program.*

In order to continue providing members with high levels of service while driving down average costs, the ASRS must continue to review and analyze operations and ensure that efficiencies are identified and implemented, while also determining the most rationale and cost effective service provision model.

Issue 2 *Analyze ways to achieve long-term affordability, accessibility, and sustainability for the retiree health insurance program.*

The ASRS health insurance program is entering an unsettled time as a result of new federal legislation, possible local consolidation of effort, and uncertainty regarding costs and benefits. The ASRS will need to evaluate, assimilate, and make necessary changes over the next several years to ensure consistent high quality and affordable health care for retirees.

Issue 3 *Successfully determine and implement additional value-added investment strategies.*

The ongoing volatility in the worldwide investment markets will necessitate that the ASRS continue to examine its investment strategies and asset allocation and make any adjustments it deems necessary to ensure the long-term health of the ASRS investment portfolios.

Issue 4 *Continue to provide members with cost-effective, high levels of service during a period of increasing demand.*

Customer demand for service has increased significantly over the past fiscal year. To continue providing members with high levels of service while

| RTA 1.0 | Program Summary |
|---------|--|
| | MEMBER SERVICES |
| | Anthony Guarino, Deputy Director, Chief Operations Officer |
| | Phone: (602) 240-2077 |
| | A.R.S. § 38-712 |

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Member Services Program is comprised of the Member Services, Financial Services, and Information Services Divisions of the ASRS. These three divisions are collectively responsible for delivering services to ASRS members.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 14,593.5 | 14,947.7 | 14,947.7 |
| Other Non Appropriated Funds | 3,718.5 | 3,679.3 | 3,774.6 |
| Program Total | 18,312.0 | 18,627.0 | 18,722.3 |
| FTE Positions | 184.0 | 184.0 | 184.0 |

- ◆ **Goal 1** To ensure that members receive calculations and disbursements timely, consistently, and accurately.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of new retirees receiving initial payments within 10 business days of retirement (objective 90%) | 90 | 90 | 90 |
| Percent of overall member satisfaction with the retirement application process for new retirees (objective 90%) | 97 | 90 | 90 |
| Number of new retirements processed | 8,785 | 9,664 | 10,631 |
| Percentage of monthly pension payments disbursed on the first day of the month (objective 98%) | 99.9 | 98 | 98 |
| Number of monthly pension payments issued (June payroll) | 106,830 | 110,591 | 116,120 |
| Number of pension adjustments completed | 1,120 | 1,150 | 1,150 |
| Percentage of pension adjustments processed within 20 business days of identification (objective 90%) | 98 | 90 | 90 |
| Percentage of refunds disbursed within 10 business days of request (objective 90%) | 99 | 90 | 90 |
| Percentage of refunds processed accurately (objective 100%) | 100 | 100 | 100 |
| Percent of overall member satisfaction with the refund process (objective 90%) | 93 | 90 | 90 |
| Number of refund requests received | 18,894 | 20,783 | 22,861 |
| Percentage of service purchase cost invoices distributed within 15 business days of receipt (objective 90%) | 89 | 90 | 90 |
| Percentage of service purchase payroll deduction agreements processed within 5 business days of receipt (objective 90%) | 96 | 90 | 90 |
| Percentage of service purchase cost invoices processed accurately (objective 98%) | 99 | 98 | 98 |
| Percent of overall member satisfaction with the service purchase process (objective 90%) | 91 | 90 | 90 |
| Number of service purchase cost invoices requested | 7,295 | 7,250 | 7,250 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of service purchase lump sum payments completed | 5,780 | 5,750 | 5,750 |
| Number of service purchase payroll deduction agreements completed | 206 | 225 | 225 |
| Percentage of service purchase lump sum payments processed within 10 business days of receipt (objective 90%) | 95 | 90 | 90 |
| Total number of deaths reported (retired members) | 2,242 | 2,354 | 2,472 |
| Total number of deaths reported (non-retired members) | 1,336 | 1,403 | 1,473 |
| Percent of overall member satisfaction with the survivor benefit process (objective 90%) | 89 | 90 | 90 |

- ◆ **Goal 2** To offer retired and disabled members access to affordable, competitive and efficiently run health insurance and disability programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of enrollments and declines processed | 15,152 | 15,400 | 15,400 |
| Number of retirees receiving a premium benefit | 60,897 | 63,942 | 67,139 |
| Total amount disbursed for premium benefit (in thousands) | 85,348 | 89,615 | 94,096 |
| Number of months needed to determine eligibility for LTD | 6 | 6 | 6 |
| Number of open LTD claims | 4,744 | 4,981 | 5,230 |
| Number of new LTD claims | 829 | 870 | 914 |
| Number of late LTD claims | 25 | 25 | 25 |
| Percentage of overall member satisfaction with Long Term Disability program (objective 90%) | 92 | 90 | 90 |

Explanation: Data not yet available for May - June

- ◆ **Goal 3** To ensure that contributions, account information, and financial data are collected, managed, and accounted for efficiently and effectively.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of checks (including contributions and service purchase) deposited within 24 hours of receipt (objective 95%). | 100 | 95 | 95 |
| Percentage of valid invoices paid within 30 days of receipt (objective 100%). | 100 | 100 | 100 |
| Percentage of all invoices with a discount paid within the discount period (objective 99%). | 100 | 99 | 99 |
| Percentage of collected outstanding accounts receivable balance each month (objective 5%). | 13 | 5 | 5 |
| Percentage of employees are paid timely and accurately (objective 100%). | 100 | 100 | 100 |

- ◆ **Goal 4** To provide members with easy and timely access to current account information and various educational services to help plan and manage their retirement.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of calls answered within 20 seconds (objective 80%) | 43 | 80 | 80 |
| Percent of telephone inquiries answered accurately (objective 95%) | 98 | 95 | 95 |
| Percentage of overall member satisfaction with Telephone Service at the Arizona State Retirement System (objective 90%) | 97 | 90 | 90 |
| Number of calls received | 252,360 | 258,669 | 265,136 |
| Percent of calls abandoned by caller (objective 5% or fewer) | 10 | 5 | 5 |
| Percentage of overall member satisfaction with Know Your Benefits meetings (objective 90%) | 99.6 | 90 | 90 |
| Percentage of overall member satisfaction with Getting Ready for Retirement meetings (objective 90%) | 99.7 | 90 | 90 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Total number of Know Your Benefits meetings (statewide) | 62 | 65 | 68 |
| Total number of Know Your Benefits meeting attendees (statewide) | 2,096 | 2,201 | 2,311 |
| Total number of Getting Ready for Retirement meetings (statewide) | 229 | 240 | 252 |
| Total number of Getting Ready for Retirement meeting attendees (statewide) | 5,741 | 6,028 | 6,329 |
| Percentage of overall member satisfaction with walk-in counseling (objective 90%) | 97.1 | 90 | 90 |
| Total number of walk-ins (Phoenix and Tucson) | 31,761 | 33,349 | 35,016 |
| Percentage of walk-in customers served within 15 minutes of arrival (Phoenix and Tucson offices) (objective 80%) | 84 | 80 | 80 |

| RTA 2.0 | Program Summary |
|--|-----------------|
| ADMINISTRATION AND SUPPORT | |
| Anthony Guarino, Deputy Director, Chief Operations Officer | |
| Phone: (602) 240-2077 | |
| A.R.S. § 38-712 | |

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Administration and Support Program contains the various functions necessary to support the ongoing administration of the ASRS. These functions include the Director's Office, Legal, Internal Audit, Administrative Services (Budget, Procurement, Training, Human Resources), and External Affairs Divisions (Communications, Employer Relations, Government Relations).

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 6,615.3 | 7,790.9 | 6,940.9 |
| Other Non Appropriated Funds | 1,316.8 | 1,376.7 | 1,387.1 |
| Program Total | 7,932.1 | 9,167.6 | 8,328.0 |
| FTE Positions | 41.0 | 41.0 | 41.0 |

- ◆ **Goal 1** To foster member and stakeholder trust and confidence in the ASRS through effective communications, mutually beneficial relations, and a forward-looking legislative agenda.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of employers enrolled with the ASRS | 732 | 767 | 805 |
| Number of employer conferences/workshops held | 28 | 25 | 25 |
| Number of individual employer meetings held | 40 | 40 | 40 |
| Percentage of members who "agree" or "strongly agree" that ASRS employees provide good service to members (objective 80%) | 98 | 80 | 80 |
| Percentage of members who "agree" or "strongly agree" that the ASRS keeps its members informed of matters that affect them (objective 80%) | 97 | 80 | 80 |
| Percentage of members who "agree" or "strongly agree" that the ASRS is pleasant and easy to do business with (objective 80%) | 98 | 80 | 80 |

- ◆ **Goal 2** To ensure that administrative services are in place to support: an effective operating cost structure and budget; and a work force that reflects agency values and is capable of consistent high performance.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|---------------------|---------------------|
| Number of months in which permanent staffing levels were 90 percent or higher (objective 6) | 10 | 6 | 6 |
| Explanation: | Includes consultant and temporary workers | | |

| RTA 3.0 | Program Summary |
|--|-----------------|
| INFORMATION TECHNOLOGY PLAN | |
| Kent Smith, Assistant Director, Information Services | |
| Phone: (602) 240-2078 | |
| Laws 2003 Chapter 262, Section 88 | |

Mission:

To help the ASRS achieve its vision by implementing an integrated and multi-faceted technology solution that will allow the agency to keep pace with expected growth in members and improve service delivery while keeping administrative costs relatively stable over the long term.

Description:

The ASRS Business Re-Engineering and Information Technology Plan was successfully completed in September 2008.

| RTA 4.0 | Program Summary |
|--------------------------------------|-----------------|
| INVESTMENT MANAGEMENT | |
| Gary Dokes, Chief Investment Officer | |
| Phone: (602) 240-2180 | |
| A.R.S. § 38-719 | |

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Investment Management Program is responsible for overseeing the investment of the ASRS assets.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---------------------------------|-----------------------|-------------------------|------------------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,389.0 | 1,834.9 | 1,834.9 |
| Other Non Appropriated Funds | 60,790.3 | 67,315.0 | 71,896.3 |
| Program Total | 62,179.3 | 69,149.9 | 73,731.2 |
| FTE Positions | 11.0 | 11.0 | 11.0 |

- ◆ **Goal 1** To achieve a total fund rate of return equal to or greater than the actuarial assumed interest rate.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percentage of investment returns | 24.6 | 8.0 | 8.0 |
| Explanation: one-year return figure | | | |
| 10-Year rolling annual rate of return on total fund assets (%) | 5.2 | 8.0 | 8.0 |

- ◆ **Goal 2** To achieve a total fund rate of return equal to or greater than the Asset Allocation Benchmark.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Annualized rate of return | 24.6 | 8.0 | 8.0 |
| Excess return measured against strategic asset allocation benchmark | 0.2 | n/a | n/a |
| 3-year rolling annual rate of return | 5.2 | 8.0 | 8.0 |
| 3-Year excess return measured against strategic asset allocation benchmark | 0.8 | n/a | n/a |

- ◆ **Goal 3** To achieve a total fund rate of return equal to or greater than the amount projected in the most recent asset allocation study.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| 5-Year rolling annual rate of return | 4.8 | 8.0 | 8.0 |
| 5-Year excess return measured against strategic asset allocation benchmark | -3.8 | n/a | n/a |

- ◆ **Goal 4** To achieve asset class net rates of return equal to or greater than their respective broad asset class benchmarks.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Annualized rate of return for domestic equity | 33.8 | n/a | n/a |
| Excess domestic equity return measured against benchmark | 1.1 | n/a | n/a |
| Annualized rate of return for international equity | 29.8 | n/a | n/a |
| Excess international equity return measured against benchmark | -1.0 | n/a | n/a |
| Annualized rate of return for fixed income | 5.0 | n/a | n/a |
| Excess fixed income return measured against benchmark | 0.4 | n/a | n/a |
| Annualized rate of return for GTAA | 28.6 | n/a | n/a |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Excess GTAA return measured against benchmark | 5.7 | n/a | n/a |
| Annualized rate of return for real estate | 16.7 | n/a | n/a |
| Excess real estate return measured against benchmark | -3.5 | n/a | n/a |
| Annualized rate of return for private equity | 17.1 | n/a | n/a |
| Excess private equity return measured against benchmark | -8.7 | n/a | n/a |
| Annualized rate of return for opportunistic investments | 18.6 | n/a | n/a |
| 3-year rolling annual rate of return for domestic equity | 5.7 | n/a | n/a |
| 3-year rolling annual excess domestic equity return measured against benchmark | 1.1 | n/a | n/a |
| 3-year rolling annual rate of return for international equity | 0.6 | n/a | n/a |
| 3-year rolling annual excess international equity return measured against benchmark | 0.4 | n/a | n/a |
| 3-year rolling annual rate of return for fixed income | 7.3 | n/a | n/a |
| 3-year rolling annual excess fixed income return measured against benchmark | 0.6 | n/a | n/a |
| 3-year rolling annual rate of return for GTAA | 8.6 | n/a | n/a |
| 3-year rolling annual excess GTAA return measured against benchmark | 4.6 | n/a | n/a |
| 3-year rolling annual rate of return for real estate | -9.5 | n/a | n/a |
| 3-year rolling annual excess real estate return measured against benchmark | -0.6 | n/a | n/a |
| 3-year rolling annual rate of return for private equity | -3.0 | n/a | n/a |
| 3-year rolling annual excess private equity return measured against benchmark | -11.6 | n/a | n/a |

- ◆ **Goal 5** To achieve portfolio-level net rates of return equal to or greater than their respective portfolio benchmarks.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of portfolios outperforming benchmarks | 39 | n/a | n/a |
| Number of portfolios underperforming benchmarks | 62 | n/a | n/a |
| Number of portfolios outperforming benchmarks (3 Years) | 24 | n/a | n/a |
| Number of portfolios underperforming benchmarks (3 Years) | 33 | n/a | n/a |

- ◆ **Goal 6** To ensure sufficient monies are available to meet cash flow requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Total market value of ASRS fund assets (in billions) | 28.3 | n/a | n/a |
| Total annual benefit payments (in billions) | 2.5 | 0 | 0 |
| Percentage of liability funded | 75.8 | n/a | n/a |

Explanation: Actuarial value for the total Plan (401a and 401h) as of 6/30/10.

| RVA 0.0 | Agency Summary |
|--------------------------|----------------|
| DEPARTMENT OF REVENUE | |
| John A. Greene, Director | |
| Phone: (602) 716-6090 | |
| A.R.S. § 42-1001 et seq. | |

Mission:

Administer tax laws fairly and efficiently for the people of Arizona.

Description:

Pursuant to Arizona Revised Statutes Titles 42 and 43, the Department of Revenue administers and enforces the collection of individual and corporate income, transaction privilege, withholding and luxury taxes. The Department oversees the fifteen county assessors in the administration of state property tax laws.

Agency Summary: (\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|----------------------------|-------------------|---------------------|--------------------|
| ➤ SERVICE | 9,934.4 | 10,316.3 | 10,700.6 |
| ➤ PROCESSING | 9,750.2 | 7,564.7 | 8,254.7 |
| ➤ EDUCATION AND COMPLIANCE | 26,349.8 | 22,231.9 | 25,584.5 |
| ➤ AGENCY SUPPORT | 23,948.7 | 27,715.5 | 37,168.3 |
| Agency Total: | 69,983.1 | 67,828.4 | 81,708.1 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 43,317.1 | 44,129.6 | 57,319.3 |
| Other Appropriated Funds | 23,445.6 | 23,581.8 | 24,271.8 |
| Other Non Appropriated Funds | 3,220.4 | 117.0 | 117.0 |
| Program Total | 69,983.1 | 67,828.4 | 81,708.1 |
| FTE Positions | 933.0 | 935.0 | 1,028.0 |

Strategic Issues:

Issue 1 *Deliver adequate service levels and support in core processes during the challenges of the current economic environment.*

The Department continues to focus efforts on its core business processes. Opening mail, posting payments, depositing money, collecting taxes, processing refunds and distributing revenues are all critical administrative functions of the agency. The Department continues to shift and share work duties as workloads demand. Ongoing budget issues call for reassessments and realignment of our resources.

Issue 2 *Reengineer our business processes to make them more efficient and further automate the administration of taxes.*

The Business Reengineering/Integrated Tax System (BRITS) initiative, which started in September of 2002, is a set of projects with the overall objectives of improving Department of Revenue business processes and replacing aging legacy standalone tax processing systems with a single, integrated system. The scope of BRITS also includes future efforts to continue to improve efficiency and taxpayer services.

Issue 3 *Ensure Business Continuity.*

The Department continues to refine its Business Continuity plan to address issues of disaster recovery. Business Continuity planning is the on-going process of establishing strategies to minimize disruptions of service to taxpayers, their representatives, State and Local Governments, and Department employees. The goal is to minimize financial loss and ensure the continuation of core processes and the timely resumption of operations in case a situation or event impacts the Department.

| RVA 1.0 | Program Summary |
|-------------------------------------|-----------------|
| SERVICE | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

To efficiently and accurately meet the needs of Arizona taxpayers in: providing answers to their questions regarding licensing; filing requirements and application of the State's tax laws; providing revenue statistics to the Governor's Office, Legislature and the public that aid in the making of revenue projections; performing economic impact projections and other tax policy determinations; and, ensuring fair, accurate and uniform property valuations and property tax services for client counties as prescribed by Arizona statutes in a manner that is fair, consistent, accurate, professional, timely and with the highest standards of integrity.

Description:

The Service program is responsible for: issuing tax form and licensing information; answering telephone and written inquiries on the application of tax laws, drafting and publishing rulings, procedures, and instructions to aid taxpayers in understanding their tax obligations; analyzing tax filing, audit and collection information; providing statistics relating to revenues and credits in reports to the Governor's Office, Legislature, departmental staff and members of the public that aid in making revenue projections, economic impact projections and other tax policy determinations; responding to inquiries from the Legislature and Governor's Office as to the economic impact of proposed legislation or other economic impact issues; exercising general supervision over county assessors to ensure all property is uniformly valued, prescribing guidelines for appraisal methods and providing property tax processing services for client counties; resolving taxpayer account problems and disputes; answering billing inquiries; reviewing and evaluating penalty abatement requests; processing license applications for transaction privilege and bingo licensees; and, returning unclaimed property to its rightful owners by identifying, locating and notifying the owners/holders of the property.

This Program Contains the following Subprograms:

- ▶ Inquiries and Requests
- ▶ Local Jurisdictions
- ▶ Taxpayer, Executive, and Legislative Issues

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 6,107.1 | 5,960.3 | 6,344.6 |
| Other Appropriated Funds | 3,264.5 | 4,356.0 | 4,356.0 |
| Other Non Appropriated Funds | 562.8 | 0.0 | 0.0 |
| Program Total | 9,934.4 | 10,316.3 | 10,700.6 |
| FTE Positions | 146.0 | 146.0 | 154.0 |

| RVA 1.1 | Subprogram Summary |
|---------|-------------------------------------|
| | INQUIRIES AND REQUESTS |
| | Nick Buta, Deputy Quality Executive |
| | Phone: (602) 716-6891 |
| | A.R.S., Title 42 |

Mission:

Enable Arizona taxpayers and other customers to understand and more easily comply with Arizona's tax laws by providing state tax, licensing and unclaimed property information and assistance in a manner that is fair, consistent, accurate, professional, timely and with the highest standards of integrity.

Description:

The Inquiries & Requests subprogram is responsible for: issuing tax forms and licensing information; answering telephone and written inquiries on the application of tax laws; drafting and publishing rulings, procedures, and instructions that aid taxpayers in understanding their tax obligations; resolving taxpayer account problems and disputes; answering billing inquiries; reviewing and evaluating penalty abatement requests; processing license applications for transaction privilege and bingo licensees; and, returning unclaimed property to its rightful owners by identifying holders of the property and locating and notifying the owners.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 3,770.2 | 3,779.4 | 4,163.7 |
| Other Appropriated Funds | | 2,368.6 | 3,586.1 | 3,586.1 |
| Other Non Appropriated Funds | | 455.9 | 0.0 | 0.0 |
| Program Total | | 6,594.7 | 7,365.5 | 7,749.8 |
| FTE Positions | | 105.0 | 105.0 | 113.0 |

- ◆ **Goal 1** To ensure prompt response to taxpayers' immediate inquiries.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average wait time for all phone calls (in minutes) in the Taxpayer Information and Assistance section call center. | 10:22 | 12:00 | 15:00 |
| Explanation: Projections are based on current staffing. | | | |
| Percent of written inquiries answered within 30 calendar days in Taxpayer Information and Assistance section | 86 | 80 | 80 |

- ◆ **Goal 2** To improve the processing of business license applications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average transaction privilege tax license turnaround time (in business days). | 8.0 | 5.0 | 5.0 |
| Percent of transaction privilege tax license applications completed on-line. | 51 | 30 | 32 |

- ◆ **Goal 3** To attain favorable customer service levels as evidenced by aggregate customer survey scores.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Customer satisfaction rating for Taxpayer Information and Assistance section (scale 1-5) | 4.52 | 4.00 | 4.20 |
| Customer satisfaction rating for the entire Department (scale 1-5). | 3.90 | 4.00 | 4.00 |

| RVA 1.2 | Subprogram Summary |
|---------|-------------------------------------|
| | LOCAL JURISDICTIONS |
| | Nick Buta, Deputy Quality Executive |
| | Phone: (602) 716-6891 |
| | A.R.S., Title 42 |

Mission:

Ensure fair, accurate, and uniform property values as prescribed by Arizona statutes, and to provide timely and accurate property tax data services to client counties.

Description:

The Division is responsible for administration of the State's property tax laws; appraisal of utilities, railroads, mines, and other complex properties; development of appraisal and assessment guidelines; conducting analyses to ensure assessors' values are within statutorily prescribed limits, and providing property data systems to client counties.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 1,719.9 | 1,441.4 | 1,441.4 |
| Other Appropriated Funds | | 721.4 | 507.6 | 507.6 |
| Other Non Appropriated Funds | | 106.9 | 0.0 | 0.0 |
| Program Total | | 2,548.2 | 1,949.0 | 1,949.0 |
| FTE Positions | | 30.0 | 30.0 | 30.0 |

- ◆ **Goal 1** To improve the equity and uniformity of values for centrally valued properties.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of centrally valued property company compliance reviews and/or site inspections. | 25 | 26 | 26 |
| Explanation: Centrally valued properties include water/sewer, mines, railroads, telecommunications and electric companies. | | | |

| RVA 1.3 | Subprogram Summary |
|---|--------------------|
| TAXPAYER, EXECUTIVE, AND LEGISLATIVE ISSUES | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

Provide timely and accurate information to the Governor's Office, Legislature and the public relating to revenues and credits to aid in the making of revenue projections, economic impact projections and other tax policy determinations; to provide thorough analysis of the tax implications of pending and approved legislation; and to assist taxpayers fairly in resolving problems or disputes with their accounts.

Description:

The Taxpayer, Executive & Legislative Services subprogram is responsible for analyzing tax filing, audit and collection information to create reports for the Governor's Office, Legislature, departmental staff and members of the public to aid in the making of revenue projections, economic impact projections and other tax policy determinations; responding to inquiries from the Legislature and Governor's Office as to the economic impact of proposed legislation or other economic impact issues; resolving taxpayer account problems and disputes; and providing analysis of the tax implications of pending and approved legislation.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 617.0 | 739.5 | 739.5 |
| Other Appropriated Funds | | 174.5 | 262.3 | 262.3 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 791.5 | 1,001.8 | 1,001.8 |
| FTE Positions | | 11.0 | 11.0 | 11.0 |

- ◆ **Goal 1** To provide timely and accurate information to the Governor's Office, legislature, and the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percent of Hearing Office Decisions issued within 70 calendar days of the hearing or last memo due date (in cases conducted by memoranda). | 98 | 100 | 100 |
| Percent of taxpayer referrals responded to by the Problem Resolution Officer within 24 hours from the time the referral was received. | 64.9 | 65.0 | 65.0 |
| Explanation: | Responses are defined as telephone calls, e-mails or messages left on voice mail. | | |

| RVA 2.0 | Program Summary |
|-------------------------------------|-----------------|
| PROCESSING | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

Process all incoming electronic and paper tax documents and associated revenues, process tax refunds and execute the mailing of tax documents to Arizona taxpayers in a timely and efficient manner; to ensure the accuracy of taxpayer accounts within the BRITS system; and to provide quality service to satisfy debts owed by taxpayers to other government agencies.

Description:

The Processing program is responsible for:

- opening, editing, and distributing taxpayer-generated documents to processing units;
- ensuring department forms, documents and correspondence are prepared for mailing;
- providing in-house photocopying and courier service;
- preparing documents for entry into various automated tax systems;
- performing subsequent document error resolution;
- generating tax refunds and correction notices; and
- operating the debt setoff program, which transfers portions of taxpayer balances to satisfy debts owed to other government agencies within the State.

In addition, the program processes Electronic Fund Transfers and documents associated with the electronic income tax filing program and subsequently processes withholding tax, corporate estimated tax, and transaction privilege tax electronically through the revenue system into the State Treasury. The program collects and distributes taxes imposed on cigarettes and all other products containing tobacco such as cigars and smoking tobacco, and also maintains the automated accounts receivable system that interfaces with the automated systems for Licensing, Audit and Collections.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 6,869.6 | 5,595.9 | 5,595.9 |
| Other Appropriated Funds | | 2,880.6 | 1,968.8 | 2,658.8 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 9,750.2 | 7,564.7 | 8,254.7 |
| FTE Positions | | 147.0 | 147.0 | 147.0 |

- ◆ **Goal 1** To improve the timeliness of payment processing.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Percent of payments deposited within five business days. | 95 | 95 | 95 |
| Explanation: | This measure tracks payments deposited for all four tax types. | | |
| Average turnaround time for deposits (in business days). | 1.2 | 2.0 | 2.0 |

- ◆ **Goal 2** To process Individual Income and Transaction Privilege Tax (TPT) returns in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Average number of calendar days to process an Individual Income tax return. | 4.2 | 7.0 | 7.0 |
| Explanation: | The process time is defined as the time between when the Department receives the return and posts the return to the taxpayer's account. | | |
| Total tax documents processed (in millions). | 5.6 | 5.5 | 5.5 |
| Explanation: | Documents are defined as all paper and electronic returns for all four tax types. | | |

- ◆ **Goal 3** To process all Individual Income tax refunds in a timely

manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Average calendar days to refund total Individual Income tax checks (paper warrants and electronic deposits) | 9.7 | 7.0 | 7.0 |

| RVA 3.0 | Program Summary |
|-------------------------------------|-----------------|
| EDUCATION AND COMPLIANCE | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

Ensure compliance with Arizona tax laws and Department regulations and policies through proactive education, fair, firm, timely and reasonable valuation and enforcement activities while providing an effective and equitable legal recourse for taxpayers. In short, the purpose of this program is to ensure that taxpayers pay their fair share of tax, not more and not less.

Description:

The Education & Compliance program, currently under the oversight of the Assistant Director of the External Services and Special Projects division:

- provides information services through publications and via the Department's website; and
- matches employees with the appropriate knowledge base to an organization that requests a speaker on any given topic about which they want to learn;
- provides for employees to connect with organizations to volunteer their services in speaking engagements.

In addition, it is responsible for:

- the selection of tax returns and refund claims for audit examination and the accurate and timely review of those returns and claims;
- the collection of receivables and delinquent returns, and using collection tools such as phone and field contacts, lien and levy filings, bankruptcy court actions; and
- the research of businesses using on-site computerized license compliance checks ensuring business license/registration compliance programs.

The program also provides various legal services such as resolving disputed assessments and refund denials:

- directs the process of interpreting and applying tax laws;
- provides legal support and analysis to the audit sections; and
- adjudicates taxpayers' administrative appeals through the Agency's Hearing Office.

It inspects, educates and investigates tobacco retailers and distributors for compliance with tobacco tax laws;

- investigates allegations of tax fraud;
- assists the Attorney General's office in the prosecution of criminal tax offenders;
- conducts administrative and internal investigations; and
- develops and supports the valuation of centrally-valued properties.

This Program Contains the following Subprograms:

- ▶ Education and Outreach
- ▶ Audit and Assessing
- ▶ Collections
- ▶ Enforcement

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 19,062.9 | 16,117.1 | 19,469.7 |
| Other Appropriated Funds | 7,222.1 | 5,997.8 | 5,997.8 |
| Other Non Appropriated Funds | 64.8 | 117.0 | 117.0 |
| Program Total | 26,349.8 | 22,231.9 | 25,584.5 |
| FTE Positions | 406.0 | 408.0 | 472.0 |

| RVA 3.1 | Subprogram Summary |
|-------------------------------------|--------------------|
| EDUCATION AND OUTREACH | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

Provide taxpayers and tax practitioners with understandable, accurate and current tax education, information and forms to facilitate voluntary compliance with Arizona's tax laws, and to provide training and appraisal certification courses to county and state appraisal staff.

Description:

Inquiries from taxpayers and tax practitioners are directed to various employees throughout the agency best suited to answer questions and assist with issues based on different areas of expertise. Employees provide taxpayers with information and support services through publications, and, in conjunction with the Internal Revenue Service and state universities, offer tax seminars to interested parties.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 352.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 59.5 | 0.0 | 0.0 |
| Program Total | 59.5 | 0.0 | 352.6 |
| FTE Positions | 0.0 | 0.0 | 4.0 |

◆ **Goal 1** To increase taxpayer transactions conducted electronically.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of all tax dollars received electronically. | 70.4 | 70.0 | 70.0 |
| To increase taxpayer income filings conducted electronically by 5% annually. | 13.8 | 5.0 | 5.0 |

◆ **Goal 2** To improve voluntary compliance in the filing of tax returns.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of money remitted voluntarily as a percentage of total receipts. | 96.02 | 96.60 | 96.60 |

Explanation: The FY2011 actual result is calculated using a preliminary gross revenue number; the actual FY2011 gross revenue data will not be available until the publication of DOR's 2011 Annual Report.

| RVA 3.2 | Subprogram Summary |
|-------------------------------------|--------------------|
| AUDIT AND ASSESSING | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

To assist taxpayers in complying with tax laws and filing correct tax returns through: a fair, courteous, and helpful tax return examination and correction process, and providing supporting legal services to fairly resolve disputed audit assessments and refund denials; fairly interpreting and applying tax laws and disseminating that information to departmental employees and to the public in a timely manner; providing quality legal support and analysis to the audit sections; fairly adjudicating taxpayer appeals to the Department's hearing office; and developing fair and reasonable valuations for centrally-valued properties.

Description:

The Audit and Assessing subprogram is responsible for a portion of the Department's audit compliance programs for corporate, individual income, transaction privilege and use taxes and Special Audit services (luxury tax and unclaimed property), including resolution attempts, informal resolutions on taxpayer protests and oversight at audit litigation.

The subprogram also provides various legal services, such as resolution of disputed assessments and refund denials, adjudication of taxpayers' administrative appeals to the Department's hearing office; direction of the process of fair interpretation, application and timely dissemination of tax law information to departmental employees and the public; and provision of legal support and analysis to the audit sections. Lastly, the subprogram develops and supports the valuation of centrally valued properties throughout the State, such as mines, utilities and railroads.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 10,661.6 | 9,310.4 | 9,310.4 |
| Other Appropriated Funds | 5,145.3 | 3,448.1 | 3,448.1 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 15,806.9 | 12,758.5 | 12,758.5 |
| FTE Positions | 205.0 | 205.0 | 205.0 |

◆ **Goal 1** To increase the quality of the audit programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of final Individual Income tax audit assessment amounts compared to the initial assessment amounts. | 90.8 | 87.0 | 87.0 |

| RVA 3.3 | Subprogram Summary |
|---------|-------------------------------------|
| | COLLECTIONS |
| | Nick Buta, Deputy Quality Executive |
| | Phone: (602) 716-6891 |
| | A.R.S., Title 42 |

Mission:

Fairly and efficiently collect receivables and delinquent returns and to ensure businesses are properly licensed/registered with the Department.

Description:

The Collections subprogram secures the payment of receivables, delinquent taxes and filing of delinquent returns through correspondence, telephone, and field contacts with taxpayers and performs activities to identify and license previously unlicensed businesses.

All collection activity is performed under the overview of the Taxpayer Bill of Rights to promote fairness, confidentiality, and consistency of application of the tax laws. Arizona was the first state to have a Taxpayer Bill of Rights in 1986, and the 1994 updated version again put Arizona in the leadership role of protecting taxpayer rights, while ensuring that all taxpayers pay their fair share of the tax burden.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 7,956.9 | 6,342.3 | 9,342.3 |
| Other Appropriated Funds | 1,632.5 | 2,054.5 | 2,054.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 9,589.4 | 8,396.8 | 11,396.8 |
| FTE Positions | 185.0 | 185.0 | 245.0 |

Goal 1 To improve the quality of collection activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|------------------|------------------|
| Percent of non-audit revenue to total revenue | 98.89 | 98.50 | 98.50 |
| Explanation: | The FY2011 result was calculated using a preliminary gross revenue number; FY2011 gross revenue data will not be available until the publication of DOR's 2011 Annual Report. | | |
| Percent of accounts that collector contacts within 30 calendar days of that account being assigned a delinquent account | 100 | 100 | 100 |
| Explanation: | With BRITS automation, letters are sent to every taxpayer upon being assigned as a delinquent account. The Department considers letters as contacts. | | |

Goal 2 To increase fiscal efficiencies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Ratio of net enforcement revenue collected per total Department general fund dollar spent. | 7.24 | 7.30 | 7.50 |
| Explanation: | This measure means that the Department's enforcement program collected \$7.24 for each general fund dollar spent in FY2011. | | |

| RVA 3.4 | Subprogram Summary |
|---------|-------------------------------------|
| | ENFORCEMENT |
| | Nick Buta, Deputy Quality Executive |
| | Phone: (602) 716-6891 |
| | A.R.S., Title 42 |

Mission:

Encourage voluntary compliance in all tax obligations and work with the taxpayer in entering into payment arrangements that are fair to the taxpayer yet protect the State's interest. To utilize fair and firm enforcement upon broken payment arrangements or lack of taxpayer compliance. To provide quality education to, and inspections of, tobacco retailers and distributors to ensure their compliance with tobacco tax laws; to fairly investigate allegations of tax fraud, assisting the Attorney General's office in the prosecution of criminal tax offenders; and to timely and fairly conduct administrative and internal investigations.

Description:

The Enforcement subprogram works with delinquent taxpayers in entering into payment arrangements and educating them in compliance (filing obligations) issues. Upon the taxpayer's action to void the agreement, enforcement collections activity is pursued including filing liens, levies, and seizures of assets. The Enforcement Subprogram also inspects and educates tobacco retailers and distributors regarding compliance with tobacco tax laws, and investigates and assists in the prosecution of criminal offenders.

The subprogram also investigates allegations of tax fraud and assists the Attorney General's office in the prosecution of criminal tax offenders; conducts administrative and internal investigations; and contracts with the Attorney General's Office for the services of an attorney to prosecute tax cases.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 444.4 | 464.4 | 464.4 |
| Other Appropriated Funds | 444.3 | 495.2 | 495.2 |
| Other Non Appropriated Funds | 5.3 | 117.0 | 117.0 |
| Program Total | 894.0 | 1,076.6 | 1,076.6 |
| FTE Positions | 16.0 | 18.0 | 18.0 |

Goal 1 To promote and enforce the legal sale and distribution of tobacco products.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Number of retailer and distributor tobacco inspection visits completed. | 1,891 | 1,600 | 1,700 |
| Explanation: | All inspection visits serve multi-purposes including providing education, fulfilling legislative requirements, and identifying non-compliance. | | |

| RVA 4.0 | Program Summary |
|---------|-------------------------------------|
| | AGENCY SUPPORT |
| | Nick Buta, Deputy Quality Executive |
| | Phone: (602) 716-6891 |
| | A.R.S., Title 42 |

Mission:

Provide excellent leadership, quality technical and administrative support and customer-oriented human resources and development for all core business processes of the Department in order to enhance the services provided to Arizona's taxpayers and other stakeholders.

Description:

The Agency Support program is responsible for providing leadership, staff development, human resources, management, technology, strategic and resource planning, legal services to management, financial and inventory accounting and other administrative services to support all core business processes of the Department.

This Program Contains the following Subprograms:

- ▶ Human Resources
- ▶ Information Services
- ▶ Support Services

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 11,277.5 | 16,456.3 | 25,909.1 |
| Other Appropriated Funds | 10,078.4 | 11,259.2 | 11,259.2 |
| Other Non Appropriated Funds | 2,592.8 | 0.0 | 0.0 |
| Program Total | 23,948.7 | 27,715.5 | 37,168.3 |
| FTE Positions | 234.0 | 234.0 | 255.0 |

| RVA 4.1 | Subprogram Summary |
|---------|-------------------------------------|
| | HUMAN RESOURCES |
| | Nick Buta, Deputy Quality Executive |
| | Phone: (602) 716-6891 |
| | A.R.S., Title 42 |

Mission:

Foster excellence among all employees of the Department through quality staff and leadership development, ensuring effective recruitment and promotion of staff as well as fair administration of federal and state human resources laws.

Description:

The Human Resources subprogram is responsible for providing employee relations, benefits, recruitment and retention, performance evaluations, staff training and development, and guidance and resolution of employee issues.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 260.7 | 236.8 | 607.6 |
| Other Appropriated Funds | 48.2 | 67.2 | 67.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 308.9 | 304.0 | 674.8 |
| FTE Positions | 4.0 | 4.0 | 8.0 |

◆ **Goal 1** To increase the level of employee satisfaction.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Average annual turnover rate for employees | 17.46 | 15.00 | 15.00 |

◆ **Goal 2** To increase the level of employee training and development.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of original probation employees completing mandated training within their first six months of employment. | 78 | 85 | 85 |

◆ **Goal 3** To increase cost effectiveness of administrative services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Administration as a percentage of total operational expenses. | 5.18 | 5.50 | 5.50 |

Explanation: Administrative costs compared to only operation expenses, does not include pass through funds to other agencies.

| RVA 4.2 | Subprogram Summary |
|-------------------------------------|--------------------|
| INFORMATION SERVICES | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

Provide efficient, accessible record storage and retrieval services to all Department and taxpayer customers and to maintain and continually improve the information technology systems in order to enable the Department to provide excellent services to its customers and optimize the operations of all core business processes.

Description:

The Information Services subprogram maintains and provides access to the statutorily mandated archival files of department records and tax returns filed with the Department; microfilms individual and corporate documents and records; and operates the warehouse. This subprogram also manages and oversees improvements to all computer systems and operations; runs mainframe data queries and reports for various core functions of the Department; maintains and enhances mainframe and larger database and client-server applications, incorporating legislative changes and user requests by means of in-house and contracted programming resources; operates and maintains the Department's wide area network, including all hardware, software and inter- and intranet systems; facilitates the research and development of all new and modified Information Technology systems and processes, including interfacing with the Government Information Technology Agency (GITA); and administers the Department's information technology planning process.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 12,953.3 | 8,018.3 | 17,100.3 |
| Other Appropriated Funds | 1,281.1 | 5,491.5 | 5,491.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 14,234.4 | 13,509.8 | 22,591.8 |
| FTE Positions | 85.0 | 85.0 | 102.0 |

- ◆ **Goal 1** To ensure the local and wide area network (LAN/WAN) is available 99.8% of the time.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of time the LAN/WAN is available. | 99.58 | 99.98 | 99.98 |

- ◆ **Goal 2** To resolve 99% of all problem calls identified as "critical" within 4 hours.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of critical problem calls completed within the 4 hour target. | 97.01 | 99.20 | 99.20 |

| RVA 4.3 | Subprogram Summary |
|-------------------------------------|--------------------|
| SUPPORT SERVICES | |
| Nick Buta, Deputy Quality Executive | |
| Phone: (602) 716-6891 | |
| A.R.S., Title 42 | |

Mission:

Provide visionary leadership and quality support services which promote and facilitate the realization of the missions and goals of the Department and its various programs. This includes assessing the effectiveness of various services to the taxpayer, ensuring all projects assigned to the divisions and sections are completed within prescribed time frames and according to agency policies, fostering an optimal working environment for employees, and providing administrators with the leadership and support they need to best serve our customers.

Description:

The Support Services subprogram provides leadership, management and direction to all employees of the Department; agency planning, resource allocation, and budgeting; accounting and distributions of all revenues received; purchasing and internal financial and inventory accounting; management and maintenance of all department facilities; continuous quality review and assessment of the effectiveness of various services to the taxpayer; ensures all projects assigned to divisions are completed within prescribed time frames and according to agency policies.

This subprogram also provides legal counsel to the Director, including appeals of audit cases to the Director; develops programs to foster an optimal working environment for employees; provides administrators with the leadership and support they need to best serve our customers; and tracks and monitors the progress of all special projects, employee personnel actions prior to human resources processing, and all controlled correspondence.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | -1,936.5 | 8,201.2 | 8,201.2 |
| Other Appropriated Funds | 8,749.1 | 5,700.5 | 5,700.5 |
| Other Non Appropriated Funds | 2,592.8 | 0.0 | 0.0 |
| Program Total | 9,405.4 | 13,901.7 | 13,901.7 |
| FTE Positions | 145.0 | 145.0 | 145.0 |

- ◆ **Goal 1** To pay all invoices in a timely manner within 30 calendar days of receipt.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of invoices paid within 30 calendar days. | 99 | 95 | 95 |

- ◆ **Goal 2** To respond to 90% of all building maintenance calls within 24 hours of receipt.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of building maintenance calls responded to within 24 hours of receipt of the call. | 99.30 | 95.00 | 95.00 |

- ◆ **Goal 3** To process Payroll accurately by the end of each payroll cycle.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of payroll records processed error free by the close of the payroll cycle. | 99.99 | 100.00 | 100.00 |

- ◆ **Goal 4** To process purchase orders within two business days of receipt of requisition.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------------|----------------|------------------|------------------|
| Number of business days to process | 1.08 | 2.00 | 2.00 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|-------------------|---------------------|---------------------|
| requisitions. | | | |

| | |
|-------------------------------|----------------|
| SFA 0.0 | Agency Summary |
| SCHOOL FACILITIES BOARD | |
| Dean Gray, Executive Director | |
| Phone: (602) 542-6143 | |
| A.R.S. §§ 15-2001 et seq | |

Mission:

To provide financial and technical assistance to ensure school districts maintain buildings and equipment at minimum adequacy standards so that students can achieve academic success.

Description:

The School Facilities Board (SFB) is charged with the administration of three capital programs: (a) New School Facilities, (b) Building Renewal, and (c) Emergency Deficiencies Corrections.

The SFB ensures that school districts maintain their buildings at minimum adequacy standards through determining if each district has sufficient space for its students and that the space the district provides meets minimum standards. To do this, the SFB conducts a capital review process to determine building renewal funding and new school construction. Through inspections, the SFB ensures compliance with building adequacy standards and routine preventative maintenance guidelines.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 67,497.9 | 164,087.2 | 423,353.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 182,704.9 | 336,802.6 | 567,534.0 |
| Program Total | 250,202.8 | 500,889.8 | 990,887.6 |
| FTE Positions | 23.0 | 23.5 | 20.5 |

Strategic Issues:

Issue 1 New School Construction Moratorium

The FY 2009 budget implemented a moratorium on all new construction and land acquisition activity that was not under contract as of July 1, 2008. This has caused some projects to be delayed, forcing some districts to accommodate student growth in schools that are at or approaching capacity.

Issue 2 School District Building Assessments

A.R.S. §15-2002 requires the SFB to develop and maintain a database of all school buildings. This data is used to calculate the building renewal formula, determine if districts qualify for new space, and ensure that all districts meet minimum adequacy guidelines. In FY 1999, the districts self-reported for each school the number, type, and size of each building. Between FY 1999 and FY 2001, the SFB conducted an inspection program that reviewed the quality status of each building. Buildings with deficiencies were noted and corrected between FY 2000 and FY 2006. A.R.S. §15-2002 also requires staff to continue to inspect each building at least once every five years. During these inspections, staff verifies the building data submitted by the district and reviews the facilities for quality deficiencies.

Issue 3 New School Construction Inflation

On July 9, 1998 when the legislature passed and the governor signed Students FIRST into law, a standard for school facilities that should be constructed was set. A.R.S. §15-2041.D.3.C requires that the cost per square foot of new school construction be adjusted for construction market considerations based on an index identified or developed by the Joint Legislative Budget Committee as necessary but not less than once per year. Inflation adjustments at times have been too small or untimely. This has lowered the standard for the type of school that can be built. A district that built a school in FY 2000 or FY 2001 could build a better school than a district can build today with state funds. While the SFB works diligently to get the best pricing while still meeting minimum adequacy standards, the rising cost of construction will continue to challenge the SFB and districts.

Issue 4 Emergency Deficiencies Corrections

The Emergency Deficiencies Corrections Fund is established by A.R.S. §15-2022. Revenues consist of monies transferred from the Deficiencies Correction Fund established by A.R.S. §15-2021 or the New School Facilities Fund established by A.R.S. §15-2041 as long as the transfer will not affect, interfere with, disrupt or reduce any approved capital projects. The School Facilities Board administers the fund and distributes monies in accordance with the rules of the School Facilities Board to school districts for emergency purposes. Given that the Deficiencies Corrections program was repealed on June 30, 2006 coupled with the expected shortfall in the New School Facilities Fund, the Emergency Deficiencies Corrections fund does not have a dedicated funding source or specific appropriation. As resources are depleted, the School Facilities Board's ability to assist districts will be limited.

- ◆ **Goal 1** To efficiently analyze school district requests for new school facilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of school districts that request new school facilities funding | 37 | 40 | 50 |
| Average number of months from receipt of school district application for new school facility fund monies to School Facilities Board final determination. | 5 | 5 | 5 |
| Number of new school construction projects completed | 0 | 2 | 6 |

- ◆ **Goal 2** To ensure that building renewal funds are used appropriately.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Percent of school districts that used building renewal funding for non-statutory purposes | 0 | 0 | 0 |
| Explanation: | On September 1, 2006, the School Facilities Board released a web-enabled application for school districts to submit their three-year building renewal plans pursuant to A.R.S. 15-2031. The September 1, 2007 release required districts to align prior year actual project expenditures to the building renewal plan. This allows the SFB to ensure that the projects in the building renewal plan and the actual expenditures comply with statutory uses. | | |
| Number of districts instructed by the School Facilities Board to use building renewal funding for preventative maintenance | 0 | 0 | 0 |

- ◆ **Goal 3** To inspect school districts to ensure compliance with building adequacy standards with respect to construction of new buildings and maintenance of existing buildings.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Number of schools | 1530 | 1540 | 1550 |
| Percent of all school district schools inspected to ensure minimum adequacy guidelines | 11 | 20 | 20 |
| Explanation: | The staff of the School Facilities Board was unable to meet its performance target due to lack of staff. Due to budget reductions, two (2) of the four (4) staff positions that perform inspections have been cut. | | |
| Average number of issues per school inspected that do not meet minimum adequacy standards | 2 | 5 | 10 |
| Explanation: | Lack of funding is preventing districts from maintaining buildings and sites which causes them to be out of compliance with minimum guidelines. | | |
| Percent of inspected schools determined to have an adequate preventative maintenance program | 36 | 40 | 40 |

- ◆ **Goal 4** To provide quality services to school districts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of all school districts rating the Boards' services as satisfactory, good, or excellent in annual survey | 94 | 96 | 98 |
| Percent of school districts that responded to customer satisfaction survey | 65 | 69 | 73 |

| STA 0.0 | Agency Summary |
|---|----------------|
| SECRETARY OF STATE - DEPARTMENT OF STATE | |
| Ken Bennett, Secretary of State | |
| Phone: (602) 542-0681 | |
| A.R.S. §§ 41-121 et seq; 29-301 et seq; 44-1271 et seq; 44-1441 | |

Mission:

To help all Arizonans enjoy a better quality of life through participation, understanding, and confidence in state government by providing fair, honest, and accurate elections; keeping complete and accurate records that are accessible to the public; and providing excellent service to enhance business formation, protect business property, and enable business transactions.

As a division of the Department of State, the mission of the Arizona State Library, Archives and Public Records is to serve Arizona government and Arizonans by providing access to public information, fostering historical/cultural collaborative research and information projects, and ensuring that Arizona's history is documented and preserved.

Description:

The Department of State is headed by a publicly elected Secretary of State, who serves as Acting Governor in the absence of the Governor and succeeds the Governor should a vacancy occur. The Secretary of State is the keeper of the Great Seal of the State of Arizona and is also the Chief State Election Officer who administers election functions, including canvass and certification of statewide elections, and coordinates statewide voter registration. The Secretary of State's office receives and records various filings, including Uniform Commercial Code transactions, trademark and trade name registrations, and limited partnership and limited liability partnership filings. The Office also registers lobbyists and accepts periodic lobbyist and campaign finance filings; publishes all official acts of the State of Arizona including laws, the Arizona Administrative Code, and the Arizona Administrative Register; files the notices of the Governor's appointments to State boards and commissions; appoints notaries public; and applies apostilles to all international transactions.

The Arizona State Library, Archives and Public Records division provides general information services as well as research and reference services in the subject areas of law, government, public policy, genealogy, and Arizoniana. The division administers state and federal grants for public libraries and offers consultant services to both public libraries and government agencies. The division also offers special library and information services for anyone who is unable to read or use standard printed materials as a result of temporary or permanent visual or physical limitations, manages public record archival retention programs, and creates exhibits to educate the public regarding governmental and Arizona history and the legislative process.

| Agency Summary: | | (\$ Thousands) | | |
|---|----------------|------------------|-----------------|--|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request | |
| ➤ ADMINISTRATION | 1,405.4 | 1,175.7 | 1,327.9 | |
| ➤ BUSINESS SERVICES | 1,023.4 | 1,136.4 | 1,136.4 | |
| ➤ PUBLIC SERVICES | 308.5 | 312.9 | 312.9 | |
| ➤ ELECTION SERVICES | 5,301.6 | 7,480.5 | 7,395.5 | |
| ➤ ARIZONA STATE LIBRARY, ARCHIVES, AND PUBLIC RECORDS | 12,495.1 | 13,526.1 | 16,093.8 | |
| Agency Total: | 20,534.0 | 23,631.6 | 26,266.5 | |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 12,308.0 | 13,309.4 | 15,685.7 |
| Other Appropriated Funds | 2,056.9 | 3,503.0 | 3,609.4 |
| Other Non Appropriated Funds | 6,169.1 | 6,819.2 | 6,971.4 |
| Program Total | 20,534.0 | 23,631.6 | 26,266.5 |
| FTE Positions | 161.2 | 161.2 | 165.7 |

Strategic Issues:

Issue 1 Address current staffing shortfall and lack of resources.

Strategic planning is a cyclical process that requires feedback on customer satisfaction as compared with the results the Department is achieving. This cycle is important to the Office in trying to achieve all of its goals in an efficient manner. By addressing the lack of resources and staffing shortfalls, the Office hopes to be able to (1) reduce staff overtime to meet mandated deadlines, (2) decrease the response time in delivering service to customers, (3) help accurately process filings and applications within a time frame that meets the public's expectations, and (4) adequately conduct all certifications and testing as required in administering statewide elections.

Issue 2 Build additional improvements in meeting our business services mandates.

The Secretary of State's Business Services Division seeks to increase on-line resources to better meet workload demands and properly address overall state mandates regarding business services. The Department will seek to improve accuracy, efficiency and timeliness of public filings for all general partnerships and trade names; improve customer service by reducing time delays at the counter; update all forms and literature with current, user-friendly information; cross-train staff to better assist customers regardless of the request; and reduce the processing time of all business service applications.

Issue 3 Continue to be fiscally responsible and efficient in delivering services.

The Secretary of State's office is constantly striving to ensure that public dollars are well spent. The Secretary of State's office budget has been significantly reduced over the past few years. The key to continued success is making government work smarter, using sound fiscal standards and efficiencies, and implementing strong ethical standards. The Office intends to optimize productivity through enhanced employee skills, improve efficiency and timeliness of customer service, review best practices of other state and local jurisdictions, consolidate work assignments to adequately address mandated responsibilities, and make every effort to provide taxpayers with the best return on their investment in state government as it specifically relates to the Secretary of State.

Issue 4 Fully implement newly required federal and statewide election reforms.

The Secretary of State intends to continue the strategies laid out in the Arizona Help America Vote Act State Plan. The Agency continues to enhance the second iteration of Arizona's statewide voter registration list. Along with local election officials, the Secretary of State will maintain the military and overseas voter system and the voter fraud hotline. The Agency will also increase voter education and voter outreach while specifically working to better teach the importance of voting to younger citizens, work directly with all 15 counties to improve physical accessibility to polling places, provide more training of poll workers and election officials, and continue to work to guide and help local election officials as they approach the end of useful life for existing election machinery.

Issue 5 Meet current statutory obligations of administering statewide elections.

Given adequate funding and resources, the Secretary of State's office intends to adequately meet all current statutory obligations of administering statewide elections. As required by the Arizona Constitution and Arizona Revised Statutes, the Secretary of State will accurately certify all ballot candidates, certify and canvass results of statewide elections in a timely manner, appropriately test and certify voting devices for use by counties, implement testing for logic and accuracy of counties' election equipment, responsibly certify initiatives and referenda for the ballot, publish and mail

the publicity pamphlet to every household with a registered voter, seek to educate the voting public by conducting Town Halls in all fifteen counties on ballot measures, and provide pamphlets in Spanish and Native American translation.

Issue 6 Establish the Address Confidentiality Program

With the enactment of Laws 2011, Chapter 173, the Secretary of State's Office will be establishing this wholly self-funded program to assist victims of domestic violence and others creating confidential addresses. The two employees will coordinate with local and state government officials to establish processes for accepting a participant's fictitious address. Additionally, the employees will work with shelters, churches, hospitals and law enforcement to provide these services to those who need this type of protection.

Issue 7 Digital Government

Library and Archives has a broad range of responsibility for governmental materials in all formats from all levels of government. With the increasing number of "born digital" and digitized federal, state and local government, e-government will be one of our most important areas of concentration. Digital government requires all staff to learn new technical skills to ensure public records are usable today and preserved for tomorrow.

The Division has sought ways to ensure the preservation of permanent born digital government electronic records and electronic publications in electronic information systems throughout state government, including providing access to born digital publications and permanent government electronic records. For example, more and more state and local agencies are producing their publications electronically, such as annual reports, reports, and newsletters. Currently, we have over 24,000 state agency e-government publications on the Arizona Memory Project, and that number grows daily. In addition to these digital e-government publications, the files and records of Arizona government officials and agencies that are required by law to be kept permanently, are multiplying in number and present critical issues and concerns for digital storage and long term preservation. The need to research, test, and develop a long term preservation solution for these records is crucial. Some of these files include vital records (birth and death certificates), real estate affidavits, records of special districts, student records, email and other permanent records. As funding is available, we will continue to maintain current activities and seek new ways to provide access and to preserve permanent e-government publications and records.

Issue 8 Broadband Technology Opportunities Program (BTOP)

The State Library and Archives is working to enhance public computing capacity in Arizona libraries, public and tribal libraries and to bring Job Help software and training statewide. Through two broadband stimulus grants, one with coordination through the Governor's Office of Economic Recovery, Arizona libraries have built their capacity to provide access to digital tools and to help Arizonans find job-related resources, social services and training programs to find and apply for jobs or launch new businesses. The 84 public computer centers in BTOP1 will serve 450,000 individuals annually, and the 28 new "Job Help Hubs" and 200 workstations in BTOP2 will allow job seekers concentrated time to access online resources, ensuring coverage in every county and job help support where the most need has been identified. The infrastructure created with BTOP1 will provide the foundation for the success of BTOP2 and success for employment, career and job help efforts around the state through the end of the project in 2013.

Issue 9 Braille and Talking Book Library

The State Library and Archives addresses the reading and information needs of Arizona's visually impaired and physically challenged through the Braille and Talking Book Library. More than 2,000 audio recordings in various formats (digital, cassette, Braille) are distributed each day to over 9,000 registered users of the Library. They circulate almost 500,000 books, magazines, videos, and listening-machines each year.

The Braille and Talking Book Library also creates recordings of Arizona-related books and magazines for their collection in local digital recording studios, which are also included in the international union catalog at the National Library Service for the Blind and Physically Handicapped, Library of Congress. Recent emphasis has been on the transition from audio books on

analog tape to books in the new digital format. As specified by federal law, the audio players for these digital books were first sent to veteran members of this program, and veterans continue to be an important user group of this Library.

Issue 10 Centennial/Museum Experience

The Centennial efforts and museum experiences connect people with Arizona's government past and present. The Centennial year (2012) has dovetailed well with the Arizona Capitol Museum's ongoing efforts to educate visitors to the Capitol Complex on the history of Arizona's government. In FY 2011, over 60,000 people visited the Capitol and explored the iconic building, experiencing the original offices of the Governor and other state officials and the original state legislative chambers. Whether touring the Capitol Museum or via outreach to schools, over 25,000 school children learned about the Arizona State Capitol collections and Arizona history. The Arizona Capitol Museum provides valuable and memorable lessons to visitors of all ages every year, and appreciates the increased attention to our state government history during the Centennial year.

The Museum is also involved in other Centennial activities, such as creating a World War II memorial/permanent exhibit on Wesley Bolin Plaza. This memorial will commemorate the beginning and end of America's involvement in the conflict, with guns from the USS Arizona (1925-1938) and from the USS Missouri where the Japanese surrender documents were signed. This effort is being funded through private donations.

Library and Archives, in support of a committee of the Arizona Historic Advisory Commission, is working on plans to send a sculpture of Barry M. Goldwater to National Statuary Hall in the United State Capitol in Washington, D.C. Private donations will allow a sculpture to be created and installed in Statuary Hall, and also to return the sculpture of John Campbell Greenway back to the State Capitol. This is a fitting recognition of the contributions that Barry Goldwater made to the state of Arizona and its people.

| STA 1.0 | Program Summary |
|---------|--|
| | ADMINISTRATION |
| | Jim Drake, Asst. Secretary of State |
| | Phone: (602) 542-4919 |
| | Constitution & A.R.S. § 41-121 et seq. |

Mission:

To provide guidance, leadership and support to the staff of the Secretary of State's Office.

Description:

The Administration Program anticipates requests of services from public citizens, candidates, elected officials, media and business community members to increase. In order to accommodate these requests, the Department shall provide timely, efficient filing and retrieval of information by offering advanced automation to agency customers. The Administration Program provides technology support and monitors financial management, accounting (accounts receivable, accounts payable, payroll), budgeting, procurement, human resources and training services for Administration; Business Services; Public Services; Arizona State Library, Archives and Public Records and Election Services Divisions. The agency director and the financial officer support the leadership in policy making duties with responsibility for obtaining, enhancing and sustaining all office resources; e.g. procurement, accounting, strategic technology, computer networks, SOS website, human resources and office facilities.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 1,269.9 | 1,038.6 | 1,038.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 135.5 | 137.1 | 289.3 |
| Program Total | 1,405.4 | 1,175.7 | 1,327.9 |
| FTE Positions | 10.0 | 10.0 | 12.5 |

- ◆ **Goal 1** To lead and support the staff of the Office of the Secretary of State in carrying out its statutory obligations to file and retrieve information for the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of completion of customer support knowledge base (train new employees within 30 days) | 100 | 100 | 100 |
| Percentage of election reporting electronically for public inspection on-line | 100 | 100 | 100 |
| Percentage of completion of lobbyist expenditure reporting to enhance public access to records | 100 | 100 | 100 |

- ◆ **Goal 2** To develop and implement an effective automation information system to enhance public interaction with the Secretary of State's office.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of conversion project of on-line telemarketer search capability | 100 | 100 | 100 |
| Percentage of project completion to enhance Secretary of State's website by integrating with other government services for e-government approaches | 100 | 100 | 100 |

- ◆ **Goal 3** To improve the efficiency of personnel, benefits, payroll, and procurement processes through electronic automation.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of personnel procedures forms offered on SOS Intranet | 100 | 100 | 100 |
| Percent of purchase orders and tracking expenditures by divisions automated | 100 | 100 | 100 |
| Percent of payroll timesheets and leave slip forms automated | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of deposit reconciliation forms automated | 100 | 100 | 100 |

- ◆ **Goal 4** To support the entire office with information technology, financial management, accounting, budget, procurement, human resources, and training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of staff indicating they feel they have the necessary resources to effectively perform their job | 100 | 100 | 100 |

| STA 2.0 | Program Summary |
|---------|--|
| | BUSINESS SERVICES |
| | Joann Cota, Director |
| | Phone: (602) 542-3060 |
| | A.R.S. §§ 29-301 et seq.; 44-1271 et seq.; 44-1441 et seq. |

Mission:

To support and provide resources to the business community through efficient and accurate filings. To provide public information in an easily accessible format.

Description:

The Business Services Division exists to centralize statewide registration of trademarks, trade names, limited partnerships, and foreign limited partnerships; to perfect Uniform Commercial Code (UCC) filings for the general public; to register charities, telemarketers and fundraisers for charities; to commission notaries public and to register advanced directives.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 944.6 | 988.9 | 988.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 78.8 | 147.5 | 147.5 |
| Program Total | 1,023.4 | 1,136.4 | 1,136.4 |
| FTE Positions | 18.0 | 18.0 | 18.0 |

- ◆ **Goal 1** To serve the public by providing public records requests information accurately and expeditiously.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of business days to process charitable organizations registrations | 7 | 7 | 7 |
| Average number of business days to process trade name applications | 5 | 5 | 5 |
| Average number of business days to process trademark applications | 5 | 5 | 5 |
| Average number of business days to process Uniform Commercial Code filings | 3 | 3 | 3 |
| Average number of business days to process athlete agents registrations | 1 | 1 | 1 |
| Average number of business days to process telephone solicitors registrations | 7 | 7 | 7 |
| Average number of business days to process notary commissions | 5 | 5 | 5 |
| Average number of business days to process limited/limited liability partnerships and foreign limited liability partnerships filings | 5 | 3 | 3 |

- ◆ **Goal 2** To provide public disclosure through easy, accessible information and public documents, and on-line database search capabilities on the Secretary of State's website.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percentage of on-line access of charitable organizations filed | 100 | 100 | 100 |
| Percentage of Limited Partnerships microfiche converted to electronic format | 100 | 100 | 100 |
| Percentage of UCC microfiche converted to electronic data | 100 | 100 | 100 |
| Percentage of conversion of Trade names/Trademarks microfiche converted to electronic format | 100 | 100 | 100 |
| Percentage of implementation of revisions pertaining to Revised Article 9 of the Uniform Commercial Code | 100 | 100 | 100 |
| Number of Trade names and Trademarks filed per month | 2,999 | 3,100 | 3,100 |
| Number of partnerships on file per month | 99 | 75 | 75 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of UCC records filed per month | 4,981 | 4,000 | 4,000 |
| Percentage of Advanced Directives forms on-line | 100 | 100 | 100 |
| Number of Advanced Directives filed per month | 315 | 300 | 300 |

- ◆ **Goal 3** To provide service to allow Notaries Public to perform their duties accurately and efficiently in the state.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of notaries commissioned | 18,302 | 18,000 | 18,000 |
| Number of notary seminars | 42 | 50 | 50 |
| Notary applications turn-around time (# of business days) | 5 | 5 | 5 |
| Number of notary handbooks printed and distributed | 2,286 | 1,500 | 1,500 |

- ◆ **Goal 4** To serve the public with Telemarketing filing.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Telemarketing filings per year | 50 | 50 | 50 |

| STA 3.0 | Program Summary |
|---------|---|
| | PUBLIC SERVICES |
| | Scott Cancelosi, Director |
| | Phone: (602) 542-0223 |
| | A.R.S. §§ 41-311 et seq.; 41-1001 et seq. |

Mission:

To provide public information, process applications, file agency rules and publish the Arizona Administrative Code and the Arizona Administrative Register, publish statutorily mandated and other informational publications and documents, and serve the public efficiently and professionally.

Description:

The Public Services Division files and publishes the rules of state agencies quarterly in the Arizona Administrative Code and weekly in the Arizona Administrative Register; publishes documents for the Office of the Secretary of State including the State and United States Constitutions, the Residential and Mobile Home Park Landlord and Tenant Acts, the Arizona Notary Public Handbook, the Arizona Blue Book and numerous other documents, pamphlets, booklets, etc.; and reproduces for public distribution the Chapter Laws as passed by the legislature and signed by the Governor.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 308.5 | 312.9 | 312.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 308.5 | 312.9 | 312.9 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

◆ **Goal 1** To serve the public by providing printed materials accurately and expeditiously.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of publications printed and distributed (Code Price List, Notary Workbooks, Notary Handbooks, General Office Brochures, Elections materials, Trade Name/ Trademark Books, Uniform Commercial Code, Bingo Law & Rules and other miscellaneous publications) | 39,500 | 40,000 | 40,000 |
| Percentage of information printed and ready for distribution within 5 days | 95 | 95 | 95 |
| Number of Arizona Administrative Code subscribers | 91 | 100 | 100 |
| Number of Arizona Administrative Register subscribers | 54 | 50 | 50 |
| Number of Executive Orders (EO) filed | 12 | 15 | 15 |

◆ **Goal 2** To develop new brochures, booklets and other publications as mandated by law or requested by the public; to produce and print them in-house.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of Chapter Laws publications distributed; misc. legislative filings, veto letters | 425 | 350 | 350 |

◆ **Goal 3** To provide service that allows agencies, boards and commissions to develop rules accurately and efficiently.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of rules and rule-related items filed | 634 | 650 | 650 |

◆ **Goal 4** To serve the public by providing materials on-line accurately and expeditiously.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percentage of Administrative Code available via the Internet within 21 | 100 | 100 | 100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| days of release date | | | |
| Percentage of Administrative Register available via the Internet in conjunction with publication date | 100 | 100 | 100 |
| Percent of time division publications are published online within one week of release of paper publication | 100 | 100 | 100 |
| Percent of Chaptered Bills/Memorials/Resolutions posted online within 48 hours of receipt | 100 | 100 | 100 |

◆ **Goal 5** To provide public information and publications.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of customers indicating they found the public information they were seeking | 100 | 100 | 100 |
| Percent of statutory publications provided | 100 | 100 | 100 |

| STA 4.0 | Program Summary |
|---------|--|
| | ELECTION SERVICES |
| | Amy Chan, Director |
| | Phone: (602) 542-6167 |
| | A.R.S. §§ 16-101 et seq.; 19-101 et seq.; 38-541 et seq. |

Mission:

To provide professional, courteous service in the administration of campaign finance and lobbyist laws; process candidate and ballot measure filings; provide training and certification of county recorders and election officials; develop and implement coordination of statewide voter registration; review and certify election equipment used by the counties; conduct logic and accuracy tests prior to each election on counties' vote counting devices; conduct a voter outreach program; provide information to the public on ballot measures through publication of the publicity pamphlet and Town Hall meetings; provide uniform election procedures through publication of the Election Procedures Manual; retrieve filings for the public upon request. To successfully implement provisions of the Help America Vote Act of 2002 to improve the administration of Federal elections. To provide new and innovative technology to ensure federally-mandated statewide election reform through coordination, cooperation, and collaboration with County Recorders and Election Officials.

Description:

The Election Services Division complies with its statutory mandates by registering lobbyists and accepting their filings, accepting campaign finance filings, coordinating state responsibilities for voter registration under the National Voter Registration Act of 1993, receiving documents from and certifying for the ballot candidates for state office, canvassing and certifying the results of statewide elections, testing and certifying voting devices for use by counties, testing the logic and accuracy of counties' election equipment, training and certifying county election officials, certifying initiatives and referendums for the ballot, publishing and mailing the publicity pamphlet to every household with a registered voter, conducting Town Halls on ballot measures, drafting and publishing the Election Procedures Manual, creating and implementing a voter outreach program, establishing and maintaining a uniform statewide voter registration system, certifying new and existing voting systems according to national standards, improving voting device accessibility, maintaining uniform election procedures and certification of election officials and poll workers, increasing voter education for new voting systems, and providing a statewide complaint system for a uniform nondiscriminatory response to grievances. All filings and data mentioned above are available to the public. The Help America Vote Act of 2002 (HAVA) increases the responsibility for election administration at the state level in order to establish consistency across the State.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 3,661.9 | 4,546.3 | 4,461.3 |
| Other Appropriated Funds | 1,610.0 | 2,934.2 | 2,934.2 |
| Other Non Appropriated Funds | 29.7 | 0.0 | 0.0 |
| Program Total | 5,301.6 | 7,480.5 | 7,395.5 |
| FTE Positions | 10.0 | 10.0 | 10.0 |

- ◆ **Goal 1** To increase the ability of the Secretary of State's Office to make information filed in the office accessible to the public in electronic format and via Internet access.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of Campaign Finance data available on-line | 100 | 100 | 100 |
| Percent of timely review and action on election law complaints | 100 | 100 | 100 |
| Number of Campaign Finance reports filed | 8,352 | 4,500 | 8,000 |
| Number of Political Committees registered | 923 | 1,000 | 1,000 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Standing Political Committees registered | 55 | 55 | 60 |

- ◆ **Goal 2** To coordinate statewide voter registration as provided under the National Voter Registration Act of 1993.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Use electronic format and information provided by county offices and MVD to maintain voter registration rolls (percent completed) | 100 | 100 | 100 |
| Number of publicity pamphlets printed and distributed (in thousands) | 1,827.4 | 2,000.0 | 2,000.0 |
| Number of registered voters (in thousands) | 3,146.4 | 3,250.0 | 3,300.0 |
| Number of Town Hall meetings per year for explanation of initiatives | 27 | 0 | 25 |

- ◆ **Goal 3** To provide statewide voter registration election, voter outreach, and HAVA.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of votes cast on provisional ballots compared to total voter registration | 2 | 2 | 2 |
| Total voter registration | 3,146,418 | 3,250,000 | 3,300,000 |
| Percent of delinquent campaign finance filings | 7.66 | 9.0 | 9.0 |
| Percent of delinquent elected official financial disclosure statements | 0 | 2.0 | 2.0 |
| Percent of delinquent lobbyist reports | 54 | 25 | 25 |

- ◆ **Goal 4** To train and certify election officers in accordance with A.R.S. § 16-407.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of election officers certified | 0 | 300 | 0 |
| Total combined hours of classroom training | 32 | 125 | 35 |

| STA 5.0 | Program Summary |
|---|-----------------|
| ARIZONA STATE LIBRARY, ARCHIVES, AND PUBLIC RECORDS | |
| Janet Fisher, Acting State Librarian | |
| Phone: (602) 926-4035 | |
| A.R.S. §§ 41-151 through 41-151.23 | |

Mission:

To serve Arizona's citizens and government agencies by providing access to public information, fostering historical/cultural collaborative research and information projects, and ensuring that Arizona's history is documented and preserved.

Description:

The Arizona State Library, Archives and Public Records Division provides information services as authorized by law. Research and reference services are provided in the subject areas of law, government, public policy, genealogy, and Arizoniana. Consultant services are offered to public libraries to strengthen county and local library services and to government agencies of the cities, counties, and state to assist them in the management of official records. State and federal grants for public libraries and other authorized services are administered and monitored. Special library and information services are offered for anyone who is unable to read or use standard printed materials as a result of temporary or permanent visual or physical limitations. Public records are identified, preserved, and when appropriate, disposed of through archival retention programs. Exhibits are created to educate the public regarding Arizona history and the legislative process. The Division also has responsibility for the Arizona Board of Library Examiners; the Arizona County Librarians; Arizona Historical Records Advisory Board; the Arizona State Board on Geographic and Historic Names; and the Arizona Historical Advisory Commission, including the Arizona Centennial planning efforts.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 6,123.1 | 6,422.7 | 8,884.0 |
| Other Appropriated Funds | 446.9 | 568.8 | 675.2 |
| Other Non Appropriated Funds | 5,925.1 | 6,534.6 | 6,534.6 |
| Program Total | 12,495.1 | 13,526.1 | 16,093.8 |
| FTE Positions | 120.2 | 120.2 | 122.2 |

◆ **Goal 1** To provide access to public information.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Public Access - Materials loaned | 481,476 | 480,000 | 480,000 |
| Public Access - Materials retrieved | 79,038 | 80,000 | 80,000 |
| Public Access - Questions answered | 176,687 | 177,000 | 177,000 |
| Public Access - Consultations | 12,392 | 12,500 | 12,500 |
| Public Access - In-state contacts | 2,081,100 | 2,000,000 | 2,000,000 |
| Public Access - Out-of-state contacts | 19,673 | 15,000 | 15,000 |
| Public Access - On-line database searches | 7,706,495 | 5,500,000 | 5,500,000 |
| Public Access - Patrons registered | 2,581 | 2,500 | 2,500 |
| Public Access - Program activities | 707 | 700 | 700 |
| Public Access - Program attendees | 150,948 | 150,000 | 150,000 |
| Public Access - Tours | 1,793 | 1,700 | 1,700 |
| Public Access - Tour participants | 39,280 | 50,000 | 50,000 |
| Public Access - Facility use | 293 | 300 | 300 |
| Public Access - Facility use participants | 9,767 | 9,500 | 9,500 |
| Public Access - Web site visits (in thousands) | 17,430.9 | 20,000.0 | 20,000.0 |
| Public Access - SIRSI usage | 126,295 | 125,000 | 125,000 |
| Public Access - E-mail delivered (in thousands) | 49,343.9 | 49,300.0 | 49,300.0 |
| Public Access - Jobline/Newsline calls | 87,432 | 88,000 | 88,000 |
| Public Access - Total contacts (in thousands) | 77,750.9 | 77,992.2 | 77,992.2 |

◆ **Goal 2** To preserve Arizona materials.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Preservation - Materials acquired | 134,694 | 130,000 | 130,000 |
| Preservation - Materials withdrawn/removed | 94,812 | 110,000 | 110,000 |
| Preservation - Materials preserved (in thousands) | 449.1 | 450.0 | 450.0 |
| Preservation - Materials digitized | 157,449 | 150,000 | 150,000 |
| Preservation - Titles cataloged | 97,231 | 100,000 | 100,000 |
| Preservation - Reproductions for preservation, access (in thousands) | 12,726.4 | 12,800.0 | 12,800.0 |
| Preservation - Total items/contacts (in thousands) | 13,659.7 | 13,740.0 | 13,740.0 |

◆ **Goal 3** To promote statewide collaboration.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Collaboration - Institutions | 3,673 | 2,500 | 2,500 |
| Collaboration - Programs/Activities | 3,864 | 3,000 | 3,000 |
| Collaboration - Program attendees | 184,877 | 100,000 | 100,000 |
| Collaboration - Boards and commissions | 652 | 200 | 200 |
| Collaboration - Volunteer hours | 28,708 | 25,000 | 25,000 |
| Collaboration - Total activities/contacts | 221,774 | 130,700 | 130,700 |

◆ **Goal 4** To provide information services to the Legislature.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Leg Info Services - Materials loaned | 351 | 150 | 150 |
| Leg Info Services - Legislative contacts | 9,163 | 10,000 | 10,000 |
| Leg Info Services - Questions answered | 293 | 250 | 250 |
| Leg Info Services - Tour attendees | 6,025 | 3,000 | 3,000 |
| Leg Info Services - Equipment loans | 9 | 5 | 5 |
| Leg Info Services - Facilities use permits | 25 | 80 | 80 |
| Leg Info Services - Facilities use attendees | 731 | 700 | 700 |
| Leg Info Services - In-service training sessions | 20 | 20 | 20 |
| Leg Info Services - In-service training attendees | 340 | 150 | 150 |
| Leg Info Services - Boxed records added to storage monthly | 1,984 | 2,000 | 2,000 |
| Leg Info Services - Library Board attendees | 0 | 0 | 0 |
| Leg info services - Total activities/contacts | 18,941 | 16,355 | 16,355 |

| | |
|--|-----------------------|
| TXA 0.0 | Agency Summary |
| STATE BOARD OF TAX APPEALS | |
| Alisha L. Woodring, Executive Director | |
| Phone: (602) 364-1102 | |
| A.R.S. § 42-1252 | |

Mission:

To provide an independent appeals process for taxpayers with adverse decisions from the Department of Revenue and Office of Administrative Hearings, and to resolve jurisdictional disputes between municipalities regarding the imposition of transaction privilege and use taxes.

Description:

The State Board of Tax Appeals hears and decides appeals filed by taxpayers and Arizona municipalities concerning income, transaction privilege, use, luxury, and estate taxes.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 249.4 | 253.4 | 253.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 249.4 | 253.4 | 253.4 |
| FTE Positions | 4.0 | 4.0 | 4.0 |

Strategic Issues:

Issue 1 *To strive to expedite tax appeals in a manner that minimizes delays in the appeals process.*

Maintaining a current appeals process continues to be the Board's chief priority. The timely issuance and publication of decisions not only benefits the parties involved in the appeals, but also provides much-needed guidance to tax attorneys, CPAs and tax practitioners, as well as others involved in the field of State taxation. Recent budget constraints have forced the Board to compress the number of appeals heard into fewer scheduled hearing days. The 2011 budget for the Department of Revenue included an increase of \$4,352,200 and 71 FTE positions to partially restore 2009 cuts to audit staff. Because the Board's caseload is directly related to the number of appeals generated at the Department of Revenue, more audits will likely increase the number of appeals filed with the Board. Legislative changes and court decisions may also impact the appeals process.

◆ **Goal 1** To receive and process tax appeals expeditiously to avoid any delays in the appeals process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Caseload processing (and number of issues) | 43(95) | 65(110) | 75(150) |
| Number of tax appeals resolved | 14 | 35 | 45 |
| Number backlogged requiring written decision | 4 | 15 | 15 |
| Number of months to process appeal | 7 | 6.5 | 6.5 |

| | |
|---|----------------|
| TEA 0.0 | Agency Summary |
| BOARD OF TECHNICAL REGISTRATION | |
| Ronald W. Dalrymple, Executive Director | |
| Phone: (602) 364-4930 | |
| A.R.S. §§ 32-101, 32-106, 32-107 | |

Mission:

To protect the public by setting appropriate registration qualifications and enforcing State Statutes relating to the practice of all Board regulated professions and occupations.

Description:

The Agency's duties are to screen applicants; adopt and administer qualifying examinations as needed to determine whether minimum standards for registration or certification have been satisfied; to enforce professional practice standards for registrants and certificate holders; and to enforce statutes relating to unlicensed practice.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 1,537.2 | 1,834.9 | 2,284.9 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,537.2 | 1,834.9 | 2,284.9 |
| FTE Positions | 23.0 | 23.0 | 23.0 |

Strategic Issues:

Issue 1 Customer Service

The Agency continues to assess the delivery of services and seeks customer input about the quality of service rendered to assist the Agency in its efforts to provide courteous, effective, responsive, and cost-effective service. The feedback received from customers is evaluated and continuous effort is made to address weaknesses and increase the level of satisfaction. The Executive Director and Deputy Director for the Board of Technical Registration review each customer service survey and compile information regarding issues that require staff correction, or managerial praise for effort, towards our goal of excellent customer service.

Issue 2 Use of Technology

The Agency continues to explore the use of new technology to assist in better delivery of services.

- ◆ Goal 1 To rapidly and accurately process applications for registration.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of denial decisions accepted without appeal by applicants as satisfactory | 100 | 100 | 100 |
| Percent of new registrants grading application processing as good or better | 95 | 100 | 100 |
| Percent of applications transmitted to Board Members for action within five days of receipt of last needed item | 100 | 100 | 100 |
| Applications processed | 1,022 | 1,652 | 1,652 |
| Applications received | 1,022 | 1,652 | 1,652 |
| Professional applications received | 1,289 | 1,428 | 1,428 |
| Total number of In-Training Certificate holders | 9,336 | 9,065 | 9,065 |
| In-Training applications received | 223 | 224 | 224 |
| Licensing Renewals | 9,425 | 9,586 | 9586 |
| Average number of days to process an application | 90 | 90 | 90 |
| Total number of professional licensees | 32,018 | 32,018 | 32,018 |
| Default Performance Measure | 0 | 0 | 0 |

- ◆ Goal 2 To efficiently and effectively administer exams to all applicants qualified for examination. To cooperate with national councils to work toward national examination

administration before state registration application.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of national examinations administered by National Councils efficiently | 99 | 99 | 99 |

- ◆ Goal 3 To rapidly and accurately respond to requests for information relating to registration. To develop a comprehensive program to provide rapid and accurate responses to requests for information relating to registration.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of persons grading response to request for information as good or better | 100 | 100 | 100 |
| Number of information requests | 37,900 | 37,900 | 37,900 |

- ◆ Goal 4 To actively investigate all instances of possible illegal conduct related to professional practice.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of complainants grading complaint processing as good or higher | 100 | 99 | 99 |
| Percent of complaints resolved by informal methods | 100 | 100 | 100 |
| Number of investigations completed | 122 | 109 | 109 |
| Number of complaints received | 101 | 154 | 154 |
| Complaints against non-registrants determined to warrant investigation | 32 | 38 | 38 |
| Complaints against non-registrants resulting in enforcement action (percent) | 45 | 81 | 81 |
| Complaints filed against licensees | 72 | 101 | 101 |
| Average time in calendar days from receipt of complaint to resolution | 454 | 180 | 180 |
| Percent of complaints against registrants resulting in disciplinary action (percent) | 34 | 56 | 56 |
| Complaints against registrants determined to warrant investigation | 72 | 101 | 101 |
| Total number of complaints closed | 122 | 109 | 109 |

| TOA 0.0 | Agency Summary |
|------------------------------|----------------|
| OFFICE OF TOURISM | |
| Sherry Henry, Director | |
| Phone: (602) 364-3717 | |
| A.R.S. §§ 41.2301 to 41.2306 | |

Mission:

To enhance the State's economy by expanding travel activity through tourism promotion and development.

Description:

The Arizona Office of Tourism (AOT) develops and executes a national, international, and in-state marketing plan, promotes Arizona's tourism-related businesses, manages research that guides state-wide tourism development, is a central clearinghouse for tourism-related data, and provides information and assistance as needed by citizens, businesses, industry organizations, and governmental agencies on matters related to tourism.

| Agency Summary: | | (\$ Thousands) | | |
|----------------------|-----------------|------------------|-----------------|--|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request | |
| ➤ ADMINISTRATION | 2,916.1 | 2,035.0 | 17,184.3 | |
| ➤ TOURISM PROMOTION | 7,793.6 | 12,852.0 | 12,852.0 | |
| Agency Total: | 10,709.7 | 14,887.0 | 30,036.3 | |

| Funding and FTE Summary: | | (Thousands) | | |
|------------------------------|-----------------|------------------|-----------------|--|
| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request | |
| General Funds | 0.0 | 0.0 | 15,149.3 | |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 | |
| Other Non Appropriated Funds | 10,709.7 | 14,887.0 | 14,887.0 | |
| Program Total | 10,709.7 | 14,887.0 | 30,036.3 | |
| FTE Positions | 24.0 | 25.0 | 29.0 | |

Strategic Issues:

Issue 1 *Ongoing strategic adjustment of destination marketing activities to account for the changing travel behaviors of Arizona's primary visitor segments.*

The global economic downturn has forced what may prove to be permanent changes in consumer spending patterns. It is more crucial than ever for destinations such as Arizona to remain competitive with marketing efforts that inspire visitors to come here and that speak directly to the needs and wants of target customer segments. The internet has become a powerful force in travel planning and booking and as travelers have become more Internet savvy, their expectations regarding information delivery and quality have increased. In conjunction with more traditional marketing techniques, embracing "social marketing" and catering to consumers expectations in regard to blogging, tweeting, and other forms of user-generated content is proving critical in positioning Arizona effectively with Internet savvy travelers. The critical baby-boomer market is one of Arizona's key visitor segments, and with the first waves reaching retirement age, we must look for new opportunities to reach this group which has the time and motivation to travel, but may have fewer financial resources to draw from to travel. The fastest growing segment on Facebook, for example, is women over the age of 55. In addition, Generation X travelers are in their 30's and 40's and are entering increased earning phases in their lives. We must establish Arizona as an attractive vacation destination for these younger travelers. Economic uncertainty is causing many travelers to take shorter, closer to home trips, and to plan those trips with less lead time to take advantage of deals. The prevalence of "smart" handheld devices is leading many to rely less on printed materials and more on mobile media for travel information. To successfully compete for these key segments against destinations that are employing sophisticated marketing methods, Arizona must remain on the cutting edge with enhanced traditional and interactive marketing techniques.

Issue 2 *Enhancing Arizona's product development efforts, which continue to lag behind other destinations.*

For Arizona to continue to compete in the increasingly aggressive marketplace, new and additional product development is essential. Arizona must develop programs to stimulate growth in new tourism products, particularly those that motivate people to visit the state, stay longer, and spend more. Arizona also must enhance current products that are proven destination drivers, such as meetings and convention space, state parks, and cultural and historic attractions, to differentiate its products from its competitors and to enhance the visitor experience. AOT is taking a lead role in encouraging communities to develop tourism products to help celebrate Arizona's Centennial on February 14, 2012. AOT is also leading the discussion in developing sustainable tourism practices in the state. AOT is working with the private sector through tourism industry associations, such as the Arizona Tourism Alliance, to focus the conversation on product development and what kind of development makes sense for Arizona. AOT has refocused the efforts of our Community Relations division to have an increased emphasis on technical assistance to communities to facilitate the growth of the local tourism economy.

Issue 3 *Responding to rapidly expanding competition threatening to steal market share in Arizona's traditional market segments (weather and scenery, outdoor adventure, and culture/heritage).*

Many of the state's traditional advantages in market share, high-spending visitor segments, high-quality golf, and cultural attractions are being eroded by a high-powered set of competitors. California, Nevada, New Mexico and other regional destinations, as well as more distant competitors such as Florida and Hawaii, are engaging in hard-hitting marketing and development tactics that could ultimately eat away at the state's visitor base, which could cost the state millions of dollars in direct spending and tax revenues. These competitors feature numerous large-scale, man-made attractions that can generate significant pools of funding for destination marketing organizations, while many of Arizona's travel and tourism products are managed by other federal, state, and non-profit agencies with limited marketing resources. Arizona must consistently designate sufficient resources to maintain a successful competitive response.

Issue 4 *Ongoing efforts to understand and correctly communicate the effects of federal regulations concerning the U.S. ports of entry and how they impact legitimate travel to and from the United States.*

In 2010, the Travel Promotion Act was signed into law by the U.S. Congress. This legislation calls for an overseas travel promotion program that is projected to yield millions of new visitors, \$4 billion in new economic stimulus, 40,000 new American jobs and \$320 million in new federal tax revenue. The bill is funded – at no cost to the American taxpayer – by a \$10 fee paid by overseas visitors to the United States and matching funds from the U.S. private sector. Following the passage of the Travel Promotion Act, the Corporation for Travel Promotion (CTP), a public-private partnership was formed to market the United States. In 2011, the Corporation for Travel Promotion named Jim Evans, a longtime leader in the hospitality industry, its first CEO. Evans will be responsible for leading the Corporation's efforts to promote the United States as a travel destination and strengthen the U.S. tourism industry. The Arizona Office of Tourism as well as the Arizona Travel Industry are strong supporters of the Travel Promotion Act and the Corporation for Travel Promotion and have encouraged members of the state's tourism industry to learn more about the benefits of the legislation. The Travel Promotion Act and the Corporation for Travel Promotion will not only market the United States to help increase the amount of new visitors to the U.S. and Arizona, but will also help clarify international travel policies facilitating the travel experience for our visitors.

| TOA 1.0 | Program Summary |
|---------|------------------------------|
| | ADMINISTRATION |
| | Sherry Henry, Director |
| | Phone: (602) 364-3717 |
| | A.R.S. §§ 41.2302 to 41.2305 |

Mission:

To provide effective support of all Arizona Office of Tourism functions through development and maintenance of efficient, comprehensive, and innovative management systems.

Description:

Business administration includes business affairs, finance, and the related administrative/office management personnel and supports the leadership and policy-making duties of the Executive Director's Office. The program is responsible for the budget cycle including budget request, financial administration, and information systems management. Responsibility for the function includes obtaining, enhancing and sustaining all office resources including information systems (e.g., accounting and computerized information systems), office facilities, strategic technology (e.g., computer networks, world wide web sites, etc.), human resources and procurement. The program acts as the primary resource for intergovernmental information disclosure as well as ensuring statutory and regulatory compliance for the agency.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 15,149.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,916.1 | 2,035.0 | 2,035.0 |
| Program Total | 2,916.1 | 2,035.0 | 17,184.3 |
| FTE Positions | 24.0 | 25.0 | 29.0 |

- ◆ **Goal 1** To ensure the efficient, timely, and accurate administration of AOT's financial and business affairs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of invoices paid within 30 days | 92 | 92 | 92 |
| Average number of days for processing invoices received | 13 | 13 | 13 |

- ◆ **Goal 2** To ensure all AOT operating activities comply with State Procurement Code and provide and maintain centralized records accessible for review.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Hours of certified training in procurement | 16 | 16 | 16 |

| TOA 2.0 | Program Summary |
|---------|------------------------------|
| | TOURISM PROMOTION |
| | Sherry Henry, Director |
| | Phone: (602) 364-3717 |
| | A.R.S. §§ 41.2302 to 41.2305 |

Mission:

To coordinate all of the Arizona Office of Tourism's primary marketing efforts (i.e., advertising, consumer fulfillment, media communications, travel industry marketing, and market research) to ensure maximum impact in motivating targeted traveler segments to visit Arizona. To create a cooperative, image-consistent campaign of statewide tourism marketing promotions through developmental assistance and financial support of local tourism efforts. To manage the Arizona Office of Tourism (AOT) welcome center operations to encourage visitors to the center to extend their stay in the State and generate additional tourism-related expenditures.

Description:

The program integrates the activities of the subprograms in order to maximize their individual effects by coordinating marketing efforts that stimulate consumer demand (e.g., advertising, media communications, etc.) with development programs that augment the Arizona travel product in consumer marketing channels; thus assisting Arizona communities, regions and non-profit entities in the development and promotion of their travel destinations and tourism attractions. Operating the Painted Cliffs Welcome Center at Lupton enhances the traveling public's perception and experience of Arizona as a travel destination by providing a positive first image of the State to visitors entering through the Interstate 40-West gateway.

This Program Contains the following Subprograms:

- ▶ State Tourism Promotion
- ▶ In-State Tourism Promotion (Prop 202)
- ▶ Maricopa County Tourism Promotion

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 7,793.6 | 12,852.0 | 12,852.0 |
| Program Total | 7,793.6 | 12,852.0 | 12,852.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

| | |
|------------------------------|---------------------------|
| TOA 2.1 | Subprogram Summary |
| STATE TOURISM PROMOTION | |
| Sherry Henry, Director | |
| Phone: (602) 364-3717 | |
| A.R.S. §§ 41.2302 to 41.2305 | |

Mission:

To create an awareness of and demand for Arizona as a tourism destination for domestic and international visitors, through superior marketing, community outreach, and visitor services programs and innovative partnerships.

Description:

This subprogram seeks to enhance the image and awareness of the State through marketing and media relations, and to stimulate interest and motivation levels of travelers in key markets and interest categories through the application of advanced consumer research. The subprogram further supports the development and promotion of new Arizona travel products and packages in urban and rural areas alike, in partnership with public and private entities. The operation of the state Welcome Center promotes positive awareness through excellent customer service.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 3,236.1 | 7,316.0 | 7,316.0 |
| Program Total | 3,236.1 | 7,316.0 | 7,316.0 |
| FTE Positions | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To expand the volume of tourism activity through tourism promotion and development.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of domestic tourists (in millions) | 32.2 | 32.0 | 32.0 |

- ◆ **Goal 2** To provide data in a timely manner based on requests for information from the travel industry, governmental policy makers, and the public with relevant and credible tourism research.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of visitors to azot.gov/research-and-statistics | 2,528 | 2,500 | 2,500 |
| Explanation: This includes click throughs to reports from AOT in Action. | | | |
| Constituent satisfaction with AOT's role as a clearinghouse for tourism data (scale of 1-5, 5=extremely satisfied) | 3.8 | 3.8 | 3.8 |
| Explanation: Due to budget reductions, AOT's resources decreased resulting in decreased outreach activities. | | | |

- ◆ **Goal 3** To efficiently use advertising resources (both online and offline) to generate demand for Arizona tourism information.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Cost per inquiry for advertising-generated requests for Arizona travel planning information (in dollars) | 19.4 | 19.4 | 19.4 |
| Number of inquiries for Arizona travel packet (in thousands) | 156 | 156 | 156 |
| Explanation: Research Studies show that travelers view a hard copy guide as a primary source of information. | | | |
| Increased awareness of Arizona as a tourism destination as a result of AOT's advertising efforts in selected target markets (in percentage points) | 0 | 0 | 0 |
| Explanation: Due to budget reductions, this research is not conducted. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of respondents who took specific action related to planning a vacation to Arizona after seeing AOT advertising in selected target markets | 0 | 0 | 0 |
| Explanation: Due to budget reductions, this research is not conducted. | | | |
| Number of visitors to AOT's consumer web sites for Arizona travel planning information (in millions) | 1.928 | 2.005 | 2.085 |
| Explanation: Projecting a 4% increase in site traffic for future years. | | | |
| Customer satisfaction rating for travel kits program (scale 1-5, 5=very satisfied) | 4.2 | 4.3 | 4.3 |
| Explanation: A new fulfillment warehouse contract was awarded mid-FY11 which resulted in a decline in satisfaction. There is an expectation that future satisfaction estimates will improve since the warehouse is now in full operation. | | | |

- ◆ **Goal 4** To offer the tourism industry in Arizona the opportunity to participate with AOT in cost-efficient and effective advertising programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Constituent satisfaction with AOT cooperative marketing program (scale 1-5, 5=extremely satisfied) | 3.0 | 3.0 | 3.0 |
| Explanation: Due to budget reductions, AOT's resources decreased resulting in decreased outreach activities. | | | |

- ◆ **Goal 5** To distribute AOT materials to communities and constituents in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Constituent satisfaction with distribution of AOT materials (scale of 1-5, 5=extremely satisfied) | 3.8 | 3.8 | 3.8 |

- ◆ **Goal 6** To educate, motivate, and assist the travel industry to create and market group and individual tour packages to Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Sales leads generated at trade shows and on sales missions | 57 | 55 | 60 |
| Appointments held at trade shows or on sales missions | 1,105 | 1,100 | 1,150 |
| Trade requests for additional information fulfilled | 1,096 | 1,100 | 1,125 |

- ◆ **Goal 7** To assist communities and tourism-related businesses in Arizona to develop tour and travel programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Constituent satisfaction with AOT travel industry marketing programs (scale 1-5, 5=extremely satisfied) | 3.4 | 3.4 | 3.4 |
| Explanation: Due to budget reductions, AOT's resources decreased resulting in decreased outreach activities. | | | |
| Trade familiarization tours and site inspections assisted or hosted by AOT | 8 | 8 | 8 |
| Participants on familiarization tours and site inspections | 43 | 40 | 40 |
| Communities visited for overnight stays on familiarization tours and site inspections | 20 | 21 | 22 |
| Opportunities for Arizona partners to join AOT in marketing to the trade | 2 | 4 | 4 |
| Number of Arizona partners who joined AOT in marketing to the trade | 2 | 20 | 22 |
| Explanation: Large increase in future estimates due to the return of Arizona Showcase in FY12. | | | |

- ◆ **Goal 8** To generate positive media coverage for Arizona tourism as a tourism destination.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Circulation of domestic and international print, TV, radio and online coverage about Arizona generated by AOT efforts (in billions) | 2.298 | 2.300 | 2.300 |
| Advertising value of domestic and international coverage generated by AOT efforts (in millions) | 24.2 | 24.3 | 24.5 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Advertising value of domestic and international coverage generated by AOT efforts for every \$1 expended on media promotions (ROI in dollars) | 56.86 | 50.00 | 50.00 |
| Appointments held at trade shows or on media missions | 437 | 425 | 450 |
| Explanation: Slight decrease in FY12 over FY11 as we won't be conducting the Arizona Media Marketplace in FY12 but will conduct in FY13. | | | |
| Number of visitors to the online press room | 4,661 | 4,700 | 4,800 |

◆ **Goal 9** To assist communities with their media communications programs by consulting and providing expertise.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Constituent satisfaction with media relations programs and activities (scale of 1-5, 5=extremely satisfied) | 3.6 | 3.6 | 3.6 |
| Explanation: Due to budget reductions, AOT's resources decreased resulting in decreased outreach activities. | | | |
| Participants on individual media visits and press trips | 95 | 96 | 97 |
| Communities visited for overnight stays on individual media visits and press trips | 35 | 36 | 37 |
| Opportunities for Arizona partners to join AOT in reaching the media | 3 | 4 | 4 |
| Number of Arizona partners who joined AOT to reach the media | 74 | 75 | 75 |

◆ **Goal 10** To generate positive media coverage for the Arizona Office of Tourism and the tourism industry.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Circulation of print, TV, radio and online coverage about AOT and the tourism industry (in millions) | 804.5 | 800.0 | 800.0 |
| Explanation: The internet has greatly impacted the calculation of ad value related to media coverage. | | | |
| Advertising value of print, TV, radio and online coverage about AOT and the tourism industry | 394,039 | 400,000 | 400,000 |
| Explanation: Due to budget reductions, AOT's resources decreased resulting in decreased outreach activities. | | | |

◆ **Goal 11** To increase the number of participants in tourism marketing grant workshops and increase the overall satisfaction of the rural tourism marketing workshops.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of constituents participating in the grant workshops | 0 | 0 | 0 |
| Explanation: Due to significant reductions in AOT's budget, the grant program is suspended and as a result workshops are cancelled. | | | |
| Constituent satisfaction with grant workshops (on a scale of 1-5, 5=extremely satisfied) | 0 | 0 | 0 |
| Explanation: Due to significant reductions in AOT's budget, the grant program is suspended and as a result constituent satisfaction can't be measured. | | | |

◆ **Goal 12** To provide tourism-related technical assistance to communities and Native American tribes throughout Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Constituent satisfaction with workshops or technical assistance meetings (scale of 1-5, 5=extremely satisfied) | 3.6 | 3.6 | 3.6 |
| Number of constituents participating in workshops | 337 | 320 | 320 |

◆ **Goal 13** To standardize operating procedures and to enhance levels of customer service at community designated visitor centers throughout Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percentage of local visitor centers in compliance with standardized operating procedures | 0 | 0 | 0 |
| Explanation: Due to significant reductions in AOT's budget, the LVIC evaluations and Grand Impressions workshops are suspended. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Constituent level of satisfaction with Grand Impression workshops (scale of 1-5, 5=extremely satisfied) | 0 | 0 | 0 |
| Explanation: Due to significant reductions in AOT's budget, the LVIC evaluations and Grand Impressions workshops are suspended and as a result constituent satisfaction can't be measured. | | | |

◆ **Goal 14** To provide information to visitors at the Painted Cliffs Welcome Center to provide tourism-related information about Arizona and encourage them to extend their travel throughout Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of visitors to the Welcome Center | 119,357 | 120,000 | 120,000 |
| Number of official AOT collateral materials that were distributed to visitors at the Welcome Center | 65,518 | 67,000 | 67,000 |

| TOA 2.2 | Subprogram Summary |
|---------------------------------------|--------------------|
| IN-STATE TOURISM PROMOTION (PROP 202) | |
| Sherry Henry, Director | |
| Phone: (602) 364-3717 | |
| A.R.S. § 41.2306 | |

Mission:

To create an awareness of and demand for Arizona as a premiere tourism destination for domestic and international visitors, through expanded marketing efforts and new programs with a targeted, customer-oriented focus.

Description:

Proposition 202 funds are dedicated to enhance tourism promotion of Arizona, augmenting the Arizona Office of Tourism's (AOT) existing promotional efforts by funding new and expanded marketing programs. This augmentation will increase the reach and frequency of AOT marketing, adding incremental value to previous years' results. Programs supported by Proposition 202 funds include but are not limited to efforts to reach new and emerging markets, including international tourists, and domestic multicultural markets.

- ◆ **Goal 1** To enhance the reach and frequency of existing AOT marketing programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Increase the number of gross impressions (in millions) | 271 | 298 | 298 |
| Explanation: | Due to the elimination of formula funding, AOT's marketing program will be focused on selected target markets. | | |

- ◆ **Goal 2** To expand the reach and frequency for select markets.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|---------------------|---------------------|
| Increase the number of gross impressions in select target cities (in millions) | 0 | 0 | 0 |
| Explanation: | Due to significant reductions in AOT's budget, these efforts are not part of AOT's marketing plan. | | |

| TOA 2.3 | Subprogram Summary |
|-----------------------------------|--------------------|
| MARICOPA COUNTY TOURISM PROMOTION | |
| Sherry Henry, Director | |
| Phone: (602) 364-3717 | |
| A.R.S. § 41.306 | |

Mission:

To strengthen and expand Maricopa County cooperative tourism marketing through developmental assistance and financial support of Maricopa County destination marketing organizations.

Description:

Proposition 302 Maricopa County monies are available only to eligible destination marketing organizations within Maricopa County. The purpose of this program is to provide funding for tourism marketing activities such as advertising, public relations, and travel industry marketing. The Proposition 302 Maricopa County Grant Program assists in the development of innovative and effective tourism promotion projects at the local level. These local tourism promotion activities, in cooperation with the national and regional advertising efforts of the Arizona Office of Tourism, are intended to assist in maintaining a strong tourism industry in Maricopa county and throughout Arizona.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 4,557.5 | 5,536.0 | 5,536.0 |
| Program Total | | 4,557.5 | 5,536.0 | 5,536.0 |
| FTE Positions | | 0.0 | 0.0 | 0.0 |

- ◆ **Goal 1** To distribute Proposition 302 money in a timely manner

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Average number of days from Treasurer's Office notification to disbursement of funds | 3 | 3 | 3 |

| DTA 0.0 | Agency Summary |
|------------------------------|----------------|
| DEPARTMENT OF TRANSPORTATION | |
| John Halikowski, Director | |
| Phone: (602) 712-7227 | |
| A.R.S. Title 28 | |

Mission:

To provide products and services for a safe, efficient, cost-effective transportation system.

Description:

The Arizona Department of Transportation is the state agency responsible for collecting transportation revenues and for planning, constructing, and maintaining Arizona’s highway infrastructure for the safe and efficient movement of people and products throughout the state. The transportation system, with more than 21,000 travel-lane miles, supports the state’s economy and quality of life. In addition, ADOT issues development grants to public airports for improvement projects, and owns and maintains the Grand Canyon National Park Airport.

ADOT works with various customers and stakeholders to identify significant transportation issues in Arizona and improve existing systems and practices. The Arizona Long-Range Transportation Plan builds on numerous studies and plans that guide ADOT in identifying future needs, developing solutions, and delivering projects that address the transportation challenges Arizona will face over the next 20 years. The Five-Year Transportation Facilities Construction Program and the collection of the maximum amount of transportation revenue are critical to the delivery of major state transportation projects by assisting decision makers in prioritizing projects and allocating corresponding funds.

The Motor Vehicle Division (MVD) is responsible for providing motor vehicle title and registration services, issuing driver credentials, e-government (ServiceArizona) services and commercial motor carrier services. The division also operates several information call centers.

The Enforcement and Compliance Division is responsible for commercial vehicle enforcement, registration compliance, and conducting administrative hearings involving DUI-related offenses and driver license suspension/revocation. It also oversees the agency’s Office of the Inspector General.

Revenues collected from fuel taxes, motor carrier fees, motor vehicle registration fees, vehicle license taxes (VLT), and other miscellaneous fees build and operate the state’s transportation systems and fund other related expenditures. The health of these revenues directly impacts ADOT’s ability to successfully deliver a range of transportation projects that will help create jobs and deliver economic and quality-of-life benefits for Arizona residents and businesses.

| Agency Summary: | | (\$ Thousands) | | |
|-----------------------------|--|----------------|------------------|-----------------|
| Program | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ ADMINISTRATION | | 89,229.7 | 69,000.2 | 63,818.3 |
| ➤ INTERMODAL TRANSPORTATION | | 2,689,291.9 | 2,793,543.5 | 2,800,441.0 |
| ➤ MOTOR VEHICLE | | 84,450.8 | 94,788.8 | 94,788.8 |
| Agency Total: | | 2,862,972.4 | 2,957,332.5 | 2,959,048.1 |

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 44.5 | 50.2 | 50.2 |
| Other Appropriated Funds | | 350,084.9 | 359,941.4 | 361,657.0 |
| Other Non Appropriated Funds | | 2,512,843.0 | 2,597,340.9 | 2,597,340.9 |
| Program Total | | 2,862,972.4 | 2,957,332.5 | 2,959,048.1 |
| FTE Positions | | 4,570.0 | 4,570.0 | 4,570.0 |

Strategic Issues:

Issue 1 Funding the State’s Transportation System

A steady and sustainable stream of revenues is needed to maintain and enhance the existing transportation system, including customer services provided by the agency, and to address future needs as the state grows. Identifying and capitalizing on opportunities that can increase efficiency are essential to achieve maximum results with fewer resources. In the future, ADOT will be challenged to discover “innovative ways” to acquire revenue to pay for and provide services in a radically changed environment.

Issue 2 Maintaining the Infrastructure

Costs for materials and service contracts continue to rise steadily while available resources, including staffing levels, are declining. New lane miles, growth in traffic volume and continued aging of the highway system are the major factors contributing to increases in highway maintenance needs. Expansion of the highway system adds capacity while also increasing the demand for maintenance.

Issue 3 Improving Safety

The Arizona Strategic Highway Safety Plan is the blueprint for ADOT to identify opportunities for coordination both internally and externally with tribal, county, city, and other state agencies. Developing clearly defined safety goals and performance measures and an agreed-upon definition of safety are essential if progress is to be made in reducing the number of fatalities and serious injuries in Arizona.

Issue 4 Sustaining Quality Customer Service

Despite the ongoing decline in resources, ADOT continues to develop strategies to improve its effectiveness and efficiency in providing services to Arizona residents throughout the state. Transportation service priorities include: reducing wait times in MVD field offices, increasing the number of motor vehicle issues resolved via telephone/Web site, maintaining the condition of highways, minimizing work zone delays, and managing traffic flow.

Issue 5 Congestion Management

"Building a Quality Arizona (BQAZ)" provides a vision to deal with transportation needs through the year 2050. Adequate options need to be provided to ensure urban mobility and statewide connectivity as communities evolve to the point where public transit and non-motorized modes become viable options.

| DTA 1.0 | Program Summary |
|---------|---------------------------|
| | ADMINISTRATION |
| | John Halikowski, Director |
| | Phone: (602) 712-7227 |
| | A.R.S. Title 28 |

Mission:

To provide leadership and operational and financial support to help achieve the agency mission.

Description:

The Administration Program provides overall coordination, management and support functions for the Department. As described in A.R.S. § 28-104, the exclusive control and jurisdiction over state highways, state routes, state airports and all state-owned transportation systems or modes is vested in the Department of Transportation.

This Program Contains the following Subprograms:

- ▶ Director's Office / Transportation Board
- ▶ Transportation Support Services
- ▶ Arizona Highways Magazine

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 81,556.6 | 61,953.4 | 56,771.5 |
| Other Non Appropriated Funds | 7,673.1 | 7,046.8 | 7,046.8 |
| Program Total | 89,229.7 | 69,000.2 | 63,818.3 |
| FTE Positions | 520.0 | 520.0 | 520.0 |

| DTA 1.1 | Subprogram Summary |
|---------|--|
| | DIRECTOR'S OFFICE / TRANSPORTATION BOARD |
| | John Bogert, Chief of Operations |
| | Phone: (602) 712-7228 |
| | A.R.S. Title 28 |

Mission:

To serve the employees, suppliers and customers of the Arizona Department of Transportation by exemplifying leadership and a commitment to achieve the agency guiding vision. The Transportation Board's mission is to administer the functions outlined in A.R.S. § 28-106 with respect to development or modification of the five-year transportation facilities construction program, the awarding of all construction contracts for transportation facilities and monitoring the status of such projects.

Description:

The Director and staff exist to provide strategic direction and guidance to agency personnel in achieving the organizational mission in an atmosphere of continuous improvement.

The Transportation Board distributes monies from the aviation fund for public airport planning, design and construction; establishes a complete set of state highway routes; determines which routes shall be accepted into the system and which shall be improved; establishes or otherwise alters the status of any portion of a state route or highway or other transportation facility; and determines priority programming with respect to transportation facilities.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 848.1 | 850.0 | 850.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 848.1 | 850.0 | 850.0 |
| FTE Positions | 6.0 | 6.0 | 6.0 |

- ◆ **Goal 1** To increase the quality, timeliness and cost effectiveness of our products and services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Highway User Revenue Fund revenue forecast range (percent) | 0.0 | +2.0/-1.0 | +2.0/-1.0 |
| Regional Area Revolving Fund revenue forecast range (percent) | 2.7 | +2.0/-1.0 | +2.0/-1.0 |
| Administrative expenses as percentage of operating budget | .6 | 1.0 | 1.0 |

- ◆ **Goal 2** To develop a high performing and successful workforce.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------------|-----------------------|-------------------------|-------------------------|
| Agency turnover rate (percentage) | 5.6 | 10.0 | 10.0 |

DTA 1.2 Subprogram Summary
TRANSPORTATION SUPPORT SERVICES
 John Bogert, Chief of Operations
 Phone: (602) 712-7228
 A.R.S. Title 28

Mission:

To provide effective and efficient support services to those who serve our customers and stakeholders.

Description:

Transportation Support Services provides many of the essential business services necessary for the Department to carry out its mission. It delivers these services to diverse customers located throughout the state. Service areas include: human resources, financial management, civil rights, audit, community relations, employee development, safety and health, procurement, information technology, facilities maintenance, planning and budgeting, and management of the Grand Canyon National Park Airport.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 80,708.5 | 61,103.4 | 55,921.5 |
| Other Non Appropriated Funds | 2,293.5 | 2,028.3 | 2,028.3 |
| Program Total | 83,002.0 | 63,131.7 | 57,949.8 |
| FTE Positions | 492.0 | 492.0 | 492.0 |

DTA 1.3 Subprogram Summary
ARIZONA HIGHWAYS MAGAZINE
 Win Holden, Publisher
 Phone: (602) 712-2023
 A.R.S. §§ 28-1881 to 28-1884

Mission:

To encourage travel within Arizona by publishing magazines and products about the state and its people while achieving the highest level of quality in production and customer service.

Description:

The first issue of Arizona Highways was published in April 1925. The current monthly circulation, including newsstand, averages 130,000 and includes subscribers from every state and 87 foreign countries. Fifty-seven percent of the magazine's subscribers live outside Arizona, many of them receiving gift subscriptions from Arizonans. A one year subscription is \$24.00. Arizona Highways is an enterprise fund and generates revenue from two major sources: (1) subscription and newsstand sales of the magazine; and (2) related product sales. The magazine is 56 full-color pages per issue. Most of the writing and photography included is provided by freelance contributors who are paid fees for one-time rights to publish their material.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 5,379.6 | 5,018.5 | 5,018.5 |
| Program Total | 5,379.6 | 5,018.5 | 5,018.5 |
| FTE Positions | 22.0 | 22.0 | 22.0 |

- ◆ **Goal 1** To remain financially self-sufficient while promoting travel and tourism to and through the state of Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|-----------------------|-------------------------|-------------------------|
| Average paid subscriptions | 124,914 | 115,998 | 115,000 |
| Average monthly newsstand sales | 12,045 | 10,750 | 10,000 |

| DTA 2.0 | Program Summary |
|---------|--------------------------------|
| | INTERMODAL TRANSPORTATION |
| | Floyd Roehrich, State Engineer |
| | Phone: (602) 712-7391 |
| | A.R.S. § 28-104 |

Mission:

To improve and sustain the safety, efficiency and environmental stewardship of Arizona's transportation infrastructure.

Description:

The Intermodal Transportation Division (ITD) serves as the state's public entity to design, construct and maintain a quality highway system. It ensures that the Department's mission is fulfilled through an extensive public participation process and technical evaluation effort which results in the Five-Year Transportation Facilities Construction Program for highways and airports. This program is revised each year to reflect the completion of projects, addition of new projects and changes in scheduling for underway projects.

This Program Contains the following Subprograms:

- ▶ Development and Administration
- ▶ Maintenance
- ▶ Construction
- ▶ Intermodal Transportation Planning
- ▶ Vehicles and Heavy Equipment

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 44.5 | 50.2 | 50.2 |
| Other Appropriated Funds | 191,016.5 | 207,170.2 | 214,067.7 |
| Other Non Appropriated Funds | 2,498,230.9 | 2,586,323.1 | 2,586,323.1 |
| Program Total | 2,689,291.9 | 2,793,543.5 | 2,800,441.0 |
| FTE Positions | 2,566.0 | 2,566.0 | 2,566.0 |

| DTA 2.1 | Subprogram Summary |
|---------|--------------------------------|
| | DEVELOPMENT AND ADMINISTRATION |
| | Floyd Roehrich, State Engineer |
| | Phone: (602) 712-7391 |
| | A.R.S. § 28-104 |

Mission:

To provide the leadership and support to all entities of ITD to improve the safety, efficiency and quality of the state highway system and its intermodal connectors.

Description:

The Development program is responsible for the coordination of pre-construction engineering functions. Groups involved in carrying out these functions include bridge, right-of-way, traffic engineering, and statewide project management.

- ◆ **Goal 1** To increase the quality, timeliness, and cost-effectiveness of our products and services.

| DTA 2.2 | Subprogram Summary |
|---------|--------------------------------|
| | MAINTENANCE |
| | Floyd Roehrich, State Engineer |
| | Phone: (602) 712-7391 |
| | A.R.S. § 28-104 |

Mission:

To provide courteous, efficient and effective maintenance contract support services.

Description:

The Maintenance Group is responsible for maintaining Arizona’s existing transportation infrastructure through activities including roadway and shoulder maintenance, signage, repairs, striping, emergency response, snow removal and preservation projects.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 120,515.9 | 126,555.6 | 133,453.1 |
| Other Non Appropriated Funds | | 11,932.0 | 0.0 | 0.0 |
| Program Total | | 132,447.9 | 126,555.6 | 133,453.1 |
| FTE Positions | | 932.0 | 932.0 | 932.0 |

- ◆ **Goal 1** To improve the movement of people and products throughout Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|------------------------------|--|------------------|------------------|
| Total maintenance lane miles | 28,985 | 29,273 | 29,436 |
| Explanation: | Maintenance lane miles include passing lanes, shoulders, ramps, etc. | | |

- ◆ **Goal 2** To increase the quality, timeliness and cost effectiveness of our products and services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Percent of highway system with pavement smoothness rating <171 | 96.2 | 95 | 95 |
| Explanation: | Based on International Roughness Index | | |

| DTA 2.3 | Subprogram Summary |
|---------|--------------------------------|
| | CONSTRUCTION |
| | Floyd Roehrich, State Engineer |
| | Phone: (602) 712-7391 |
| | A.R.S. § 28-104 |

Mission:

To monitor and implement statewide construction policies and procedures that continually improve project cost effectiveness and quality.

Description:

This Construction Group is responsible for the administration of the statewide annual construction program of over \$1 billion. The Five-Year Construction Program is revised each year to reflect the completion of some projects, the addition of new projects and changes in scheduling for other projects.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 48,294.0 | 50,000.0 | 50,000.0 |
| Other Non Appropriated Funds | | 2,474,669.4 | 2,565,570.3 | 2,565,570.3 |
| Program Total | | 2,522,963.4 | 2,615,570.3 | 2,615,570.3 |
| FTE Positions | | 1,335.0 | 1,335.0 | 1,335.0 |

- ◆ **Goal 1** To enhance the movement of people and products throughout Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of dollars awarded vs. planned | 100 | 100 | 100 |
| Total travel lane miles | 21,345 | 21,532 | 21,666 |
| Percent of highway construction projects completed on schedule | 95.4 | 95 | 85 |

| DTA 2.4 | Subprogram Summary |
|------------------------------------|--------------------|
| INTERMODAL TRANSPORTATION PLANNING | |
| Jennifer Toth, Director | |
| Phone: (602) 712-6790 | |
| A.R.S. § 28-104 | |

Mission:

To develop the transportation foundation for Arizona’s future.

Description:

The Multimodal Planning Division (MPD) works with its customers and stakeholders in a collaborative effort to develop and implement statewide transportation policy and facilitate multimodal, performance-based transportation planning and programming efforts at the state, regional and local level, including the statewide airport system. The Division helps to identify the important present and future transportation issues facing Arizona and assists in the development of supporting strategies needed to preserve and expand the state’s transportation system for all modes.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 44.5 | 50.2 | 50.2 |
| Other Appropriated Funds | 3,273.5 | 3,197.7 | 3,197.7 |
| Other Non Appropriated Funds | 11,629.5 | 20,752.8 | 20,752.8 |
| Program Total | 14,947.5 | 24,000.7 | 24,000.7 |
| FTE Positions | 52.0 | 52.0 | 52.0 |

- ◆ **Goal 1** To provide transportation related data, in a timely manner, to ADOT users and its stakeholders.
- ◆ **Goal 2** To manage Research and Product Evaluation Programs.
- ◆ **Goal 3** To develop and implement a Public Transportation Plan through a combination of federal and local resources.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of available funds allocated for project administration | 99 | 99 | 99 |

- ◆ **Goal 4** To increase ridership level of rural transit
- ◆ **Goal 5** To establish and provide training opportunities to sub-recipients of four different FTA grant programs in rural Arizona by 10% each year.
- ◆ **Goal 6** To increase the quality, timeliness and cost effectiveness of our aviation services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent projects completed on schedule | 98 | 95 | 95 |

| DTA 2.5 | Subprogram Summary |
|---|--------------------|
| VEHICLES AND HEAVY EQUIPMENT | |
| John H. Nichols, Physical and Plant Administrator | |
| Phone: (602) 712-7795 | |
| A.R.S. § 28-7006 | |

Mission:

To purchase, maintain, repair and dispose of light and heavy duty vehicle and fleet equipment for ADOT and perform contract services for selected state agencies and county/municipal governments.

Description:

It is the responsibility of Equipment Services to: provide and maintain the equipment fleet for ADOT users; maintain equipment fleets for other agencies and county/municipalities governments under contract; collect revenue to finance capital replacement and operational expenses; provide management and financial information through an equipment management system; provide fuel resources statewide in compliance with federal/ state EPA regulations and ; maintain state port-of-entry scales.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 18,933.1 | 27,416.9 | 27,416.9 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 18,933.1 | 27,416.9 | 27,416.9 |
| FTE Positions | 247.0 | 247.0 | 247.0 |

| DTA 3.0 | Program Summary |
|---------|--------------------------------------|
| | MOTOR VEHICLE |
| | Stacey K. Stanton, Division Director |
| | Phone: (602) 712-8152 |
| | A.R.S. Title 28 |

Mission:

To support Arizona through licensing, vehicle credentialing, revenue collection, safety programs, and by promoting compliance with transportation laws.

Description:

The Motor Vehicle Division (MVD) provides services in the following areas: motor vehicle title and registration, issuance of driver credentials, vehicle inspection, e-government (ServiceArizona), motor carrier, dealer licensing, aircraft registration and customer service through the division's public information call centers. MVD is the primary source of motor vehicle information to law enforcement agencies, other governmental entities, motor carrier and vehicle dealer industries, the news media and the general public.

This Program Contains the following Subprograms:

- ▶ Motor Vehicle Support Services
- ▶ Customer Services
- ▶ Motor Vehicle Enforcement Services

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 77,511.8 | 90,817.8 | 90,817.8 |
| Other Non Appropriated Funds | 6,939.0 | 3,971.0 | 3,971.0 |
| Program Total | 84,450.8 | 94,788.8 | 94,788.8 |
| FTE Positions | 1,484.0 | 1,484.0 | 1,484.0 |

| DTA 3.1 | Subprogram Summary |
|---------|--------------------------------------|
| | MOTOR VEHICLE SUPPORT SERVICES |
| | Stacey K. Stanton, Division Director |
| | Phone: (602) 712-8152 |
| | A.R.S. Title 28 |

Mission:

To lead and support the Motor Vehicle Division in its provision of services.

Description:

This program provides management support throughout the Division in the areas of strategic planning and budgeting, statistics, procurement, facility planning and management, purchasing, warehouse supply and distribution, grant accounting and contracts. The Director's Office provides leadership and assistance in legislative, public information, community relations, constituent services, information systems support, and human resources.

| DTA 3.2 | Subprogram Summary |
|---------|--------------------------------------|
| | CUSTOMER SERVICES |
| | Stacey K. Stanton, Division Director |
| | Phone: (602) 712-8152 |
| | A.R.S. Title 28 |

Mission:

To provide exemplary motor vehicle and driver license customer services and improve motor vehicle related products, services and, revenue collection through effective application of private and public sector resources.

Description:

The Customer Service Program provides motor vehicle title and registration services and issues driver credentials (including CDLs). Responsibilities include: review for compliance with state statutes and federal guidelines, fraud detection, collection and reconciliation of fees, vehicle inspections, driver knowledge and skill testing, medical review, motor carrier licensing and permit issuance. The program strives to provide the highest degree of quality customer service through statewide field offices, information call centers, and electronic service delivery.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 65,881.9 | 65,039.5 | 65,039.5 |
| Other Non Appropriated Funds | 2,051.3 | 2,116.5 | 2,116.5 |
| Program Total | 67,933.2 | 67,156.0 | 67,156.0 |
| FTE Positions | 1,111.0 | 1,111.0 | 1,111.0 |

- ◆ Goal 1 To improve customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of all vehicle registration renewals completed through alternate methods | 82.4 | 80.4 | 80.4 |
| Average Level II telephone wait time (minutes) | 31.9 | 23.4 | 23.4 |
| Average customer visit time in MVD field offices | 28.8 | 30.0 | 29.5 |
| Percent of office customers rating service as good or excellent | 86.0 | 85 | 85 |

- ◆ Goal 2 To increase the use of electronic service delivery.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total Internet transactions and activities (in thousands) | 8,130 | 8,120 | 8,346 |

| DTA 3.3 | Subprogram Summary |
|---------|------------------------------------|
| | MOTOR VEHICLE ENFORCEMENT SERVICES |
| | Terry Conner, Division Director |
| | Phone: (602) 712-7328 |
| | A.R.S. Title 28 |

Mission:

To accomplish mandated enforcement and regulatory responsibilities and provide a system that ensures public safety.

Description:

The Enforcement and Compliance Division is responsible for vehicle registration compliance and ensuring that commercial vehicles adhere to size, weight, and safety laws at the state's ports-of-entry, including the six southern border ports. The Executive Hearing Office is primarily responsible for conducting administrative hearings related to DUI offenses and driver license suspension/revocations. The Office of the Inspector General (OIG) enforces laws relevant to licensed and illegal car dealers, title and driver license fraud, and the use of fraudulent documents in acquiring ADOT products and services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 11,629.9 | 25,778.3 | 25,778.3 |
| Other Non Appropriated Funds | 4,887.7 | 1,854.5 | 1,854.5 |
| Program Total | 16,517.6 | 27,632.8 | 27,632.8 |
| FTE Positions | 373.0 | 373.0 | 373.0 |

- ◆ Goal 1 To promote public safety and protection through regulation, licensing, and the administration of transportation laws.
- ◆ Goal 2 To promote the efficient generation, collection and management of revenues to meet the public needs.

| | |
|--------------------------------|-----------------|
| DTA 4.0 | Program Summary |
| | AERONAUTICS |
| , Phone: A.R.S. § 28-332 | |

Mission:

To encourage and advance the safe and orderly development of aviation within the State.

| | |
|-----------------------------|-----------------------|
| TRA 0.0 | Agency Summary |
| STATE TREASURER | |
| Doug Ducey, State Treasurer | |
| Phone: (602) 604-7800 | |
| A.R.S. § 41-171 | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of non-compliant trades. | 0 | 3 | 3 |
| Average days to correct non-compliant trades. | 0 | 1 | 1 |

Mission:

To protect taxpayer money by serving as the State's Bank and fiduciary agent, providing investment management, financial information and services.

Description:

The primary responsibilities of the elected State Treasurer are to receive and keep custody over all monies belonging to the State that are not required to be kept by some other entity; to pay warrants of the Department of Administration; and to keep an account of all monies received and disbursed. The Office also invests state monies and operates the local government investment pool for public entities throughout the State.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 1,083.1 | 1,115.1 | 1,115.1 |
| Other Appropriated Funds | 2,481.4 | 2,680.8 | 2,833.2 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 3,564.5 | 3,795.9 | 3,948.3 |
| FTE Positions | 29.4 | 29.4 | 30.4 |

Strategic Issues:

Issue 1 State Treasurer

The State Treasurer serves as the Chief Banker and Financial Officer for the State of Arizona, overseeing approximately \$10 billion in assets under management. He is responsible for the prudent custody and management of those dollars. The Treasurer is a trustee of and manages over \$3 billion of investments for the Arizona State Land Endowment Trust and provides investment services to local governments (counties, cities, towns, etc). The Treasurer is also the bank for state government. Continually changing financial markets require the Office of the State Treasurer to modernize business plans and systems in order to maintain sound investment strategies and efficient operations.

- ◆ **Goal 1** To receipt all funds and securities, as required by law, and process these transactions in an accurate, timely manner that ensures safety, availability, and accountability of all assets entrusted with the office.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Customer satisfaction rating for State Agency depositors (scale 1-8). | 7.74 | 7.10 | 7.10 |

- ◆ **Goal 2** To disburse funds as required by law in a manner that ensures accuracy and timeliness, while maintaining adequate internal controls and auditable records.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Customer satisfaction rating for State Agency banking customers (scale 1-8). | 7.86 | 7.10 | 7.10 |
| Customer satisfaction rating for distribution recipients (scale 1-8). | 7.74 | 7.10 | 7.10 |
| Percent of distributions sent successfully and accurately. | 100 | 98 | 98 |
| Percent of outgoing wires sent successfully and accurately. | 99 | 99 | 99 |
| Percent of distributions sent on time. | 100 | 98 | 98 |
| Percent of outgoing wires sent on time. | 99 | 99 | 99 |

- ◆ **Goal 3** To operate, in real-time, an investment tracking portfolio management system that allows greater flexibility and enhances management as well as trade/position reporting.

| BRA 0.0 | Agency Summary |
|---------|------------------------|
| | BOARD OF REGENTS |
| | Tom Anderes, President |
| | Phone: (602) 229-2500 |
| | A.R.S. § 15-1621 |

Mission:

To increase the educational attainment of Arizona citizens by producing enough high-quality university degrees for the State to be nationally competitive by the year 2020; to increase the prominence of the system's research enterprise so that it can contribute to the knowledge economy and improve the quality of life in Arizona; and to provide the educated workforce needed to fill shortages and to stimulate demand for higher paying jobs in Arizona.

Description:

The Arizona Board of Regents is the governing body for Arizona's three state universities. Consistent with its constitutional authority, the Board makes planning and policy decisions regarding the state universities. The Board hires the university presidents and the president for the Board, to whom the Board assigns the responsibility of management. The Board is the legal entity responsible for the universities and accounts to the legislative and executive branches of government for the resources appropriated to the universities and the Board.

Agency Summary:

| | (\$ Thousands) | | |
|----------------------|-----------------|------------------|------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ GOVERNANCE | 67,792.0 | 80,189.3 | 79,489.8 |
| ➤ STUDENT ASSISTANCE | 15,825.9 | 15,933.6 | 22,164.8 |
| Agency Total: | 83,617.9 | 96,122.9 | 101,654.6 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-----------------|------------------|------------------|
| General Funds | 17,124.1 | 16,926.2 | 23,208.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 66,493.8 | 79,196.7 | 78,445.8 |
| Program Total | 83,617.9 | 96,122.9 | 101,654.6 |
| FTE Positions | 24.2 | 25.9 | 25.9 |

Strategic Issues:

Issue 1 Educational Excellence

To be nationally competitive in the percentage of Arizona citizens with a high-quality bachelor's degree by providing affordable access through a well-coordinated and aligned system.

Issue 2 Research Excellence

To increase the research capabilities and performance of the Arizona system to a preeminent competitive position with peer institutions among America's top research universities.

Issue 3 Community Engagement and Workforce Impact

To utilize research, economic development, community engagement, and service contributions of the universities to create and disseminate knowledge to strengthen Arizona's economy and improve Arizona's quality of life.

Issue 4 Productivity

To maximize the use of existing resources so that the system can produce greater numbers of degrees and with greater efficiency of resources per degree without sacrificing quality.

| BRA 1.0 | Program Summary |
|---------|--|
| | GOVERNANCE |
| | Glen Nelson, Sr. VP for Finance & Administration |
| | Phone: (602) 229-2500 |
| | A.R.S. § 15-1621 |

Mission:

To assist the Board and the universities in setting policy and establishing planning criteria for the Arizona University System and in overseeing and evaluating programmatic and fiscal areas.

Description:

The governance function of the Board serves the universities and the public in the following major programmatic areas: strategic planning activities; financial policy and oversight, including the review and analysis of tuition and university budgets; capital development process management; administration of financial assistance programs; human resource policy oversight; oversight of Arizona Universities Network (AZUN) activities; coordination and recommendations on academic and student service requirements and standards; internal audits of the universities; oversight of Information Technology projects; review of public outreach strategies for the Board; legal oversight and, participation in public meetings.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-----------------|------------------|-----------------|
| General Funds | 2,372.2 | 2,350.3 | 2,350.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 65,419.8 | 77,839.0 | 77,139.5 |
| Program Total | 67,792.0 | 80,189.3 | 79,489.8 |
| FTE Positions | 23.9 | 25.9 | 25.9 |

- ◆ **Goal 1** To raise the educational attainment level of Arizona to national competitiveness by 2020.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|------------------|------------------|
| Bachelor's degrees produced annually in the system. | 21,657 | 22,365 | 23,456 |
| Explanation: | *Estimated number. Final number not yet available. | | |
| Number of Math, Science, Special Education Teacher (MSSE) Loan Forgiveness Program loans made. | 56 | *0 | 0 |

Explanation: *In spring 2011, program oversight fell under the jurisdiction of the AZ Commission for Postsecondary Education.

- ◆ **Goal 2** To allocate and monitor Proposition 301 TRIF funds

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------|----------------|------------------|------------------|
| Number of projects funded | 29 | 26 | 26 |
| Performance measures monitored | 169 | 103 | 103 |

- ◆ **Goal 3** To communicate with universities and their constituents and stakeholders on Board policies and initiatives.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of media/individual/group briefings conducted | 215 | 250 | 310 |
| Number of stakeholder briefings conducted | 200 | 240 | 300 |

- ◆ **Goal 4** To perform Internal Audits of the universities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------------|---------------------------------------|------------------|------------------|
| Audits scheduled | 49 | 42 | 48 |
| Explanation: | Numbers reflect systemwide activities | | |
| Audits performed on universities | 36 | 42 | 48 |

| BRA 2.0 | Program Summary |
|--|-----------------|
| STUDENT ASSISTANCE | |
| Gale Tebeau, Director Financial Policies | |
| Phone: (602) 229-2522 | |
| A.R.S. §§ 15-1642, 15-1742, 15-1746 | |

Mission:

To provide financial assistance to students and to strengthen the teaching skills of teachers in elementary and secondary mathematics and science education.

Description:

The Arizona Board of Regents directly administers two financial assistance programs: (1) Western Interstate Commission on Higher Education (WICHE)--for students who choose careers in Osteopathy, Dentistry, Veterinary Medicine, Occupational Therapy, Optometry, and Physicians Assistants; and (2) Improving Teacher Quality Grants - for projects whose aim is to support the development of highly qualified principals and K-12 teachers in the content areas of language arts-English, science, mathematics, social studies, and technology in the content areas. Also, two student assistance programs are appropriated to the ABOR but are administered by the universities: 1) Arizona Financial Aid Trust-- immediate aid to students who are underrepresented in the population of the university or students who demonstrate a clear need for financial aid and creates an endowment for future aid; and (2) Arizona Teacher Incentive Program--loans to students in teaching training programs in deaf and blind education at the University of Arizona.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 14,751.9 | 14,575.9 | 20,858.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,074.0 | 1,357.7 | 1,306.3 |
| Program Total | 15,825.9 | 15,933.6 | 22,164.8 |
| FTE Positions | 0.3 | 0.0 | 0.0 |

- ◆ **Goal 1** To continue extending access to a university education by providing and administering various financial assistance programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total number of Western Interstate Commission for Higher Education awards | 190 | 178 | 187 |
| Number of first year Western Interstate Commission for Higher Education awards | 53 | 57 | 52 |
| Number of first year WICHE applications meeting eligibility requirements | 201 | 208 | 200 |
| Number of first year WICHE applications processed | 217 | 230 | 210 |
| Percent of recipients returning to practice in Arizona | 77 | 73 | 73 |
| Number of Improving Teacher Quality (ITQ) grants awarded (depend on funding) | 1 | 1 | 1 |
| Number of students awarded financial aid through the Arizona Financial Aid Trust | 6500 | 6500 | 6500 |

ASA 0.0 Agency Summary

ASU - TEMPE

Dr. Michael Crow, President

Phone: (480) 965-8972

A.R.S. § 15-1601

Mission:

To provide outstanding programs of undergraduate and graduate education, cutting-edge research, and public service for the citizens of the State of Arizona with special emphasis on the Phoenix metropolitan area.

Description:

Arizona State University at the Tempe Campus, which includes the Downtown Phoenix campus, is a major public research university offering programs from the baccalaureate through the doctorate to over 59,000 Tempe campus and over 17,000 Downtown campus full-time and part-time students and applying the strongest features of the traditional major research university to the rapidly evolving needs of the metropolitan Phoenix area and Arizona. The Tempe campus plays an extensive role within Arizona State University by providing high quality graduate training at the doctoral level and serving as the only Carnegie Foundation-designated Doctoral/Research-Extensive campus in the metropolitan Phoenix area.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|-------------------------|--------------------|---------------------|--------------------|
| ➤ INSTRUCTION | 550,859.8 | 583,955.5 | 602,589.3 |
| ➤ ACADEMIC SUPPORT | 173,555.8 | 192,090.4 | 199,075.6 |
| ➤ ORGANIZED RESEARCH | 163,853.7 | 190,376.3 | 198,750.3 |
| ➤ STUDENT SERVICES | 259,150.8 | 315,881.5 | 319,676.7 |
| ➤ INSTITUTIONAL SUPPORT | 424,596.2 | 411,184.3 | 418,278.7 |
| ➤ PUBLIC SERVICE | 49,012.8 | 54,112.2 | 55,619.7 |
| Agency Total: | 1,621,029.1 | 1,747,600.2 | 1,793,990.3 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|--------------------|---------------------|--------------------|
| General Funds | 326,352.3 | 247,742.9 | 276,214.0 |
| Other Appropriated Funds | 351,541.8 | 453,894.3 | 453,894.3 |
| Other Non Appropriated Funds | 943,135.0 | 1,045,963.0 | 1,063,882.0 |
| Program Total | 1,621,029.1 | 1,747,600.2 | 1,793,990.3 |
| FTE Positions | 10,606.4 | 10,013.7 | 10,039.9 |

Strategic Issues:

Issue 1 Increase participation in postsecondary education and ultimately increase baccalaureate degree production.

To broaden access to a quality education for all segments of the population, ASU must be positioned to accommodate the continuing growth in high school graduates, particularly minority populations and a growing pool of older students requiring new job skills. Never in the history of Arizona has a university education been more important. Our knowledge-based economy and an ever-increasing trend toward globalization are changing the skills needed for success in the labor force. Yet, rising costs, need for financial aid, and years of under-funding for higher education place the idea of broad access at risk. Tuition increases approved by the Board of Regents in recent years and future increases consistent with Board policy will help offset some of the increasing need for financial aid and improve affordability for a greater number of students.

ASU is strongly committed to providing access to college for all qualified students. Furtherance of this goal requires bold and sustained planning to provide for the projected increases in enrollments, primarily of undergraduate students. Continued investment will be necessary to provide

the infrastructure for the enrollment growth envisioned at each of the campuses.

Issue 2 Improve the quality of undergraduate and graduate education.

Undergraduate and graduate education are the cornerstones of the university enterprise. Students seek a high quality education that prepares them to be successful in their careers, to contribute to society, and to become lifelong learners. Today's graduates must have strong communication, team building, and critical thinking skills as well as a global perspective to be successful.

A continued emphasis on providing a quality educational experience requires examining and evolving how the university designs and delivers its instructional programs to maximize the impact of education. Improvements can be accomplished through new pedagogical techniques, such as collaborative learning, service learning, and other learner-centered approaches; through the appropriate use of technology to enhance the classroom experience; through undergraduate education that focuses on the student as an individual; by providing seamless access to the services and resources required for learning and creative and intellectual inquiry; and by providing an environment that fosters student scholarship. ASU continues to conceptualize and create a wide range of new interdisciplinary schools, institutes, centers, and programs that will foster the development of new knowledge. In addition, ASU is enhancing learning environments that facilitate learner-centered delivery with improved utilization policies and room upgrades that incorporate new instructional technologies and flexible room formats. Adequate funding will provide the basic resources needed to accommodate the increased student population, enable ASU to hire the faculty necessary to meet its goals to establish national standing for colleges and schools in every field and fully achieve national comprehensive university status.

Issue 3 Recruit and retain faculty and staff in highly competitive national and local markets during a period of diminishing resources

Quality faculty are fundamental to a quality university education. Without the best faculty, it is not possible to provide the type of higher education that Arizona citizens deserve or to support the cultural and economic vitality that Arizona is striving to obtain. At ASU, hiring and retaining key faculty continues to be a concern. Like the other Arizona universities, ASU continues to struggle to consistently compete in the marketplace. ASU has made substantial progress in improving faculty salaries in recent years, enabling the University to recruit and retain highly recognized and respected academics in a variety of fields, but continues to fall below most of its peers in average faculty salaries. Staff salaries continue to fall behind comparable jobs for classified staff and service professionals. Turnover among classified staff continues to be a significant problem, a symptom of salaries that are not competitive with the local market.

Issue 4 Expand research capabilities

ASU continues to vigorously pursue long-term initiatives in such areas as biosciences, advanced materials, informatics and communications, healthcare, renewable energy and sustainable systems. In recent years, ASU's research expenditures have grown at a pace that exceeds the median growth of our ABOR peer institutions. ASU's goal is to grow its research expenditures to more than \$700M annually by 2020. To support our aspirations, ASU has defined seven strategies and four key focus areas that will allow us to continue our exceptional growth, serve the surrounding community and meet our 2020 research expenditure goal.

Issue 5 Enhance and improve local impact and social embeddedness

Development of ASU requires the university to be a fully engaged and integral part of the social, cultural, and economic fabric of the metropolitan area and the state of Arizona. ASU will demonstrate its social embeddedness to the extent that the faculty and staff are supporting and sustaining communities and solving problems through applied research, service, and partnerships in the P-12 education system, business and industry, government, and the community. ASU must assist in building a socially diverse and economically viable community, in developing civic and community leadership, and in addressing challenges such as poverty,

growth, economic development and diversification, social infrastructure, and quality of life. Achieving a higher degree of social embeddedness requires a change in the internal culture of the university as well as a change in the role of the university in the eyes of the community. The university must continue to expect employees to contribute to community life through their expertise, intellect, and engagement. And the community must come to see the university as the key resource and place to get advice about community issues and solutions to community problems.

Issue 6 Maintain quality and breadth of baccalaureate degree programs during a period of diminishing resources

ASU, with more than 72,000 student enrollment supports over half of the students attending a public university in Arizona. In order to provide appropriate instruction, support services for students and the technology needed, and to remain competitive with peer institutions, ASU requires a core investment in the form of general fund support. Co-investment from students and their families in the form of reasonable tuition and fees is also needed if the university is to provide competitive degree programs that best prepare students for the future.

With the ongoing fiscal crisis in Arizona and nationally, ASU continues to address resource reduction with focus on protecting to the greatest extent possible the educational mission of the university, and to reduce the student services and administrative functions rather than academic activities. Temporary funding in recent years has been available to support the funding shortfall, including federal stimulus funding. However, with these alternate funding sources now expiring, and with no increases in state funding, ASU will be forced to seek increases in tuition in order to maintain the level of academic investment needed to support enrollment.

| ASA 1.0 | Program Summary |
|-------------------------|-----------------|
| INSTRUCTION | |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To offer high quality academic degrees, general studies, and honors programs that prepare graduates for personal growth, fulfilling careers, and lifelong contributions to the quality of intellectual life in the community, state, region, and nation.

Description:

Instruction is comprised of activities carried out during the academic year, summer sessions, and other periods outside the regular term and associated with degree credit and non-credit academic courses. This program also includes faculty departmental research and public service activities that are not separately budgeted and academic administration where instruction plays an important role, such as at the dean and department chair levels.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 54,555.4 | -28,593.1 | -14,143.1 |
| Other Appropriated Funds | 351,541.8 | 453,894.3 | 453,894.3 |
| Other Non Appropriated Funds | 144,762.6 | 158,654.3 | 162,838.1 |
| Program Total | 550,859.8 | 583,955.5 | 602,589.3 |
| FTE Positions | 5,482.9 | 4,903.9 | 4,926.5 |

◆ **Goal 1** To improve the quality of undergraduate education.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Average years taken by freshman students to complete a baccalaureate degree program | 4.6 | 4.6 | 4.5 |
| Percentage of undergraduate degree recipients participating in research related or capstone (case study) experience | 92 | 92 | 92 |
| Percent of graduating seniors who rate their overall university experience as good or excellent | 94 | 95 | 95 |
| Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty | 81 | 81 | 81 |
| Number of Bachelors degrees granted | 9,863 | 10,113 | 10,503 |

◆ **Goal 2** To enhance the number and diversity of the most highly qualified students entering Arizona State University and the Barrett Honors College.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Honors undergraduate headcount students | 3,515 | 3,900 | 4,000 |
| BHC degree recipients (i.e., with honors) | 464 | 500 | 550 |
| Courses offered for honors credit | 2,613 | 2,800 | 3,000 |

◆ **Goal 3** To provide support services and courses that assist students in achieving academic success and planning programs of study within their chosen degree curricula.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of tutorials conducted by University Academic Success Programs | 82,974 | 86,000 | 89,500 |
| Explanation: NEW MEASURE FY2011 | | | |
| Number of participants in University Bridge program that supports academically at risk freshmen transitioning to college | 1,054 | 1,100 | 1,100 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of students enrolled in UNI Academic Success courses to transition successfully to college and achieve academic success | 1,147 | 1,500 | 1,750 |
| Number of degree program course audits run by students and staff | 1,108,749 | 1,300,000 | 1,500,000 |
| Number of eAdvisor tracking audits run by students and staff | 1,329,419 | 1,900,000 | 2,500,000 |
| Major and Career Exploration (UNI and ASU 101) course sections for exploratory students | 178 | 220 | 250 |

- ◆ **Goal 4** To provide enriched educational opportunities to students by expanding accessibility and delivery of courses.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Summer sessions headcount students | 19,448 | 20,420 | 21,441 |
| Internet course registrations during the fall semester (duplicated enrollments) | 49,346 | 64,817 | 84,591 |
| Internet course sections offered during the fall semester | 1,082 | 1,625 | 2,230 |

- ◆ **Goal 5** To improve graduate education by enhancing programs central to the University's mission, promoting retention and graduation, and increasing the diversity of students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Students enrolled in interdisciplinary degree programs | 916 | 945 | 975 |
| Masters degrees granted | 3,561 | 3,584 | 3,698 |
| Doctorate degrees granted | 518 | 514 | 522 |
| First professional degrees granted | 201 | 208 | 216 |
| Minority graduate enrollment as percentage of total enrollment | 20.3 | 20.4 | 20.4 |

| ASA 2.0 | Program Summary |
|---------|-------------------------|
| | ACADEMIC SUPPORT |
| | Melinda Gebel, Director |
| | Phone: (480) 965-2318 |
| | A.R.S. § 15-1601 |

Mission:

To provide services and programs to faculty, staff and students in support of the instructional, research, and service mission of the university.

Description:

Academic Support services include retention, preservation, and display of educational materials through libraries, museums and galleries; audio visual and other activities that aid in the transmission of information; separately budgeted course and curriculum development; and academic computing support.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 79,226.0 | 82,902.5 | 89,031.1 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 94,329.8 | 109,187.9 | 110,044.5 |
| Program Total | | 173,555.8 | 192,090.4 | 199,075.6 |
| FTE Positions | | 917.6 | 947.9 | 967.7 |

- ◆ **Goal 1** To maintain the number of books and periodical subscriptions owned by the university libraries, and increase access to these items.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Periodical subscriptions | 50,906 | 52,000 | 52,500 |
| Virtual/remote reference transactions | 11,668 | 11,000 | 11,000 |
| Visits to Libraries web site (in millions) | 4,999,383 | 5,000,000 | 5,100,000 |
| Explanation: Used new logic FY2011 | | | |
| Online catalog use (pageviews) | 5,974,556 | 6,000,000 | 5,500,000 |
| Online databases use (searches) | 9,656,725 | 9,700,000 | 9,800,000 |

- ◆ **Goal 2** To increase attendance at university art museums and provide quality art exhibitions to the public and for scholarly and educational purposes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Annual attendance at university art collections | 150,000 | 150,000 | 150,000 |
| Annual attendees of lectures and special events | 13,000 | 13,000 | 13,000 |

- ◆ **Goal 3** To employ, provide, and maintain sufficient reliable microcomputer, network, and server resources to support the academic needs of the University.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of mediated classrooms | 361 | 374 | 374 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percentage of classrooms with mediation | 100 | 100 | 100 |
| Number of common computing site seats | 591 | 541 | 541 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percentage of site equipment out dated (>4 years old) | 82 | 45 | 45 |
| Explanation: NEW MEASURE FY2011 | | | |

| ASA 3.0 | Program Summary |
|-------------------------|--------------------|
| | ORGANIZED RESEARCH |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To foster pre-eminent scholarship and creative activity that serves the citizens of Arizona through the development, application, and transfer of new knowledge especially beneficial to Arizona.

Description:

Organized Research includes research activities taking place within centers, divisions, bureaus, institutes and experiment stations formally approved by the Arizona Board of Regents. These activities are specifically created and organized to produce research, whether separately budgeted within the university or commissioned by an external agency, as with federal grants and contracts.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 19,081.5 | 15,583.9 | 15,583.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 144,772.2 | 174,792.4 | 183,166.4 |
| Program Total | 163,853.7 | 190,376.3 | 198,750.3 |
| FTE Positions | 1,598.6 | 1,574.0 | 1,562.3 |

- ◆ **Goal 1** To maintain and enhance the University's status as a major research institution.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Dollar value of sponsored project proposals submitted (in millions) | 1,237.8 | 1,366.5 | 1,509.6 |
| External dollars received for research and creative activity (in millions of dollars) | 232.8 | 260.7 | 292.3 |
| Dollar value of sponsored project expenditures (in millions) | 248.8 | 265.1 | 285.9 |

- ◆ **Goal 2** To continue and improve University efforts to provide opportunities for undergraduate and graduate students to participate in research and creative activity.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Undergraduate students supported by sponsored funds | 2,211 | 2,250 | 2,300 |
| Explanation: *Figure reflect TOTAL UNIVERSITY | | | |
| Graduate students supported by sponsored funds | 1,625 | 1,650 | 1,700 |
| Explanation: *Figures reflect TOTAL UNIVERSITY | | | |

| ASA 4.0 | Program Summary |
|-------------------------|------------------|
| | STUDENT SERVICES |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To foster the academic, social, emotional, and physical growth of learners by creating an inclusive holistic learning environment that offers services and opportunities for students to maximize their learning experience and become well-rounded productive citizens.

Description:

Student Services includes functions and other activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. These other activities include cultural events, student newspapers, intramural athletics, student organizations, nonacademic counseling and career guidance, student health services, and the administration at the senior vice presidential level.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 29,339.7 | 33,751.3 | 36,051.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 229,811.1 | 282,130.2 | 283,625.4 |
| Program Total | 259,150.8 | 315,881.5 | 319,676.7 |
| FTE Positions | 990.4 | 1,041.7 | 1,047.7 |

- ◆ **Goal 1** To promote the emotional and physical well-being of students by providing quality health care services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Students receiving health care at the Campus Health Service | 40,866 | 41,600 | 41,600 |
| Disabled students served | 1,449 | 1,500 | 1,500 |

- ◆ **Goal 2** To enhance the quality of students' educational experience by providing programs and services which promote involvement in university activities and enhance opportunities for future employment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Registered campus clubs and organizations | 844 | 850 | 860 |
| Student participation in advising services, workshops, career events, job fairs, on-campus interviews and special events offered by Career Services to assist students seeking employment and/or career guidance | 56,074 | 57,000 | 58,000 |
| Organizations recruiting on campus | 1,554 | 1,600 | 1,700 |

- ◆ **Goal 3** To provide services that enhance the likelihood of students' academic success.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Students participating in orientation | 8,276 | 9,000 | 9,200 |
| Students living in first year residential communities | 6,600 | 7,000 | 7,400 |
| Students receiving financial assistance in an academic year | 60,518 | 64,754 | 69,287 |
| Explanation: *Figures reflect TOTAL UNIVERSITY | | | |
| Dollar volume for all financial assistance programs (dollars in thousands) | 894,455 | 1,028,623 | 1,182,917 |
| Explanation: *Figures reflect TOTAL UNIVERSITY | | | |

- ◆ **Goal 4** To provide opportunities for men and women by developing and sustaining programs which help student athletes achieve success, both academically and athletically.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
|----------------------|----------------|------------------|------------------|

| | | | |
|---|------|------|-----|
| Average GPA of student athletes (4.0 highest) | 2.93 | 2.95 | 3.0 |
| Percent of student athletes graduating in six years based on NCAA Graduation Success Rate | 76 | 78 | 80 |

| ASA 5.0 | Program Summary |
|-------------------------|-----------------|
| INSTITUTIONAL SUPPORT | |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To provide timely, efficient, and effective support for the university's mission of instruction, research, and public service goals through executive management, administrative information and services, adequate and well-maintained facilities, and strong partnerships with alumni, community leaders, and State decision makers.

Description:

Institutional Support includes central executive level activities concerned with management and long-range planning for the entire university and the operation and maintenance of the physical plant. Administrative activities include planning and programming, legal services, fiscal operations, administrative data processing, space management, employee personnel and records, purchasing, stores, safety, security, printing, transportation services, community and alumni relations, and development and fundraising.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 142,928.9 | 143,124.6 | 148,717.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 281,667.3 | 268,059.7 | 269,561.6 |
| Program Total | 424,596.2 | 411,184.3 | 418,278.7 |
| FTE Positions | 1,267.6 | 1,195.7 | 1,193.2 |

- ◆ **Goal 1** To provide efficient and comprehensive human resources programs and services to the university community in areas such as employment, training, employee relations, and other human resource activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Accounting documents processed (in thousands) | 1,609 | 1,650 | 1,700 |
| Administration as a percentage of total cost | 1.33 | 1.42 | 1.37 |
| Job applications processed | 67,511 | 70,500 | 73,700 |
| Positions filled | 1,842 | 2,060 | 2,300 |
| Percent of agency staff turnover (classified staff only) | 20.9 | 18.0 | 17.0 |

- ◆ **Goal 2** To provide customer-focused, high quality facilities and services to enhance a safe and secure environment in support of the University's mission.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Maintenance work order man-hours on buildings/ tunnels/structures | 216,493 | 220,000 | 225,000 |
| Number of faculty, staff, and students participating in fire and safety training classes | 7,387 | 8,000 | 8,500 |
| Annual Parking Permit Sales to students and staff | 23,341 | 24,000 | 24,000 |
| Community-based police assignments | 326 | 330 | 345 |

- ◆ **Goal 3** To maintain support for all telecommunications systems throughout the University.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Centrally supported Ethernet connections | 122,500 | 120,000 | 120,000 |
| Internet bandwidth available (in Gigabits) | 11.5 | 11.5 | 11.5 |
| Explanation: NEW MEASURE FY2011 | | | |
| Internet bandwidth burstable (in Gigabits) | 15 | 15 | 15 |
| Explanation: NEW MEASURE FY2011 | | | |
| Wireless hours (in millions) | 33.5 | 38.3 | 42.0 |

- ◆ **Goal 4** To improve technology equipment access, training and support for staff.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Total number of support cases | 159,093 | 670,000 | 800,000 |
| Percent satisfied with support response | 87 | 90 | 95 |

| ASA 6.0 | Program Summary |
|---------|-------------------------|
| | PUBLIC SERVICE |
| | Melinda Gebel, Director |
| | Phone: (480) 965-2318 |
| | A.R.S. § 15-1601 |

Mission:

To serve the public by offering a public telecommunications system, by providing the finest available artists and productions in music, theater and dance, and serve as a resource and focal point in providing information about various university services to the business community and economic development professionals.

Description:

Public Service includes those activities established primarily to provide non-instructional services beneficial to individuals and groups external to the university. Public Service includes conferences, general advisory services, reference bureaus, public radio and television, consulting and similar non-instructional services to particular sectors of the community.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| (Thousands) | | | |
| General Funds | 1,220.8 | 973.7 | 973.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 47,792.0 | 53,138.5 | 54,646.0 |
| Program Total | 49,012.8 | 54,112.2 | 55,619.7 |
| FTE Positions | 349.3 | 350.5 | 342.5 |

- ◆ **Goal 1** To provide quality educational and informative television programs and improve services provided to the community, especially in rural areas.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Persons viewing KAET-TV on a weekly basis (in thousands) | 1,632 | 1,680 | 1,730 |
| Teachers served through educational support programming | 67,015 | 60,684 | 69,025 |
| Students served through educational support programming | 1,273,285 | 1,066,244 | 1,311,475 |

- ◆ **Goal 2** To continue to stage excellent cultural and other nonathletic special events for various diverse constituents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Persons attending University sponsored cultural events (in thousands) | 450 | 474 | 474 |
| Special events coordinated | 130 | 140 | 140 |

AXA 0.0 Agency Summary

ASU - POLYTECHNIC

Dr. Michael Crow, President

Phone: (480) 965-8972

A.R.S. § 15-1601

Mission:

To emphasize professional and technological programs based in the liberal arts and sciences and engage in intellectual inquiry focused on addressing societal needs by offering undergraduate and graduate programs primarily in professional and technological fields and in selected areas of the liberal arts and sciences; engaging in forms of scholarship involved with discovering, integrating, applying, and transmitting knowledge to address the conditions and concerns of society; and working with community partners in accomplishing all aspects of this mission.

Description:

Arizona State University at the Polytechnic campus serves over 10,000 students and the metropolitan area through baccalaureate and graduate degree programs as well as through applied research and service. All programs at ASU at the Polytechnic campus provide students with the knowledge and extensive technological competence to succeed in their chosen professions and further learning. ASU at the Polytechnic campus offers a campus environment that places students at the center, embraces diversity and interdisciplinary inquiry, and strives to integrate the academic and social lives of students. ASU at the Polytechnic campus offers programs with outcomes directly relevant to the needs of society and the community, emphasizing collaboration and partnership to foster the educational, economic, and cultural development of local communities, the metropolitan area, the state, and the nation.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|-------------------------|-------------------|---------------------|--------------------|
| ➤ INSTRUCTION | 36,479.1 | 34,403.6 | 49,617.6 |
| ➤ ACADEMIC SUPPORT | 8,642.4 | 10,530.7 | 14,530.5 |
| ➤ STUDENT SERVICES | 4,772.9 | 5,627.5 | 5,629.6 |
| ➤ ORGANIZED RESEARCH | 7,460.4 | 7,076.9 | 7,380.3 |
| ➤ INSTITUTIONAL SUPPORT | 29,988.8 | 32,093.4 | 32,140.5 |
| Agency Total: | 87,343.6 | 89,732.1 | 109,298.5 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 25,101.5 | 19,076.8 | 38,076.8 |
| Other Appropriated Funds | 35,513.4 | 39,572.7 | 39,572.7 |
| Other Non Appropriated Funds | 26,728.7 | 31,082.6 | 31,649.0 |
| Program Total | 87,343.6 | 89,732.1 | 109,298.5 |
| FTE Positions | 630.8 | 547.7 | 543.9 |

Strategic Issues:

Issue 1 Increase participation in postsecondary education and ultimately increase baccalaureate degree production

To broaden access to a quality education for all segments of the population, ASU must be positioned to accommodate the continuing growth in high school graduates, particularly minority populations and a growing pool of older students requiring new job skills. Never in the history of Arizona has a university education been more important. Our knowledge-based economy and an ever-increasing trend toward globalization are changing the skills needed for success in the labor force. Yet, rising costs, need for financial aid, and years of under-funding for higher education place the idea of broad access at risk. Tuition increases approved by the Board of Regents in recent years and future increases consistent with Board policy will help offset some of the increasing need for financial aid and improve affordability

for a greater number of students.

ASU is strongly committed to providing access to college for all qualified students. Furtherance of this goal requires bold and sustained planning to provide for the projected increases in enrollments, primarily of undergraduate students. Continued investment will be necessary to provide the infrastructure for the enrollment growth envisioned at each of the campuses.

Issue 2 Improve the quality of undergraduate and graduate education

Undergraduate and graduate education are the cornerstones of the university enterprise. Students seek a high quality education that prepares them to be successful in their careers, to contribute to society, and to become lifelong learners. Today's graduates must have strong communication, team building, and critical thinking skills as well as a global perspective to be successful.

A continued emphasis on providing a quality educational experience requires examining and evolving how the university designs and delivers its instructional programs to maximize the impact of education. Improvements can be accomplished through new pedagogical techniques, such as collaborative learning, service learning, and other learner-centered approaches; through the appropriate use of technology to enhance the classroom experience; through undergraduate education that focuses on the student as an individual; by providing seamless access to the services and resources required for learning and creative and intellectual inquiry; and by providing an environment that fosters student scholarship. ASU continues to conceptualize and create a wide range of new interdisciplinary schools, institutes, centers, and programs that will foster the development of new knowledge. In addition, ASU is enhancing learning environments that facilitate learner-centered delivery with improved utilization policies and room upgrades that incorporate new instructional technologies and flexible room formats. Adequate funding will provide the basic resources needed to accommodate the increased student population, enable ASU to hire the faculty necessary to meet its goals to establish national standing for colleges and schools in every field and fully achieve national comprehensive university status.

Issue 3 Recruit and retain faculty and staff in highly competitive national and local markets during a period of diminishing resources

Quality faculty are fundamental to a quality university education. Without the best faculty, it is not possible to provide the type of higher education that Arizona citizens deserve or to support the cultural and economic vitality that Arizona is striving to obtain. At ASU, hiring and retaining key faculty continues to be a concern. Like the other Arizona universities, ASU continues to struggle to consistently compete in the marketplace. ASU has made substantial progress in improving faculty salaries in recent years, enabling the University to recruit and retain highly recognized and respected academics in a variety of fields, but continues to fall below most of its peers in average faculty salaries. Staff salaries continue to fall behind comparable jobs for classified staff and service professionals. Turnover among classified staff continues to be a significant problem, a symptom of salaries that are not competitive with the local market.

Issue 4 Expand research capabilities

ASU continues to vigorously pursue long-term initiatives in such areas as biosciences, advanced materials, informatics and communications, healthcare, renewable energy and sustainable systems. In recent years, ASU's research expenditures have grown at a pace that exceeds the median growth of our ABOR peer institutions. ASU's goal is to grow its research expenditures to more than \$700M annually by 2020. To support our aspirations, ASU has defined seven strategies and four key focus areas that will allow us to continue our exceptional growth, serve the surrounding community and meet our 2020 research expenditure goal.

Issue 5 Enhance and improve local impact and social embeddedness

Development of ASU requires the university to be a fully engaged and integral part of the social, cultural, and economic fabric of the metropolitan area and the state of Arizona. ASU will demonstrate its social

embeddedness to the extent that the faculty and staff are supporting and sustaining communities and solving problems through applied research, service, and partnerships in the P-12 education system, business and industry, government, and the community. ASU must assist in building a socially diverse and economically viable community, in developing civic and community leadership, and in addressing challenges such as poverty, growth, economic development and diversification, social infrastructure, and quality of life. Achieving a higher degree of social embeddedness requires a change in the internal culture of the university as well as a change in the role of the university in the eyes of the community. The university must continue to expect employees to contribute to community life through their expertise, intellect, and engagement. And the community must come to see the university as the key resource and place to get advice about community issues and solutions to community problems.

Issue 6 Maintain quality and breadth of baccalaureate degree programs during a period of diminishing resources

ASU, with more than 72,000 student enrollment supports over half of the students attending a public university in Arizona. In order to provide appropriate instruction, support services for students and the technology needed, and to remain competitive with peer institutions, ASU requires a core investment in the form of general fund support. Co-investment from students and their families in the form of reasonable tuition and fees is also needed if the university is to provide competitive degree programs that best prepare students for the future.

With the ongoing fiscal crisis in Arizona and nationally, ASU continues to address resource reduction with focus on protecting to the greatest extent possible the educational mission of the university, and to reduce the student services and administrative functions rather than academic activities. Temporary funding in recent years has been available to support the funding shortfall, including federal stimulus funding. However, with these alternate funding sources now expiring, and with no increases in state funding, ASU will be forced to seek increases in tuition in order to maintain the level of academic investment needed to support enrollment.

| Program Summary | |
|-------------------------|-------------|
| AXA 1.0 | INSTRUCTION |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To offer high quality academic degrees and general studies programs that prepare graduates for personal growth, fulfilling careers, and lifelong contributions to the quality of intellectual life in the community, state, region, and nation.

Description:

Instruction is comprised of activities carried out during the academic year, summer sessions, and other periods outside the regular term and associated with degree credit and non-credit academic courses. This program also includes faculty departmental research and public service activities that are not separately budgeted and academic administration where instruction plays an important role, such as at the dean and department chair levels.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | -2,376.9 | -9,703.6 | 5,296.4 |
| Other Appropriated Funds | 33,513.4 | 37,572.7 | 37,572.7 |
| Other Non Appropriated Funds | 5,342.6 | 6,534.5 | 6,748.5 |
| Program Total | 36,479.1 | 34,403.6 | 49,617.6 |
| FTE Positions | 441.7 | 354.2 | 351.3 |

◆ **Goal 1** To improve undergraduate and graduate education.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of graduating students who rate their overall experience at ASU Polytechnic as good or excellent | 92 | 93 | 93 |
| Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty | 78 | 78 | 78 |
| Number of degrees granted | 1,357 | 1,387 | 1,438 |
| Number of Bachelors degrees granted | 1,103 | 1,131 | 1,175 |
| Number of Masters degrees granted | 246 | 248 | 255 |
| Average number of years taken to graduate for student who began as freshmen | 4.8 | 5.0 | 5.0 |
| Fall semester enrollment (headcount) | 9,752 | 10,000 | 10,500 |

◆ **Goal 2** To provide support services and courses that assist students in achieving academic success.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of graduating students who 'have done' or 'plan to do' a practicum, internship, co-op experience, or clinical assignment | 63 | 63 | 63 |
| Number of tutorials conducted by University Academic Success Programs | 10,073 | 11,650 | 13,000 |

Explanation: NEW MEASURES FY2011

| AXA 2.0 | Program Summary |
|-------------------------|------------------|
| | ACADEMIC SUPPORT |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To provide services and programs to faculty, staff and students in support of the instructional, research, and service mission of the university.

Description:

Academic Support services include retention, preservation, and display of educational materials through libraries, audio visual and other activities that aid in the transmission of information, and academic computing support.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 8,129.2 | 8,986.4 | 12,986.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 513.2 | 1,544.3 | 1,544.1 |
| Program Total | 8,642.4 | 10,530.7 | 14,530.5 |
| FTE Positions | 45.0 | 41.9 | 41.9 |

- ◆ **Goal 1** To provide Library Services as an integral and essential component in the academic success of students and faculty.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Library gate count | 154,818 | 154,500 | 160,000 |
| Workstations available for public use in library facilities | 44 | 43 | 44 |
| Number of hours the library is open each week | 91 | 91 | 91 |

- ◆ **Goal 2** To provide students and faculty with the technological resources and services needed to support accomplishment of their academic goals.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of mediated classrooms | 81 | 81 | 81 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percentage of classrooms with mediation | 100 | 100 | 100 |
| Explanation: NEW MEASURE FY2011 | | | |
| Number of common computing site seats | 48 | 48 | 48 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percentage of site equipment outdated (>4 years old) | 0 | 0 | 0 |
| Explanation: NEW MEASURE FY2011 | | | |

| AXA 3.0 | Program Summary |
|-------------------------|------------------|
| | STUDENT SERVICES |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To foster the academic, social, emotional, and physical growth of learners by creating an inclusive holistic learning environment that offers services and opportunities for students to maximize their learning experience and become well-rounded productive citizens.

Description:

Student Services includes functions and other activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. These other activities include cultural events, student newspapers, intramural athletics, student organizations, nonacademic counseling and career guidance, student health services, and the administration at the senior vice presidential level.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 4,119.1 | 4,456.9 | 4,456.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 653.8 | 1,170.6 | 1,172.7 |
| Program Total | 4,772.9 | 5,627.5 | 5,629.6 |
| FTE Positions | 36.8 | 40.8 | 40.2 |

- ◆ **Goal 1** To promote the emotional and physical well-being of students by providing quality health care services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Students receiving health care at the Student Health Center (provider/nurse visits) | 1,100 | 1,150 | 1,200 |

- ◆ **Goal 2** To enhance the quality of students' educational experience by providing programs and services which promote involvement in university activities and enhance opportunities for future employment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Events and activities held for students each year | 676 | 680 | 700 |
| Registered campus clubs and organizations | 51 | 55 | 65 |
| Organizations recruiting on campus | 57 | 60 | 65 |

- ◆ **Goal 3** To provide services that enhance the likelihood of students' academic success.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Students participating in student advisement/registration workshops | 331 | 400 | 450 |
| Students living in first year residential communities | 195 | 300 | 350 |

| AXA 4.0 | Program Summary |
|---------|-------------------------|
| | ORGANIZED RESEARCH |
| | Melinda Gebel, Director |
| | Phone: (480) 965-2318 |
| | A.R.S. § 15-1601 |

Mission:

To foster pre-eminent scholarship and creative activity that serves the citizens of Arizona through the development, application, and transfer of new knowledge especially beneficial to Arizona.

Description:

Organized Research includes research activities taking place within centers, divisions, bureaus, institutes and experiment stations formally approved by the Arizona Board of Regents. These activities are specifically created and organized to produce research, whether separately budgeted within the university or commissioned by an external agency, as with federal grants and contracts.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 7,460.4 | 7,076.9 | 7,380.3 |
| Program Total | 7,460.4 | 7,076.9 | 7,380.3 |
| FTE Positions | 41.0 | 42.4 | 42.1 |

- ◆ **Goal 1** To provide support mechanisms for ASU Polytechnic researchers in an effort to increase research and sponsored project activities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Dollar value of sponsored project proposals submitted (in millions) | 50.2 | 55.4 | 61.2 |
| Dollar value of sponsored project awards received (in millions) | 10.9 | 12.2 | 13.7 |
| Dollar value of sponsored project expenditures (in millions) | 8.5 | 8.8 | 9.5 |

| AXA 5.0 | Program Summary |
|---------|-------------------------|
| | INSTITUTIONAL SUPPORT |
| | Melinda Gebel, Director |
| | Phone: (480) 965-2318 |
| | A.R.S. § 15-1601 |

Mission:

To support and facilitate the pursuit of the campus mission of teaching, research, and public service by providing coordinated, customer-focused, cost-effective, and innovative services.

Description:

Institutional Support includes central executive level activities concerned with management and long-range planning for the entire university and the operation and maintenance of the physical plant. Administrative activities include fiscal operations, administrative data processing, space management, employee personnel and records, safety, security, and transportation services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 15,230.1 | 15,337.1 | 15,337.1 |
| Other Appropriated Funds | 2,000.0 | 2,000.0 | 2,000.0 |
| Other Non Appropriated Funds | 12,758.7 | 14,756.3 | 14,803.4 |
| Program Total | 29,988.8 | 32,093.4 | 32,140.5 |
| FTE Positions | 66.3 | 68.4 | 68.4 |

- ◆ **Goal 1** To provide comprehensive administrative and human resource services to the campus community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Job applications processed | 2,775 | 3,108 | 3,480 |
| Positions filled | 73 | 80 | 87 |
| Percent of agency staff turnover (classified staff only) | 17.7 | 15.2 | 14.8 |
| Administration as a percentage of total cost | 1.77 | 1.41 | 1.07 |

- ◆ **Goal 2** To provide a safe and secure environment that responds to the needs of students, faculty, and staff as the campus grows.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
| Crime reports | 201 | 214 | 220 |
| Calls for service | 1,324 | 1,384 | 1,390 |

| AWA 0.0 | Agency Summary |
|-----------------------------|----------------|
| ASU - WEST | |
| Dr. Michael Crow, President | |
| Phone: (480) 965-8972 | |
| A.R.S. § 15-1601 | |

Mission:

To become a comprehensive campus that balances the traditions of liberal arts education with responsiveness to the dynamics of workforce requirements. The West campus colleges and schools are committed to teaching and research that are innovative, interdisciplinary, collaborative and problem-based.

Description:

ASU at the West campus is located in Phoenix and serves over 12,000 residential and commuter students of diverse ages, ethnicity, and experience through baccalaureate programs, master’s programs, doctoral programs and certificate programs. The West campus focuses on developing a learning community that addresses the needs of a diverse metropolitan environment. It does this by offering learner-centered academic programs that enhance learning through teaching, service and enrichment opportunities; promoting discovery and innovation; pursuing new knowledge; introducing insights and creative ideas through instruction; encouraging direct involvement in new fields of inquiry; investigating important community-based issues; and integrating with the community through service based on scholarship.

| | (\$ Thousands) | | |
|-------------------------|------------------|------------------|------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ INSTRUCTION | 43,834.6 | 41,626.4 | 41,760.3 |
| ➤ ACADEMIC SUPPORT | 15,525.6 | 17,658.8 | 17,839.5 |
| ➤ STUDENT SERVICES | 11,601.9 | 9,584.9 | 9,596.5 |
| ➤ INSTITUTIONAL SUPPORT | 43,698.1 | 45,603.4 | 45,882.3 |
| ➤ ORGANIZED RESEARCH | 6,405.3 | 568.0 | 616.7 |
| Agency Total: | 121,065.5 | 115,041.5 | 115,695.3 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| General Funds | 43,934.4 | 33,159.6 | 33,159.6 |
| Other Appropriated Funds | 31,021.1 | 33,878.7 | 33,878.7 |
| Other Non Appropriated Funds | 46,110.0 | 48,003.2 | 48,657.0 |
| Program Total | 121,065.5 | 115,041.5 | 115,695.3 |
| FTE Positions | 715.7 | 623.5 | 621.8 |

Strategic Issues:

Issue 1 *Increase participation in postsecondary education and ultimately increase baccalaureate degree production*

To broaden access to a quality education for all segments of the population, ASU must be positioned to accommodate the continuing growth in high school graduates, particularly minority populations and a growing pool of older students requiring new job skills. Never in the history of Arizona has a university education been more important. Our knowledge-based economy and an ever-increasing trend toward globalization are changing the skills needed for success in the labor force. Yet, rising costs, need for financial aid, and years of under-funding for higher education place the idea of broad access at risk. Tuition increases approved by the Board of Regents in recent years and future increases consistent with Board policy will help offset some of the increasing need for financial aid and improve affordability for a greater number of students.

ASU is strongly committed to providing access to college for all qualified students. Furtherance of this goal requires bold and sustained planning to

provide for the projected increases in enrollments, primarily of undergraduate students. Continued investment will be necessary to provide the infrastructure for the enrollment growth envisioned at each of the campuses.

Issue 2 *Improve the quality of undergraduate and graduate education*

Undergraduate and graduate education are the cornerstones of the university enterprise. Students seek a high quality education that prepares them to be successful in their careers, to contribute to society, and to become lifelong learners. Today’s graduates must have strong communication, team building, and critical thinking skills as well as a global perspective to be successful.

A continued emphasis on providing a quality educational experience requires examining and evolving how the university designs and delivers its instructional programs to maximize the impact of education. Improvements can be accomplished through new pedagogical techniques, such as collaborative learning, service learning, and other learner-centered approaches; through the appropriate use of technology to enhance the classroom experience; through undergraduate education that focuses on the student as an individual; by providing seamless access to the services and resources required for learning and creative and intellectual inquiry; and by providing an environment that fosters student scholarship. ASU continues to conceptualize and create a wide range of new interdisciplinary schools, institutes, centers, and programs that will foster the development of new knowledge. In addition, ASU is enhancing learning environments that facilitate learner-centered delivery with improved utilization policies and room upgrades that incorporate new instructional technologies and flexible room formats. Adequate funding will provide the basic resources needed to accommodate the increased student population, enable ASU to hire the faculty necessary to meet its goals to establish national standing for colleges and schools in every field and fully achieve national comprehensive university status.

Issue 3 *Recruit and retain faculty and staff in highly competitive national and local markets during a period of diminishing resources*

Quality faculty are fundamental to a quality university education. Without the best faculty, it is not possible to provide the type of higher education that Arizona citizens deserve or to support the cultural and economic vitality that Arizona is striving to obtain. At ASU, hiring and retaining key faculty continues to be a concern. Like the other Arizona universities, ASU continues to struggle to consistently compete in the marketplace. ASU has made substantial progress in improving faculty salaries in recent years, enabling the University to recruit and retain highly recognized and respected academics in a variety of fields, but continues to fall below most of its peers in average faculty salaries. Staff salaries continue to fall behind comparable jobs for classified staff and service professionals. Turnover among classified staff continues to be a significant problem, a symptom of salaries that are not competitive with the local market.

Issue 4 *Expand research capabilities*

ASU continues to vigorously pursue long-term initiatives in such areas as biosciences, advanced materials, informatics and communications, healthcare, renewable energy and sustainable systems. In recent years, ASU’s research expenditures have grown at a pace that exceeds the median growth of our ABOR peer institutions. ASU’s goal is to grow its research expenditures to more than \$700M annually by 2020. To support our aspirations, ASU has defined seven strategies and four key focus areas that will allow us to continue our exceptional growth, serve the surrounding community and meet our 2020 research expenditure goal.

Issue 5 *Enhance and improve local impact and social embeddedness*

Development of ASU requires the university to be a fully engaged and integral part of the social, cultural, and economic fabric of the metropolitan area and the state of Arizona. ASU will demonstrate its social embeddedness to the extent that the faculty and staff are supporting and sustaining communities and solving problems through applied research, service, and partnerships in the P-12 education system, business and industry, government, and the community. ASU must assist in building a

socially diverse and economically viable community, in developing civic and community leadership, and in addressing challenges such as poverty, growth, economic development and diversification, social infrastructure, and quality of life. Achieving a higher degree of social embeddedness requires a change in the internal culture of the university as well as a change in the role of the university in the eyes of the community. The university must continue to expect employees to contribute to community life through their expertise, intellect, and engagement. And the community must come to see the university as the key resource and place to get advice about community issues and solutions to community problems.

Issue 6 Maintain quality and breadth of baccalaureate degree programs during a period of diminishing resources

ASU, with more than 72,000 student enrollment supports over half of the students attending a public university in Arizona. In order to provide appropriate instruction, support services for students and the technology needed, and to remain competitive with peer institutions, ASU requires a core investment in the form of general fund support. Co-investment from students and their families in the form of reasonable tuition and fees is also needed if the university is to provide competitive degree programs that best prepare students for the future.

With the ongoing fiscal crisis in Arizona and nationally, ASU continues to address resource reduction with focus on protecting to the greatest extent possible the educational mission of the university, and to reduce the student services and administrative functions rather than academic activities. Temporary funding in recent years has been available to support the funding shortfall, including federal stimulus funding. However, with these alternate funding sources now expiring, and with no increases in state funding, ASU will be forced to seek increases in tuition in order to maintain the level of academic investment needed to support enrollment.

| Program Summary | |
|-------------------------|--|
| INSTRUCTION | |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To offer high quality academic degrees and general studies programs that prepare graduates for personal growth, fulfilling careers, and lifelong contributions to the quality of intellectual life in the community, state, region, and nation.

Description:

Instruction is comprised of activities carried out during the academic year, summer sessions, and other periods outside the regular term and associated with degree credit and non-credit academic courses. This program also includes faculty departmental research and public service activities that are not separately budgeted and academic administration where instruction plays an important role, such as at the dean and department chair levels.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 2,439.0 | -2,163.1 | -2,163.1 |
| Other Appropriated Funds | 29,421.1 | 32,278.7 | 32,278.7 |
| Other Non Appropriated Funds | 11,974.5 | 11,510.8 | 11,644.7 |
| Program Total | 43,834.6 | 41,626.4 | 41,760.3 |
| FTE Positions | 415.8 | 347.1 | 346.1 |

◆ **Goal 1** To improve undergraduate and graduate education.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percentage of undergraduate degree recipients participating in research related or capstone (case study) experience | 79 | 80 | 80 |
| Percent of graduating seniors who rate their overall university experience as good or excellent | 93 | 94 | 94 |
| Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty | 72 | 72 | 72 |
| Fall semester enrollment (full-time equivalent) | 6,173 | 7,100 | 7,500 |
| Minority graduate students as a percentage of total enrollment | 23 | 23 | 23 |

◆ **Goal 2** To provide support services and courses that assist students in achieving academic success.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of undergraduate students graduating with internships and field experiences | 46 | 46 | 46 |
| Number of tutorials offered by Academic Success Programs | 8,250 | 9,700 | 11,500 |
| Explanation: | NEW MEASURE FY2011 | | |

◆ **Goal 3** To retain students and help them graduate.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of first-time, full-time freshman persisting after one year | 88.6 | 89.0 | 89.0 |
| Percent of first-time, full-time, upper-division, degree-seeking undergraduate students graduating in four years | 80 | 81 | 81 |
| Number of degrees granted | 1,590 | 1,623 | 1,683 |
| Number of Bachelors degrees granted | 1,228 | 1,259 | 1,308 |
| Number of Masters degrees granted | 343 | 345 | 356 |

| AWA 2.0 | Program Summary |
|-------------------------|------------------|
| | ACADEMIC SUPPORT |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To provide services and programs to faculty, staff and students in support of the instructional, research, and service mission of the university.

Description:

Academic Support services include retention, preservation, and display of educational materials through libraries, audio visual and other activities that aid in the transmission of information, and academic computing support.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 14,567.0 | 12,452.6 | 12,452.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 958.6 | 5,206.2 | 5,386.9 |
| Program Total | 15,525.6 | 17,658.8 | 17,839.5 |
| FTE Positions | 81.2 | 78.1 | 77.7 |

- ◆ **Goal 1** To develop a cohesive integrated tiered reference/research support service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Library volumes | 364,273 | 364,500 | 365,000 |
| Items checked out including renewals | 44,153 | 42,000 | 42,000 |
| Items borrowed from other ASU libraries | 3,082 | 3,200 | 3,500 |
| Items borrowed from libraries outside ASU | 975 | 1,200 | 1,500 |

- ◆ **Goal 2** To improve technology equipment access, training, and support for students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of mediated classrooms | 45 | 45 | 45 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percentage of classrooms with mediation | 100 | 100 | 100 |
| Explanation: NEW MEASURE FY2011 | | | |
| Number of common computing site seats | 122 | 115 | 115 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percentage of site equipment out dated (>4 years old) | 100 | 50 | 50 |
| Explanation: NEW MEASURE FY2011 | | | |
| Total number of support cases | 159,093 | 670,000 | 800,000 |
| Explanation: NEW MEASURE FY2011 | | | |
| Percent satisfied with support response | 87 | 90 | 95 |
| Explanation: NEW MEASURE FY2011 | | | |

| AWA 3.0 | Program Summary |
|-------------------------|------------------|
| | STUDENT SERVICES |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To foster the academic, social, emotional, and physical growth of learners by creating an inclusive holistic learning environment that offers services and opportunities for students to maximize their learning experience and become well-rounded productive citizens.

Description:

Student Services includes functions and other activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. These other activities include cultural events, student newspapers, intramural athletics, student organizations, nonacademic counseling and career guidance, student health services, and the administration at the senior vice presidential level.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 9,910.2 | 7,889.5 | 7,889.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,691.7 | 1,695.4 | 1,707.0 |
| Program Total | 11,601.9 | 9,584.9 | 9,596.5 |
| FTE Positions | 90.6 | 86.8 | 86.6 |

- ◆ **Goal 1** To promote the emotional and physical well-being of students by providing quality health care services.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Students receiving health care on campus | 1,544 | 1,650 | 1,650 |
| Disabled students served | 298 | 330 | 350 |

- ◆ **Goal 2** To enhance the quality of students' educational experience by providing programs and services which promote involvement in university activities and enhance opportunities for future employment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Registered campus clubs and organizations | 59 | 65 | 75 |
| Student participation in advising services, workshops, career events, job fairs, on-campus interviews and specials events offered by Career Services to assist students seeking employment and/or career guidance | 2,975 | 3,050 | 3,100 |
| Organizations recruiting on campus | 140 | 150 | 160 |

| AWA 4.0 | Program Summary |
|-------------------------|-----------------|
| INSTITUTIONAL SUPPORT | |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To support and facilitate the pursuit of the campus mission of teaching, research, and public service by providing coordinated, customer-focused, cost-effective, and innovative services.

Description:

Institutional Support includes central executive level activities concerned with management and long-range planning for the entire university and the operation and maintenance of the physical plant. Administrative activities include planning and programming, legal services, fiscal operations, administrative data processing, space management, employee personnel and records, purchasing, stores, safety, security, printing, transportation services, community and alumni relations, and development and fundraising.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 17,010.1 | 14,980.6 | 14,980.6 |
| Other Appropriated Funds | 1,600.0 | 1,600.0 | 1,600.0 |
| Other Non Appropriated Funds | 25,088.0 | 29,022.8 | 29,301.7 |
| Program Total | 43,698.1 | 45,603.4 | 45,882.3 |
| FTE Positions | 123.3 | 106.6 | 106.5 |

- ◆ **Goal 1** To provide comprehensive administrative and human resource services to the campus community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Job applications processed | 2,434 | 2,800 | 3,200 |
| Positions filled | 41 | 47 | 54 |
| Percent of agency staff turnover (classified staff only) | 10.0 | 11.5 | 13.2 |
| Administration as a percent of total cost | 2.12 | 1.51 | 1.51 |

- ◆ **Goal 2** To provide a safe and secure environment that responds to the needs of students, faculty, and staff.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
| Crime reports | 115 | 123 | 127 |
| Calls for Service | 1,230 | 1,249 | 1,255 |

| AWA 5.0 | Program Summary |
|-------------------------|-----------------|
| ORGANIZED RESEARCH | |
| Melinda Gebel, Director | |
| Phone: (480) 965-2318 | |
| A.R.S. § 15-1601 | |

Mission:

To foster pre-eminent scholarship and creative activity that serves the citizens of Arizona through the development, application, and transfer of new knowledge especially beneficial to Arizona.

Description:

Organized Research includes research activities taking place within centers, divisions, bureaus, institutes and experiment stations formally approved by the Arizona Board of Regents. These activities are specifically created and organized to produce research, whether separately budgeted within the university or commissioned by an external agency, as with federal grants and contracts.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 8.1 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 6,397.2 | 568.0 | 616.7 |
| Program Total | 6,405.3 | 568.0 | 616.7 |
| FTE Positions | 4.8 | 4.9 | 4.9 |

- ◆ **Goal 1** To provide a variety of research related opportunities for faculty so that they can improve their teaching and research activity skills.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|--|------------------|------------------|
| Dollar value of proposals submitted (in millions) | 52.6 | 58.1 | 64.6 |
| Explanation: | Changed reporting units from thousands to millions | | |
| Dollar value of sponsored project awards received (in millions) | 28.7 | 32.1 | 36.0 |
| Dollar value of expenditures (in millions) | 11.2 | 16.1 | 17.4 |
| Explanation: | Changed reporting units from thousands to millions | | |

| NAA 0.0 | Agency Summary |
|-----------------------------|----------------|
| NORTHERN ARIZONA UNIVERSITY | |
| Dr. John Haeger, President | |
| Phone: (928) 523-3232 | |
| A.R.S. §§ 15-1601 et seq. | |

Mission:

To provide an outstanding undergraduate residential education strengthened by research, graduate and professional programs, distance delivery, and innovative new campuses and programs throughout the state.

Description:

Founded in 1899, Northern Arizona University is a vibrant community committed to teaching as learning, research as innovation, and service as shared leadership.

Accredited by the North Central Association of Colleges and Schools, the university embraces diversity and promotes inclusion across the university community as a means to prepare graduates to contribute to the social, economic, and environmental needs of a culturally rich society. It inspires students to become active citizens, leaders, visionaries, and problem solvers with an understanding of global issues.

Northern Arizona University, part of the Arizona University System, embraces the AUS vision of being a “top-performing state university system, nationally recognized for excellence in academic and research pursuits that support and stimulate a growing vibrant economy and a high quality of life for Arizonans.”

In addition to integrating sustainability themes across curriculum, Northern Arizona University’s beautiful 740 acre campus models sustainable operations through multi-modal transportation, environmentally responsible waste disposal, energy-efficient green construction, and sustainability in food procurement. In August 2011, the university was awarded a silver rating from the Sustainability, Tracking, Assessment and Rating System (STARS).

With a growing enrollment of 25,364 students from all 50 states and 78 countries, Northern Arizona University reaches out to students regionally with satellite campuses and opportunities for distance learning. From its inception, NAU has implemented innovative and accountable teaching practices, including the effective use of technology.

Agency Summary: (\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|-------------------------|------------------|--------------------|--------------------|
| ➤ INSTRUCTION | 320,486.3 | 335,991.7 | 347,283.9 |
| ➤ ORGANIZED RESEARCH | 57,704.8 | 59,439.0 | 59,292.4 |
| ➤ STUDENT SERVICES | 253,336.7 | 245,522.7 | 246,363.3 |
| ➤ ACADEMIC SUPPORT | 42,054.9 | 49,418.8 | 47,396.8 |
| ➤ PUBLIC SERVICE | 62,793.0 | 63,670.0 | 65,123.8 |
| ➤ INSTITUTIONAL SUPPORT | 133,916.0 | 153,707.0 | 149,506.0 |
| ➤ AUXILIARY PROGRAM | 126,582.6 | 127,935.8 | 132,450.0 |
| Agency Total: | 996,874.3 | 1,035,685.0 | 1,047,416.2 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|------------------|--------------------|--------------------|
| General Funds | 349,717.4 | 301,462.5 | 330,268.5 |
| Other Appropriated Funds | 81,510.1 | 97,738.9 | 97,738.9 |
| Other Non Appropriated Funds | 565,646.8 | 636,483.6 | 619,408.8 |
| Program Total | 996,874.3 | 1,035,685.0 | 1,047,416.2 |
| FTE Positions | 6,222.6 | 6,660.1 | 6,800.3 |

Strategic Issues:

Issue 1 Addressing Disparity in Basic Student Support per FTE

The University of Arizona’s level of support per student FTE has historically been higher than ASU or NAU’s. Since 1963, a history of state general fund expenditures shows periods where the disparity between universities was relatively minor and periods when the disparity grew to the levels found today. Disparity increased in recent years because of ASU’s and NAU’s extreme enrollment growth at a time when the state was not able to invest in this growth through the funding formula. Additionally, ASU’s growth in research productivity and NAU’s offerings of higher cost STEM and health programs has made addressing disparity in state per student investment a critical issue.

The guiding philosophy of the plan is that every student attending one of the universities is supported with a base level state appropriation at the same dollar figure. Addressing disparity is about establishing a level base in fairness to students throughout the system.

The Arizona University System Enterprise: Disparity Study resulted in a calculated total disparity of \$76,368,518, which addressed over five years, identified \$15,273,700 as the budget request amount for each of five years. Northern Arizona University’s share of the total is 22 percent or \$3,302,600 per year.

Issue 2 Student Success

In the last six years Northern Arizona University made improving access to affordable postsecondary education for Arizonans an institutional priority. Significant student enrollment growth (a 32-percent increase since 2005), new affordable pathways through joint admission programs and differentiated tuition levels throughout the state, and three-year baccalaureate degrees at NAU-Yavapai demonstrate that the university made substantial progress in meeting Arizona’s needs. Continuing with higher education access initiatives, the university recognizes student success as an ongoing institutional-wide priority.

The university’s Student Success through Instructional Innovation Initiative comprehensively addresses credit completion, retention, and graduation through nationally-proven strategies focused on transforming student learning.

2.1 Math Emporium: Modeled after the Virginia Tech project and informed by similar endeavors implemented by Louisiana State University, the University of Alabama, and the University of Idaho, the NAU’s Math Emporium initiative will use interactive computer software combined with personalized, on-demand assistance. As part of the new approach to acquiring math skills, students:

- spend the bulk of their course time working on specific competency skill deficiencies,
- spend more time on things they don’t understand and less time on things they have already mastered,
- get assistance when they encounter problems,
- and are required to participate in scheduled learning activities and assessments.

2.2 Complete Course Redesign and Course Modularization: Courses with the highest drop and failure (DFW) rates and large enrollments will undergo a complete redesign through alignment of learning outcomes with classroom activities and assessments. In addition, the university will acquire a series of courses modularized into smaller topics that each follows a consistent learning model, sequencing instruction through an introduction, presentation, practice, and review. The courses will use existing Learning Management System and be adapted for a five-week format. Course redesign projects will be guided by six principles:

- whole course redesign
- active learning
- computer-based learning resources
- mastery learning
- on-demand help
- alternate staffing

Issue 3 Performance Funding

Closely related to the strategic issue #2—Student Success—is an issue of performance funding. As the national accountability standards in higher education move away from focusing on inputs (enrollments) to outputs (completions), the university is with its sister institutions proposing a new Performance Funding Model.

Using a three-year moving average of annual growth in completed student credit hours, degrees, and research expenditures, the formula is intended to replace the current, input-based funding formula often referred to as 22:1. The proposed Performance Funding model takes into account Northern Arizona University's mission emphasis on undergraduate education by allocating greater weights to degree awards and student credit hour completions at 42.5 percent each and lesser weight to research expenditures at 15 percent.

| Program Summary | |
|-----------------------------|-------------|
| NAA 1.0 | INSTRUCTION |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To increase the educational attainment of Arizona citizens by producing enough high-quality university degrees for the state to be nationally competitive by the year 2020.

Description:

Northern Arizona University, a public, high-research activity university, serves more than 17,700 at its main campus in Flagstaff and at more than 34 sites across the state.

With its solid reputation as a university with all the features of a large institution but with a personal touch, NAU carefully balances teaching, scholarship and service with a faculty and staff dedicated to each student's success.

The emphasis is on undergraduate education, but you'll also find a wide range of graduate programs and research that extend to such national concerns as forest health and bioterrorism. NAU has carefully integrated on-campus education with educational opportunities online and at over 34 campuses and sites throughout Arizona, forming seamless avenues for students to earn degrees.

This Program Contains the following Subprograms:

- ▶ Flagstaff and Statewide Instruction
- ▶ Yuma Instruction

| Funding and FTE Summary: (Thousands) | | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|--|-------------------|---------------------|--------------------|
| General Funds | | 158,743.8 | 124,049.0 | 152,684.6 |
| Other Appropriated Funds | | 81,510.1 | 97,738.9 | 97,738.9 |
| Other Non Appropriated Funds | | 80,232.4 | 114,203.8 | 96,860.4 |
| Program Total | | 320,486.3 | 335,991.7 | 347,283.9 |
| FTE Positions | | 2,881.4 | 3,035.4 | 3,124.4 |

| NAA 1.1 | Subprogram Summary |
|-------------------------------------|--------------------|
| FLAGSTAFF AND STATEWIDE INSTRUCTION | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To increase the educational attainment of Arizona citizens by producing enough high-quality university degrees for the state to be nationally competitive by the year 2020.

Description:

Improving student learning environment and college experience, focusing on student success, involving students in research opportunities, and promoting interdisciplinary pedagogy are key initiatives supporting university's strategic goal of being a learning-centered university. Additionally, enhancing technology-enabled learning environment, accelerating graduation time, and providing new access initiatives are important toward achieving student access, learning, persistence, and affordability.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 116,371.1 | 108,228.2 | 122,546.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 40,045.1 | 56,891.0 | 48,219.2 |
| Program Total | 156,416.2 | 165,119.2 | 170,765.2 |
| FTE Positions | 1,409.5 | 1,483.3 | 1,527.7 |

- ◆ **Goal 1** To provide access to educational opportunities for undergraduate and graduate students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of students enrolling in study abroad programs. | 2 | 3 | 3 |
| Increase the number of historically underrepresented ethnic students. | 6,370 | 7,000 | 7,000 |
| Increase the number of International students. | 1,042 | 1,000 | 1,000 |
| Increase the number of Native American students. | 1,420 | 1,450 | 1,500 |
| Total degrees and certificates granted (includes all campuses). | 5,685 | 5,700 | 5,700 |
| Explanation: Total degrees and certificates granted (includes all campuses). | | | |
| Percentage of full-time, undergraduate students enrolled per semester in three or more primary courses with ranked faculty | 72 | 74 | 74 |
| Number of Bachelor degrees granted | 3,717 | 3,500 | 3,500 |
| Percent of graduating seniors who rate their overall university experience as good or excellent | 96 | 96 | 96 |
| Average number of years taken to graduate for students who began as first-time, full-time freshmen. | 4.7 | 4.6 | 4.6 |
| Explanation: First-time, full-time freshmen | | | |
| Graduate degrees awarded at the master's level | 1,704 | 1,725 | 1,725 |
| Graduate degrees awarded at the doctoral level | 43 | 45 | 45 |
| Doctorate degrees awarded in the DPT category. | 52 | 52 | 52 |
| Graduate degrees granted (Statewide and Online only) | 1,191 | 1,200 | 1,200 |
| Explanation: Graduate degrees granted (Statewide and Online only, includes masters and doctorates.) | | | |

| NAA 1.2 | Subprogram Summary |
|-----------------------------|--------------------|
| YUMA INSTRUCTION | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To serve the higher educational learning needs of Yuma and the lower Colorado River Region.

Description:

NAU-Yuma offers a growing number of baccalaureate and master's degree programs. Areas of study include biology, business, criminal justice, education, environmental science, nursing, psychology, sociology, social work and Spanish. In partnership with our Flagstaff campus we offer additional course options online. Co-located on the beautiful campus with Arizona Western College, NAU-Yuma is a student-oriented educational community, offering schedules designed for working students, smaller classes and individualized academic advising. NAU-Yuma now has a free Writing Center available to students, services include: consultation on writing issues, classroom visits, writing workshops, writing materials, and online resources.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 2,406.7 | 2,360.7 | 2,360.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 71.1 | 210.9 | 211.0 |
| Program Total | 2,477.8 | 2,571.6 | 2,571.7 |
| FTE Positions | 28.3 | 31.4 | 31.5 |

- ◆ **Goal 1** To provide access to higher education learning experiences for Yuma Arizona students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Arizona residents enrolled in undergraduate programs. | 590 | 595 | 595 |
| Bachelor degrees granted to Yuma students. | 158 | 158 | 158 |
| Undergraduate degree programs offered. | 17 | 17 | 17 |
| Graduate degree programs offered. | 10 | 10 | 10 |
| Percent of students graduating (6-year for first time, full time freshmen.) | 67 | 68 | 69 |
| Percent of students graduating (5 year rate for lower-division, full-time transfer students.) | 80 | 81 | 82 |
| Percent of students graduating (4 year rate for upper division, full-time transfer students.) | 75 | 76 | 77 |

- ◆ **Goal 2** To provide a rich learning environment with exposure to diverse populations and cultures for all Yuma students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent Hispanic graduate students enrolled at the Yuma campus. | 56 | 50 | 50 |
| Hispanic student degrees awarded at YUMA, (does not include certificates). | 135 | 135 | 135 |
| Percent increase of undergraduate applications at the YUMA campus. | 28 | 25 | 25 |
| Percent of Hispanic undergraduate students at the Yuma campus. | 68 | 68 | 68 |

| NAA 2.0 | Program Summary |
|---------|-----------------------------|
| | ORGANIZED RESEARCH |
| | Pat Haeuser, Vice President |
| | Phone: (928) 523-7777 |
| | A.R.S. § 15-1601 |

Mission:

To foster opportunities for research, scholarship, and creative activity, and to ensure accountable and increase the prominence of the system's research enterprise so that it can contribute to the knowledge economy and improve the quality of life in Arizona.

Description:

Faculty, students, and staff at Northern Arizona University are actively engaged in their disciplines and in scholarly work, and NAU is known and recognized as the major research university producing basic and applied knowledge addressing the challenges of the interior western US. NAU graduates understand the nature of research, investigation, and original work, and are prepared to contribute such work to their communities and employers. NAU is nationally known as a center for first-rate undergraduate research and creative work.

This Program Contains the following Subprograms:

- ▶ Flagstaff and Statewide Organized Research
- ▶ Yuma Organized Research

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 6,201.4 | 4,378.4 | 4,378.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 51,503.4 | 55,060.6 | 54,914.0 |
| Program Total | 57,704.8 | 59,439.0 | 59,292.4 |
| FTE Positions | 472.8 | 474.2 | 477.6 |

| NAA 2.1 | Subprogram Summary |
|---------|--|
| | FLAGSTAFF AND STATEWIDE ORGANIZED RESEARCH |
| | Pat Haeuser, Vice President |
| | Phone: (928) 523-7777 |
| | A.R.S. § 15-1601 |

Mission:

To advance knowledge and economic development through integrated, intentional research and scholarship on the Flagstaff campus and other Arizona communities.

Description:

Northern Arizona University's research and creative activities result in new knowledge and innovation that:

- strengthens the outstanding education provided by the university;
- fosters the continued learning of faculty, staff and students;
- and benefits the environmental, economic, and cultural vitality of our region and society.

The Flagstaff campus is where you will find linked graduate education and scholarship – strong master's degree programming with a clear professional and applied focus, select doctoral programs and primarily applied research. NAU will undertake initiatives in areas and platforms of recognized and developing excellence such as bioscience, sustainability systems, and Native American programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,100.7 | 2,189.2 | 2,189.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 25,751.7 | 27,530.3 | 27,457.0 |
| Program Total | 28,852.4 | 29,719.5 | 29,646.2 |
| FTE Positions | 236.4 | 237.1 | 238.8 |

- ◆ **Goal 1** To offer graduate programs contributing to research and innovation in Arizona

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Graduate students enrolled in Flagstaff's Master's level programs. | 1,514 | 1,600 | 1,600 |
| Graduate students enrolled in Flagstaff's Doctoral level programs. | 385 | 380 | 380 |
| Graduate degrees granted to Flagstaff students, (masters and doctorates). | 536 | 540 | 540 |

- ◆ **Goal 2** To offer graduate programs which meet needs for graduate level instruction, such as teacher education or advanced professional training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Graduate students enrolled in statewide Master's level programs. | 4,346 | 5,000 | 5,000 |
| Graduate students enrolled in statewide Doctoral level programs. | 154 | 150 | 150 |

| NAA 2.2 | Subprogram Summary |
|-----------------------------|--------------------|
| YUMA ORGANIZED RESEARCH | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To advance knowledge through integrated, intentional research and scholarship at NAU-Yuma.

Description:

NAU-Yuma, a branch campus is committed to developing resources related to its mission to provide baccalaureate and graduate programming for Yuma students, and growing knowledge that contributes to the growth and development of Yuma students and the southwestern Arizona economy and quality of life.

NAU-Yuma is offering a federally funded grant called "Preparing Rural Inclusive Special Educators" (PRISE) that pays participants for 5 out of 6 semesters for students focusing on special education. Sufficient funding to support 15 students was received.

- ◆ **Goal 1** To offer graduate programs which meet needs for graduate level instruction, and expand integrated, intentional research and scholarship.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Yuma Graduate students enrolled in Master's level programs. | 232 | 240 | 240 |
| Yuma Graduate students enrolled in Doctoral level programs | 3 | 5 | 5 |

| NAA 3.0 | Program Summary |
|-----------------------------|-----------------|
| STUDENT SERVICES | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To create a culture of inclusion that contributes to a rich learning experience and helps prepare students for a engaged social responsiveness in a global environment.

Description:

A variety of innovative programs have been designed to attract students and help them persist at NAU. Student services are primarily provided by the division of Enrollment Management and Student Affairs, which includes the following campus service programs and activities: Student Affairs Administration, Student Life, Residence Life, Unions and Student Activities, Student Health, Counseling and Testing, Disability Resources, Native American Student Services, Financial Aid, Admissions, Multicultural Student Center and Educational Support Programs.

The Office of Academic Affairs provides leadership for the following student service programs: Registrar's, Gateway Student Success Center, First Year Seminar, University Advising, and Honors amongst others.

This Program Contains the following Subprograms:

- Flagstaff and Statewide Student Services
- Yuma Student Services

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|-------------------|---------------------|--------------------|
| General Funds | | 33,077.3 | 27,077.1 | 26,077.1 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 220,259.4 | 218,445.6 | 220,286.2 |
| Program Total | | 253,336.7 | 245,522.7 | 246,363.3 |
| FTE Positions | | 603.0 | 738.0 | 749.6 |

| NAA 3.1 | Subprogram Summary |
|--|--------------------|
| FLAGSTAFF AND STATEWIDE STUDENT SERVICES | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To recruit and retain students and provide services leading to student success.

Description:

A variety of innovative programs have been designed to attract students and help them persist at NAU-Flagstaff. Residence Life and Dining Services collaborated to streamline business processes by combining housing and dining contracts. Enrollment Management Services provided orientation campus visits for 5,217 students and guests, hosted 26 senior information sessions for 2,121 students and guests, hosted 29 nationwide College Fairs visiting close to 600 students and guests, processed over 30,000 applications and hosted 22 on-campus tours.

Between the two Student Learning Centers-north and south, Student Support Services provided 1,408 hours of tutoring, 65 hours of Supplemental Instruction and 29 Academic Success Workshops covering 11 topics. In addition, the LAC offers help with mathematics through individual appointments, has a walk-in math lab, In-Hall Tutoring and Online Tutoring.

Union and Student Activities strive to offer the finest services, conveniences, and amenities for the students of NAU while providing cultural, social, leisure and recreational opportunities as part of a well-considered plan for the campus community. In addition the unit provides valuable experiential learning opportunities and leadership development.

In August 2011, the 272,000 square foot Health and Learning Center (HLC) opened its doors to engage students in holistic learning by integrating recreation, health services, athletics, and academics into one central location.

Students studying in statewide programs also have access to a broad array of student services. Many services are delivered on line, such as reviewing the university catalogs, buying books, planning a career, viewing degree progress, or improving study skills through tutoring and tips. Statewide also offers in-person service, and local NAU campus staff are trained to help students get the support and access needed.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 16,464.4 | 13,458.9 | 12,458.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 110,129.7 | 109,222.8 | 110,143.1 |
| Program Total | 126,594.1 | 122,681.7 | 122,602.0 |
| FTE Positions | 300.0 | 367.5 | 373.3 |

- ◆ **Goal 1** To assist Flagstaff students in cultural, physical, and social development/wellness by providing services, activities, and events.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Students use/participation: Wall Aquatic Center | 43,461 | 43,000 | 43,000 |
| Students use/participation: Counseling Services visits | 5,014 | 5,020 | 5,400 |
| Multicultural Student Center participants: | 967 | 1000 | 1100 |
| In FY 2011 the MSC started collecting data on the number of unique student participants with our program. | | | |
| Explanation: Data reflects change in measure | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Total use of computer lab in Multicultural Student Center (MSC) | 20,500 | 20,500 | 21,500 |
| Number of Student Life registered organizations. | 250 | 250 | 250 |

- ◆ **Goal 2** To support Flagstaff student learning by providing financial support services to qualified students within the specific limitations of the financial aid system.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Students receiving financial aid by categories: Scholarships | 6,353 | 6,400 | 6,400 |
| Students receiving financial aid by categories: Waivers | 808 | 800 | 800 |
| Students receiving financial aid by categories: Grants | 7,026 | 7,000 | 7,000 |
| Students receiving financial aid by categories: Employment | 3,226 | 3,200 | 3,200 |
| Students receiving financial aid by categories: Loans | 9,374 | 9,400 | 9,400 |

- ◆ **Goal 3** To support Statewide student learning by providing financial support services to qualified students within the specific limitations of the financial aid system.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Students receiving financial aid by categories: Scholarships | 408 | 500 | 500 |
| Students receiving financial aid by categories: Waivers | 174 | 170 | 170 |
| Students receiving financial aid by categories: Grants | 2,185 | 2,200 | 2,200 |
| Students receiving financial aid by categories: Employment | 22 | 20 | 20 |
| Students receiving financial aid by categories: Loans | 2,548 | 2,600 | 2,600 |

NAA 3.2 Subprogram Summary
YUMA STUDENT SERVICES

Pat Haeuser, Vice President
Phone: (928) 523-7777
A.R.S. § 15-1601

Mission:

To recruit and retain students and provide services leading to student success.

Description:

NAU-Yuma is highly student centered and works with students to help them achieve educational and career goals. Student services staff are committed to making the learning experience easy to access and successful. Recently, NAU-Yuma has approved three student clubs/organizations: Psychology Club, Science Club and the Social Work Student Association.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 148.5 | 159.3 | 159.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 148.5 | 159.3 | 159.3 |
| FTE Positions | 3.0 | 3.0 | 3.0 |

- ◆ **Goal 1** To support NAU-Yuma student learning by providing financial support services to qualified students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Students receiving financial aid by categories: Scholarships | 138 | 150 | 150 |
| Students receiving financial aid by categories: Waivers | 9 | 10 | 10 |
| Students receiving financial aid by categories: Grants | 449 | 450 | 450 |
| Students receiving financial aid by categories: Employment | 24 | 25 | 25 |
| Students receiving financial aid by categories: Loans | 318 | 320 | 320 |

NAA 4.0 Program Summary
ACADEMIC SUPPORT

Pat Haeuser, Vice President
Phone: (928) 523-7777
A.R.S. § 15-1601

Mission:

To support quality student learning and to foster excellence in educational practices.

Description:

The primary goals of academic support services are to ensure a commitment to student success and high expectations for student learning by all faculty, staff, and students. Academic support services support instruction through functions such as:

- (1) effective instructional design and pedagogy;
- (2) coordinating, assessing, and supporting academic programs to ensure close articulation of the offerings from various colleges and departments to ensure students fulfill general education and program learning expectations;
- (3) providing access to scholarly materials and other learning tools developed by the library;
- (4) providing for technology enhanced learning, and
- (5) internationalizing the campus.

In Fall 2011 NAU is launching ePlanning student portal that will significantly improve student access to vital academic and administrative information. As part of the ePlanning project students will receive timely and meaningful feedback on academic performance and progression to degree. Early intervention built into the project is designed to help students succeed and graduate on time.

This Program Contains the following Subprograms:

- ▶ Flagstaff and Statewide Academic Support
- ▶ Yuma Academic Support

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 40,007.9 | 34,820.0 | 35,990.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 2,047.0 | 14,598.8 | 11,406.4 |
| Program Total | 42,054.9 | 49,418.8 | 47,396.8 |
| FTE Positions | 420.8 | 437.6 | 446.6 |

| NAA 4.1 Subprogram Summary | | Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|--|--|----------------|------------------|------------------|
| FLAGSTAFF AND STATEWIDE ACADEMIC SUPPORT | | Average turnaround time for user orders for material from Digital Archives | 72 hours | 72 hours | 72 hours |
| Pat Haeuser, Vice President | | | | | |
| Phone: (928) 523-7777 | | | | | |
| A.R.S. § 15-1601 | | | | | |

Mission:

To offer exemplary academic support services to the Flagstaff campus and statewide communities.

Description:

In order to respond effectively to the expected growth in the number of both traditional and nontraditional prospective Arizona students, Northern Arizona University is committed to providing support for Flagstaff students and students throughout the state.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-----------------|------------------|-----------------|
| General Funds | 19,714.6 | 17,184.6 | 17,769.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 1,023.5 | 7,299.4 | 5,703.2 |
| Program Total | 20,738.1 | 24,484.0 | 23,473.0 |
| FTE Positions | 209.0 | 217.3 | 221.8 |

- ◆ **Goal 1** To provide a physical and online environment that supports student and faculty learning, teaching and research.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of users in the library | 637,658 | 680,000 | 680,000 |
| Number of hours students utilize collaborative work (group study) room | 8,937 | 9,500 | 10,000 |
| Number of campus network logins from the library's public computers | 278,791 | 285,000 | 290,000 |
| Number of accesses to the library's licensed online resources | 941,605 | 1,083,000 | 1,245,000 |
| Number of electronic journal titles available | 59,863 | 60,000 | 62,000 |
| Number of accesses to electronic books | 12,810 | 20,000 | 23,000 |
| Number of items provided for NAU students, faculty and staff via Document Delivery Services | 38,301 | 38,500 | 39,000 |
| Average turnaround time for items provided for NAU students, faculty and staff via Document Delivery Services | 5.5 days | 5.5 days | 5.5 days |
| Number of individual student research consultations completed by library staff | 310 | 350 | 300 |
| Number of laptop check outs by students | 27,950 | 36,000 | 40,000 |
| Investment dollars in Cline Library licensed online resources | 1,953 | 1,953 | 1,953 |
| Number of streaming media titles used in courses | 1,371 | 1,400 | 1,500 |

- ◆ **Goal 2** To select, digitize, and provide 24/7 access to Colorado Plateau resources located in the Library's Special Collections and Archives.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of items available to end users in the Colorado Plateau Digital Archives | 87,800 | 95,000 | 110,000 |
| *Number of digital objects unmasked and available to the end user, does not include digitized – but masked items. | | | |
| Number of accesses to the Digital Archives (in millions) | 2 | 2 | 2 |
| Number of courses and research initiatives supported by digital archival materials | 130 | 130 | 140 |

| NAA 4.2 | Subprogram Summary |
|---------|-----------------------------|
| | YUMA ACADEMIC SUPPORT |
| | Pat Haeuser, Vice President |
| | Phone: (928) 523-7777 |
| | A.R.S. § 15-1601 |

Mission:

To provide leadership in the development, use, and assessment of technologies in administrative systems and educational programs.

Description:

NAU – Yuma, a branch campus of North-Yuma’s partnerships with Arizona Western College (Yuma and La Paz Counties) and Imperial Valley College (Imperial County) provide students an innovative, direct path to complete four-year programs. NAU also shares an academic partnership with Imperial Valley College (IVC) in California. Under the Arizona Board of Regents' IVC students are able to take and transfer 6 credit hours at NAU-Yuma without having to pay out-of-state tuition fees.

The Yuma Branch Campus of Northern Arizona University (NAU-Yuma) will be sponsoring two new grant programs: the Preparing Rural Inclusive Multicultural Exceptional Educators (PRIME) and the Culturally Responsive ESL Special Education Training (CREST). The grant programs are designed to offer tuition assistance for those interested in earning a bachelor’s or master’s degree in education.

The PRIME program leads students to a bachelor’s degree in Elementary Education/Special Education with an English as a Second Language endorsement. This federally-funded program will pay for five semesters of tuition, books and conference attendance.

CREST is a unique opportunity for people with either a non-education or education bachelor’s degree to complete a Master of Education in Bilingual/Multicultural Education or Special Education with or without teacher certification. This federally-funded program will cover most tuition, fees and book expenses. Preference will be given to middle or high school teachers of math or science who are not currently certified as teachers

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 578.7 | 450.8 | 450.8 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 578.7 | 450.8 | 450.8 |
| FTE Positions | | 2.8 | 3.0 | 3.0 |

- ◆ **Goal 1** To improve statewide access to network services, general computing resources, and instructional technology for NAU YUMA faculty and students.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------------------|----------------|------------------|------------------|
| Computer lab internet hookups | 190 | 190 | 190 |
| NAU-YUMA and AWC academic libraries | 1 | 1 | 1 |

| NAA 5.0 | Program Summary |
|---------|-----------------------------|
| | PUBLIC SERVICE |
| | Pat Haeuser, Vice President |
| | Phone: (928) 523-7777 |
| | A.R.S. § 15-1601 |

Mission:

To elevate the environmental, economic, social, and cultural vitality of our communities through collaborative stewardship of place.

Description:

Northern Arizona University engages in a significant level of applied research and public service focused on the peoples and areas served. Examples of public service programs include the Arizona K-12 Center, KNAU-FM radio, the Institute for Human Development, the Civic Service Institute, the Institute for Tribal Environmental Professionals, the Institute for Native Americans, the Art Gallery, and other programs benefiting Arizona.

This Program Contains the following Subprograms:

- ▶ Flagstaff and Statewide Public Service
- ▶ Yuma Public Service

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 8,967.2 | 8,574.8 | 8,574.8 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 53,825.8 | 55,095.2 | 56,549.0 |
| Program Total | | 62,793.0 | 63,670.0 | 65,123.8 |
| FTE Positions | | 348.0 | 348.8 | 352.2 |

| NAA 5.1 | Subprogram Summary |
|--|--------------------|
| FLAGSTAFF AND STATEWIDE PUBLIC SERVICE | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To support innovation, volunteerism, and engagement in our communities and to use the university's abundant artistic and civic service resources to enhance our engagement with the community and the world.

Description:

Northern Arizona University promotes scholarship that increases engagement with local communities and addresses key global challenges and partners with individuals, institutions, and communities to advance renewable resources and sustainable practices. Northern Arizona University also serves as the cultural center for northern Arizona through its 100,000-watt public radio station and by providing public access to theatrical, musical, and artistic events.

The Civic Service Institute (CSI) enhances the quality of life in Arizona and the Southwest Region by engaging volunteers, contributing their time which enhances their skills, serving others with needs and helping non-profit organizations meet critical community needs.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 4,483.6 | 4,287.4 | 4,287.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 26,912.9 | 27,547.6 | 28,274.5 |
| Program Total | 31,396.5 | 31,835.0 | 32,561.9 |
| FTE Positions | 174.0 | 174.4 | 176.1 |

- ◆ **Goal 1** To be a partner in the cultural climate of Arizona and the Southwest region.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Department of Theater season performances. | 37 | 38 | 38 |
| Music concerts and film series scheduled. | 34 | 34 | 35 |

- ◆ **Goal 2** To enhance the quality of life in Arizona and the Southwest region.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total Civic Service Institute Volunteer Hours | 409,984 | 350,000 | 350,000 |
| Collaborating Agencies under the Civic Service Institute | 545 | 300 | 300 |
| Number of participating volunteers | 3,665 | 2,500 | 2,800 |
| Number of individuals benefited by CSI services. | 279,702 | 250,000 | 150,000 |

Explanation: Change in Measure

| NAA 5.2 | Subprogram Summary |
|-----------------------------|--------------------|
| YUMA PUBLIC SERVICE | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To develop structures and practices that promote ties between NAU-Yuma and local business, industry, and cultural connections.

Description:

NAU-Yuma is highly engaged in the community. They are continually developing undergraduate research projects that address issues relative to the region, as well as internships and service learning opportunities with local companies and agencies. NAU-Yuma works in collaboration with other institutions of higher education and the community to ensure that workforce and civic educational needs of the community are met.

A community effort that began in November 2008 called "One Book Yuma" introduced Gabriel Thompson's "Working in the Shadows" book as the community pick for the academic year 2010/2011. This joint literacy effort encourages people to read and contemplate the same book, and come together to discuss it in a variety of settings.

Sponsors include: NAU, AWC, Yuma County Library District, Yuma Reading Council, The Yuma Arizona Sun and Yuma Friends of Yuma County Libraries.

- ◆ **Goal 1** To increase the workforce development with local business and NAU-YUMA.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Arizona Town Hall series Meetings held in Yuma | 2 | 1 | 1 |
| Number of undergraduate programs offered | 17 | 17 | 17 |
| Number of Arizona Western College transfer students who attend NAU | 438 | 435 | 435 |

| NAA 6.0 | Program Summary |
|-----------------------------|-----------------|
| INSTITUTIONAL SUPPORT | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

To continuously improve institutional effectiveness and organizational performance.

Description:

NAU-Yuma is in the early stages of development as a branch campus of Northern Arizona University. In the past, institutional support functions for NAU-Yuma were handled by the central Northern Arizona University offices. These functions will evolve at NAU-Yuma during the next two years.

This Program Contains the following Subprograms:

- ▶ Flagstaff and Statewide Institutional Support

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 102,719.8 | 102,563.2 | 102,563.2 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 31,196.2 | 51,143.8 | 46,942.8 |
| Program Total | 133,916.0 | 153,707.0 | 149,506.0 |
| FTE Positions | 954.4 | 1,032.9 | 1,038.7 |

| NAA 6.1 | Subprogram Summary |
|---|--------------------|
| FLAGSTAFF AND STATEWIDE INSTITUTIONAL SUPPORT | |
| Pat Haeuser, Vice President | |
| Phone: (928) 523-7777 | |
| A.R.S. § 15-1601 | |

Mission:

*To maximize faculty and staff commitment through workforce practices and services that contribute to the long-term viability of the university and to advance NAU's mission by anticipating and providing exceptional services to the Flagstaff campus and statewide communities.
6.2 AND 6.3 (YUMA) substitute subprogram.*

Description:

Institutional Support services include the Affirmative Action Office, Capital Assets, the Comptroller's office, Human Resources, and many other offices committed to ensuring the university functions effectively and efficiently.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 51,359.9 | 51,281.6 | 51,281.6 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 15,598.1 | 25,571.9 | 23,471.4 |
| Program Total | 66,958.0 | 76,853.5 | 74,753.0 |
| FTE Positions | 477.2 | 516.5 | 519.4 |

- ◆ **Goal 1** To enhance the safety and the learning/working environment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| NAU numbers of: Affirmative Action formal and informal complaints, consultations and ADA issue contacts. | 348 | 350 | 350 |
| Explanation: Data reflects a change in Measure, see measure # 2 below. | | | |
| People trained proactively by the Office of Affirmative Action and Equal Opportunity, on-line and in person. | 4,196 | 4,000 | 4,050 |
| Explanation: New Measure | | | |
| People served by the Office of Employee Assistance and Wellness | 4,658 | 4,462 | 4,462 |
| Programs offered by the Office of Employee Assistance and Wellness | 134 | 150 | 150 |
| Internal audits conducted | 8 | 14 | 13 |
| Percent of agency staff turnover | 10 | 11 | 11 |

- ◆ **Goal 2** To improve the physical living, working, and learning environment.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| State appropriations for building renewal (in millions.) No funds were received for FY10, still predictable for future years. | 0 | 0 | 9.6 |
| Operation and maintenance of plant, (in millions.) | 17.4 | 16.0 | 16.0 |

| NAA 7.0 | Program Summary |
|---------|-----------------------------|
| | AUXILIARY PROGRAM |
| | Pat Haeuser, Vice President |
| | Phone: (928) 523-7777 |
| | A.R.S. §§ 15-1601 et seq. |

Mission:

To promote operations of substantially self-supporting activities such as student housing, student unions, and intercollegiate athletics.

Description:

Between the two Learning Assistance Centers-north and south, Student Support Services provided 1,408 hours of tutoring, 65 hours of Supplemental Instruction and 29 Academic Success Workshops covering 11 topics. In addition, the LAC offers help with mathematics through individual appointments, has a walk-in math lab, In-Hall Tutoring and Online Tutoring.

Auxiliary Programs includes expenses of organizational units that furnish services to students, faculty and staff, and the general public for a fee directly related to the cost of the service and are managed as essentially self-supporting activities.

Unions and Student Activities renovated space within the University Union to add a game room featuring billiards, video games and satellite television. Campus Recreation Services strengthened partnerships with academic departments to add new programs, enhance existing programs, and increase opportunities for student participation. In addition, NAU now has a total of 28 restaurants throughout campus from all-you-can-eat establishments to fine dining.

Since 2001, NAU athletics has produced 36 Big Sky Championships, 10 NCAA champions, 8 Top 100 Director's Cup finishers as well as student-athletes regularly posting a 3.00 cumulative GPA.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 126,582.6 | 127,935.8 | 132,450.0 |
| Program Total | 126,582.6 | 127,935.8 | 132,450.0 |
| FTE Positions | 542.2 | 593.2 | 611.2 |

- ◆ **Goal 1** To provide an excellent residential living experience for students choosing to live on the Flagstaff campus.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of new first time, full time students living in residence halls. | 90 | 85 | 85 |
| Percent of new freshmen utilizing one of the Learning Assistance (tutoring) Centers one or more times | 48 | 40 | 40 |
| Total number of students who were housed by Residence Life | 7,114 | 7,000 | 7,000 |
| Total number of students utilizing the Learning Assistance (tutoring) Center | 5,814 | 5,000 | 5,000 |
| Percent of new first time, full time students who live in Freshmen Connections housing. | 86 | 83 | 83 |

- ◆ **Goal 2** To assist Flagstaff students in cultural, physical, and social development/wellness by providing services, activities, and events.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|---|-------------------------|-------------------------|
| Total use/participation: Recreation Center visits | 155,435 | 250,000 | 260,000 |
| Explanation: | Due to construction on the existing recreation center, counts were lower. | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|-------------------------|-------------------------|
| Students use/participation: Fronske Health Center visits | 37,719 | 59,000 | 63,000 |
| Explanation: | The Health and Learning Center opened August 1, 2011 along with a Pharmacy. | | |
| Students use/participation: Outdoor recreation | 5,854 | 5,500 | 6,000 |
| Students use/participation: Intramural participants | 4,385 | 4,400 | 4,500 |

UAA 0.0 Agency Summary

UNIVERSITY OF ARIZONA - MAIN CAMPUS

Eugene G. Sander, President

Phone: (520) 621-5511

A.R.S. § 15-1601

Mission:

To improve life for the people of Arizona and beyond through education, research, creative expression, and community engagement.

Description:

The University of Arizona in Tucson, including its branch-campuses in Sierra Vista and downtown Phoenix, is a land-grant, doctoral research university ranking among the nation's best public universities. Its research and development expenditures place it among the nation's top public universities and it is a member of the Association of American Universities. It offers a broad array of programs leading to degrees from baccalaureate through the doctorate for a total student body enrollment of 39,236 full-time and part-time students. As a land-grant university, it maintains programs in production agriculture and mining and serves the State through its cooperative extension services, technology transfer, economic development assistance, and cultural programming. The University provides distinguished undergraduate, graduate, and professional education; excels in basic and applied research and creative achievement; and promotes the integration of the product of these activities and achievements of regional, national, and international significance into everyday life.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|--------------------|---------------------|--------------------|
| ➤ INSTRUCTION | 249,955.7 | 300,499.7 | 332,698.3 |
| ➤ ORGANIZED RESEARCH | 351,158.5 | 345,866.5 | 350,362.0 |
| ➤ PUBLIC SERVICE | 44,442.5 | 45,094.8 | 45,800.0 |
| ➤ ACADEMIC SUPPORT | 69,812.8 | 58,236.2 | 60,410.8 |
| ➤ STUDENT SERVICES | 251,986.3 | 260,362.8 | 264,832.7 |
| ➤ INSTITUTIONAL SUPPORT | 248,181.2 | 260,778.7 | 263,544.6 |
| ➤ COLLEGE OF AGRICULTURE AND LIFE SCIENCES | 53,382.5 | 49,415.3 | 49,415.3 |
| ➤ UNIVERSITY OF ARIZONA SOUTH | 7,290.0 | 6,139.3 | 6,937.5 |
| ➤ AUXILIARY PROGRAM | 296,371.3 | 303,494.0 | 307,502.1 |
| Agency Total: | 1,572,580.8 | 1,629,887.3 | 1,681,503.3 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|--------------------|---------------------|--------------------|
| General Funds | 270,215.3 | 208,367.0 | 244,467.0 |
| Other Appropriated Funds | 251,280.3 | 247,503.0 | 247,503.0 |
| Other Non Appropriated Funds | 1,051,085.2 | 1,174,017.3 | 1,189,533.3 |
| Program Total | 1,572,580.8 | 1,629,887.3 | 1,681,503.3 |
| FTE Positions | 10,968.0 | 12,802.1 | 12,942.2 |

Strategic Issues:

Issue 1 Prepare Arizona's Youth and Ensure Access and Opportunity

We will collaborate with educational partners (P-14) to prepare students for University success and support education in Arizona by preparing more teachers, especially in STEM fields, while targeting underserved areas first. We will improve access by increasing enrollments and financial aid, both need and merit-based. We will serve our growing student population by providing integrated state-of-the-art technological support.

Issue 2 Engage and Graduate Students Who Will Contribute to the

State, Nation, and World

We will educate all of our students to become creative, productive, and engaged members of society by providing solid grounding in core skills, broad knowledge across disciplines, expertise in areas of special focus, and the ability to generate, evaluate, and integrate new knowledge. We will respond to the State's shortages of health care providers by expanding educational programs in high priority areas. In doing so, we will expand course and major availability, improve retention and graduation rates, and improve our communications infrastructure.

Issue 3 Provide World-Class Research That Improves the Human Condition in Arizona and Beyond

We will build on our national leadership in interdisciplinary and collaborative research and lead the nation in research and outreach activities that are critical to our State's future, with particular emphasis on the following areas: climate, environmental, water and energy sustainability; Southwest, native American, borderlands, and Latin American studies; biosciences and biotechnology; optics; space exploration and observation; creative arts, languages and language acquisition; law, public policy and entrepreneurship; biomedical and behavioral health; and youth development programs.

Issue 4 Engage the People of Arizona

We will contribute to the richness and vibrancy of the community, serve as an incubator and magnet for talent, develop partnerships with public, private, and non-profit sector organizations, and share research with and provide direct services to the people of Arizona through technology transfer, Cooperative Extension programs, development of the Phoenix Biomedical Campus, and provision of clinical health care services throughout the state, to name a few.

| UAA 1.0 | Program Summary |
|---------|-----------------------------------|
| | INSTRUCTION |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To maximize the delivery of academically sound instruction in a coordinated manner with the University's academic colleges, schools, departments, and centers.

Description:

This program coordinates the delivery of instruction throughout the University. Its other responsibilities include oversight of: academic support programs; transfer articulation; advising; major-exploration programs for undecided and transitional students; and the University's interdisciplinary degree programs.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | -3,365.1 | 0.0 | 31,235.5 |
| Other Appropriated Funds | 210,038.6 | 208,207.4 | 208,207.4 |
| Other Non Appropriated Funds | 43,282.2 | 92,292.3 | 93,255.4 |
| Program Total | 249,955.7 | 300,499.7 | 332,698.3 |
| FTE Positions | 2,765.7 | 4,152.8 | 4,178.1 |

◆ **Goal 1** To increase productivity, efficiency, and effectiveness

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Graduating seniors who rate their overall experience as good or excellent (percent) | 94 | 95 | 95 |
| Full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty (percentage) | 73 | 74 | 74 |
| Total number of degrees granted | 7,822 | 7,705 | 7,912 |
| Bachelors degrees granted | 5,780 | 5,738 | 5,878 |
| Masters degrees granted | 1,480 | 1,349 | 1,396 |
| First Professional degrees granted | 159 | 177 | 190 |
| Explanation: Perform. Measure Description change to reflect new IPEDS categories. | | | |
| Doctorate degrees granted | 403 | 441 | 448 |
| Explanation: Perform. Measure Description change to reflect new IPEDS categories. | | | |
| Average number of years taken to graduate for students who began as freshmen | 4.5 | 4.4 | 4.4 |
| Administration as a percent of total cost | 2.1 | 1.9 | 1.8 |
| Agency staff turnover (percent) | 12.3 | 12.5 | 12.5 |
| Gifts, grants, and contracts (millions) | 385 | 405 | 426 |
| Grants and contracts expenditures (millions) | 322 | 339 | 356 |

◆ **Goal 2** To improve student persistence and graduation rates over time.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Freshmen returning for the second year (percent) | 77 | 77 | 77 |
| Full-time lower-division transfer five-year graduation rates (percent) | 54 | 57 | 60 |
| Full-time upper-division transfer four-year graduation rates (percent) | 68 | 70 | 71 |
| Six-Year graduation rate. | 60 | 60 | 61 |

| UAA 2.0 | Program Summary |
|---------|-----------------------------------|
| | ORGANIZED RESEARCH |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To provide effective and transparent promotion and support for the research and graduate-education efforts of University of Arizona faculty and staff and to encourage practices that minimize risks to our investigator-scholars, to human and animal research subjects, and to the University.

Description:

The University of Arizona through its organized research unit provides critical world-class research and discovery, intensive and relevant graduate education, and connects its activities with the community's needs especially as we aspire to become one of the ten best public research universities. The University's organized research unit also fosters technology transfer and connection to the business community, with a particular emphasis on promoting a thriving economy and high quality of life for Arizona. The organized research unit also serves as the administrative home for most of the University's public museums.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 29,956.4 | 25,279.8 | 25,279.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 321,202.1 | 320,586.7 | 325,082.2 |
| Program Total | 351,158.5 | 345,866.5 | 350,362.0 |
| FTE Positions | 2,147.4 | 2,183.2 | 2,222.4 |

◆ **Goal 1** To increase external funding for organized research programs relative to peer institutions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Total Research & Development Expenditures in thousands | 450,429 | 490,620 | 515,780 |
| National Science Foundation Research ranking (publics) | N/A | 17 | 16 |

◆ **Goal 2** To form a bridge connecting the University with the private sector and expand its engagement with regional, national, and international business communities, and build philanthropic support for the University and its partners.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of Office Tech Transfer Startups. | 8 | 8 | 10 |
| Entrepreneurial Startups | 5 | 10 | 10 |

| UAA 3.0 | Program Summary |
|---------|-----------------------------------|
| | PUBLIC SERVICE |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To make knowledge generated at the University of Arizona more accessible and more relevant to Arizona's citizens, to the nation at large and to the global community, and to inspire in each of these connections the parallel desires to learn and to create beneficial change, both in partnership with the University of Arizona.

Description:

The Office for Academic Outreach facilitates the efforts of University of Arizona faculty in integrating their teaching, research, and service missions, and in translating and advancing those efforts to broader audiences. Outreach does not exist as an independent administrative function; rather, it serves the efforts of University faculty across the departments and colleges, and helps create the opportunity for impact in our communities and abroad.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 3,668.2 | 3,696.1 | 3,766.1 |
| Other Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | | 40,774.3 | 41,398.7 | 42,033.9 |
| Program Total | | 44,442.5 | 45,094.8 | 45,800.0 |
| FTE Positions | | 248.7 | 253.7 | 257.7 |

- ◆ **Goal 1** To leverage the strengths of international affairs programs and the efforts of our faculty by strategically enhancing efforts abroad in target geographies most relevant to the University.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of students in Study Abroad and Exchange programs | 1,210 | 2,200 | 1,410 |
| Number of undergraduate international students | 1,132 | 1,200 | 1,275 |
| Number of graduate international students | 1,378 | 1,400 | 1,475 |

- ◆ **Goal 2** To facilitate and assure the University's mandate of service, partnership, and the sharing of knowledge which most clearly expresses the distinguishing nature of land grant universities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of people served by Cooperative Extension (in thousands) | 477 | 480 | 500 |
| Number of volunteer hours generated in Agriculture | 139,800 | 145,000 | 150,000 |

| UAA 4.0 | Program Summary |
|---------|-----------------------------------|
| | ACADEMIC SUPPORT |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To support and enhance a contemporary learning environment with tools that permit innovation in all learning spaces and assist students in bridging the relationship between research and teaching.

Description:

The units that comprise Academic Support represent all of the ways the University supports its academic mission.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 38,917.7 | 25,256.4 | 27,335.4 |
| Other Appropriated Funds | | 25,605.3 | 26,436.8 | 26,436.8 |
| Other Non Appropriated Funds | | 5,289.8 | 6,543.0 | 6,638.6 |
| Program Total | | 69,812.8 | 58,236.2 | 60,410.8 |
| FTE Positions | | 710.9 | 649.2 | 651.2 |

- ◆ **Goal 1** To enhance the academic quality and effectiveness of the institution through planning and budgeting, program review, personnel review, and data collection and analysis.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Academic programs reviewed for quality and effectiveness | 17 | 23 | 18 |
| Dollars internally reallocated to priority academic units (in thousands of dollars) | 6,210 | 5,022 | 5,500 |

- ◆ **Goal 2** To acquire and/or provide access to information resources and services appropriate to research university users via the most cost-effective means.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Resources (print and non-print) circulated from the collection. | 369,991 | 350,000 | 335,000 |
| Resources (print and non-print) used in the library. | 109,615 | 107,423 | 105,274 |
| Electronic Resources used on-site and remotely. (in the millions) | 11 | 11 | 12 |

- ◆ **Goal 3** To support alternative delivery modes of education for Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Online Undergraduate Degrees | 7 | 15 | 20 |
| Number of Online Graduate Degrees | 200 | 238 | 265 |
| Number of Online Graduate Certificates | 47 | 60 | 75 |

| UAA 5.0 | Program Summary |
|---------|-----------------------------------|
| | STUDENT SERVICES |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To recruit and retain a diverse and talented student body; to assist students in their efforts to achieve access, academic success, and efficient degree completion in conformance with prevailing regulation; to promote student development in a safe environment in which diversity is valued and embedded in daily operations; and to provide opportunities for personal and educational enrichment through the development of student, faculty, staff, and community partnerships.

Description:

This program includes enrollment services and other student related programs and services designed to promote student success, by supporting students' personal, intellectual, cultural, and social development outside the context of the formal instructional program. Programming extends to the entire campus community to meet disability needs and to promote a healthy, diverse, engaged, and civil community. The activities include: early outreach, admissions, orientation, financial aid, registration, campus recreation, and health services, cultural events, student programs/organizations, bookstore, newspaper, housing and food service, academic support, career services, programs designed to promote faculty/student interaction outside the classroom, and programs dedicated to special needs, such as disability related services and the cultural resource centers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 20,109.4 | 13,256.8 | 15,174.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 231,876.9 | 247,106.0 | 249,658.6 |
| Program Total | 251,986.3 | 260,362.8 | 264,832.7 |
| FTE Positions | 597.0 | 481.3 | 486.0 |

◆ **Goal 1** To admit a freshman class well-prepared for University work.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Quality of freshman class based on: High school grade point average | 3.4 | 3.4 | 3.5 |
| Quality of freshman class based on: SAT scores | 1,099 | 1,102 | 1,110 |

◆ **Goal 2** To decrease, through education, media campaigns, and other programs, the use of alcohol and other drugs that put students at risk of accidents, violence, injuries, and unsafe sexual practices.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Students reporting binge drinking in last year (survey done biannually) (percent) | 35 | 34 | 33 |
| Students reporting tobacco use in the last 30 days (percent) | 22 | 20 | 19 |

| UAA 6.0 | Program Summary |
|---------|-----------------------------------|
| | INSTITUTIONAL SUPPORT |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To provide the University of Arizona with the support services necessary to enable it to effectively pursue the institutional mission of teaching, research, and outreach.

Description:

Institutional support includes central executive-level activities concerned with management and long-range planning for the entire University, and the operation and maintenance of the physical plant. Administrative activities include planning and programming, legal services, fiscal operations, administrative data processing, telecommunications, space management, human resources including employee personnel and records, purchasing, stores, safety, security, printing, transportation services, community and alumni relations, and development and fund-raising.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 135,892.6 | 98,182.1 | 98,182.1 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 112,288.6 | 162,596.6 | 165,362.5 |
| Program Total | 248,181.2 | 260,778.7 | 263,544.6 |
| FTE Positions | 1,695.5 | 2,190.9 | 2,216.8 |

◆ **Goal 1** To enhance community support for the work of the University in the larger community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|----------------|------------------|------------------|
| Endowment Assets (in thousands) | 380,930 | 380,930 | 398,072 |
| Annual Giving (in thousands) | 92,160 | 94,720 | 97,920 |

◆ **Goal 2** To attract and engage a diverse and high quality workforce

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Minority employees in administrative, faculty, professional and classified positions (percent) | 28 | 29 | 29 |
| UA Life & Work Connections contacts per year | 14,608 | 15,500 | 15,900 |

| UAA 7.0 | Program Summary |
|--|-----------------|
| COLLEGE OF AGRICULTURE AND LIFE SCIENCES | |
| Rick Kroc, Associate Vice Provost | |
| Phone: (520) 621-8543 | |
| A.R.S. § 15-1601 | |

Mission:

To improve life for the people of Arizona and beyond through education, research, creative expression, and community engagement.

Description:

The College of Agriculture and Life Sciences coordinates undergraduate and professional education for a wide range of career opportunities within six general subject areas: animal systems; environment and natural resources; family, youth, and community; human nutrition; food safety and health; marketing, trade, and economics; and plant systems. Education in the professional knowledge area is combined with foundation courses in the natural and social sciences, communications, and the humanities to develop a well rounded academic experience offering majors leading to careers associated with the college subject areas. Programs include on-campus instruction and distance education in cooperation with other institutions. The college awards B.S., M.S., and Ph.D. degrees. Faculty members generally have joint appointments in a parallel Agricultural Experiment Station.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 41,885.0 | 39,788.4 | 39,788.4 |
| Other Appropriated Funds | 11,497.5 | 9,626.9 | 9,626.9 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 53,382.5 | 49,415.3 | 49,415.3 |
| FTE Positions | 870.2 | 870.2 | 870.2 |

- ◆ **Goal 1** To attain a level of tenure/tenure eligible faculty that is effective in providing students with the high quality faculty they deserve and the college with the research productivity essential to premier research university.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Degrees/FTE faculty (T/TE) | 6.0 | 6.3 | 6.6 |
| Majors/FTE faculty (T/TE) | 22 | 22 | 22 |
| External funding obtained/FTE Faculty (T/TE) | 325,183 | 342,100 | 359,900 |
| SCH/Faculty FTE (T/TE) | 451 | 474 | 498 |

- ◆ **Goal 2** To graduate as many well qualified students as possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Undergraduate Degrees granted (Bachelors) | 702 | 697 | 714 |
| Number of Graduate degrees granted (Masters, Specialist, Ph.D) | 126 | 120 | 124 |

- ◆ **Goal 3** To partner with and serve the people of Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of volunteer hours generated in Agriculture. | 139,800 | 145,000 | 150,000 |
| Number of people served by Cooperative Extension | 476,690 | 480,000 | 500,000 |

| UAA 8.0 | Program Summary |
|-----------------------------------|-----------------|
| UNIVERSITY OF ARIZONA SOUTH | |
| Rick Kroc, Associate Vice Provost | |
| Phone: (520) 621-8543 | |
| A.R.S. § 15-1601 | |

Mission:

To provide high quality, accessible educational opportunities to communities throughout Southern Arizona.

Description:

UA South addresses the needs of individual who are place bound or who desire to fulfill their higher education goals in an atmosphere different than the Main Campus. UA South provides quality upper-division and graduate programs designed to fulfill the educational and career goals of its students. UA South offers undergraduate degree programs through "2 + 2" partnerships with Arizona community colleges, primarily Cochise College and Pima Community College. Two Masters Degree programs are available. Programs are offered at five locations in southeast Arizona. Specific community-based classes may be offered at other locations throughout southeastern Arizona. The Faculty at UA South has incorporated distance learning into the curriculum, offering courses via interactive television and through the Internet.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 3,151.1 | 2,907.4 | 3,705.6 |
| Other Appropriated Funds | 4,138.9 | 3,231.9 | 3,231.9 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 7,290.0 | 6,139.3 | 6,937.5 |
| FTE Positions | 72.7 | 72.7 | 72.7 |

- ◆ **Goal 1** To increase student FTE and retention.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------|----------------|------------------|------------------|
| Student FTE | 474 | 498 | 523 |

- ◆ **Goal 2** To attain a level of tenure/tenure eligible faculty that is effective in providing students with the high quality faculty they deserve and the college with the research productivity essential to premier research university.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|----------------------------|----------------|------------------|------------------|
| Degrees/FTE faculty (T/TE) | 7.8 | 8.1 | 8.5 |
| Majors/FTE faculty (T/TE) | 17 | 18 | 19 |
| SCH/Faculty FTE (T/TE) | 914 | 960 | 1,008 |

- ◆ **Goal 3** To graduate as many well-qualified students as possible.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Undergraduate Degrees granted (Bachelors) | 62 | 62 | 63 |
| Number of Graduate degrees granted (Masters, Specialist, Ph.D) | 31 | 30 | 30 |

| UAA 9.0 | Program Summary |
|---------|-----------------------------------|
| | AUXILIARY PROGRAM |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To provide quality goods and services at the least possible cost to faculty, staff, students and University departments.

Description:

Auxiliary units are most closely related to "real world" businesses in that they are expected to be self-supporting and charge fees that are related to the costs of providing goods or services. Major retail and service activities include the U of A Bookstore, Student Union food services, Residence Life student dormitories and family housing, Parking and Transportation parking permits and Sun Tran passes, UA Presents performances, U of A Press publications, and Intercollegiate Athletics events. Internal service departments that provide wholesale services to other departments on campus include Facilities Management's repair, maintenance, and custodial services; Printing and Publishing Support Services; Telecommunication's telephone services; and the University Research and Instrumentation Center's design and fabrication service.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 296,371.3 | 303,494.0 | 307,502.1 |
| Program Total | 296,371.3 | 303,494.0 | 307,502.1 |
| FTE Positions | 1,859.9 | 1,948.1 | 1,987.1 |

- ◆ **Goal 1** To provide affordable housing and a residential living experience conducive to academic success and social well-being.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Percent of new freshmen living in residence halls | 68 | 68 | 68 |
| Total number of students living in residence halls | 4,384 | 4,430 | 4,490 |

- ◆ **Goal 2** To promote health, wellness and safety by providing quality medical, mental health care, and health education to the student community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Number of visits to Campus Health's Main and McKale clinics (medical and counseling and psychological services) | 30,557 | 30,700 | 31,200 |
| Percent who indicate they would refer a friend to Campus Health | 98.6 | 98.7 | 98.8 |
| Overall rating of Campus Health (0-10, with 10 high) | 8.7 | 8.8 | 8.9 |

- ◆ **Goal 3** To serve students with learning disabilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Number of students served by the Strategic Alternative Learning Techniques (SALT) Center | 542 | 535 | 534 |

UHA 0.0 Agency Summary
 UNIVERSITY OF ARIZONA - HEALTH SCIENCES CENTER
 Eugene G. Sander, President
 Phone: (520) 621-5511
 A.R.S. § 15-601

Mission:

To provide distinguished undergraduate, graduate, and professional health sciences education; to engage in basic and applied research of regional, national, and international significance; to create and disseminate knowledge; and to seek to integrate creative achievement into everyday life.

Description:

The Arizona Health Sciences Center (AHSC) in Tucson is the State’s only academic health sciences center. It provides the State and its people education, research, patient care, and services through its Colleges of Medicine, Nursing, Pharmacy, Public Health, Phoenix Bio-Medical Campus, University Medical Center, and university physicians. AHSC serves as the core of a broad network of State-wide health services, health education, health restoration, health promotion, and illness prevention.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--|-------------------|---------------------|--------------------|
| ➤ INSTRUCTION | 96,912.8 | 106,357.9 | 107,420.5 |
| ➤ ORGANIZED RESEARCH | 136,234.6 | 134,907.9 | 136,903.7 |
| ➤ PUBLIC SERVICE | 20,991.1 | 21,088.5 | 21,378.7 |
| ➤ ACADEMIC SUPPORT | 51,965.9 | 61,696.1 | 62,166.0 |
| ➤ STUDENT SERVICES | 5,916.3 | 6,033.4 | 6,079.4 |
| ➤ INSTITUTIONAL SUPPORT | 1,839.2 | 1,483.7 | 1,483.7 |
| ➤ COLLEGE OF MEDICINE, PHOENIX CAMPUS | 21,163.2 | 14,821.9 | 29,821.9 |
| ➤ AUXILIARY PROGRAM | 11,951.1 | 12,681.2 | 12,893.3 |
| Agency Total: | 346,974.2 | 359,070.6 | 378,147.2 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|---------------------------|-----------------------------|----------------------------|
| General Funds | 74,334.2 | 55,334.3 | 70,334.3 |
| Other Appropriated Funds | 24,846.5 | 41,154.0 | 41,154.0 |
| Other Non Appropriated Funds | 247,793.5 | 262,582.3 | 266,658.9 |
| Program Total | 346,974.2 | 359,070.6 | 378,147.2 |
| FTE Positions | 3,355.9 | 3,403.5 | 3,557.6 |

Strategic Issues:

Issue 1 Providing a Health Workforce to Meet the State's Changing Needs and Expectations

Providing distinguished undergraduate, graduate and professional health sciences education is crucial to increasing recruitment to fulfill the growing demand for physicians, nurses, pharmacists and allied health professionals throughout the State. Cooperative relationships with community colleges within Arizona can be enhanced and expanded with multidiscipline-teaching models at AHSC and the other institutions of learning in Arizona; models that would provide the strategic planning basis for statewide education in the allied health professions.

Issue 2 Enhancing the Leadership Role of AHSC in Biomedical Research

Engaging in basic and applied scholarly research in scientific matters critical to state, regional, national and international populations demands major contributions in multidisciplinary research and education as they pertain to the basic understanding, prevention, diagnosis and treatment and control of various diseases and debilitating conditions. Such contributions will require

initiating new programs in discovery, design and development of innovative medications that will lead to groundbreaking therapies. Extramural funding and laboratory space to support a leader in biomedical research will have to be found by providing opportunities for collaboration with the burgeoning biotechnical and biosciences industries.

Issue 3 Serving the Health Care Needs of the People of Arizona

Initiating through a multidisciplinary approach new programs for more effective health care delivery and the promotion of health throughout the State will necessitate advanced educational and training programs for health care professionals, health-care industry personnel and the public.

Issue 4 Achieving an Environment and Culture that Supports All Members of the University Community

Increasing professional development opportunities for all employees within AHSC and the University will contribute to the interaction and collaboration with community members and business partners throughout Arizona. Focusing on the excellence of each diverse individual and the contributions brought by such diversity furthers the collaborative, multidisciplinary process and creates an atmosphere where enormous strides can and will be made.

Issue 5 Serving a Diverse Population

The University must ensure a rich mix of cultural, ethnic, social, and racial backgrounds and viewpoints among its students, faculty, staff, and administrators. Improving this mix will enhance the quality of the student experience on campus and better prepare students to be responsible and productive members of the emerging global society.

| UHA 1.0 | Program Summary |
|---------|-----------------------------------|
| | INSTRUCTION |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Grants and contracts expenditures (millions) | 172 | 181 | 190 |

Mission:

To provide top-quality health sciences educational programs at the undergraduate, graduate, and professional levels that will attract and graduate an excellent and diverse student body.

Description:

The Arizona Health Sciences Center (AHSC) offers professional programs leading to the M.D., graduate degrees in many of the medical sciences, B.S.N., M.S., Ph.D., ADN-MS, Pharm.D., Masters in Public Health (MPH), DrPH, and B.S. with a major in health education. The AHSC provides students with the knowledge, skills, and attitudes basic to the provision of health services. It also provides education and training programs for undergraduate students, graduate students, residents, fellows, and other health professionals.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 23,345.6 | 12,013.1 | 12,013.1 |
| Other Appropriated Funds | 20,426.5 | 36,239.7 | 36,239.7 |
| Other Non Appropriated Funds | 53,140.7 | 58,105.1 | 59,167.7 |
| Program Total | 96,912.8 | 106,357.9 | 107,420.5 |
| FTE Positions | 1,157.5 | 1,178.4 | 1,194.2 |

- ◆ **Goal 1** To attain a level of tenured/tenure eligible faculty that is effective in providing students with the high quality of instruction they deserve. Were unable to delete measures 1 & 2. They are duplicates of Goal 2 measures 1,5,6)

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of Degrees Granted BA/BS and MA/MS | 504 | 493 | 506 |
| Number of degrees granted-PhD | 42 | 46 | 47 |
| Explanation: Perform. Measure Description change to reflect new IPEDS categories. | | | |
| SCH/Faculty FTE (T/TE) | 275 | 289 | 303 |
| Majors/FTE faculty (T/TE) | 12 | 13 | 13 |
| External funding obtained/FTE Faculty (T/TE) | 577,782 | 607,800 | 639,400 |
| Degrees/FTE faculty (T/TE) | 2.6 | 2.8 | 2.9 |

- ◆ **Goal 2** To increase productivity, efficiency, and effectiveness.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of degrees granted MA/MS | 89 | 81 | 84 |
| Graduating seniors who rate their overall experience as good or excellent | NA | 98 | 98 |
| Full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty (percentage) | 76 | 77 | 77 |
| Total number of degrees granted | 755 | 772 | 803 |
| Bachelor degrees granted | 415 | 412 | 422 |
| Doctoral Professional Practice Degrees granted | 209 | 233 | 250 |
| Explanation: Perform. Measure Description change to reflect new IPEDS categories. | | | |
| Doctoral Research/Scholarship Degrees granted | 42 | 46 | 47 |
| Explanation: Perform. Measure Description change to reflect new IPEDS categories. | | | |
| Average number of years taken to graduate for students who began as freshman | 4.5 | 4.4 | 4.4 |
| Administration as a percent of total cost | 2.1 | 1.9 | 1.8 |
| Agency staff turnover | 14.9 | 15.4 | 15.4 |
| Gifts, grants, and contracts (millions) | 234 | 246 | 259 |

| UHA 2.0 | Program Summary |
|---------|-----------------------------------|
| | ORGANIZED RESEARCH |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To provide high quality multidisciplinary biomedical research in areas important to the health care community and public; to promote the application of economics and socio-behavioral sciences to pharmaceutical research, education and service; to make available to trainees leading edge knowledge and the most modern technology; to promote healthier lifestyles through education of the public; and to provide service to state and federal agencies and the private sector.

Description:

The organized research centers are specifically organized to produce interdisciplinary clinical and basic biomedical research and to provide support for the undergraduate, graduate, and outreach educational programs. They are supported almost entirely by external federal and private sector funding. Their major areas of emphasis include: interdisciplinary research; education of the public, training of health professionals and scientists; patient services; provision of regional resources for research, disease diagnosis, patient care, education, and disease prevention and control; and technology development.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 4,770.1 | 3,665.7 | 3,665.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 131,464.5 | 131,242.2 | 133,238.0 |
| Program Total | 136,234.6 | 134,907.9 | 136,903.7 |
| FTE Positions | 903.4 | 908.2 | 925.8 |

- ◆ **Goal 1** To promote excellence in basic and clinical research, patient care, education, and training.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Regional, national, and international awards, honors, and prizes received by students, alumni, faculty, and staff | 593 | 605 | 617 |
| Patients rating physician skill as excellent in satisfaction survey (percent) | 90.6 | 90.2 | 90.4 |

- ◆ **Goal 2** To establish a stable funding base to support research, education, and service activities

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Total Research & Development Expenditures in thousands | 160,136 | 172,380 | 181,220 |

- ◆ **Goal 3** To provide education and training programs for regional, national, and international health care professionals, health care industry personnel, and the public.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|----------------|------------------|------------------|
| Training programs/workshops/lectures | 133 | 125 | 125 |

| UHA 3.0 | Program Summary |
|---------|-----------------------------------|
| | PUBLIC SERVICE |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To provide the citizens of the State of Arizona access to poison and medication-related emergency treatment assistance and to develop a rural telemedicine network that can improve rural health care.

Description:

The Arizona Poison and Drug Information Center serves as a repository of comprehensive information, knowledge and expertise regarding poisons and toxic exposures. A high priority is to provide access for rural and medically underserved Arizona residents and health care professionals who are without ready access to medical facilities. Telemedicine is the use of computers, video imaging, and telecommunications for diagnosis and treatment of persons in rural, geographically isolated communities and State institutions.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,883.6 | 2,695.5 | 2,695.5 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 18,107.5 | 18,393.0 | 18,683.2 |
| Program Total | 20,991.1 | 21,088.5 | 21,378.7 |
| FTE Positions | 152.5 | 154.2 | 156.7 |

- ◆ **Goal 1** To provide quality, accessible poison and medication-related emergency treatment assistance 24 hours a day.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Poison Control call volume per year (in thousands) | 60 | 63 | 68 |
| Accredited by the American Association for Poison Control Center Certification as a Regional Poison Control Center. | Yes | Yes | Yes |

- ◆ **Goal 2** To provide specialty patient care in rural communities and secure State institutions.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number served through Telemedicine (clinical consultations) | 113,013 | 115,000 | 120,000 |

| UHA 4.0 | Program Summary |
|---------|-----------------------------------|
| | ACADEMIC SUPPORT |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8243 |
| | A.R.S. § 15-1601 |

Mission:

To support and enhance a contemporary learning environment with tools that permit innovation in all learning spaces and assist students in bridging the relationship between research and teaching.

Description:

The units that comprise Academic Support represent all of the ways the University of Arizona Health Sciences Center supports its academic mission.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 23,310.8 | 24,055.3 | 24,055.3 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 28,655.1 | 37,640.8 | 38,110.7 |
| Program Total | 51,965.9 | 61,696.1 | 62,166.0 |
| FTE Positions | 907.5 | 907.5 | 917.9 |

- ◆ **Goal 1** To offer education programs that meet standards of excellence

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of students passing Step I of the US Medical Licensing Exam on the first try | 88 | 93 | 92 |
| Percent of Students passing Step II of the US Medical Licensing Exam on the first try. | 97 | 95 | 95 |

- ◆ **Goal 2** To assure access to information resources in the health sciences on-site and off-site.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Resources (print and non-print) circulated from the collection. | 5,114 | 4,733 | 4,381 |
| Resources (print and non-print) used in the library (in thousands) | 9.9 | 7.3 | 5.4 |

- ◆ **Goal 3** To teach students and faculty the most effective methods of accessing and managing health sciences information

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Classes/workshops taught | 152 | 163 | 174 |
| Number of participants classes/workshops | 4,016 | 4,297 | 4,598 |

- ◆ **Goal 4** To support alternative delivery modes of education for Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of Online Graduate Degrees | 19 | 23 | 25 |
| Number of Online Graduate Certificates | 9 | 11 | 15 |

| UHA 5.0 | Program Summary |
|---------|-----------------------------------|
| | STUDENT SERVICES |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-601 |

Mission:

To recruit and retain a diverse and talented student body; to assist students in their efforts to achieve access, academic success, and efficient degree completion in conformance with prevailing regulation; to promote student development in a safe environment in which diversity is valued and embedded in daily operations; and to provide opportunities for personal and educational enrichment through the development of student, faculty, staff, and community partnerships.

Description:

This program includes enrollment services and other student related programs and services designed to promote student success, by supporting students' personal, intellectual, cultural, and social development outside the context of the formal instructional program. Programming extends to the entire campus community to meet disability needs and to promote a healthy, diverse, engaged, and civil community. The activities include: early outreach, admissions, orientation, financial aid, registration, campus recreation, and health services, cultural events, student programs/organizations, bookstore, newspaper, housing and food service, academic support, career services, programs designed to promote faculty/student interaction outside the classroom, and programs dedicated to special needs, such as disability related services and the cultural resource centers.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 1,441.7 | 1,513.4 | 1,513.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 4,474.6 | 4,520.0 | 4,566.0 |
| Program Total | 5,916.3 | 6,033.4 | 6,079.4 |
| FTE Positions | 15.3 | 15.9 | 15.9 |

- ◆ **Goal 1** To enroll students well prepared for AHSC work.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of students enrolled in pre-pharmacy | 457 | 480 | 504 |
| Number of students enrolled in pre-nursing | 706 | 741 | 778 |

- ◆ **Goal 2** To enroll diverse students using the diverse in its broadest meaning.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| % Undergraduate Minority Students | 44 | 45 | 46 |
| % Graduate & First Professional Minority Students | 35 | 36 | 37 |

| UHA 6.0 | Program Summary |
|-----------------------------------|-----------------|
| INSTITUTIONAL SUPPORT | |
| Rick Kroc, Associate Vice Provost | |
| Phone: (520) 621-8543 | |
| A.R.S. § 15-601 | |

Mission:

To provide the University of Arizona with the support services necessary to enable it to effectively pursue the institutional mission of teaching, research, and outreach.

Description:

Institutional support includes central executive-level activities concerned with management and long-range planning for the entire University, and the operation and maintenance of the physical plant. Administrative activities include planning and programming, legal services, fiscal operations, administrative data processing, telecommunications, space management, human resources including employee personnel and records, purchasing, stores, safety, security, printing, transportation services, community and alumni relations, and development and fund-raising.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 1,839.2 | 1,483.7 | 1,483.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,839.2 | 1,483.7 | 1,483.7 |
| FTE Positions | 16.6 | 13.9 | 13.9 |

- ◆ **Goal 1** To enhance community support for the work of the University in the larger community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---------------------------------|-----------------------|-------------------------|-------------------------|
| Endowment Assets (in thousands) | 152,032 | 152,032 | 158,873 |
| Annual Giving (in thousands) | 51,840 | 53,280 | 55,080 |

- ◆ **Goal 2** To attract and engage a diverse and high quality workforce

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-----------------------|-------------------------|-------------------------|
| Minority employees in administrative, faculty, professional and classified positions (percent) | 26 | 27 | 28 |

| UHA 7.0 | Program Summary |
|-------------------------------------|-----------------|
| COLLEGE OF MEDICINE, PHOENIX CAMPUS | |
| Rick Kroc, Associate Vice Provost | |
| Phone: (520) 621-8543 | |
| A.R.S. § 15-1601 | |

Mission:

To provide medical students with the knowledge, skills, and attitudes basic to the practices of medicine; to provide education and training programs for residents, graduate students, fellows, and other health professionals and practicing physicians; to work with clinical affiliates to teach and model interprofessional health care delivery; to make contributions to biomedical research; to model and promote innovations in patient care and disease prevention and cure, including utilization of the multidiscipline health care team approach; and to use biomedical informatics and work with industry to address quality and cost of health care.

Description:

The College of Medicine-Phoenix offers a professional program leading to the M.D. degree and graduate degree programs. The COM-PHX also supports the education of other health professionals and the public. The educational program leading to the M.D. degree is conducted at the Phoenix Biomedical Campus and at clinical sites located in Phoenix, Tucson, and throughout the State. The faculty members conduct research programs in molecular biology, clinical translational science, medical education, therapeutics, prevention, and clinical outcomes. It is a rapidly evolving leader in biomedical informatics and health care education and this will translate into a high quality education program regarding health care issues for all in the State and critically enhancing and improving on delivery of care to our citizens.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-----------------------|-------------------------|------------------------|
| General Funds | 16,743.2 | 9,907.6 | 24,907.6 |
| Other Appropriated Funds | 4,420.0 | 4,914.3 | 4,914.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 21,163.2 | 14,821.9 | 29,821.9 |
| FTE Positions | 90.4 | 110.4 | 215.9 |

- ◆ **Goal 1** To develop, maintain, and continuously evaluate the educational program leading to the M.D. degree.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Percent of students passing Step I of the United States Medical Licensing Exam on the first try. (in Percent) | 93 | 95 | 95 |
| Percent of students passing Step II of the United States Medical Licensing Exam on the first try | 95 | 95 | 95 |

- ◆ **Goal 2** To provide educational experiences that promote lifelong learning, critical thinking skills, and career decisions for the breadth of disciplines needed throughout our State, emphasizing cultural competency and diversity.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-----------------------|-------------------------|-------------------------|
| Regional, national, and international awards, honors, and prizes received by students, alumni, faculty, and staff | 28 | 30 | 32 |
| Total Research & Development Expenditures in thousands | 10,542 | 11,205 | 11,779 |

- ◆ **Goal 3** To attract and maintain a diverse, highly qualified faculty that understands and delivers the complex training necessary for our next generation of physicians in addition to functioning as excellent leaders and collaborators with the diverse and excellent infrastructure of investigative research presently ongoing within the State and region.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-----------------------------|-----------------------|-------------------------|-------------------------|
|-----------------------------|-----------------------|-------------------------|-------------------------|

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Minority employees in administrative, faculty, professional and classified positions (percent) | 26 | 27 | 28 |

- ◆ **Goal 4** To be the leader for the State's citizens in designing, mentoring, and monitoring all facets of health care delivery in society and to offer an education milieu to share this information with the populace

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--------------------------------------|-------------------|---------------------|---------------------|
| Training programs/workshops/lectures | 67 | 70 | 70 |

| UHA 8.0 | Program Summary |
|---------|-----------------------------------|
| | AUXILIARY PROGRAM |
| | Rick Kroc, Associate Vice Provost |
| | Phone: (520) 621-8543 |
| | A.R.S. § 15-1601 |

Mission:

To provide quality goods and services at the least possible cost to faculty, staff, students and University departments.

Description:

Auxiliary units are most closely related to "real world" businesses in that they are expected to be self-supporting and charge fees that are related to the costs of providing goods or services. Major retail and service activities include the U of A Bookstore, Student Union food services, Residence Life student dormitories and family housing, Parking and Transportation parking permits and Sun Tran passes, UA Presents performances, U of A Press publications, and Intercollegiate Athletics events. Internal service departments that provide wholesale services to other departments on campus include Facilities Management's repair, maintenance, and custodial services; Printing and Publishing Support Services; Telecommunication's telephone services; and the University Research and Instrumentation Center's design and fabrication service. While many of the retail and service activity centers are located on Main Campus, they service AHSC as well. The College of Medicine has auxiliary units including Arizona Telemedicine and Biomedical Communications as well.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 11,951.1 | 12,681.2 | 12,893.3 |
| Program Total | 11,951.1 | 12,681.2 | 12,893.3 |
| FTE Positions | 112.7 | 115.0 | 117.3 |

- ◆ **Goal 1** To provide affordable housing and a residential living experience conducive to academic success and social well-being.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of new freshmen living in residence halls | 68 | 68 | 68 |
| Total number of students living in residence halls | 366 | 370 | 380 |

- ◆ **Goal 2** To promote health, wellness and safety by providing quality medical, mental health care, and health education to the student community.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of visits to Campus Health's AHSC satellite clinic (medical and counseling and psychological services) | 253 | 30,700 | 31,200 |

- ◆ **Goal 3** To promote health, wellness and safety by providing quality medical care to rural Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number served through Telemedicine (clinical consultations) | 113,013 | 115,000 | 120,000 |

- ◆ **Goal 4** To serve students with learning disabilities.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of students served by the Strategic Alternative Learning Techniques (SALT) Center | 42 | 41 | 41 |

Agency Summary

ARIZONA DEPARTMENT OF VETERANS' SERVICES

Joey Strickland, Director

Phone: (602) 255-3373

A.R.S. §§ 41-601 et seq.

Mission:

To enrich and honor Arizona's veterans and their families through education, advocacy, and service.

Description:

The core business of the Arizona Department of Veterans' Services (ADVS) is assisting veterans and their eligible dependents obtain federal entitlements, such as VA claims for disability, pension and insurance. All other agency services are derived from this central premise. ADVS's largest Division is the Arizona State Veteran Home in Phoenix, a self-funded skilled nursing facility that provides long-term care services to veterans and their spouses. A second nursing facility in Tucson opened on Veterans' Day 2011. The Department also serves as financial guardian and/or conservator to incapacitated veterans and their eligible dependents, typically when their families are unable to provide that service for themselves. ADVS operates a state veteran cemetery in Sierra Vista. ADVS is designated as the State Approving Agency, working with institutions that provide education and training to veterans with educational benefits. ADVS also administers the "Troops to Teachers" program to help military personnel transition to new careers as public school teachers.

Agency Summary:

(\$ Thousands)

| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--|-------------------|---------------------|--------------------|
| ADMINISTRATION | 4,679.6 | 3,450.2 | 3,730.6 |
| VETERANS' CONSERVATORSHIP / GUARDIANSHIP | 1,089.8 | 1,304.0 | 1,304.0 |
| VETERANS' SERVICES | 2,886.0 | 2,826.7 | 2,826.7 |
| STATE VETERANS' HOMES | 28,241.9 | 26,864.5 | 28,334.7 |
| STATE VETERANS' CEMETERIES | 375.2 | 457.3 | 577.3 |
| Agency Total: | 37,272.5 | 34,902.7 | 36,773.3 |

Funding and FTE

Summary: (Thousands)

| | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 5,309.9 | 7,050.7 | 5,617.1 |
| Other Appropriated Funds | 15,906.5 | 20,625.1 | 28,457.0 |
| Other Non Appropriated Funds | 16,056.1 | 7,226.9 | 2,699.2 |
| Program Total | 37,272.5 | 34,902.7 | 36,773.3 |
| FTE Positions | 285.0 | 510.8 | 515.8 |

Strategic Issues:

Issue 1 *Arizona needs to build 4 additional long-term care facilities (at an average of 120 beds each) in order to serve the state's veteran population.*

Arizona veterans requiring skilled nursing care are underserved in Arizona and the situation is projected to worsen. The agency operates a single 200-bed skilled nursing facility in Phoenix at this time. Additional long-term-care care facilities need to be built in other Arizona locations.

The U.S. Department of Veterans Affairs (VA) acknowledged the state's need for 1,068 additional nursing home beds, based on the number of veterans living in the state. The VA provides pays 65% of the cost to build state veteran homes and the facility becomes a state property after construction (which occurred for the Tucson facility July 2011). Once operational, the VA pays a per diem for veterans who are residents of the facility (admissions to the Tucson Home are scheduled in October with).

Issue 2 *The Arizona Veterans' Service Advisory Commission recommends hiring a part-time attorney rather than utilizing the Assistant Attorney General. There will not be a need to increase the agency's budget, since the agency currently transfers \$50,000 per year for these services to be provided by the Attorney General's Office.*

Arizona is one of only two states that offer a specialized fiduciary in the state veterans' service agency. ADVS acts as a conservator and or guardian for 240 veterans and/or their immediate family members whose assets are valued at over \$23 million. ADVS encounters extraordinary legal issues that are difficult to handle by occasionally hiring outside counsel.

Some of those contracted attorneys did not meet the standards set by the Arizona court system and fiduciary program. While the attorney errors did not harm any veteran, the mistakes were technical legal errors. A court nevertheless found that ADVS should be punished for the errors of the lawyers it hired. ADVS was prohibited from petitioning to be appointed as a fiduciary for six months in Maricopa County as a result of these technical errors.

ADVS's only recourse in these situations is to hire another attorney to bring a malpractice action against the contracted counsel or to file a complaint against them with the Arizona State Bar Association. The Attorney General's office declined to provide legal counsel to ADVS when it was called before the Fiduciary Board under the Arizona Supreme Court's Administrative Office of the Courts ("AOC") last year. Their rationale is that the Attorney General's Office had a conflict of interest.

ADVS needs a fulltime legal counsel to supervise the attorneys hired to represent ADVS in Arizona fiduciary matters and require these lawyers meet standards set by Arizona courts and the Supreme Court's Administrative Office of the Courts. It is more cost effective to supervise work as it is being done than to bring lawsuits or file complaints after the fact.

Issue 3 *The Auditor General's sunset audit recommended that the agency either close the Fiduciary Division or request a statutory increase for fees.*

In order to meet the quality standards for providing services, the Fiduciary Division needs additional resources to become more professionally staffed. The division will require additional funding to compensate staff for becoming licensed fiduciaries.

Regarding the Fiduciary's reliance on the state general fund, the request for fees will not immediately halt the need for financial support. The agency will request an increase to the cap on charging for conservator and guardianship services; but acknowledges that it cannot increase service charges for some clients with minimal assets. ADVS is not required to accept all appointments for vulnerable veterans, however. All Veterans requiring conservator and/or guardianship services must have sufficient assets to cover their own living expenses plus pay the service fees charged by the department for those services.

Issue 4 *Burial benefits are available to veterans, but there are only three Arizona locations where veterans may be interred at no cost. Both in-ground burials and columbaria niches (for cremated remains) are available in north Phoenix and in Sierra Vista. Columbaria niches are available in Prescott.*

A national veteran cemetery is located in north Phoenix and the agency's only state-operated cemetery is in Sierra Vista. The cemetery in Phoenix is rapidly reaching capacity and there may not be an option to expand. The Department is investigating where additional state-operated cemeteries should be built to serve the needs of an aging veteran population. The cemetery in Sierra Vista will also be expanded in order to accommodate the rate of interments in the southern part of the state.

Issue 5 *Injuries of returning service personnel are more profound than in previous combat situations. In addition to multiple traumas, returning service personnel often have less obvious injuries and experience more difficulty transitioning to civilian life.*

Recently discharged veterans who have service-connected disabilities require different medical and counseling services than those provided in the

past. Traumatic brain injury (TBI) and post-traumatic stress (PTS) are often more difficult to diagnose and treat. Other states are committing resources to provide care for veterans, especially for National Guard and Reservists with these types of injuries. Compounding the problem, some PTS symptoms do not manifest themselves for up to 20 years after the event.

While the U.S. Department of Veterans Affairs (VA) has formed polytrauma units to speak to the unique needs of severely wounded personnel, The traditional long-term care services provided by state veteran homes will not meet the needs of these types of disabled veterans. The Department is faced with providing long-term care for younger veterans who may require care for several decades.

| VSA 1.0 | | Program Summary |
|--------------------------------|--|-----------------|
| ADMINISTRATION | | |
| Robert Barnes, Deputy Director | | |
| Phone: (602) 255-3373 | | |
| A.R.S. §§ 41-601 et. seq. | | |

Mission:

To provide internal agency-wide support by managing financial, human and information technology resources. In addition to internal services, there are two units that provide services outside the agency: (1) the State Approving Agency's mission is to support veterans reaching their educational goals by using their Montgomery G.I. Bill benefits and (2) the Troops to Teachers program mission is to assist eligible military personnel transition into new careers as public or charter school teachers.

Description:

Administration includes the Director's office, Financial Services, Information Technology, Human Resources, Troops to Teachers (TTT), and the State Approving Agency (SAA).

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| | | | |
| General Funds | 1,661.7 | 1,673.9 | 1,973.9 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 3,017.9 | 1,776.3 | 1,756.7 |
| Program Total | 4,679.6 | 3,450.2 | 3,730.6 |
| FTE Positions | 31.0 | 35.8 | 35.8 |

- ◆ **Goal 1** To assist, supervise, and monitor all Arizona educational institutions by providing quality and timely program approvals and technical assistance so that veterans can obtain their educational goals utilizing their Montgomery G.I. Bill benefits.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of Program approvals accepted by the VA | 100 | 100 | 100 |
| Explanation: Metrics are from the last complete federal FY (Oct 1 - Sept. 30) | | | |
| The rating achieved on the State Approving Agency self-evaluation and from the Joint Peer Review Group. (Satisfactory is the highest possible rating the state can achieve.) | Marginal | Satis. | Satis. |
| Explanation: Metrics are from the last complete federal FY (Oct 1 - Sept. 30) | | | |

- ◆ **Goal 2** To ensure the availability of appropriated funds to benefit veterans.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| General fund appropriation is expressed in dollars for the fiscal year. The formula used is the total amount of general funds divided by the number of Arizona veterans projected by the US Department of Veterans Affairs (VA) as of 9/30 within the fiscal year. | 9.65 | 12.93 | 9.65 |
| Explanation: Using veteran population numbers from the VA Office of the Actuary. | | | |
| Expenditures of federal dollars in Arizona by the U.S. Department of Veterans Affairs (in millions of dollars) | 2,128 | 2,139 | 2,149 |
| Explanation: VA expenditures are reported as of 9/30 of the previous year. | | | |
| The number of federal dollars per veteran entering the Arizona economy (expressed as dollars per Veteran per year) | 6,156 | 5,975 | 6,136 |
| Explanation: Expressed in terms of actual dollars; no "multiplier effect" has been included in the reported figure. | | | |

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Total federal dollars (military retiree pay for veterans residing in Arizona, VA expenditures in Arizona, and Veterans Employment Funding in Arizona from the Department of Labor) entering the Arizona economy. (expressed in BILLIONS of dollars.) | 3.43 | 3.44 | 3.46 |
| Explanation: | Reported federal funds are a direct result of veterans living in Arizona. | | |
| Administration as a percentage of total agency budget | 3.35 | 5.0 | 5.4 |

- ◆ **Goal 3** To recruit, develop, and retain a capable and responsible staff dedicated to excellent customer service

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Percent of agency staff turnover (covered positions) as reported by the Arizona Department of Administration | 29.3 | 30 | 30 |
| Explanation: | Long-term care staff turnover has historically increased the agency's rate. | | |

- ◆ **Goal 4** To assist eligible military personnel transition into a new career as a public or charter school teacher.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Number of individuals registered in the program. | 106 | 125 | 125 |
| Explanation: | Metrics are for the last complete federal FY (Oct 1 - Sept 30). | | |
| Number of TTT participants who have been hired as public or charter school teachers as of 9/30/10. Targets are established by the US Department of Education for Arizona, based on its national projections. | 24 | 25 | 25 |
| Explanation: | All metrics are for the last complete federal FY (Oct 1 - Sept 30). | | |

| VSA 2.0 | Program Summary |
|---|-----------------|
| VETERANS' CONSERVATORSHIP / GUARDIANSHIP | |
| Greg Sulzer, Fiduciary Division Manager, Principal Fiduciary | |
| Phone: (602) 248-1554 | |
| A.R.S. §§ 14-3601, 14-5311, 14-5410, 14-5651, and 41-601 et. seq. | |

Mission:

To protect incapacitated veterans from exploitation and improve their quality of life.

Description:

The Fiduciary Division serves as appointed guardian, conservator, or custodian for incapacitated veterans, surviving spouses, and their dependent children and as personal representative for the estates of deceased veterans. The program is funded by a combination of General Fund appropriations and fees charged to clients for serving as their guardian, conservator, custodian, or personal representative. Monthly revenues are deposited with the State Treasurer into a conservator fund, which is returned annually to the Department through the budget appropriation process.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|-------------------|---------------------|--------------------|
| General Funds | 482.2 | 421.7 | 421.7 |
| Other Appropriated Funds | 607.6 | 882.3 | 882.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,089.8 | 1,304.0 | 1,304.0 |
| FTE Positions | 18.0 | 25.0 | 25.0 |

- ◆ **Goal 1** To maximize our clients' quality of life through the delivery of fiduciary services to our clients.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Percent of annual reports of guardian submitted by the due dates | 99 | 100 | 100 |
| Number of client visits and contacts | 3,000 | 3,000 | 3,000 |
| Explanation: | Maricopa lifted its moratorium in assigning new cases to Fiduciary. | | |

- ◆ **Goal 2** To maintain fiduciary licensure from the Arizona Supreme Court.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|---------------------|---------------------|
| Licensed fiduciary to client ratio | 1:80 | 1:30 | 1:30 |
| Explanation: | Due to staff turnover, the division has 3 licensed fiduciaries. | | |
| Human service specialist to client ratio | 1:35 | 1:35 | 1:35 |
| Explanation: | The number of new clients were affected by the recent moratorium. | | |

- ◆ **Goal 3** To acquire and control client assets, invest and expend client funds prudently, and to accurately and timely report client financial transactions to the courts.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of annual accountings submitted by the due dates | 100 | 100 | 100 |
| Percent of annual accountings approved on first submission | 100 | 100 | 100 |

- ◆ **Goal 4** To meet clients' needs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------------------------|---------------------|---------------------|
| Active caseload at end of fiscal year | 240 | 250 | 260 |
| Explanation: | Includes open decedent accounts. | | |
| Decedent caseload at end of fiscal year | 19 | 30 | 30 |

- ◆ **Goal 5** To manage and protect clients' assets held by ADVS.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Aggregate amount of protected clients' assets at end of fiscal year (in millions) | 23 | 23 | 23 |

| VSA 3.0 | Program Summary |
|---------|-----------------------------------|
| | VETERANS' SERVICES |
| | Mike Klier, Asst. Deputy Director |
| | Phone: (602) 255-3373 |
| | A.R.S. §§ 41-603 et. seq. |

Mission:

To serve Arizona veterans and their families with information and assistance in securing their rightful benefits provided by state and federal law.

Description:

The Veterans' Services Division provides a network of Veterans Benefits Counselors (VBCs) who give information, counsel, and assistance to veterans, their dependents, and survivors. There are 19 offices in Arizona providing information on federal and state benefits which have been earned by honorable service in the armed forces of the United States. VBCs develop and file claims for federal and state benefits in areas of disability, pension, insurance, burial, education, home loan, social security, and other social services.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,886.0 | 2,826.7 | 2,826.7 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,886.0 | 2,826.7 | 2,826.7 |
| FTE Positions | 42.0 | 53.0 | 53.0 |

- ◆ **Goal 1** To increase the VA monetary awards generated by claims and appeals filed by Veterans Benefits Counselors.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Monetary awards reported on claims and appeals filed by the state veterans' benefits counselors on behalf of Arizona veterans (expressed in millions of dollars for award the Department expects to receive) | 274.5 | 310 | 350 |

- ◆ **Goal 2** To achieve the highest level of customer satisfaction in regards to services being offered and how those services are delivered.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percentage of customers rating the overall delivery of service as 1 to 3, using a 1-5 scale where 1 represents "Extremely Satisfied" and 5 represents "Extremely Dissatisfied." | 90 | 90 | 90 |

Explanation: The survey has been redesigned with a numeric score.

| VSA 4.0 | Program Summary |
|---------|--------------------------------|
| | STATE VETERANS' HOMES |
| | Robert Barnes, Deputy Director |
| | Phone: (602) 255-3373 |
| | A.R.S. § 41-608.01 |

Mission:

To serve America's heroes by providing compassionate, professional care in a comfortable home-like environment.

Description:

The Arizona State Veteran Home (ASVH) located in Phoenix provides integrated health services that maximize the quality of life for each resident and allow residents to function at their highest level. There are 150 beds designated as skilled nursing care and 50 beds for a specialized wandering/dementia unit. The Tucson Home will have 120 beds, which will open on Veterans Day 2011 next to the Southern Arizona VA Health Care System.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 0.0 | 1,853.6 | 0.0 |
| Other Appropriated Funds | 15,298.9 | 19,742.8 | 27,574.7 |
| Other Non Appropriated Funds | 12,943.0 | 5,268.1 | 760.0 |
| Program Total | 28,241.9 | 26,864.5 | 28,334.7 |
| FTE Positions | 188.0 | 391.0 | 391.0 |

- ◆ **Goal 1** To achieve recognition for excellence in long term care.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| The Home received a rating from the Arizona Department of Health Services of 100 (excellent) - a quality rating of A. | N/A | A | A |

Explanation: At the time of this writing, there has not been no survey conducted.

- ◆ **Goal 2** To maintain financial self-sufficiency, operating the facility without the use of Arizona taxpayer funds.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Average annual occupancy rate (in percent) | 85.8 | 90 | 91 |
| Annual cost of temporary (registry) staff (in thousands of dollars) | 0 | 0 | 0 |
| Average cost per patient day (in dollars) | 244.21 | 255 | 251 |

Explanation: Ancillary and salary costs for ASVH divided by the total census days.

| VSA 5.0 | Program Summary |
|-----------------------------------|-----------------|
| STATE VETERANS' CEMETERIES | |
| Mike Klier, Asst. Deputy Director | |
| Phone: (602) 255-3373 | |
| A.R.S. § 41-601.D | |

Mission:

To provide a final resting place that honors the memory of Arizona veterans and their dependents.

Description:

The Southern Arizona Veterans Memorial Cemetery (SAVMC) opened in December 2002 and was designed to meet the needs of southern Arizona veterans for the next 30 years. ADVS applied to the U.S. Department of Veteran Affairs in 2007 for a grant to build additional state cemeteries needed to serve the state's veteran population. ADVS is actively working with the VA to determine the most beneficial placements of these cemeteries.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 280.0 | 274.8 | 394.8 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 95.2 | 182.5 | 182.5 |
| Program Total | 375.2 | 457.3 | 577.3 |
| FTE Positions | 6.0 | 6.0 | 11.0 |

- ◆ **Goal 1** To plan for cemetery construction required to meet the needs of Arizona veterans and their eligible dependents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|---|------------------|------------------|
| Number of casketed burials for both veterans and dependents (expressed as vets/dependents) | 112/41 | 120/45 | 135-50 |
| Explanation: | In FY 2009, there were 61 additional interments from the Historical Soldier Relocation Project. | | |
| Number of columbarium inurnments (expressed as veterans/dependents) | 208/61 | 215/60 | 225/70 |

| VTA 0.0 | Agency Summary |
|------------------------------------|----------------|
| VETERINARY MEDICAL EXAMINING BOARD | |
| Jenna Jones, Executive Director | |
| Phone: (602) 542-8150 | |
| A.R.S. § 32-2201 | |

Mission:

To protect the health, safety, and welfare of Arizona citizens as well as the welfare of animals by the regulation of veterinarians, veterinary technicians, veterinary premises, and animal crematories.

Description:

The Board consists of nine members appointed by the Governor for four-year terms. The Board is responsible for licensing veterinarians, certifying veterinary technicians, licensing veterinary medical premises, and licensing animal crematories. The Board administers examinations for veterinarians and veterinary technicians, inspects all fixed locations for veterinary medical premises and animal crematories, investigates complaints and violations, and takes appropriate regulatory disciplinary action to ensure the public's protection.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 448.6 | 455.3 | 530.3 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 448.6 | 455.3 | 530.3 |
| FTE Positions | 5.5 | 5.5 | 5.5 |

Strategic Issues:

Issue 1 Access to public information via web site.

The Agency planned and worked towards making more information available to the public on its website. Timing was contingent on the availability of funding.

Changes and additions to the website were started in FY 08. Due to budget sweeps in FY 09, no further enhancements were made until FY 10. These enhancements included the disciplinary history for licensees with the future goal for the website to include copies of administrative orders issued in disciplinary cases.

With the passing of HB2545 in the 2010 legislative session,parts of the website needed to revised to meet the law's requirements. Changes were made in FY11 to meet the requirements of new legislation well ahead of the due date of January 2012. Due to technical difficulties, the Orders were posted, then removed. They will be reposted in early FY12.

Issue 2 Information Technology

A few years ago, the Board converted its database from Paradox to a more current and user-friendly Sequel database program. With this update, the plan was to be able to tie our website to the database information to allow the public quick access to license verification and disciplinary actions. To date, we have been able to show the license verification information on the website and in FY 10 we completed the project to add the disciplinary history. With the recent passing of HB2545, the website will need to be revised to meet the statutory requirements.

The Board has previously discussed the desire to offer online license renewals, past estimates were quite high with the only addition of offering to allow payment online with credit card but did not allow for the inclusion of any of the paperwork or forms necessary for renewal. The offering of online renewals will be explored and bids obtained for the FY 13 renewal period. We will research this option for the FY 13 renewal cycle.

In addition, we will explore making changes to the database and offer online updating availability to licensees.

Issue 3 Replace outdated computer equipment and software.

This has been an ongoing process and we have updated 2 of the 5 office computers. The Board purchased used laptops from surplus in FY10 for the Board members to use with downloaded meeting information. This move to laptops and a paperless system has been accepted well by the Board members and has eliminated the extensive use of our copier and paper. We will need to purchase a few new laptops each year as the current ones are quite old and outdated.

We will explore the possiblty of updating a few laptops each year as well as software. We will need to have extensive IT changes to offer online renewals and updating capability to licensees.

- ◆ Goal 1 To license veterinarians, veterinary technicians, and premises in accordance with mandated timeframes.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Average number of calendar days from receipt to granting of license | 90 | 75 | 75 |
| Explanation: licensing of premise applications | | | |
| Veterinary applications processed | 152 | 120 | 125 |
| Veterinary technicians certified | 146 | 75 | 75 |
| Administration as a % of total cost | 7 | 7 | 7 |
| Total number of premise renewals | 673 | 0 | 630 |
| Total number of veterinarians licensed annually, including renewals | 1993 | 2060 | 1,750 |
| Explanation: number of licensed veterinarians at end of FY | | | |
| Total number of veterinary renewals, in even years that are reinstatements | 1936 | 10 | 1,650 |
| Total number of technician renewals, in even years that are reinstatements | 762 | 25 | 700 |
| Total certified technicians | 868 | 900 | 900 |

- ◆ Goal 2 To rapidly investigate complaints and provide enforcement to protect the public from incompetent service and unprofessional and unethical conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of complaints docketed | 136 | 140 | 125 |
| Number of complaints resolved | 93 | 115 | 115 |
| Disciplinary actions | 29 | 35 | 40 |
| Average number of calendar days from receipt of complaint to resolution | 160 | 150 | 150 |
| Number of annual investigations conducted | 150 | 165 | 150 |
| Number of investigations resulting in enforcement action | 31 | 45 | 45 |

- ◆ Goal 3 To ensure that licenses are granted to competent professionals with high standards of professional and ethical conduct.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of Disciplinary actions to number of licensed veterinarians | 1 | 2 | 2 |
| Percent of customers responding excellent or good on customer satisfaction survey | 93 | 90 | 90 |

- ◆ Goal 4 To ensure that the rules developed to license pet crematory facilities are met when licensing and thereafter.

| WCA 0.0 | Agency Summary |
|---------------------------------|----------------|
| DEPARTMENT OF WATER RESOURCES | |
| Sandy Fabritz-Whitney, Director | |
| Phone: (602) 771-8500 | |
| A.R.S. §§ 45-101 et seq. | |

Mission:

To ensure a long-term, safe, sufficient, and secure water supply for the State; to develop public policies which promote the efficient use and equitable distribution of water in an environmentally and economically sound manner; and to promote the management of floodplains and dams to reduce loss of life and damage to property.

Description:

The Department of Water Resources (DWR) was established in 1980 to administer all state water laws except those laws relating to water quality. Primary responsibilities include implementing the Groundwater Code, supporting the adjudication of water rights, ensuring the safety of dams, managing floods, implementing surface water laws, surveying water resources statewide, and assessing water quality in conjunction with the Department of Environmental Quality.

Agency Summary:

| | (\$ Thousands) | | |
|--|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ AGENCY SUPPORT | 2,750.4 | 3,201.8 | 3,227.3 |
| ➤ WATER RESOURCES AND STATEWIDE PLANNING | 12,818.9 | 15,441.8 | 15,441.8 |
| ➤ DAM SAFETY AND FLOOD WARNING | 1,644.9 | 2,052.9 | 2,052.9 |
| Agency Total: | 17,214.2 | 20,696.5 | 20,722.0 |

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 6,719.1 | 5,698.3 | 5,698.3 |
| Other Appropriated Funds | 274.4 | 6,665.5 | 6,691.0 |
| Other Non Appropriated Funds | 10,220.7 | 8,332.7 | 8,332.7 |
| Program Total | 17,214.2 | 20,696.5 | 20,722.0 |
| FTE Positions | 99.6 | 229.9 | 229.9 |

Strategic Issues:

Issue 1 Protection of Arizona's interest in the Colorado River.

The Department of Water Resources represents the State in negotiations with other lower basin states (California and Nevada), as well as all basin states, the federal government and Mexico. These negotiations include resolution of issues such as California overusing its allocation, Nevada soon growing beyond its allocation, surplus definition and allocation criteria, interstate water banking, endangered species, salinity control and how Mexican treaty rights to quality and quantity of water will be met.

Issue 2 Streamline Agency programs and enhance water resource data through the use of internet-based application processes and access to data.

Utilize internet-based applications to provide access to Agency data (water rights, well drilling and maps, and other imaged records) to interested parties in both the public and private sectors.

| WCA 1.0 | Program Summary |
|----------------------------------|-----------------|
| AGENCY SUPPORT | |
| Syndi Reeder, A/D Administration | |
| Phone: (602) 771-8500 | |
| A.R.S. §§ 45-103, 45-105 | |

Mission:

To provide the Agency with efficient and cost effective centralized services to assist the Agency in meeting its goals.

Description:

General Services provides the management support necessary to manage the Agency efficiently. This program includes the following functional areas: budget, personnel, fiscal services, payroll, purchasing, mail delivery, copying, facilities and sub motor pool. The Agency's centralized data management functions provided through the Management Information Services subprogram are also a component of this program.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------------|---------------------|--------------------|
| General Funds | 1,341.3 | 12.0 | 12.0 |
| Other Appropriated Funds | 0.0 | 2,720.7 | 2,746.2 |
| Other Non Appropriated Funds | 1,409.1 | 469.1 | 469.1 |
| Program Total | 2,750.4 | 3,201.8 | 3,227.3 |
| FTE Positions | 13.5 | 19.5 | 19.5 |

◆ Goal 1 To provide timely, accurate and courteous ancillary management services to all customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of employees compliant with OSHA training and State loss control guideline requirements | 100 | 100 | 100 |
| Percent of agency staff indicating satisfaction with the availability and condition of motor pool equipment | 100 | 100 | 100 |
| Percent of customers indicating satisfaction with the accuracy, timeliness and courtesy of mail distribution | 97 | 97 | 97 |

◆ Goal 2 To assure that vendors and employees receive proper payments in a timely manner.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of vendors indicating satisfaction with the accuracy and timeliness of payments processed | 96 | 96 | 96 |

◆ Goal 3 To provide the Agency with timely financial reports that comply with State and federal regulations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of financial reports distributed to users within seven days after month-end cut-off | 88 | 88 | 88 |

◆ Goal 4 To provide all Agency managers and supervisors with human resources support in the areas of personnel recruiting, training and employee relations.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of managers and supervisors indicating satisfaction with the services provided | 98 | 98 | 98 |

◆ Goal 5 To provide employees with direction in recruitment, training, grievance avoidance, grievance corrective action and employee relations counseling.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Percent of employees indicating satisfaction with the services provided | 98 | 98 | 98 |

- ◆ **Goal 6** To develop business database systems and applications capable of collecting, organizing, maintaining and displaying the data required to meet the needs of the Agency and its constituents.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of users satisfied with Relational Database Management System client-server applications | 100 | 100 | 100 |

- ◆ **Goal 7** To provide a stable and secure network and desktop computing environment, reliable telecommunication services and technical support on all Agency hardware and software used by our customers.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Percent of time servers are available during normal business hours | 99 | 99 | 99 |
| Average number of minutes per month that customers cannot access data because the system is not functioning properly | 60 | 60 | 60 |
| Computer systems developed/maintained | 96 | 96 | 96 |

| WCA 2.0 | Program Summary |
|---------|--|
| | WATER RESOURCES AND STATEWIDE PLANNING |
| | Sandy Fabritz-Whitney, Director |
| | Phone: (602) 771-8500 |
| | A.R.S. Title 45 |

Mission:

To ensure a long-term, safe, sufficient and secure water supply for the State; to develop public policies which promote the efficient use and equitable distribution of water in an environmentally and economically sound manner.

Description:

This program is responsible for managing all surface water rights and groundwater rights. Included in this program are the development and implementation of water management plans and regulation of water use, collection of data necessary for management of the water supply, and support in the adjudication of water rights. Representation of the State on interstate water issues and provision of technical assistance to water users in the State are important program functions.

This Program Contains the following Subprograms:

- ▶ Groundwater Management
- ▶ Surface Water Administration and Adjudication
- ▶ Colorado River Management
- ▶ Statewide Planning
- ▶ Hydrology

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 5,315.8 | 5,686.3 | 5,686.3 |
| Other Appropriated Funds | 274.4 | 3,359.9 | 3,359.9 |
| Other Non Appropriated Funds | 7,228.7 | 6,395.6 | 6,395.6 |
| Program Total | 12,818.9 | 15,441.8 | 15,441.8 |
| FTE Positions | 74.9 | 176.1 | 176.1 |

| WCA 2.1 | Subprogram Summary |
|---------|------------------------------------|
| | GROUNDWATER MANAGEMENT |
| | Tom Buschatzke, Assistant Director |
| | Phone: (602) 771-8500 |
| | A.R.S. §§ 45-104, 45-401 et. seq. |

Mission:

To achieve a long-term balance of water supply and demand on behalf of the citizens of Arizona by comprehensively managing, preserving and enhancing the groundwater supplies of the State.

Description:

This subprogram is responsible for development and implementation of groundwater management plans, regulations and grant programs designed to reduce groundwater use to meet the goals of the Active Management Areas (AMAs). This subprogram includes the management of groundwater rights, well drillers, well construction and registries, and the measurement and monitoring of groundwater use and supplies throughout the State.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 621.4 | 926.9 | 926.9 |
| Other Appropriated Funds | 0.0 | 1,427.2 | 1,427.2 |
| Other Non Appropriated Funds | 1,250.1 | 905.0 | 905.0 |
| Program Total | 1,871.5 | 3,259.1 | 3,259.1 |
| FTE Positions | 15.3 | 53.3 | 53.3 |

- ◆ **Goal 1** To conduct special investigations of critical groundwater areas to ensure that management decisions have a sound technical justification.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Permits reviewed and issued for assured and adequate water supply within statutory deadlines | 250 | 250 | 250 |

- ◆ **Goal 2** To manage contaminated water at groundwater contamination sites in Arizona.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Permit applications reviewed | 1,000 | 1,000 | 1,000 |
| Draft and final well inspection rule packages submitted | 0 | 0 | 0 |

- ◆ **Goal 3** To promote water conservation, groundwater recharge and the use of renewable resources in a fair and equitable manner, and to prevent unauthorized uses by developing groundwater rules and management plans in conjunction with stakeholders to make progress toward the goals of the Active Management Areas (AMAs).

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Per capita water use in the Active Management Areas (in acre feet) | 2.74 | 2.74 | 2.74 |
| Percent of water stored to groundwater pumped within the AMA's | 25 | 25 | 25 |
| Cumulative annual capacity of recharge projects permitted (in thousands) | 1,700.00 | 1,700.00 | 1,700.00 |
| Percent of surface water to total water used in CAP service area | 75 | 75 | 75 |

- ◆ **Goal 4** To maintain a complete and accurate record of groundwater rights and uses in AMAs, irrigation non-expansion areas (INAs) and a registry of wells statewide.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of annual withdrawal reports voluntarily returned | 96 | 96 | 96 |
| Requests for new production wells (Notices of Intent) granted | 7,100 | 7,100 | 7,100 |

| WCA 2.2 | Subprogram Summary |
|---------|---|
| | SURFACE WATER ADMINISTRATION AND ADJUDICATION |
| | Michael Johnson, Assistant Director |
| | Phone: (602) 771-8500 |
| | A.R.S. §§ 45-104, 45-151 et. seq. |

Mission:

To ensure a long-term, sufficient and secure water supply for the State by promoting, allocating and comprehensively managing in an environmentally and economically sound manner the rights and interests of the state's surface water resources for the citizens of Arizona.

Description:

This subprogram is responsible for issuing permits for the right to use surface water (excluding the Colorado River). The subprogram also maintains accurate water rights registries, and records of hydrologic conditions to aid in effective management and planning of the state's surface water supplies. This subprogram also provides technical and administrative support to the Arizona courts presiding over the general adjudication of water rights in Arizona.

| Funding and FTE Summary: | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|----------------|------------------|-----------------|
| (Thousands) | | | |
| General Funds | 1,656.5 | 2,057.4 | 2,057.4 |
| Other Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Other Non Appropriated Funds | 10.6 | 10.0 | 10.0 |
| Program Total | 1,667.1 | 2,067.4 | 2,067.4 |
| FTE Positions | 18.4 | 39.5 | 39.5 |

- ◆ **Goal 1** To maintain a complete and accurate registry of surface water claims and rights and to process new applications to appropriate surface water. To support Agency priorities by providing timely responses to public and intra-agency requests for information regarding surface water rights.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Applications processed to appropriate surface water | 0 | 0 | 0 |
| Percent of public and intra-agency information requests met within Agency time frames | 0 | 0 | 0 |
| Reduction of protested surface water permit applications | 0 | 0 | 0 |

- ◆ **Goal 2** To provide accurate and timely analysis of water rights claims and to provide high quality statewide water resource data, reports and assessments in support of the adjudication courts, high priority Agency projects and statewide planning.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of adjudication court assigned studies completed by established deadlines | 0 | 0 | 0 |

| WCA 2.3 | Subprogram Summary |
|---------|--|
| | COLORADO RIVER MANAGEMENT |
| | Perri Benemelis, Manager |
| | Phone: (602) 771-8500 |
| | A.R.S. §§ 45-104, 45-105(A)(2), 45-107 |

Mission:

To promote, allocate, protect and comprehensively manage in an environmentally and economically sound manner the rights and interests of Arizona to Colorado River water resources for the citizens of Arizona.

Description:

The subprogram is responsible for negotiating with other states, Indian tribes and the federal government on issues relating to the allocation, uses and protection of Arizona's entitlement of Colorado River water. The subprogram collects and evaluates data and information to support the preparation of recommendations regarding the protection and allocation of Colorado River water. The subprogram monitors and participates in the resolution of environmental issues arising out of the Endangered Species Act designations within the Lower Colorado River Basin.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 443.2 | 56.6 | 56.6 |
| Other Appropriated Funds | 0.0 | 660.9 | 660.9 |
| Other Non Appropriated Funds | 42.1 | 36.0 | 36.0 |
| Program Total | 485.3 | 753.5 | 753.5 |
| FTE Positions | 4.3 | 15.0 | 15.0 |

- ◆ **Goal 1** To recharge Arizona's unused Colorado River water entitlement as funding and facilities permit.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of unused entitlement recharged | 95 | 95 | 95 |

- ◆ **Goal 2** To analyze and recommend to the Department of the Interior (DOI) the allocation and provisions for contracting of Colorado River water and Central Arizona Project (CAP) water.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of recommendations for water allocations presented to and accepted by the DOI | 100 | 100 | 100 |
| Percent of recommendations for provisions for contracting presented to and accepted by the DOI | 90 | 90 | 90 |

- ◆ **Goal 3** To protect the interest of Arizona Colorado River water users by advocating policies that promote maximum short-term and long-term beneficial use of Colorado River supplies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of satisfaction of the Agency's internal and external clients with regard to the quality and success of water management policies advocated by the State | 95 | 95 | 95 |
| Percent of Arizona's annual entitlement to Colorado River water beneficially used | 100 | 100 | 100 |

| WCA 2.4 | Subprogram Summary |
|---------|------------------------------------|
| | STATEWIDE PLANNING |
| | Tom Buschatzke, Assistant Director |
| | Phone: (602) 771-8500 |
| | A.R.S. §§ 45-104, 45-105 |

Mission:

To be reinstated if budgetary restraints are eased.

Description:

This subprogram was eliminated as a result of budget cuts. Some areas formerly included here have been merged with other subprograms, i.e. Water Banking and Water Protection Fund.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 2,448.1 | 2,645.4 | 2,645.4 |
| Other Appropriated Funds | 274.4 | 662.8 | 662.8 |
| Other Non Appropriated Funds | 5,624.5 | 5,249.6 | 5,249.6 |
| Program Total | 8,347.0 | 8,557.8 | 8,557.8 |
| FTE Positions | 34.9 | 46.3 | 46.3 |

- ◆ **Goal 1** To develop strategies that address water resource issues statewide.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Technical assistance projects provided to areas outside AMAs that request support in quantifying and improving management of the area's water resources | 12 | 12 | 12 |
| Number of rural water studies initiated | 4 | 4 | 4 |

| WCA 2.5 | Subprogram Summary |
|---------|------------------------------------|
| | HYDROLOGY |
| | Frank Corkhill, Assistant Director |
| | Phone: (602) 771-8500 |
| | A.R.S. §§ 45-104, 45-105 |

Mission:

To provide the Agency and citizenry with accurate data collection, professional analyses and timely dissemination of water resources information to ensure that public policy is based on sound technical analysis.

Description:

This subprogram is responsible for the collection of surface and groundwater data statewide. Information is analyzed and disseminated in the form of technical documents, report publication and special studies of critical areas. Technical assistance and hydrological reviews are provided to all areas of the Agency, local water users and state and federal governments.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 146.6 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 609.0 | 609.0 |
| Other Non Appropriated Funds | 301.4 | 195.0 | 195.0 |
| Program Total | 448.0 | 804.0 | 804.0 |
| FTE Positions | 2.0 | 22.0 | 22.0 |

- ◆ **Goal 1** To assess and report information on statewide water resource demands and supplies.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Groundwater basin reports produced that profile current and future water supplies and demands, that describe the geologic and hydrologic conditions and that analyze the chemical quality of the water supplies | 18 | 18 | 18 |

- ◆ **Goal 2** To ensure that the Agency and the general public have access to the most accurate and current water resources information available.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Hydrologic Map Series data and modeling reports generated with accurate and timely dissemination | 8 | 8 | 8 |
| Customer satisfaction rating for Hydrology (scale of 1-8) | 8 | 8 | 8 |

- ◆ **Goal 3** To develop spatial database systems and applications capable of collecting, organizing, maintaining and displaying the data required to meet the needs of the Agency and its constituents

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Percent of users satisfied with the use of map products | 100 | 100 | 100 |
| Percent of users satisfied with desktop GIS tools support | 100 | 100 | 100 |

| WCA 3.0 | Program Summary |
|---------|--|
| | DAM SAFETY AND FLOOD WARNING |
| | Mike Johnson, Chief Engineer |
| | Phone: (602) 771-8500 |
| | A.R.S. §§ 45-1401 et. seq., 45-1501 et. seq. |

Mission:

To promote the management of floodplains and dams to reduce loss of life and damage to property.

Description:

This program is responsible for inspection and review of non-federal jurisdictional dams for compliance with safety standards, providing assistance to local flood management programs in the administration of the federal National Flood Insurance Program and designing statewide flood warning systems.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|--------------------------------------|----------------|------------------|-----------------|
| General Funds | 62.0 | 0.0 | 0.0 |
| Other Appropriated Funds | 0.0 | 584.9 | 584.9 |
| Other Non Appropriated Funds | 1,582.9 | 1,468.0 | 1,468.0 |
| Program Total | 1,644.9 | 2,052.9 | 2,052.9 |
| FTE Positions | 11.2 | 34.3 | 34.3 |

- ◆ **Goal 1** To promote appropriate management of floodplains by evaluating the compliance of the 105 subscribing communities with NFIP and State statutes at least once every five years and by providing technical assistance as requested.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of community assistance visits completed | 15 | 15 | 15 |

- ◆ **Goal 2** To design and construct a statewide high-speed data collection and dissemination network.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent completeness of the construction (and/or operational status) of the communications network | 100 | 100 | 100 |

- ◆ **Goal 3** To bring dams into compliance with State laws and dam safety guidelines.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of dams classified in a non-emergency unsafe condition | 13 | 13 | 13 |
| Number of dams within jurisdiction | 265 | 265 | 265 |
| Determination of jurisdictional status of unregistered dams | 5 | 5 | 5 |

- ◆ **Goal 4** To assure that dam design, construction, operation and maintenance are in compliance with State laws and current dam safety guidelines.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| Number of High Hazard Potential Dam Inspections as a percent of standard | 100 | 100 | 100 |
| Number of Significant Hazard Potential Dam Inspections as a percent of standard | 100 | 100 | 100 |
| Number of Low Hazard Potential Dam Inspections as a percent of standard | 100 | 100 | 100 |
| Cost per O&M inspection (in dollars) | 950 | 950 | 950 |
| Number of Construction Inspections | 100 | 100 | 100 |

| WMA 0.0 | Agency Summary |
|------------------------------------|----------------|
| DEPARTMENT OF WEIGHTS AND MEASURES | |
| Kevin Tyne, Director | |
| Phone: (602) 771-4923 | |
| A.R.S. § 41-2051 | |

Mission:

To protect the integrity of Arizona's marketplace by ensuring that equity and accuracy are preserved in commerce through fair and evident regulation and the effective communication of weight and measurement standards.

Description:

The Department of Weights and Measures ensures that every commercial device used for the sale of commodities by either weight, measure or count is licensed and accurate for its intended use; ensures, by way of random inspections, that such commodities are properly labeled and priced in conformance with state rules and regulations; maintains custody of the state's primary standards and keeps an accurate record of all standards and equipment; collects samples of motor fuel that is stored, sold, exposed or offered for sale to determine if such motor fuel meets the required standards; inspects all mandated stage 1 and stage 2 vapor recovery systems in the state to determine if such systems are in compliance with the law.

Agency Summary:

| | (\$ Thousands) | | |
|----------------------------------|-------------------|---------------------|--------------------|
| Program | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
| ➤ GENERAL SERVICES | 1,516.4 | 1,482.5 | 1,807.5 |
| ➤ AIR QUALITY OXYGENATED FUEL | 717.6 | 780.2 | 780.2 |
| ➤ VAPOR RECOVERY | 568.7 | 633.7 | 633.7 |
| Agency Total: | 2,802.7 | 2,896.4 | 3,221.4 |

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 1,194.1 | 1,165.0 | 1,490.0 |
| Other Appropriated Funds | 1,608.6 | 1,731.4 | 1,731.4 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 2,802.7 | 2,896.4 | 3,221.4 |
| FTE Positions | 36.5 | 36.4 | 36.4 |

Strategic Issues:

Issue 1 **Number of retail sites and products is growing faster than the compliance programs.**

As the state continues to expand in both population and retail sites/products, the number of Department investigators needs to be increased to maintain a regulatory presence. The Department has implemented a change from program orientation to a district system for its investigators. In addition, the Department has or will be implementing several measures to increase inspection productivity: (1) continued automation of paperwork (2) implementation of an enhanced RSA program to reduce follow-up inspections (3) initiating a strong corporate education program (4) increasing public awareness, resulting in increased voluntary compliance. Though these innovations will result in increased inspections, they are not enough to keep up with the growth of inspection sites and products.

| WMA 1.0 | Program Summary |
|----------------------------------|-----------------|
| GENERAL SERVICES | |
| Sarah Cornum, Operations Manager | |
| Phone: (602) 771-4927 | |
| A.R.S. §§ 41-2051 et. seq. | |

Mission:

To protect consumers and businesses alike by ensuring a fair and equitable Arizona marketplace, and to promote clean air by regulating petroleum products and dispensing systems throughout the state.

Description:

The Department of Weights and Measures ensures that every commercial device used for the sale of commodities by either weight, measure or count is licensed and accurate for its intended use; ensures, by way of random inspections, that such commodities are properly labeled and priced in conformance with state rules and regulations; maintains custody of the state's primary standards and keeps an accurate record of all standards and equipment.

| Funding and FTE Summary: (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|---|-------------------|---------------------|--------------------|
| General Funds | 1,194.1 | 1,165.0 | 1,490.0 |
| Other Appropriated Funds | 322.3 | 317.5 | 317.5 |
| Other Non Appropriated Funds | 0.0 | 0.0 | 0.0 |
| Program Total | 1,516.4 | 1,482.5 | 1,807.5 |
| FTE Positions | 23.5 | 23.4 | 23.4 |

◆ Goal 1 To meet targeted compliance rates for all major inspection programs.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Number of Fuel Dispensing device inspections. | 15,773 | 22,050 | 22,050 |
| Number of Fuel Dispensing device in compliance. | 97 | 93 | 93 |

◆ Goal 2 To license all retailers who use commercial weighing devices; all weighmasters who certify weight; all companies who install, service, or test weighing and measuring devices.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|-------------------|---------------------|---------------------|
| Total Devices. | 116,989 | 114,000 | 114,000 |
| Average number of days to process applications. | 5 | 5 | 5 |

◆ Goal 3 To improve customer service.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|-------------------|---------------------|---------------------|
| Number of days to respond to consumers that place a complaint with the Department. | 6 | 10 | 10 |

| WMA 2.0 | Program Summary |
|--|-----------------|
| AIR QUALITY OXYGENATED FUEL | |
| Sarah Cornum, Operations Manager | |
| Phone: (602) 771-4927 | |
| A.R.S. §§ 41-2065.(A)(14)(15), (D), (E), 41-2082, and 2121 | |

Mission:

To protect consumers and businesses alike by ensuring a fair and equitable Arizona marketplace, and to promote clean air by regulating petroleum products and dispensing systems throughout the state.

Description:

The Department of Weights and Measures collects samples of motor fuel that are stored, sold, exposed or offered for sale to determine if such motor fuel meets the required standards.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 717.6 | 780.2 | 780.2 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 717.6 | 780.2 | 780.2 |
| FTE Positions | | 5.5 | 5.5 | 5.5 |

- ◆ **Goal 1** To monitor the quality of gasoline and diesel products through the collection and analysis of fuel samples.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|-------------------------|----------------|------------------|------------------|
| Non-CBG samples tested. | 689 | 745 | 745 |
| AzCBG samples tested. | 715 | 800 | 800 |

- ◆ **Goal 2** To expand the use of technology in the fuel sampling and testing process.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Number of samples sent to the laboratory for analysis. | 549 | 345 | 345 |
| Number of samples tested by Zeltex field instrument | 859 | 900 | 900 |

Explanation: Number of samples tested using Zeltex field instrument

| WMA 3.0 | Program Summary |
|---|-----------------|
| VAPOR RECOVERY | |
| Sarah Cornum, Operations Manager | |
| Phone: (602) 771-4927 | |
| A.R.S. §§ 41-2065(A)(4), 41-2131 to 41-2134 | |

Mission:

To protect consumers and businesses alike by ensuring a fair and equitable Arizona marketplace, and to promote clean air by regulating petroleum products and dispensing systems throughout the state.

Description:

The Department of Weights and Measures inspects all mandated stage 1 and stage 2 vapor recovery systems in the state to determine if such systems are in compliance with the law.

| Funding and FTE Summary: | (Thousands) | FY 2011 Actual | FY 2012 Estimate | FY 2013 Request |
|------------------------------|-------------|----------------|------------------|-----------------|
| General Funds | | 0.0 | 0.0 | 0.0 |
| Other Appropriated Funds | | 568.7 | 633.7 | 633.7 |
| Other Non Appropriated Funds | | 0.0 | 0.0 | 0.0 |
| Program Total | | 568.7 | 633.7 | 633.7 |
| FTE Positions | | 7.5 | 7.5 | 7.5 |

- ◆ **Goal 1** To ensure that new vapor recovery systems meet equipment and performance requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|---|----------------|------------------|------------------|
| At least 35% of all the vapor recovery annual test will be witnessed by the Department. | 38 | 50 | 50 |

- ◆ **Goal 2** To ensure that existing vapor recovery systems meet operation and maintenance requirements.

| Performance Measures | FY 2011 Actual | FY 2012 Estimate | FY 2013 Estimate |
|--|----------------|------------------|------------------|
| Percent of facilities inspected annually that are in compliance. | 93 | 89 | 89 |



Glossary

Budget Terms

90/10 Professional and occupational regulatory agencies funded through the collection of fees and the issuance of licenses. These agencies retain 90% of the fees collected annually in separate agency fund accounts and deposit 10% of the fees collected into the *General Fund*.¹

accountability Monitoring, measuring, and evaluating the performance and progress of policies, plans and programs to ensure that results are achieved.

actual expenditures Expenditures made in the prior *fiscal year* as reported in the State of Arizona Annual Financial Report, including *Personal Services*, *Employee-Related Expenditures*, *All Other Operating Expenditures*, and all *special line items* as authorized by the Legislature.

administrative adjustments Adjustments made to reflect expenditures made by an agency after the close of the *fiscal year*. Administrative adjustments include the time period from the close of the 13th month to June 30 of the next fiscal year.

administrative costs Expenses associated with the support, management, and oversight of services delivered pursuant to the agency or program *mission*. Typical administrative costs include those associated with accounting, human resources, budgeting, strategic planning, public information, auditing, executive management, etc.

All Other Operating Expenditures (AOOE) Category of expenditure accounts that include Professional and Outside Services, In-State Travel, Out-of-State Travel, Food, *Other Operating Expenditures*, and *Equipment*.

Annual Budget Unit Agencies that are required, pursuant to Laws 2002, Chapter 210, to submit annual budget requests. There are 17 such agencies; the remaining State agencies are biennial budget units.

annualization An adjustment, made to the current year funding base, that will allow a partially-funded program to operate for a full year or that accounts for a full-year of budget savings due to mid-year reductions.

appropriated fund The Legislatively mandated segregation of funds. It is used and monitored by the *General Accounting Office* as a separate self-balancing set of accounts.

Arizona Administrative Code State agency rules of practice setting forth the nature and requirements of all formal procedures available to the public.

Arizona Financial Information System (AFIS) The statewide accounting system maintained by the Department of Administration.

Arizona Health Care Cost Containment System (AHCCCS) The State's Medicaid program, designed to deliver quality managed health care to qualifying individuals.

Arizona Revised Statutes (A.R.S.) The laws governing the State of Arizona.

baseline budget An adjusted budget base that reflects the current year appropriation, amended to include *standard adjustments* and legally required actions, such as statutorily mandated funding formulas.

below-the-line items Specific expenditure or budgetary accounts that have been singled out through the appropriation process to provide high visibility of expenditure. Also known as *special line items*.

biennial budgeting A process that estimates revenues and expenditures for a two-year period.

block grant Allocations of federal money to a state or its subdivisions in accordance with a distribution formula prescribed by law or administrative regulation, for activities of a continuing nature within a restricted subject area (e.g., social services, maternal and child health, and childcare).

budget A financial plan that estimates the revenues and expenditures for a given period of time. (SEE ALSO: *capital outlay* and *operating budget*).

budget program Functions and activities of a *budget unit* or within a budget unit that are pre-planned to fulfill a distinct *mission*.

budget reform legislation Refers to the provisions contained in Laws 1993, Chapter 252; Laws 1994, Chapter 218; Laws 1995, Chapter 283; Laws 1996, Chapter 339; Laws 1997, Chapter 210; and Laws 2002, Chapter 210.

budget unit A department, commission, board, institution or other State organization receiving, expending, disbursing, or incurring obligations against State funds.

capital outlay Expenditures for upkeep, preservation, development, improvement or acquisition of lands, buildings, or certain associated equipment.

Capital Outlay Stabilization Fund (COSF) A fund into which rent monies collected from agencies occupying State-owned rental space are deposited. Monies are used

¹ Italicized terms are defined in this Glossary.

for facilities operations and maintenance and for other expenditures as appropriated by the Legislature.

categorical eligibility Automatic eligibility for certain federal-State matched public assistance programs, based on criteria established in federal law. Admission to a program (e.g., Medicaid) is mandatory to certain groups of beneficiaries who meet the legal criteria for eligibility to the specified program.

categorical programs A broad category of joint Federal-State public assistance programs that provide financial assistance to individuals or that may subsidize a particular activity (e.g., Medicaid pays for medical services on behalf of certain groups of low-income persons).

certificate of participation (COP) A financing tool used by the State for the acquisition and construction of State facilities.

classification salary adjustment (CSA) The review of positions within a specific class to determine whether a change in class or salary is warranted. A CSA is conducted by the Human Resources Division of the Department of Administration.

comptroller object code A four-digit code used within the statewide accounting system to identify the detailed revenue or expenditure account affected by a transaction; the lowest level in the object structure.

continuing appropriation An appropriation that is authorized beyond the end of a fiscal year without further Legislative action, period after period, until altered or revoked or liquidated by expenditure.

cost center The allocation of resources by functional area within an agency.

current services budget A financial plan that incorporates the *base budget* needs of an agency and the addition of funding to support demographic growth in client caseloads and workload functions.

decision package A funding request made by State agencies.

detail fund A fund designation used in the statewide accounting system to segregate agency-specific activity. The balance of an *appropriated fund* is comprised of the sum of all of its detail funds.

Disproportionate Share Hospital (DSH) A hospital that serves a disproportionate share of low-income and Medicaid patients, thereby qualifying for federal aid pursuant to Section 1923 of the Social Security Act. The federal basis for payments is either a reflection of a hospital's number of Title XIX in-patient days or a "low-income" utilization rate. States may also establish optional payment categories. Arizona has established optional groups that include county, State and private hospitals.

Employee-Related Expenditures (ERE) The State's contribution to an employee's benefit package. ERE include FICA; retirement; Worker's Compensation; health, dental, and life insurance; unemployment insurance; Personnel Division charges; information technology charges; and uniforms for certain classes of employees.

entitlement programs A broad category of categorical public assistance programs that provide services (e.g., cash assistance, medical services, etc.) to certain population groups (e.g., low-income families with minor children). Admission is often mandatory for qualified individuals who meet the legal eligibility criteria (e.g., individuals who are low-income and aged, blind or disabled), hence the reference "entitlement."

equipment In the operating budget, a specific item of expenditure divided into capitalized equipment (purchased for \$5,000 or more) and non-capitalized equipment (usually between \$300 and \$4,999).

ERE rate The quotient of *Employee-Related Expenditures* and *Personal Services* expressed as a percentage.

expansion populations Persons who have annual incomes of not more than 100% of the *Federal Poverty Level* and that qualify for AHCCCS benefits due to the expansion of eligibility as a result of Proposition 204.

Executive Issue An adjustment to the prior-year appropriation to change the scope of current programs or service levels.

expenditures See *actual expenditures*.

federal budget neutrality A concept intended to ensure that a waiver cannot be expected to cost the federal government more than it would have cost without the waiver. Arizona is subject to "federal budget neutrality" as part of its 100% of FPL waiver. The waiver is for a five-year period that began on October 1, 2006, and expires September 30, 2011.

federal funds Amounts collected and made available to the State by the federal government, usually in the form of *categorical* or *block grants*, and *entitlements*.

Federal Insurance Contribution Act (FICA) Requires employees and employers to make matching contributions into the Social Security fund.

Federal Poverty Level (FPL) Refers to the poverty guidelines, in relation to income standards, as updated annually in the FEDERAL REGISTER by the U.S. Department of Health and Human Services.

Federal Waiver Program Experimental, pilot, or demonstration projects that, in the judgment of the Secretary of the U.S. Department of Health and Human Services, are likely to assist in promoting the objectives of

the Medicaid Statute. Projects approved under this authority are referred to as “waiver” programs.

fiscal year The State’s yearly accounting period beginning July 1 and ending June 30. (The federal fiscal year begins October 1 and ends September 30.)

full-time equivalent (FTE) position A position budgeted at 2,080 hours per year.

fund An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities, which are segregated for the purpose of carrying on specific activities in accordance with limitations, restrictions or regulations.

fund balance The excess of the assets of a fund over its liabilities and reserves.

General Accounting Office (GAO) A division of the Department of Administration that provides diverse statewide financial services and ensures compliance with related *statutes* and rules.

General Fund The primary State account into which monies are collected for the general purposes of government. The primary sources of revenues for the General Fund include sales taxes, income taxes, and property taxes. The General Fund is also the major expenditure source from which agencies make payments for specified purposes.

grant anticipation note (GAN) A federal finance tool involving bonding that can be issued by the State Transportation Board. The issuance of a GAN allows the State to fund and accelerate highway construction projects with anticipated federal monies.

inflation An allowance made for an increase in price levels of operating expenditures from one *fiscal year* to the next.

input A *performance measure* that identifies the amount of resources needed to provide particular products or services.

Joint Committee on Capital Review (JCCR) Created by Laws 1986, Chapter 85, to establish the Building Renewal Formula, approve the creation of Building Systems, and review the State Capital Improvement Plan. The JCCR is also responsible for reviewing all construction projects before commencement of the project. The JCCR consists of the following 14 members of the Legislature: Chairs of the House and Senate Appropriations Committees, majority and minority leaders from the House and Senate, four members of the House Appropriations Committee, and four members of the Senate Appropriations Committee.

Joint Legislative Budget Committee (JLBC) A Legislative committee consisting of the following 16 members of the Legislature: Majority Leaders of both the House and Senate, Chairs of both the House and Senate Appropriations Committees, Chair of the Senate Finance Committee, Chair of the House Ways and Means Committee, five members of the House Appropriations Committee, and five members of the Senate Appropriations Committee. The JLBC meets as often as is necessary to transact business related to fiscal management of the State’s resources.

Joint Legislative Budget Committee Staff The Legislative counterpart to the Governor’s *Office of Strategic Planning and Budgeting (OSPB)*. The Joint Legislative Budget Committee Staff is often referred to as the JLBC but should not be confused with the legislative committee of the same name. The JLBC Staff prepares an analysis of the Executive Budget as soon as it is presented to the Legislature. The analysis includes the JLBC Staff’s recommendations for revisions in expenditures.

Joint Substance Abuse Treatment Program (JSAT) Also known as “Arizona Families First,” JSAT is a substance abuse program jointly administered by the Department of Economic Security and the Department of Health Services. The program pays for services to parents, guardians or custodians whose substance abuse is a significant barrier to preserving the family. Services can also be provided to federal TANF Block Grant recipients whose substance abuse is a significant barrier to obtaining or maintaining employment.

KidsCare The State Children’s Health Insurance Program (SCHIP), created by the passage of the Federal Balanced Budget Act of 1997, and intended to reduce the number of uninsured low-income children nationwide. Administered by AHCCCS, KidsCare is Arizona’s response to SCHIP. KidsCare, which was implemented November 1, 1998, is for children up to age 18 whose household incomes exceed the Title XIX eligibility limits but are below 200% of the *Federal Poverty Level (FPL)*.

lapsing appropriation An appropriation that terminates automatically. Except for *continuing appropriations*, an appropriation is made for a certain period of time, generally one fiscal year. At the end of this period (including an *administrative adjustment period*), unexpended or unencumbered balances revert to the fund from which the appropriation was made. Also known as a “reverting appropriation.”

line item appropriation A method of appropriation that separates the budget into specific objects of expenditure. The specific items include *Personal Services, ERE, Professional and Outside Services, In-State Travel, Out-of-State Travel, Food, Other Operating Expenditures, and Equipment*.

lump-sum appropriation An appropriation made for a stated purpose, or for a named department, without specifying further the amounts that may be spent for specific activities or for particular objects of expenditure.

Master List *Budget reform legislation* requires OSPB to publish a list of programs run by or overseen by State government. Laws 2002, Chapter 210 slightly changed the format of the Master List and designated this annual submittal as the operational plan for State agencies and conformed to the budget cycles. Required information for each agency, program, and subprogram includes the agency description, *mission* statement, strategic issues, and financial and FTE position information, as well as the description, *mission* statements, goals, and *performance measures* for all programs and subprograms.

means-tested program Eligibility to a public assistance program restricted by an applicant's income or other resources specified by law. Resources include bank accounts and similar liquid assets as well as real estate, automobiles and other personal property whose value exceeds specified financial limits.

mission A brief, comprehensive statement of purpose of an agency, program, or subprogram.

modified lump-sum appropriation A method of appropriation in which *Personal Services*, *Employee-Related Expenditures*, *All Other Operating Expenditures* and *below-the-line items* are specified in the appropriations bill.

modified standard adjustment The difference, as calculated by the agency, between the actual *Personal Services* base and the amount allocated for Personal Services by the agency in its expenditure plan. Any amount identified as a modified standard adjustment must be explained by the agency requesting the adjustment.

non-appropriated funds Generally, funds set up as enterprise or revolving funds. These funds have expenditure authority granted by statute, constitution, or ballot and, typically, are not subject to the annual or biennial appropriation process.

non-lapsing appropriation An appropriation that does not revert so that the expenditure authority continues beyond the end of the *fiscal year*, as provided by law. (SEE ALSO: *continuing appropriation*).

object code Refers to the accounting code structure of the Arizona Accounting Manual.

objectives Specific and measurable targets for accomplishing goals.

Office of Strategic Planning and Budgeting (OSPB) A State agency charged with preparing the Governor's budget guidelines and the Executive Budget Recommendation for review by the Governor. The Office also facilitates a strategic planning process for State government and is responsible for implementing many of the provisions of *budget reform legislation*. The OSPB staff is the Executive counterpart to the JLBC Staff.

one-time adjustments Budget adjustments that must be made because of a one-time circumstance that is not continued through the next *fiscal year*. The end of a project would bring about a one-time decrease the following year.

operating budget A plan of all proposed expenditures other than capital expenditures (SEE *capital outlay*). An operating budget is composed of various objects of expenditure, such as *Personal Services*, *ERE*, In-State Travel, etc.

operational plan A practical, action-oriented guide that directs goal-setting to achieve meaningful results with the existing resources through the shorter budget cycle period. The operational plan should provide incremental steps towards achieving the strategic long-range plan. (SEE ALSO: *Master List*).

Other Appropriated Funds All amounts, excluding *General Fund* amounts, appropriated by the Legislature for pre-determined uses. These include Special Revenue Funds, revolving funds, etc.

Other Operating Expenditures According to the ARIZONA ACCOUNTING MANUAL, everything using a comptroller object code of 7000. This refers to operating expenditures necessary to operate a budget unit, e.g., office supplies, utilities, communication, etc.

outcome A *performance measure* that reflects the actual results achieved, as well as the impact or benefit, of a program.

output A *performance measure* that focuses on the level of activity in a particular program or subprogram.

per diem compensation Compensation paid to board or commission members for their work. Per diem compensation is a daily rate set statutorily.

per diem travel Cost of meals and incidentals reimbursed to employees and board or commission members.

performance accountability A means of judging policies and programs by measuring their progress toward achieving agreed-on *performance targets*. Performance accountability systems are composed of three components: defining performance measures (including outcomes), measuring performance and reporting results.

performance measures Used to measure results and ensure accountability. (SEE ALSO: *input*, *output*, *outcome*, and *quality*).

performance targets Quantifiable estimates of results expected for a given period of time.

personal services Line item of expenditure for salaries and wages paid to employees, elected officials and board or commission members. Payments for leave categories, overtime and other miscellaneous earnings are also recorded in this line item.

privately owned vehicle (POV) Those miles to be used in calculating reimbursement of staff for use of private vehicles on State business.

privatization The opening of government markets allowing for equitable competition between the private and public sectors for the privilege of delivering services to the public.

program budgeting A budget system that focuses on program *missions*, program achievements, and program cost effectiveness. Pursuant to *statute*, the *program structure* for program budgeting is governed by *The Master List of State Government Programs* structure. Program budgeting is linked to planning and *accountability* through alignment of the structures and merging of the planning and budget information.

program enhancement An upward revision in the funding level of a specific program in order to enhance the level of services being provided by that program.

program structure An orderly, logical arrangement of an organization's programs and subprograms. This structure provides the framework for planning, budgeting and strategic program authorization review.

Proposition 204 Medical Program A voter-approved AHCCCS program that expands eligibility to include individuals whose annual incomes are at or below 100% of the *Federal Poverty Level (FPL)*. The program is funded through monies received by the State from the tobacco litigation settlement tobacco tax funds and the State General Fund.

quality A *performance measure* that reflects the effectiveness in meeting the expectations of customers and stakeholders.

receipts Unless otherwise defined, cash received. There are five general categories of receipts: taxes, licenses and permits, charges for services, fines and forfeitures, and other receipts that do not fall into another category.

resource allocation Determination and allotment of resources or assets necessary to carry out strategies within the priority framework established in the goal-setting process.

revenue Additions to assets that do not increase any liability, do not represent the recovery of an expenditure, do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in

assets, or do not represent contributions of fund capital in Enterprise and Intergovernmental Service Funds.

risk management The charges assessed by the Department of Administration to guard against the risk of loss by an employee or agency acting on behalf of the State of Arizona.

special line items See *below-the-line items*

standard adjustments The most basic changes made to the current year's appropriation as part of arriving at the new year's *baseline budget*. Examples of standard adjustments include *annualization* of programs partially funded during the previous year; rent, risk management, or employee-related expenses adjustments; and reversing one-time increases and decreases enacted the previous year.

State service All offices and positions of employment in State government except those specifically exempted by law from the State personnel system.

statute A written law, either new or revised, enacted by the Legislature and signed by the Governor.

strategic management Process of positioning an organization so it can prosper in the future. The overall framework within which policy development, planning, budgeting, program implementation, and evaluation and *accountability* take place.

strategic plan A visionary guide, based on an examination of internal and external environmental and political factors, that directs goal-setting and future resource requirements to achieve meaningful *results* over time. Strategic projections are long-range and usually cover a five-year period.

Strategic Program Authorization Review (SPAR) A formal review of selected State government programs, *subprograms* or crosscutting functions. The SPARs determine if programs are retained, eliminated or modified.

subprogram An integral component of a program that can be separately analyzed to gain a better understanding of the larger program.

tracking systems Systems that monitor progress, compile management information, and keep goals on track.

uniform allowance An amount budgeted for specific agencies for the cost of uniforms.

vacancy savings Savings generated by not filling vacant positions, by not filling newly authorized positions, or by filling a vacant position at a lower grade or step. Vacancy savings cannot be expended for any of the following purposes without the approval of the Director of the Depart-

ment of Administration: merit increases for State employees, funding for reclassified positions, or the creation of new positions that exceed the total number of authorized *FTE*, as approved by the Legislature.

Acronyms

| | | |
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| A.R.S. Arizona Revised Statutes | AOOE All Other-Operating Expenditures | CJEF Criminal Justice Enhancement Fund |
| AAC Arizona Administrative Code | AOT Arizona Office of Tourism | CLIA Clinical Lab Inspections Act |
| ABOR Arizona Board of Regents | APP Aquifer Protection Permit | CMDP Comprehensive Medical and Dental Plan |
| ACJC Arizona Criminal Justice Commission | APS Adult Protective Services | CMR Classification Maintenance Review |
| ACJIS Arizona Criminal Justice Information System | ARF Automation Revolving Fund | COP Certificate of Participation |
| ACPE Arizona Commission for Postsecondary Education | ARRT American Registry of Radiological Technologists | COSF Capital Outlay Stabilization Fund |
| ACW Arizona Center for Women | ASDB Arizona School for the Deaf and the Blind | CPS Child Protective Services |
| ADA Americans with Disabilities Act | ASH Arizona State Hospital | CRIPA Civil Rights of Institutionalized Persons Act |
| ADC Arizona Department of Corrections | ASPC Arizona State Prison Complex | CRS Children's Rehabilitative Services |
| ADE Arizona Department of Education | ASRS Arizona State Retirement System | CSMS Combined Support Maintenance Shop |
| ADJC Arizona Department of Juvenile Corrections | ASU Arizona State University | CSO Correctional Service Officer |
| ADM Average Daily Membership | ATA Automobile Theft Authority | CWA Clean Water Act |
| ADMIN Administration | ATDA Arizona Technology Development Authority | CWRF Clean Water Revolving Fund |
| ADOA Arizona Department of Administration | AVSC Arizona Veterans' Service Commission | DACS Division of Aging and Community Services |
| ADOT Arizona Department of Transportation | AZAFIS Arizona Automated Fingerprint Identification System | DBME Division of Benefits and Medical Eligibility |
| ADP Average Daily Population | AZGS Arizona Geological Survey | DCFS Division of Children and Family Services |
| AERB Agriculture Employment Relations Board | BIFO Border Infrastructure Finance Office | DD Dually Diagnosed or Developmentally Disabled |
| AFDC Aid for Families with Dependent Children | CAE Commission on the Arizona Environment | DDD Division of Developmental Disabilities |
| AFIS Arizona Financial Information System | CAP Child Abuse Prevention | DDSA Disability Determination Services Administration |
| AFUND Appropriated Fund | CBHS Children's Behavioral Health Services | DEA Drug Enforcement Account |
| AG Attorney General | CCDF Child Care Development Fund | DEMA Department of Emergency and Military Affairs |
| AGFD Arizona Game and Fish Department | CEDC Commerce and Economic Development Commission | DEQ Department of Environmental Quality |
| AHCCCS Arizona Health Care Cost Containment System | CERF Collection Enforcement Revolving Fund | DERS Division of Employment and Rehabilitative Services |
| AHS Arizona Historical Society | CHC Community Health Center | DES Department of Economic Security |
| AIDA Arizona International Development Authority | CHILDS Children's Information Library and Data Source | DHS Department of Health Services |
| ALTCS Arizona Long-Term Care System | CIS Client Information System | DJC Department of Juvenile Corrections |

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| DOA Department of Administration | GIITEM Gang and Immigration Intelligence Team Enforcement Mission | MARS Management and Reporting System |
| DOI Department of Insurance | | |
| DOR Department of Revenue | GITA Government Information Technology Agency | MD Multiply Disabled |
| DPS Department of Public Safety | H.B. House Bill | MDSSI Multiply Disabled Severely Sensory Impaired |
| DSH Disproportionate Share Hospital | HAP Hazardous Air Pollutant | MEDICS Medical Eligibility Determinations and Information Control System |
| DUI Driving Under the Influence | HCBS Home and Community Based Services | MIPS Million Instructions Per Second or Medicaid in the Public Schools |
| DWR Department of Water Resources | HMO Health Maintenance Organization | MIS Management Information System |
| EAC Eligible Assistance Children | HRMS Human Resource Management System | MNMI Medically Needy Medically Indigent |
| EDP Electronic Data Processing | HURF Highway User Revenue Fund | MVD Motor Vehicle Division |
| EEO Equal Employment Opportunity | IGA Intergovernmental Agreement | NADB North American Development Bank |
| ELIC Eligible Low-Income Children | IHS Indian Health Service | NAFTA North American Free Trade Agreement |
| EMS Emergency Medical Services | IM 240 Inspection and Maintenance 240 Second Emission Test | NAIC National Association of Insurance Commissioners |
| EMSCOM Emergency Medical Services Communications | IOCC Inter-State Oil Compact Commission | NAU Northern Arizona University |
| EMSOF Emergency Medical Services Operating Fund | IRM Information Resource Management | NLCIFT National Law Center for Inter-American Free Trade |
| EPA Environmental Protection Agency | IRMG Information Resource Management Group | NRCD Natural Resource Conservation District |
| EPSDT Early and Periodic Screening, Diagnostic, and Treatment | ISD Information Services Division | OAH Office of Administrative Hearings |
| ERE Employee-Related Expenditures | ISP Institutional Support Payments | OGCC Oil and Gas Conservation Commission |
| FES Federal Emergency Services | IT Information Technology | OPM Office of Pest Management |
| FFP Federal Financial Participation | ITAC Information Technology Authorization Committee | OSHA Occupational Safety and Health Administration |
| PHAMIS Family Health Administration Management Information System | JCCR Joint Committee on Capital Review | OSPB Office of Strategic Planning and Budgeting |
| FICA Federal Insurance Contribution Act | JCEF Judicial Collection Enhancement Fund | PAS Prior Authorization Screening |
| FMAP Federal Matching Assistance Payments | JLBC Joint Legislative Budget Committee | PASARR Pre-admission Screening and Annual Resident Review |
| FMCS Financial Management Control System | JOBS Job Opportunity and Basic Skills | PDSB Phoenix Day School for the Deaf |
| FPL Federal Poverty Level | LAN Local Area Network | PERIS Public Employee Retirement Information System |
| FTE Full-Time Equivalent | LES Licensing and Enforcement Section | POV Privately Owned Vehicle |
| FTF First Things First (Early Childhood Development and Health Board) | LGIP Local Government Investment Pool | PRWORA Personal Responsibility and Work Opportunity Reconciliation Act of 1986 |
| GAAP Generally Accepted Accounting Principles | LTC Long Term Care | |
| GADA Greater Arizona Development Authority | MAG Maricopa Association of Governments | PS Personal Services |
| GAO General Accounting Office | MAO Medical Assistance Only | |
| GDP Gross Domestic Product | | |

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| PSPRS Public Safety Personnel Retirement System | SES State Emergency Services | UAHSC University of Arizona Health Sciences Center |
| QMB Qualified Medicare Beneficiary | SFB School Facilities Board | USAS Uniform Statewide Accounting System |
| RARF Regional Area Road Fund | SLI Special Line Item | USGS United States Geological Survey |
| RCF Registrar of Contractors Fund | SLIAG State Legalization Impact Assistance Grant | UST Underground Storage Tank |
| REDI Rural Economic Development Initiative | SMI Serious Mental Illness or Seriously Mentally Ill | VA Veterans Affairs |
| REM Retain, Eliminate or Modify | SOBRA Sixth Omnibus Budget Reconciliation Act | VEI Vehicle Emission Inspections |
| RIF Reduction-in-Force | SPAR Strategic Program Authorization Review | VI Visually Impaired |
| RMIS Risk Management Information System | SPO State Purchasing Office | VR Vocational Rehabilitation |
| RTC Residential Treatment Center or Return to Custody | SPU Special Population Unit | VRIRF Victims' Rights Implementation Revolving fund |
| RUCO Residential Utility Consumer Office | SR&E Securities Regulation and Enforcement | WAN Wide Area Network |
| S.B. Senate Bill | SSI Supplemental Security Income | WATS Wide Area Telephone System |
| SAMHC Southern Arizona Mental Health Center | SSIG State Student Incentive Grant | WFRJT Work Force Recruitment and Job Training |
| SAVE Systematic Alien Verification for Entitlements | SSRE State Share of Retained Earnings | WIA Workforce Investment Act Federal Block Grant |
| SBAC Small Business Assistance Center | SWCAP Statewide Cost Allocation Plan | WICHE Western Interstate Commission on Higher Education |
| SBCS State Board for Charter Schools | T&R Title and Registration | WIFA Water Infrastructure Finance Authority |
| SBE State Board of Education | TANF Temporary Assistance for Needy Families | WIPP Work Incentive Pay Plan |
| SBIR Small Business Innovative Research | TB Tuberculosis | WPF Water Protection Fund |
| SBOE State Board of Equalization | TCC Transitional Child Care | WQAB Water Quality Appeals Board |
| SCHIP State Children's Health Insurance Program | TDD Telecommunication Devices for the Deaf | WQARF Water Quality Assurance Revolving Fund |
| SDWA Safe Drinking Water Act | TIFS Tourism Investment Fund Sharing | |
| SDWRF Safe Drinking Water Revolving Fund | TPO Telecommunications Program Office | |
| | UA University of Arizona | |